



Necessity or Luxury?

***Supporting Nebraskans
with Intellectual and
Developmental Disabilities
to Join the Workforce and
Contribute to Nebraska's
Economy***

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NECESSITY OR LUXURY?

Supporting Nebraskans with Intellectual and Developmental Disabilities to Join the Workforce and Contribute to Nebraska's Economy

EXECUTIVE SUMMARY

This report summarizes the methods and findings of a study undertaken to assess and better understand current employment outcomes for people with intellectual and developmental disabilities (IDD) in the State of Nebraska. This study also included a focus on gaining a comprehensive understanding of the history of policy, practice and outcomes leading up to the current situation. Overall, the study was undertaken to identify strategic recommendations that the State of Nebraska and other key stakeholders can consider for implementation to improve employment opportunities and outcomes for Nebraskans with IDD.



When considering why the State of Nebraska and key stakeholders for people with IDD should prioritize improving competitive integrated employment opportunities and outcomes at this time, the unprecedented labor shortage facing the State of Nebraska and its business community cannot be ignored, with scores of entry-level positions going unfilled or unreliably filled due to high turnover rates. The combination of record labor force participation and record unemployment has created the serious shortage of workers to grow the state economy further. The labor force shortage is fast becoming the “single most important” issue facing Nebraska. The lack of workers will slow economic growth according to Christopher Decker, an economist with the University of Nebraska at Omaha.¹ The shortage isn’t limited to one industry, sector or level of worker. Businesses struggling realize “there's many causes and there's going to have to be multiple solutions.”² While there is no single solution to this incredible challenge to the state’s economic growth goals, there is a clear need to embrace strategies that have not received serious

¹ Source: Omaha World Herald Jan 20, 2022.

² Source: <https://nebraskapublicmedia.org/ja/news/news-articles/number-one-business-problem-labor-woes-continue-in-nebraska/> retrieved December 3, 2022.

consideration or investment in the past, which includes ***enabling people with IDD to become part of the Nebraska workforce.***

People with IDD are considered to have some of the most significant impacts of disability, as compared to the broader population of individuals with disabilities in our country. For people with IDD, access to **Supported Employment** services is typically considered essential to obtain and maintain competitive integrated employment. Indeed, Supported Employment was originally developed for this population.³ Thus, lack of access to these services and/or lack of utilization of these services can almost certainly be primary explanations for low labor force participation rates among people with IDD. Looking back as far as 2010, evidence suggests Supported Employment services⁴ to support the participation of Nebraskans with IDD in competitive integrated employment have been used in a very limited way by individuals with IDD. This low utilization appears to be the case even though, over the years, elements of Supported Employment could, under the Medicaid waivers,

be authorized and provided in a variety of ways and under a number of service categories.⁵

Information gathered from key informants and through review of available public information led to identification of the primary barriers to significant expansion of Supported Employment services and in turn, competitive integrated employment opportunities for Nebraskans with IDD. The following were identified as key barriers to the significant expansion of Supported Employment services for people with IDD:

- The perception of people with IDD in the broader community and among Nebraskan employers
- Expectations of people with IDD within publicly funded service systems that serve people with IDD
- Lack of effective strategies in person-centered planning for individuals with IDD and their families/guardians to facilitate informed choice about competitive integrated employment
- No clear incentives but clear disincentives for Nebraskans with IDD to choose competitive integrated employment
- Historically restrictive policies governing the availability and provision of Supported Employment services with some key restrictions still remaining

³ Supported Employment was first identified and defined in the *Developmental Disabilities Act of 1984* as “Paid employment which (i) is for persons with developmental disabilities for whom competitive employment at or above the minimum wage is unlikely and who, because of their disabilities, need ongoing support to perform in a work setting...”. See: <https://www.congress.gov/bill/98th-congress/house-bill/5603> retrieved December 21, 2022.

⁴ Prior to 2011, Supported Employment service, funded through Medicaid for Nebraskans with IDD, was called Integrated Community Employment (ICE). From January, 2011, ICE became a sub-category under Day Habilitation service although ICE continued to be the service title associated with Supported Employment.

⁵ In the IDD Medicaid waivers, over the years since 2010, elements of Supported Employment services could be provided under Integrated Community Employment (ICE), Day Habilitation (Day Supports) and Community Living services.

- The blurry intersection of Vocational Rehabilitation (VR) and Medicaid waivers in the provision of Supported Employment services to people with IDD
- Implementation of Supported Employment services does not always follow best practices
- Perceptions about the cost of Supported Employment and its lack of cost-effectiveness as a service option for people with IDD

Each of these barriers is discussed in detail in this report. Additionally, the results of data collection for individuals with IDD already working in competitive integrated employment are presented and discussed. These results illustrate the outcomes of Supported Employment services. Analysis of the cost-effectiveness of Supported Employment services is also presented. Common assumptions about the level of job coaching individuals with IDD require to maintain competitive integrated employment are compared to the results of data collected on just under 200 individuals with IDD currently working. These individuals collectively worked over 12,000 hours in the eight-week period for which data was collected during 2022. They received job coaching only 43.7% of the hours they worked. This translates into an average job coaching cost per hour of Supported Employment (an hour working in competitive integrated employment instead of alternative services) that is less than half of the reimbursement rate typically paid for an hour of job coaching services.

These promising outcomes are occurring despite the fact that the predominant reimbursement structure for job coaching services is fee-for-service, a payment methodology that incentivizes the opposite of what constitutes best practice in the delivery of Supported Employment services. Additionally, these outcomes are occurring despite the fact that, **while the history of Supported Employment services in Nebraska is not significantly dissimilar to other states, Nebraska’s history does not yet include a truly comprehensive, intentional and visible effort involving key partner state agencies and key stakeholder partners acting together on a comprehensive shared plan, using resources of all partners in a coordinated way.** Where efforts like this are evident in other states, more progress has been made on increasing and sustaining competitive integrated employment outcomes.

Nebraska has a significant opportunity at this particular point in history because of the positive relationships between leadership in the key state agencies, an unprecedented need and opportunity for individuals with IDD to join the general workforce, and the availability of Supported Employment services that, with key changes to improve access, effectiveness, and to further improve cost-effectiveness, could deliver the improved outcomes desired.

RECOMMENDATIONS FOR CONSIDERATION

1. Develop a collaborative plan among all key partners to more strongly and intentionally promote, to employers and the general public, the value of individuals with IDD as members of Nebraska's workforce.
2. Stakeholders, with leadership from key state agencies and other organizations, should collectively seek the new Governor's involvement in promoting the value of individuals with IDD as members of Nebraska's workforce with Nebraska's business and industry groups and employers.
3. Advance the State of Nebraska as a model employer, by intentionally developing competitive integrated employment opportunities for people with disabilities including people with IDD.
4. Nebraska VR And DDD should update and expand their current memorandum of understanding (MOU).
5. Ensure uninhibited access to publicly funded Medicaid HCBS Waiver Supported Employment services for eligible individuals with IDD, when the needed service(s) are not timely available through Nebraska VR (or if a student is still in high school, through special education services funded under IDEA).
6. Promote uninhibited, equitable access to publicly funded Vocational Rehabilitation Supported Employment Services for People with ID/DD⁶
7. Public funders of Supported Employment services should collaborate to ensure effective Supported Employment practices by implementing competency-based qualification and/or training expectations for staff delivering Supported Employment services.
8. Reach youth with IDD early, focus on increasing competitive integrated employment (CIE) post-secondary outcomes in Individualized Educational Plans, and promote the use of peer mentors to seed the expectation of a working life in adulthood
9. Identify available short-term funding that can be invested in the provider network and workforce which can support increased opportunities for competitive integrated employment for people with IDD
10. Engage key informants for this study in a one-day summit to discuss this study's findings and recommendations, and determine what consensus can be reached about how a collaborative initiative could move forward to increase competitive integrated employment outcomes for Nebraskans with IDD
11. Maintain commitment to evolving the comprehensive strategy over time.

⁶ Public Consulting Group. *Nebraska Vocational Rehabilitation Services Provider Town Hall Supported Employment Service Rates* (June 17, 2022).

INTRODUCTION

This report summarizes the methods and findings of a study undertaken to assess and better understand current employment outcomes for people with intellectual and developmental disabilities (IDD) in the State of Nebraska. The study also included a focus on gaining a comprehensive understanding of current competitive integrated employment opportunities and outcomes for Nebraskans with IDD.

Overall, this study was undertaken to identify strategic recommendations that the State of Nebraska and other key stakeholders can consider for implementation to improve employment opportunities and outcomes for Nebraskans with IDD. As asserted by the Directors of the Nebraska Division of Developmental Disabilities⁷ (DDD) and Nebraska Vocational Rehabilitation (VR), facilitating Nebraskans with IDD joining the workforce makes a positive impact on the Nebraska economy and people with IDD themselves, and now, more than ever, can help address the plight of many of the state's employers who cannot find the workers they need.

This comprehensive study was funded and supported by the Nebraska Council on Developmental Disabilities, with additional support for data collection from the Nebraska

DDD, Nebraska VR, and the Nebraska Association of Service Providers. The views expressed in this report are those of the author and team that carried out the study.

This study focuses specifically on strategies to increase opportunities for Nebraskans with IDD to work in **competitive integrated employment**, which is defined by the United States Congress in the federal Workforce Innovation and Opportunity Act (WIOA) as work that is performed on a part-time or full-time basis for which an individual is:

- Compensated at or above minimum wage and comparable to the wage paid to employees without disabilities performing similar duties and with similar training and experience
- Receiving the same level of benefits provided to other employees without disabilities in similar positions
- At a location typically found in the community (not specifically established for people with disabilities) where the employee interacts with other individuals without disabilities (e.g., co-workers, customers) to the same extent as employees without disabilities in the same or similar positions; and
- Able to access opportunities for advancement, similar to other employees without disabilities in similar positions.

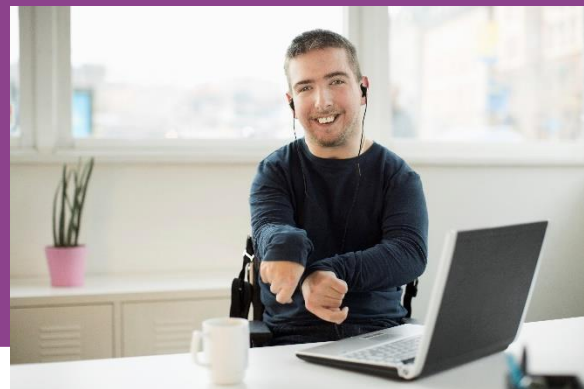
Source: Public Law 113–128, §1(a), July 22, 2014, 128 Stat. 1425
Federal Regulation 34 CFR §361.5

⁷ Nebraska DHHS News Release (October 26, 2021). Finding Dedicated Workers During Record Low Unemployment Rates. See: <https://dhhs.ne.gov/Pages/Finding-Dedicated-Workers-During-Record-Low-Unemployment-Rates.aspx> retrieved November 1, 2022.

To clarify further, competitive integrated employment involves a person with a disability working in an individualized position, not as part of a group of people with disabilities working together (sometimes referred to as an “enclave”). Additionally, providers of support services for people with disabilities do not act as employers in competitive integrated employment situations. Instead, the person with a disability is employed by the place they work in the same way workers without disabilities filling similar positions are employed there. In competitive integrated employment, the focus is not having people with disabilities work in places operated by disability service providers; but rather assisting people to join the general workforce and work in businesses and organizations that exist for purposes other than providing services to people with disabilities.

Competitive integrated employment includes Supported Employment positions, Customized Supported Employment positions, and Supported Self-Employment that meet federal criteria. Supported Employment uniquely leverages key publicly funded programs to intentionally partner with Nebraska businesses to bring people with disabilities into Nebraska’s workforce. The aim of Supported Employment is to meet employer’s workforce needs by supporting people with disabilities to identify and use their abilities as workers in the state’s general workforce. Supported Employment is a set of strategies and

services that can be financed by both the Vocational Rehabilitation and Medicaid programs. But what sets Supported Employment apart from most all other publicly funded disability services is that Supported Employment is a partnership with employers, enabling individuals with disabilities to achieve maximum levels of productivity, independence, self-reliance and economic self-sufficiency through employment in the mainstream workforce.



Customized Supported Employment is a designed or created employment position that matches the specific abilities of a worker with a disability with the needs of the employer that is hiring the person, making it a win-win situation for both. While this type of customization is common practice among many employers post-hire⁸, once the employer better understands the employee’s particular strengths, interests and abilities in light of the employer’s needs, Customized Employment for people with disabilities is negotiated prior to

⁸ Cantrell, Susan and Smith, David. (2010) *Workforce of One: Revolutionizing Talent Management Through Customization*. Harvard Business Review Press.

hire in order to ensure the best possible job match and outcomes for the employer and employee. True Customized Supported Employment is **not traditional job carving** which is an historical approach to Supported Employment that identifies existing open jobs and negotiates with the employer to carve out the tasks the jobseeker with a disability cannot perform. Traditional job carving has not produced good outcomes for employers, leaving them with tasks they don't have an employee to perform. Traditional job carving has also not produced good outcomes for supported employees, limiting their paid work

hours and creating the perception they are delivering less value than workers without disabilities.

Regarding Supported Self-Employment, in order for this option to be considered competitive integrated employment, federal implementing regulations state that the self-employment must “yield 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”.



STUDY TEAM

Lisa A. Mills, Ph.D. – Dr. Lisa Mills is a consultant who has worked in the field of intellectual and developmental disabilities for 33 years. Her work on competitive integrated employment spans the last 21 years, beginning with grassroots efforts as part of her role supporting the People First self-advocacy movement and culminating in extensive work over the last 17 years with federal agencies and state Medicaid and VR agencies on a broad range of systems change strategies to support the expansion of competitive integrated employment for youth and adults with IDD. States that Dr. Mills has worked with include Colorado; Iowa, Ohio; Michigan; Wisconsin; Oregon; Tennessee; Maine; Kansas; the District of Columbia; North Carolina and Alabama.

Carrie Rydberg – With over 12 years of experience in areas related to Medicaid Home and Community-Based Services, including previous roles in Enrollment Coordination and Member Liability, Carrie Rydberg is currently an Operational Analyst for Inclusa, the largest managed long-term services and supports organization in Wisconsin, with nearly 8,000 members with IDD. Rydberg supports Inclusa’s Employment & Community Connections team, which includes acting as lead data analyst for the comprehensive employment outcomes and services data set and supporting employment service provider data reporting to maintain a continuous focus on use of data to drive quality improvement and provider success.

Dennis Brauer – After a career of more than 32 years with Iowa Vocational Rehabilitation, Dennis Brauer joined Inclusa to work in the Wisconsin Medicaid long-term services and supports system. During the past nine plus years, Brauer’s main responsibilities have been in Employment Services, including consultation and technical assistance with employment service providers. He focuses on provider relations, provider contracting, provider transformation, implementation of outcome-based payment methodology and rates for individualized Supported Employment services.

Marci Griesbach – Marci Griesbach is A Community Resources, Employment and Provider Relations Senior Manager leading the Employment & Community Connections team for Inclusa, which has roughly 10,000 working-age members. Griesbach previously worked for ten years as an Employment Specialist for the University of Wisconsin Stout Vocational Rehabilitation Institute (SVRI), a vocational provider for the Wisconsin Vocational Rehabilitation agency. Griesbach also worked as a Community Resource Coordinator (Medicaid Waiver Service Coordinator) for Inclusa prior to joining the management team. She is passionate about full citizenship with a special interest in Competitive Integrated Employment including provider transformation of employment services and practices and paying based on outcomes of services to support providers in the successful implementation of recognized best practices. As an enthusiastic community member herself, Marci actively participates and promotes a connected and inclusive community.

WHY IS THIS STUDY OF CRITICAL IMPORTANCE AT THIS TIME?

For Nebraskans with IDD, current evidence suggests access to competitive integrated employment is not a luxury the State of Nebraska can't afford to pay for - or pay attention to. These assumptions may have been common in the past, even the recent past. Particularly during times when the IDD service system faces a crisis, a common response has been to set employment aside as a luxury the system can't afford to spend time or money on. However, there are clear and current facts that encourage adoption of a different approach from this point forward:



The unprecedented workforce crisis facing the IDD service system right now requires

multiple strategic responses; but

one essential response must be to focus on reducing the dependency of people with IDD on paid direct service staff providing face-to-face support. It has become clear that there simply aren't enough paid staff that can be recruited and

retained to continue services as they have been historically provided to Nebraskans with IDD. This isn't a temporary problem, or a Nebraska-specific problem. It's a national problem and one that will not be solved by simply raising pay rates.⁹ The broad-based labor force shortage is a long-term problem impacting multiple industries. Insightful state leaders that recognize this reality also recognize that, in the absence of adequate paid staff, there is also a need to pursue solutions that avoid increased congregation and segregation of people with IDD. This is not only because recent experience with COVID-19 shone a light on the unanticipated health risks inherent in congregate service models¹⁰; but also because of concerns with historical rates of critical incidents¹¹ and greater challenges with regulatory compliance than individualized services in integrated community settings¹².

⁹ See: <https://www.cnbc.com/2021/09/01/raising-wages-isnt-enough-to-attract-and-keep-workers-experts-say-.html> retrieved December 4, 2022.

¹⁰ See: <https://www.help.senate.gov/ranking/newsroom/press/-murray-colleagues-urge-trump-administration-to-track-covid-19-in-congregate-care-facilities-to-protect-people-with-disabilities-and-older-americans-> retrieved December 10, 2022.

¹¹ In the last five years, 49 States had media reports of health and safety problems in congregate residential settings. See: https://www.hhs.gov/sites/default/files/report_joint_report_hcbs.pdf retrieved December 3, 2022.

¹² For example, It is widely agreed that the Medicaid Home and Community-Based Settings Rule requires states to assess and validate more extensive compliance requirements applying to congregate service settings. Compliance with the regulation is much more straightforward for non-congregate settings that are not owned or operated by providers of service. For information on the Rule, see: <https://www.medicaid.gov/medicaid/home-community-based-services/guidance/home-community-based-services-final-regulation/index.html> retrieved December 10, 2022.



The unprecedented labor shortage facing the State of Nebraska and its business

community cannot be ignored, with scores of entry-level positions going unfilled or unreliably filled due to high turnover rates. Nebraska is unique in that it typically has the lowest unemployment rate in the country. In May of 2022, Nebraska recorded the lowest ever state unemployment rate **in US history**. This wasn't just a reflection of how few jobseekers were out of work; but also, a record labor force participation rate of 70%, which was the highest in the US at the time. The combination of record labor force participation and record unemployment has created the serious shortage of workers to grow the state economy further. Despite having one of the nation's most impressive high school graduation rates and ranking ninth in the country overall for education¹³, **the labor force shortage is fast becoming the "single most important" issue facing Nebraska**. The lack of workers will slow economic growth according to Christopher Decker, an economist with the University of Nebraska at Omaha.¹⁴ The shortage isn't limited to one industry, sector or level of worker. Nebraska has a shortage of skilled and unskilled workers. Businesses struggling realize "there's many causes and there's going to have to be multiple solutions."¹⁵ While there is no single

solution to this incredible challenge to the state's economic growth goals, there is a clear need to embrace strategies that have not received serious consideration or investment in the past, which includes ***enabling people with IDD to become part of the Nebraska workforce***.



The presence of a disability employment strategy that has received only limited consideration and investment up

to this point. This strategy is Supported Employment, which uniquely leverages key publicly funded programs to intentionally partner with Nebraska's business community to ***bring people with disabilities into Nebraska's workforce in a way that minimizes their dependency on paid direct service staff***. The aim of Supported Employment is to meet employer's workforce needs by supporting people with disabilities to identify, develop and use their ***abilities*** as workers in the general workforce. When interviewed for this study, leadership within state government indicated that there are a large number of able and capable people with IDD who could be employed who are not yet employed. Supported Employment is a set of strategies and services that can be financed by both the Vocational Rehabilitation and Medicaid programs. What sets Supported Employment

¹³ Source: U.S. News and World Report, 2021.

¹⁴ Source: Omaha World Herald Jan 20, 2022.

¹⁵ Source: <https://nebraskapublicmedia.org/ja/news/news-articles/number-one-business-problem-labor-woes-continue-in-nebraska/> retrieved December 3, 2022.

apart from most all other publicly funded disability services is the fact that Supported Employment is, by design, **a partnership with employers**, enabling individuals with disabilities to **achieve maximum levels of productivity, independence, self-reliance and economic self-sufficiency** through employment in the mainstream workforce. Yet the findings of this study demonstrate **there is substantial room to**

expand the effective use of Supported Employment in Nebraska, particularly with individuals who have IDD. By expanding the effective use of Supported Employment, Nebraska can increase the number of Nebraskans with IDD working in competitive integrated employment, realizing the many benefits of this work and contributing to growing the Nebraskan economy.

EVIDENCE OF LIMITED HISTORICAL COMPETITIVE INTEGRATED EMPLOYMENT PARTICIPATION AND SUPPORTED EMPLOYMENT UTILIZATION BY NEBRASKANS WITH IDD

As noted above, in June of 2022, the Nebraska Department of Labor released unemployment data for May 2022 showing Nebraska as not only having the lowest unemployment rate in the country and ever recorded in US history (1.9%) but also a record labor force participation rate (70%). The unemployment rate and labor force participation rate are two data points often used to compare people with disabilities to people without disabilities.

COMPETITIVE INTEGRATED EMPLOYMENT RATES

The US Department of Labor, Bureau of Labor Statistics reported these 2021 national rates for people with and without disabilities. See Table 1.

Table 1. Table of CY2021 Unemployment and Labor Participation Rates for People with and without Disabilities

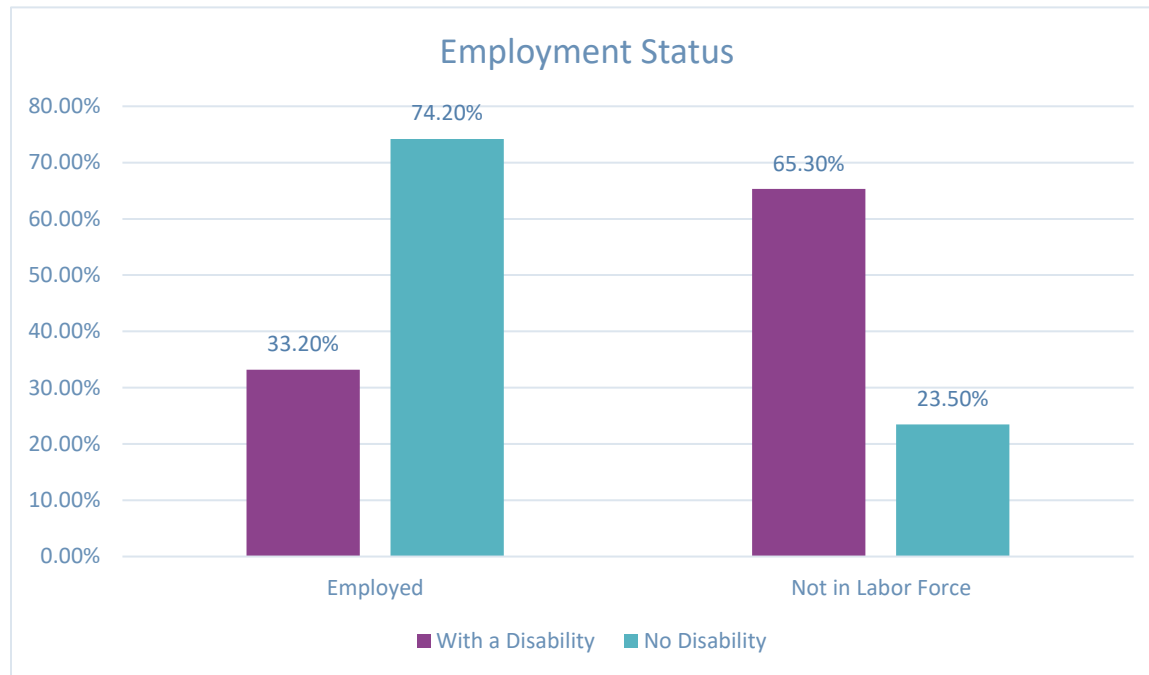
CY2021	With a Disability (Age 16-64)	No Disability (Age 16-64)
Unemployment Rate	10.8%	5.2%
Labor Force Participation Rate	35.1%	76.5%
Absent from Labor Force	8 in 10	3 in 10

Source: US Department of Labor Bureau of Labor Statistics¹⁶

¹⁶ Source: <https://www.bls.gov/news.release/disabl.nr0.htm> retrieved 11/11/22.

For Nebraska, the Office of Health Disparities and Health Equity published a “Disability in Nebraska” report card for 2021, and reported employment status data based on five-year estimates from the 2019 [American Community Survey](#) (ACS)¹⁷: See Figure 1.

Figure 1. *Employment Status for People with and without Disabilities in Nebraska*



Source: 2019 American Community Survey, 5-Year Estimates

These national and state statistics reflect people with all types of disabilities. The CDC reports that 26% of the US population has a disability of some kind.¹⁸ People with intellectual disabilities (ID) typically account for 2% of the US population.¹⁹ With a population of 2 million in Nebraska, this means roughly 40,000 Nebraskans have an intellectual disability. Developmental disabilities (DD) include intellectual disability but also include other categories including autism. The prevalence of developmental disabilities is growing nationally, largely but not exclusively due to growth in the incidence of autism.²⁰ Roughly one in six children (17%) are reported

¹⁷ The American Community Survey helps local officials, community leaders, and businesses understand the changes taking place in their communities. It is considered the premier source for detailed population and housing information about our nation.

¹⁸ Source: CDC See: [https://www.cdc.gov/ncbddd/disabilityandhealth/infographic-disability-impacts-all.html#:~:text=26%20percent%20\(one%20in%204,Graphic%20of%20the%20United%20States](https://www.cdc.gov/ncbddd/disabilityandhealth/infographic-disability-impacts-all.html#:~:text=26%20percent%20(one%20in%204,Graphic%20of%20the%20United%20States) retrieved 11/11/22.

¹⁹ Source: American Association for Intellectual and Developmental Disabilities quoted on <https://www.specialolympics.org/about/intellectual-disabilities/what-is-intellectual-disability> retrieved 11/11/22.

²⁰ Ibid.

to have a developmental disability of some kind, which may include intellectual disability and/or autism.²¹ While there are no current published data on the prevalence of adults with developmental disabilities, with life expectancy getting closer to that of the general population, it can be assumed the number of people with developmental disabilities will continue to increase in the coming years and decades. If the rate of developmental disabilities among children (17%) becomes the rate among adults in Nebraska, it is estimated that roughly 200,000 working-age adults would have developmental disabilities a decade from now.

People with IDD are considered to have some of the most significant impacts of disability, as compared to the broader population of individuals with disabilities in our country. ***For people with IDD, access to Supported Employment services is typically considered essential to obtain and maintain competitive integrated employment.*** Indeed, Supported Employment was originally developed for this population.²² Thus, lack of access to these services and/or lack of utilization of these services can almost certainly be primary explanations for low labor force participation rates among people with IDD.

SUPPORTED EMPLOYMENT UTILIZATION RATES: 2011 TO 2014

In Nebraska, historical data suggests Supported Employment utilization has been low among individuals with IDD, offering some explanation for the low labor force participation rate, as well as the high percentage of individuals with IDD who are considered absent from the labor force. Since 1999, the Institute for Community Inclusion at the University of Massachusetts-Boston has reported on publicly funded Supported Employment service utilization data for people with IDD gathering this data from both state IDD agencies and state VR agencies.²³ These data focus on measuring the participation of people with IDD in individual and small group Supported Employment services (in Nebraska, formerly called Enclave and now called Small Group Vocational Support), compared to community-based and facility-based non-work services (In Nebraska, called Community Integration and Day Support services) services and facility-based work services (In Nebraska, called Prevocational and Day Support services, formerly named Habilitation-Workshop services). Data are annually solicited from all 50 states and the District of Columbia. Data for Nebraska first appeared for fiscal year (FY) 2011. See Table 2.

²¹ Source: Centers for Disease Control and Prevention. See <https://www.cdc.gov/ncbddd/developmentaldisabilities/about.html> retrieved 11/11/22.

²² Supported Employment was first identified and defined in the *Developmental Disabilities Act of 1984* as “Paid employment which (i) is for persons with developmental disabilities for whom competitive employment at or above the minimum wage is unlikely and who, because of their disabilities, need ongoing support to perform in a work setting...”. See: <https://www.congress.gov/bill/98th-congress/house-bill/5603> retrieved December 21, 2022.

²³ See <https://www.communityinclusion.org/projects/statedata/>

Table 2. National Statistics on Employment Services and Outcomes for People with IDD through 2011

2011	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,805	5%	21%	64.5%	6.5%
USA	211,674	24.9%	59.7%		25.9%
Highest Performing State	8,437	88%	5%	>1%	8.5%

Source: StateData: The National Report on Employment Services and Outcomes Through 2011.

In 2011, Nebraska had the lowest percentage, among all states reporting, of individuals with IDD receiving employment and day services who were participating in individualized (competitive integrated) and group Supported Employment. In contrast, the highest performing state reporting in 2011 was Washington, with 88% of individuals with IDD receiving publicly funded employment/day services participating in individualized or group Supported Employment. Nationally, across all reporting states, the percentage of individuals with IDD receiving employment/day services who were participating in individualized or small group Supported Employment was 24.9%: five times the rate reported in Nebraska.



In the same year, the Nebraska VR program placed less than 150 individuals with ID in competitive integrated employment, even though over 4,800 individuals with IDD were known to the state and being served in Nebraska’s Medicaid HCBS waivers, which offered Supported Employment services that could be authorized after VR case closure, if needed. Washington’s VR agency placed over 400 individuals with ID in

competitive integrated employment in the same year. State VR agencies nationally averaged 312 placements of individuals with ID into competitive integrated employment, more than double the rate reported by Nebraska VR.

In 2012, Nebraska’s DDD did not report data for the survey and Nebraska VR’s placement numbers remained relatively unchanged. By 2014, Nebraska, along with the nation as a whole and the highest performing state, lost ground on Supported Employment but saw increases particularly in community-based non-work (Community Integration) services. Nebraska and the country as a whole also saw increases in facility-based work (e.g., sheltered workshops). See Table 3.

Table 3. National Statistics on Employment Services and Outcomes for People with IDD through 2014

2014	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,469	4%	57%	35%	45%
USA	605,301	19.1%	80.9%		
Highest Performing State	8,441	86%	12%	>1%	5.5%

Source: StateData: The National Report on Employment Services and Outcomes Through 2014 (Published 2015)

In FY2014, Nebraska VR’s case closures involving people with ID numbered only 436, 8% of total case closures made by Nebraska VR during this year. Only 65% of these individuals (283 people) received VR services prior to case closure. Of those, 70% (only 198 people statewide) successfully achieved competitive integrated employment through VR. Meanwhile, as noted in Table 2 above, nearly 4,500 individuals with IDD were known to the state through DDD Medicaid waivers.

SUPPORTED EMPLOYMENT UTILIZATION RATES: 2015 TO 2017

In 2015, a decline in use of Supported Employment, from 4% to 2%, occurred along with a drop in community-based non-work services and a sharp spike upward in facility-based non-work. See Table 4. During this time, the DDD had three different directors and there was a change in administration due to a governor’s election, which may have contributed to the decline in already very concerning statistics.

Table 4. National Statistics on Employment Services and Outcomes for People with IDD through 2015

2015	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,707	2%	16%	75%	20%
USA	610,188	18.6%	80.1%		
Highest Performing State	8,707	85%	14%	>1%	4%

Source: StateData: The National Report on Employment Services and Outcomes Through 2015 (Published 2016)

The report for FY2015 did not provide FY2015 data for Nebraska VR (2015 data was not yet available at the time of publication).

The next report published by StateData provided data from 2016. Table 5 shows that utilization of Supported Employment remained extremely low with facility-based services being the most widespread.

Table 5. National Statistics on Employment Services and Outcomes for People with IDD through 2016

2016	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,394	2%	17%	80%	20%
USA	638,568	18.8%	80.6%		
Highest Performing State	8,857	87%	14%	>1%	4%

Source: StateData: The National Report on Employment Services and Outcomes Through 2016 (Published 2018)

In this report, Nebraska VR agency outcomes for 2016 were reported. Closures of people with ID numbered only 412 (a decline of 24 from 2014), or 8.4% of total case closures made by Nebraska VR in 2016. Only 64% of these individuals (263 people – a decline of 20 from 2014) received VR services prior to closure. Of those 69% (only 182 people) successfully achieved CIE.

The next report published in 2019 provided data from 2017, still showing no positive signs in the data resulting from WIOA and the HCBS Settings Rule. Table 6 shows that utilization of Supported Employment remained extremely low with facility-based services being the most widespread.

Table 6. National Statistics on Employment Services and Outcomes for People with IDD through 2017

2017	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,426	5%	25%	80%	20%
USA	641,608	20.3%	79.7%		
Highest Performing State	9,149	86%	17%	>1%	2%

Source: StateData: The National Report on Employment Services and Outcomes Through 2017 (Published 2019)

In this report, Nebraska VR agency outcomes for 2017 were reported. Closures of people with ID numbered 449 (an increase of 37 or 9% from 2016), or 9.2% of total case closures made by Nebraska VR in 2017. Only 65% of these individuals (292 people – an increase of 29 from 2016) received VR services prior to closure. Of those 50% (a drop of 16% from 2016) or only 146 people with ID statewide successfully achieved competitive integrated employment.

SUPPORTED EMPLOYMENT UTILIZATION RATES: 2018 TO 2019

The StateData report published in 2021 provided data from 2018, and for the first time, showed very positive signs resulting from the impact of WIOA, the HCBS Settings Rule and the 2017 waiver changes. Table 7 shows that utilization of Supported Employment increased from 5% to 19% in Nebraska, while nationally, the overall average increase was less than 1%. Additionally, community-based non-work services increased dramatically from 25% to 63% of individuals served participating at some level. Participation in facility-based services declined but only by 6% indicating time spent in facilities was still part of most individuals' typical week.

Table 7. National Statistics on Employment Services and Outcomes for People with IDD through 2018

2018	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,493	19%	63%	72%	22%
USA	641,608	21.1%		78.9%	
Highest Performing State	9,289	85%	18%	0%	2%

Source: StateData: The National Report on Employment Services and Outcomes Through 2018 (Published 2021)



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In the 2021 report, Nebraska VR agency outcomes for the same time period (2018) were not reported. Most recently, in the 2022 report, data from 2019 suggest performance was largely sustained from 2018 but not further increased in 2019. The marked jump however, between 2016 and 2019, from 105 to 794 individuals with IDD reported by Nebraska DDD as receiving Supported Employment services (either individualized or in small groups), was significant. See Table 8.

Table 8. National Statistics on Employment Services and Outcomes for People with IDD through 2019

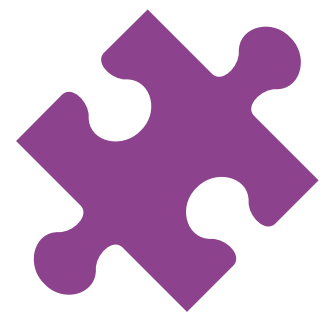
2019	Total Served	% Individualized or Group Supported Employment	% Community-Based Non-Work	% Facility-Based Non-Work	% Facility-Based Work
Nebraska	4,329	18%	66%	68%	13%
USA	657,826	21.5%	78.5%		
Highest Performing State	9,363	85%	19%	0%	1%

Source: StateData: The National Report on Employment Services and Outcomes Through 2019 (Published 2022)

The DDD also reported these individuals were not only receiving Supported Employment services; but they were actively working for pay in Supported Employment situations in the community, although the specific number working in individualized Supported Employment, as distinguished from small group (Enclave) Supported Employment cannot be determined because of the way the data was reported. However, Nebraska VR agency outcomes for the same year (2019) were reported in the 2021 *StateData* report and these outcomes are specifically individualized Supported Employment (competitive integrated employment) outcomes. VR closures of people with ID numbered 260 (a decrease of 42% from 2017), but this number represented 14% of total case closures made by Nebraska VR in 2019 (a 4.8% increase). Further 85% of individuals with ID received VR services prior to closure (an increase of 20% as compared to 2017). Of those, 63% of successfully achieved competitive integrated employment (an increase of 13% from 2017). **While the statewide number of individuals with IDD engaged with the VR system continued to be very small, the percentage increases in 2019 were positive and aligned with a positive swing in the data coming out of the DDD.**

CONCLUSION

While the above data is considered the most accurate, longitudinal data available nationally with regard to the provisions of Supported Employment services by state IDD agencies, and with regard to state VR agency outcomes for people with ID, the service data reported by state IDD agencies typically combines individualized Supported Employment services (used to support participation in competitive integrated employment with small group Supported Employment services (not used to support participation in competitive integrated employment). To assess the extent to which the sharp growth showing in 2018-2019 was specific to competitive integrated employment, a review of the projected utilization in the most recently approved waivers was conducted. These utilization projections are required to be as accurate as possible and based on recent utilization



in the immediate prior years. See Table 9 for a summary of the findings which show, statewide, 823 IDD waiver participants (approximately 15%) were projected to be receiving individualized Supported Employment services this year. This figure, although more recent than the data from 2019 quoted above, supports the overall finding that, **statewide, the Nebraska Division of Developmental Disabilities (DDD) supports just over 800 people with IDD in individualized Supported Employment services that facilitate participation in CIE.**

Table 9. Summary of ID Waiver Employment and Day Service Utilization Projections for 2022

Service	Comprehensive Wavier (#s may contain duplication)	Day Services Waiver (#s may contain duplication)	Total (#s may contain duplication)
SE-Individual (including Follow-Along)	671	152	823
SE-Small Group	304	0	304
Community Integration (Non-Work)	3,864	759	4,623
Prevocational	169	72	241
Day Supports (Hab. Workshop) and Adult Day	3,962	137	4,099
Total Waiver Participants	4,300	1,055	5,355
% of Total Receiving SE-Individual Services	15.6%	14.4%	15.4%

Source: Nebraska’s currently approved Medicaid waiver applications. See <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html>

Additionally, the results of Nebraska’s In-Person Adult Survey for National Core Indicators (NCI), for survey year 2020-21, were considered to help verify a reliable understanding of the number of people with IDD supported by DDD who are working in competitive integrated employment. A randomly selected representative sample of adults with IDD receiving services through the DDD were interviewed using the NCI In-Person Adult Survey which determined 32% were working in the community (see Figure 2 below) with the number working in an individualized job in the community (considered competitive integrated employment) reported to be 53% of the 32% working in the community (see Figure 3 below). This represents **17%** of people with IDD served by DDD, who were included in the representative sample for the NCI survey, that reported working in competitive integrated employment. This is closely aligned with the above-reported percentages from recent years in Tables 7 through 9.

Figure 2. 2020-21 National Core Indicators Nebraska Adult In-Person Survey Results – Paid Community Job

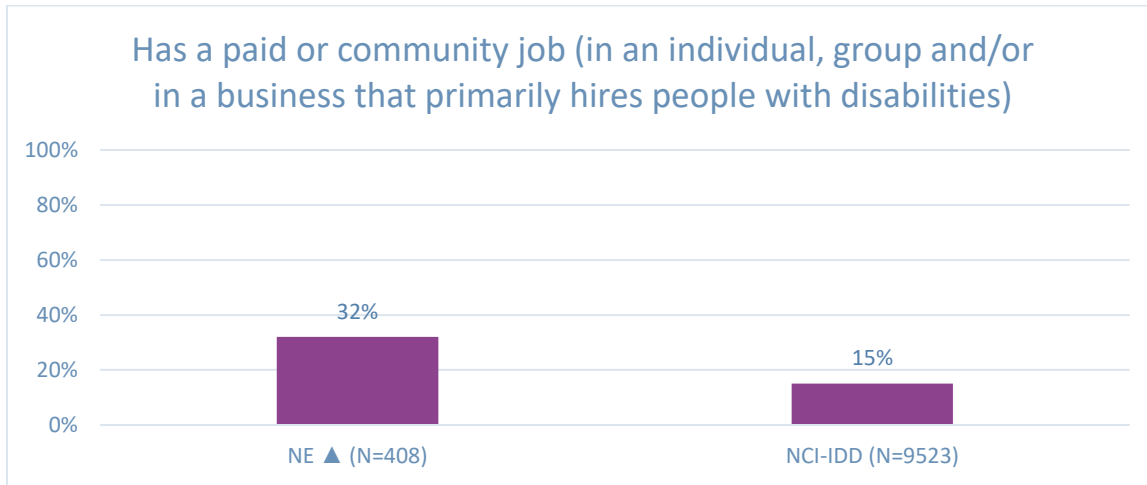
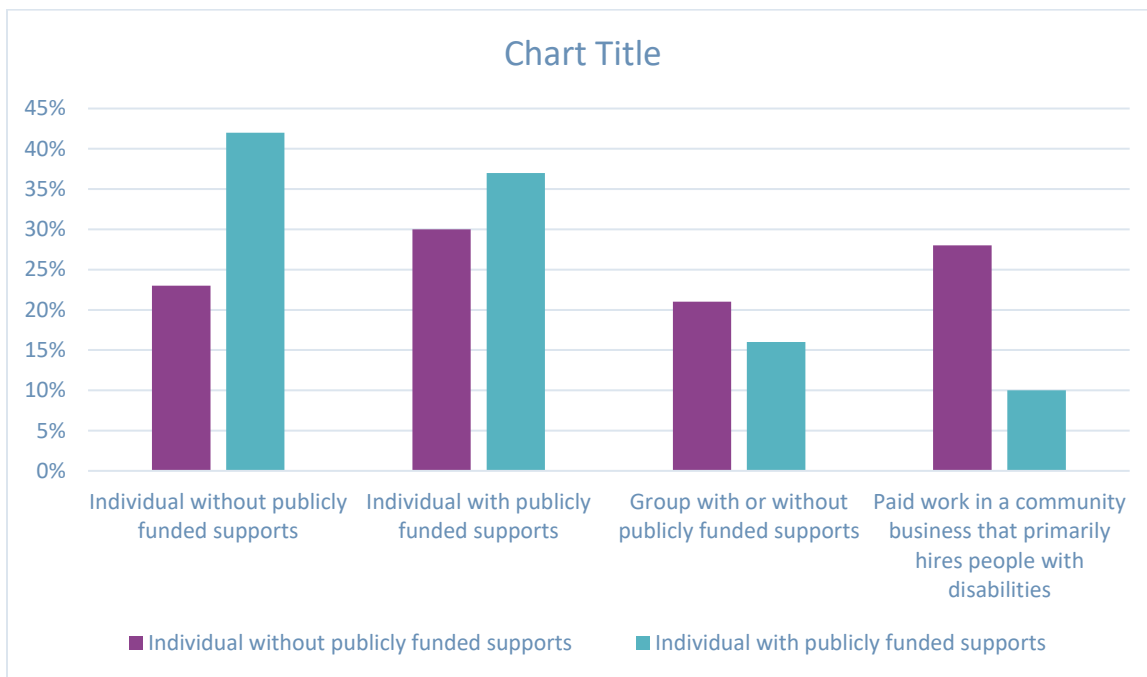


Figure 3. 2020-21 National Core Indicators Nebraska Adult In-Person Survey Results – Type of Paid Community Job



The prevalence of ID for working-age individuals (ages 16-64) is conservatively estimated at 1.5% of a state’s working-age population.²⁴ For Nebraska, this would be just over 17,000 based on population estimates from the US Census Bureau dated July 2021, estimating Nebraska’s working-age population to be 59% of the total

²⁴<https://ijpds.org/article/view/1342#:~:text=Prevalence%20estimates%20generated%20using%20the,aged%2016%20years%20or%20older>

state population or 1,135,160.²⁵ Accounting for the additional population of working-age individuals with developmental disabilities (DD) other than intellectual disability is conservatively estimated to bring the current total population of working-age Nebraskans with IDD to roughly 30,000. While the changes in reported DDD data which occurred in 2018-2019 demonstrate a positive and meaningful shift toward the use of Supported Employment to enable individuals with IDD to work in competitive integrated employment, ***both the number of individuals with IDD served by Nebraska VR and the number of individuals with IDD receiving Supported Employment services through Nebraska DDD is still quite low***, considering the labor force participation rate among Nebraskans without disabilities is over 74%. **Therefore, there is substantial room to expand the effective use of Supported Employment with individuals with IDD in Nebraska.** By doing so, Nebraska can increase the number of Nebraskans with IDD working in competitive integrated employment. As discussed previously in this report, this represents a “triple win” for Nebraskan employers, Nebraska’s publicly funded IDD service programs and Nebraskans with IDD through:

1

Assisting Nebraska employers to address their critical workforce shortages, particularly entry-level positions, as existing entry-level workers transition to more advanced positions to fill widespread vacancies across many industries. ***Leveraging the skills and abilities of Nebraskans with IDD, and their access to publicly funded Supported Employment services to support them at work and to support the businesses that hire them, is one solution*** that can assist the state with growing the Nebraskan economy, as endorsed by both the Director of Nebraska’s Division of Developmental Disabilities and the Director of Nebraska’s Vocational Rehabilitation agency.²⁶ While previously, this workforce solution may not have been needed or considered, the broad-based workforce shortage facing Nebraska employers now requires all viable solutions to be explored.

2

Enabling individuals with IDD to experience and enjoy the various personal benefits of working in competitive integrated employment, while also making a valuable contribution to a Nebraska business/employer that needs reliable workers and contributing to their local and state economies. The benefits include:

²⁵ See US Census Data at <https://www.census.gov/quickfacts/NE> retrieved 11/11/22.

²⁶ Nebraska DHHS News Release (October 26, 2021). Finding Dedicated Workers During Record Low Unemployment Rates.

- Achieving a key social determinant of health (employment) which is a priority for Nebraska Medicaid but not yet operationalized in the long-term services and supports (LTSS) system according to Medicaid officials interviewed for this study,
- Increasing economic self-sufficiency and reducing the negative impacts of poverty (including health impacts -social determinants of health) through earning a competitive income for time spent working,
- Reducing time that must be spent in congregate and/or segregated situations that are not as safe and effective as is often assumed,
- Increasing opportunities for community participation and involvement in valued ways that changes public perception (and corresponding support) for people with IDD and the publicly funded programs that support this population,
- Developing skills and abilities that transfer to use at home and other community settings, and
- Insulating themselves from the negative effects of the direct service worker shortage by maximizing independence through receipt of Supported Employment services which use a combination of teaching, technology and engagement of co-workers and supervisors present in the workplaces to minimize their dependency on publicly funded direct support workers to the greatest extent possible.



Providing a solution to assist with addressing the direct service shortage in IDD services, by utilizing Supported Employment to facilitate competitive integrated employment (CIE), creating a pathway to reducing the dependency of people with IDD on paid direct service staff. The broad-based labor force shortage is a long-term problem impacting multiple

industries. Insightful state leaders and stakeholders that recognize this reality also recognize that, in the absence of adequate paid staff, there is a need to take action to avoid increased congregation and segregation of people with IDD. Supported Employment, implemented effectively, is a unique service for people with IDD and other significant disabilities, where dependency on paid direct service workers will always be minimized to the greatest extent possible because of the service model. This is true for four reasons:

- Service delivery is focused on teaching for independence and self-reliance. Teaching and coaching an individual to learn and master skills for work can also facilitate the transfer of those skills to other aspects of their life.
- Utilizing mainstream and assistive technology, and other adaptive devices, that further contribute to enabling and maximizing independence.
- Natural supports are available, given people are working in regular workplaces, as opposed to spending time in specialized programs where unpaid people are not present. This provides access to co-workers and supervisors whose typical role already includes providing a level of support to other employees they work with.

- Option to reimburse employers for enhanced supports provided by co-workers and supervisors, above the typical level of support available to fellow employees without disabilities.²⁷

It's important to note that reducing dependency on publicly financed direct support workers **does not mean abandoning people with IDD** in ways that cause them to be at risk of harm. To the contrary, the above four-pronged approach does not constitute abandonment but rather **effective rehabilitation and habilitation services** that are arguably very different from traditional, publicly funded disability service models. The four prongs noted above can be considered the expected outcomes of effective Supported Employment services.

Additionally, while some may argue that Nebraskans with disabilities currently participating in Supported Employment are less dependent on paid direct service workers because they are more independent generally, the reality is that **individuals with disabilities, regardless of level of disability, can be expected to require less staff supervision in Supported Employment** than they would receive (or are receiving) in other publicly funded service options that are alternatives to Supported Employment. Therefore, whatever a person's level of disability, Supported Employment, if implemented effectively, will typically be the service where people rely on paid direct support workers to the least extent.



Photo © APM.net

²⁷ This option is sometimes referred to as “Paid Co-Worker Supports” or “Partners with Business”. It can be a component of Supported Employment services funded by Vocational Rehabilitation and Medicaid.

THIS STUDY'S KEY QUESTIONS AND METHODOLOGIES

KEY QUESTIONS

This study focused on three key questions:

- What stands in the way of significant expansion of competitive integrated employment (CIE) opportunities and Supported Employment services for Nebraskans with IDD?
- How can these barriers best be overcome?
- Why should state agencies that serve people with IDD and stakeholders choose to prioritize the significant expansion of competitive integrated employment (CIE) opportunities and Supported Employment services for Nebraskans with IDD?



STUDY METHODOLOGY #1: KEY INFORMANT INTERVIEWS

In the course of conducting this study, information was gathered from a range of key informants who contributed their perspectives on the topic of this study. The key informant methodology is widely relied upon in conducting policy-focused research like this study. The key informant interview methodology was employed to gather the broadest possible qualitative perspectives on the current circumstances in Nebraska. This information was supplemented by historical research on competitive integrated employment outcomes and Supported Employment service utilization presented in the previous section of this report, and additionally, the collection of current outcome data on the population of people with IDD currently working in competitive integrated employment with either previous or current Supported Employment services.

Qualitative interviews with key informants are in-depth interviews with people who have insights into the topic of the research endeavor. The purpose of key informant interviews is to collect information from a wide range of people who have firsthand knowledge about the questions the research is being undertaken to answer. These expert informants, with their particular knowledge and understanding, can provide insight on the nature of the current situation, historical influences, barriers, and opportunities. They can also give very helpful recommendations for solutions.²⁸ For this study, the research team worked with the Nebraska Council on Developmental Disabilities and the Nebraska Association of Service Providers' Employment

²⁸ UCLA Center for Health Policy Research (See: https://healthpolicy.ucla.edu/programs/health-data/trainings/Documents/tw_cba23.pdf retrieved 11/11/22); Wichita State University (See: https://www.wichita.edu/about/conferences/documents/CHP_Summit/Resources/Gaillard_CHPKeyInformant/KIIG_SHS.doc retrieved 11/11/22).

Committee to identify the list of key informants to be interviewed. Some additional key informants were added to the list as a result of suggestions from key informants on the original list. Key informants for this study included:

- Individuals with IDD who identify as self-advocates including individuals affiliated with a self-advocacy organization in Nebraska
- Parents of individuals with IDD receiving or who have previously received services through the Nebraska Division of Developmental Disabilities and the Nebraska VR
- Guardians of individuals with IDD receiving or who have previously received services through the Nebraska Division of Developmental Disabilities and the Nebraska VR
- Employers of Nebraskans with IDD, including employers of various sizes and representing rural and urban parts of the state
- Employment service providers affiliated with the Nebraska Association of Service Providers (NASP) and contracted to provide services by the Nebraska Division of Developmental Disabilities and/or the Nebraska VR
- Representatives of state organizations charged with advocating for people with IDD including:
 - People First of Nebraska
 - The Nebraska Council on Developmental Disabilities
 - The Arc of Nebraska
 - The Nebraska State Independent Living Council
 - Disability Rights Nebraska
- Representatives of the Nebraska Association of Persons Supporting Employment First (APSE), the leading organization focused on Supported Employment in Nebraska.
- Leadership in Nebraska Division of Developmental Disabilities including the Director and the Program Specialist for employment and day services
- Leadership in the Nebraska VR including the Director and the Program Director for Community Services including Supported/Customized Employment services
- Leadership in Nebraska Medicaid with knowledge of Medicaid Home and Community-Based Services (HCBS) waivers and overall policy goals of the agency
- Director of the Office of Special Education in the Nebraska Department of Education
- Key policy advisor in the Governor’s office (during Governor Ricketts administration)

Development Of Key Informant Interview Tools

Based on previous studies like this one and preliminary research of the Nebraska landscape, customized key informant interview tools were developed for each of the types of key informants to be interviewed. These were submitted to the Nebraska DD Council for review and feedback, which was incorporated into the final versions of the interview tools. The tools contained both closed and open-ended questions. The Study Team conducted all of the interviews and shared summaries of the interviews with each other during the process to further enhance the process of collecting a comprehensive body of information on Nebraska’s historical context, current situation, opportunities and barriers, and recommendations for the future.

Below findings from key informant interviews are discussed and grouped thematically to reflect a comprehensive picture of **the current state** with regard to competitive integrated employment participation and Supported Employment utilization by Nebraskans with IDD.

STUDY METHODOLOGY #2: RESEARCH OF HISTORICAL POLICY, PRACTICE AND KEY EVENTS

This study also involved research of publicly available information, including policy, practice information and data for the State of Nebraska, its Medicaid, VR and public school system, publicly funded services for people with IDD. This information was combined with information from key informants for analysis. The various sources of information have been organized chronologically, with key milestones and events identified, to better understand the complete history regarding competitive integrated employment opportunities and outcomes for people with IDD. Throughout this report, the sources of information and data utilized are cited for the reader.

FINDINGS FROM KEY INFORMANT INTERVIEWS AND HISTORICAL RESEARCH: WHAT STANDS IN THE WAY OF SIGNIFICANT EXPANSION OF COMPETITIVE INTEGRATED EMPLOYMENT (CIE) OPPORTUNITIES AND SUPPORTED EMPLOYMENT SERVICES FOR NEBRASKANS WITH IDD?

CHALLENGES WITH OVERCOMING HISTORY



Photo © Knoxville News Sentinel

The early 1980's began the deinstitutionalization of people with IDD in Nebraska. During this time, it was discovered that many of the individuals leaving the state institution had worked in the institution. They had skills for competitive integrated employment when they left the institution. Initially, there was a focus on supporting these individuals to get integrated community jobs; but soon after, there was a push to redirect people with IDD into sheltered workshops. Key informants for this study recall the justification seemed to be

either to protect people with IDD from the community or to protect the community from people with IDD. However, more than one key informant interviewed for this study who was in the field at that time reported that ***the push toward sheltered work had a lot to do with the high unemployment rates in the state at the time and a belief that people with IDD were taking jobs from people who needed those jobs to support their families.*** This is thought to have significantly slowed, early on, the development of competitive integrated employment opportunities and Supported Employment services focused on facilitating competitive integrated employment for Nebraskans with IDD.

The push to direct people with IDD to sheltered work led to the growth of sheltered workshops – both in number and size. These workshops, employing large numbers of people with disabilities, were able to obtain many contracts from businesses. In the last fifteen years however, the federal government, many state governments and many providers of services have moved away from these “prevocational” service and sheltered workshop models. Additionally, over the same period of time, there has been a growing consensus nationally with regard to the need to move away from the use of subminimum wage payments to people with disabilities, a practice predominantly utilized by sheltered workshops and small group Supported Employment models like enclaves. While payment of subminimum wage is still permissible under Section 14c of the federal Fair Labor Standards Act (FLSA), at this time, most in the field of IDD consider subminimum wage as something that will come to an end with the question being “when” rather than “if”. Many organizations around the country that operated sheltered workshops have made a strategic decision to end their use of Section 14c in anticipation of the eventual elimination of this provision in federal law. A number of states have already passed legislation to prohibit the use of subminimum wage.²⁹

As states and disability service providers have increasingly acknowledged the need to end the use of subminimum wage in the employment of people with disabilities, the use of the sheltered workshop model has also declined. Key informants reported that Nebraska service providers for people with IDD began, quite a while ago, to focus on how to provide people with real-life employment-focused skill-building experiences in the community rather than sheltered workshops. Initially, this manifested in the development of small group Supported Employment models (historically referred to as “Enclaves” and now called “Small Group Vocational Supports” in Nebraska DDD waivers). This embedded groups of workers with disabilities into business and industry settings. Some of these enclaves were large (30 or more people with disabilities supported and supervised by Medicaid-funded provider agency staff). Unfortunately, this still meant people

²⁹ States that have already passed legislation to prohibit the use of subminimum wage include: Alaska, Maine, Maryland, New Hampshire, Oregon, Washington, Hawaii, Colorado, California, Delaware, Tennessee, South Carolina & Rhode Island. Source: www.apse.org as of September 14, 2022. Retrieved January 21, 2023.

with disabilities were largely segregated and separated from the businesses' employees without disabilities and subminimum wage was still used. Key informants noted there was support from the state DDD for transitioning people from sheltered workshops to enclaves, most likely because the enclave model represented a viable step away from sheltered work toward more integrated community employment. However, experience over time indicates that very few individuals who entered these "Small Group Vocational Supports" arrangements ever transition to competitive integrated employment.

It wasn't until the mid-2000's that employment-focused efforts for people with IDD further evolved to focus on employment opportunities in ordinary, integrated workplaces with employers offering competitive wages. At this time, and up until very recently, services to support opportunities for competitive integrated employment were all but exclusively provided by DDD. According to some of the key informants interviewed for this study, this shift to providing Supported Employment services aimed at supporting competitive integrated employment was accompanied by the DDD setting tight parameters on these services.

HISTORICALLY RESTRICTIVE POLICIES GOVERNING THE AVAILABILITY AND PROVISION OF SUPPORTED EMPLOYMENT SERVICES

In all states across the country, there are two publicly funded programs that offer Supported Employment services to eligible people with IDD: Vocational Rehabilitation and Medicaid. Since 1983, state Medicaid agencies have been able to include Supported Employment as a covered service in Medicaid home and community-based services (HCBS) waivers that offer services as an alternative to institutional placement. Since 1986, state Vocational Rehabilitation (VR) agencies have had a portion of their federal match funding, used to operate the VR program, earmarked for Supported Employment services. Under VR, Supported Employment was originally defined as:

The term 'supported employment' means competitive work in integrated work settings—
"(A) for individuals with severe handicaps for whom competitive employment has not traditionally occurred, or
"(B) for individuals for whom competitive employment has been interrupted or intermittent as a result of a severe disability, and who, because of their handicap, need on-going support services to perform such work.

Such term includes transitional employment for individuals with chronic mental illness. For the purpose of this Act, supported employment as defined in this paragraph may be considered an acceptable outcome for employability.³⁰

³⁰ Source: PUBLIC LAW 99-506—OCT. 21, 1986; 1986 Amendments to the Rehabilitation Act Amendments of 1973. See: <https://www.congress.gov/bill/99th-congress/house-bill/4021> retrieved December 21, 2022.

While this study did not look back as far as the 1980s, in looking back as far as 2010, the extent to which people with IDD in Nebraska accessed and utilized Supported Employment services through Medicaid waivers and VR appears to have been very limited, based on the available data discussed in the prior section. There were many states with similar circumstances for a few specific reasons:

1

The prevalence of sheltered workshops as the typical employment model for people with IDD and built on the assumption that most all people with IDD are incapable of working in competitive integrated employment (CIE). They were thought not capable prior to the advent of Supported Employment and that assumption continued, for all but the most capable individuals with IDD, after the introduction of Supported Employment services. Most people with IDD were typically referred to sheltered workshops, which were funded by Medicaid HCBS waiver programs, and they were expected to work in workshops for the duration of their careers.

2

Because of the widely held assumption that people with IDD were incapable of working in competitive integrated employment (CIE), Supported Employment services were initially designed to be effective in supporting very able people with IDD to transition from sheltered workshops to competitive integrated employment (CIE). Many of these individuals were indeed successful; but the design of Supported Employment services did not work for people with IDD who had more significant support needs. Thus, the majority of individuals with IDD did not access or use Supported Employment services.

3

There was caution with regard to offering Supported Employment services to enable a broader segment of people with IDD to work in competitive integrated employment because of concerns about the cost of these services.

a. In the VR system, Supported Employment was funded by limited grants that were part of the annual VR agency budget in each state and both the limits on this funding, and the comparatively higher cost per person for Supported Employment services as compared to traditional VR services, caused state VR agencies to structure Supported Employment in a way that only worked effectively for people with IDD who were more capable and needed less supports to find and work in competitive integrated employment.

b. In the Medicaid waiver system, Supported Employment was added as an available service in most all states; but concerns about cost combined with assumptions about who was capable of competitive integrated employment, resulted in the service being structured in a way that made it feasible only for people with IDD who needed less supports to find and work in competitive integrated employment.

In Nebraska, Medicaid has had a Comprehensive Waiver for people with IDD since 1989 and a Day Services Waiver for people with IDD since 2003. Looking back as far as 2010 for this study, Nebraska offered Supported Employment services in both waivers. However, in evaluating these waivers, as approved between 2010 and 2015³¹, there were clear limitations on Supported Employment services. A review of the waivers revealed the following:



- Supported Employment services for individualized competitive integrated employment were limited to “intermittent” supports.
- The Supported Employment service definition required all service recipients to start with “Stabilization” services where a person had to be working a minimum of 40 hours a month to qualify for these services. Additionally, a person would only qualify for these services if s/he only needed support at the job site up to 50% of the hours they worked.
- Following “Stabilization” services, a person was expected to transition to “Extended” services, where a person had to work a minimum of 80 hours per month to qualify for these services. Additionally, a person would only qualify for these services if their needed support at the job site less than 20% of the hours they worked. “Extended” supports were also limited to a maximum of 24 months, after which time the person was expected to be able to maintain the job with no support services.

This Medicaid waiver service definition and limitations for individualized Supported Employment services was put in place despite the fact that Supported Employment in Medicaid waiver programs was defined in federal Centers for Medicare and Medicaid Services (CMS) guidance as:

*Supported employment services consists of **intensive, ongoing supports that enable participants, for whom competitive employment at or above the minimum wage is unlikely absent the provision of supports**, and who, because of their disabilities, need supports, to perform in a regular work setting.*³² [Emphasis added]

While the service definition and limitations in the DDD Waivers effective 2010 to 2015 were clearly an attempt to encourage appropriate fade down of the service over time (a best practice in individualized Supported Employment that was fairly easy to achieve with the most able people with IDD who were the first to use Supported Employment), the restrictions and limitations set out essentially limited how many individuals with IDD were able to qualify to successfully utilize the service, given its strict limits. The utilization data from 2011 to 2014 discussed above suggests these limitations clearly discouraged rather

³¹ ODEP 50-State Review of HCBS Day and Employment Services (2015); page 231-231.

³² Application for a §1915(c) Home and Community-Based Waiver [Version 3.5] Instructions, Technical Guide and Review Criteria. Release Date: January 2008; page 156.

than encouraged people with IDD to pursue competitive integrated employment. With these limits on the longer-term Supported Employment services available to people with IDD through Nebraska's Medicaid waivers, it is probable that very few individuals were referred to Nebraska VR and the data discussed above shows the extremely low numbers of individuals with IDD who were served by Nebraska VR during the same time period.

Additionally, as far back as the DDD waivers were researched for this study, the policy has been to assess each waiver participant and allocate an annual budget amount to cover the cost of all waiver services included in the individual's person-centered service plan. This budget limit is different from specific limits that are in place for some specific waiver services. By giving each waiver participant an annual budget limit, the person-centered planning process inevitably includes certain incentives and disincentives that have an impact on how access to Supported Employment services is perceived by waiver participants and their families. With an individual budget model, the waiver participant (and their family/legal guardian) decides how much of any given service they wish to have authorized in their plan (ensuring their total plan cost does not exceed their budget). There are two significant issues with this approach that are likely to create barriers to competitive integrated employment using individualized Supported Employment services.

First, the use of a capped individualized budget, that does not change regardless of the types of services a person chooses to include in their plan, creates no incentive to choose to work in competitive integrated employment and a natural incentive to choose those services that have the lowest reimbursement rates (therefore allowing for the most units to be authorized) rather than services that may lead to and sustain outcomes that most contribute to better health, increased community inclusion, access to natural supports, independence, skill development, and economic self-sufficiency. As well, once an annual plan is created, using the assigned budget, making changes (for example, adding Supported Employment services to maintain competitive integrated employment obtained through VR services) may likely require the person to reduce or eliminate some other service(s) from their plan to "free up" the funds to cover the Supported Employment services.

In an individualized budget model (where the budget does not change based on specific services included in the plan), having service alternatives that are priced similarly can remove any incentives to choose cheaper services so that a greater number of hours can be obtained. However, when using fee-for-service reimbursement and following the rate setting methods expected for this type of reimbursement, individualized Supported Employment services always appear to be far more expensive than other services. For example, the hourly rate for individualized Supported Employment services in the DDD waivers current ranges from \$30.27 to \$59.12 per service hour. Alternative services are priced as low as \$9.89 to \$12.61 per service hour. These dramatic differences in fee-for-service rates encourages waiver participants and their

families to select the lower priced service options to ensure they can get the maximum units allowable. And in alternative services that are delivered through congregate models, even with these lower reimbursement rates per person served, providers realize a higher reimbursement per-staff-hour and more net income. So, there is also a strong financial incentive for providers to encourage the congregate services with lower reimbursement rates. In response to this situation, state IDD agencies who use individual budgets have made



the mistake of raising Supported Employment hourly rates, believing this should create a greater incentive for providers to promote and provide Supported Employment. The unintended consequence however, in a capped individual budget model, is that this simply results in individuals being able to purchase less Supported Employment hours within their budget, thus encouraging them to choose the alternatives in order to make their budget stretch further.

SLOW RESPONSE TO NEW FEDERAL EXPECTATIONS INTRODUCED IN 2014-2015

Passage of the US Workforce Innovation and Opportunity Act

In 2014, the US Congress passed the Workforce Innovation and Opportunity Act (WIOA), which included the reauthorization of the Rehabilitation Act, the enabling legislation for the national VR system. WIOA brought a stronger focus on increasing competitive integrated employment (CIE) opportunities for people with IDD. In particular, state VR agencies are now required to:

- Establish an inter-agency agreement with state IDD agency to improve coordination of competitive integrated employment services (including Supported Employment services) for people with IDD³³
- Offer *Customized Employment* as a type of Supported Employment
- Spend a minimum of 15% of their funding allocation (including 80 cents on the dollar from the federal government) on the provision of services to youth with disabilities. This includes youth with disabilities in high school through the provision of Pre-Employment Transition Services designed to

³³ Title I of the Rehabilitation Act of 1973, as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA) requires that the state vocational rehabilitation (VR) agency include in its State Plan an assurance that it has entered into a formal cooperative agreement with the State agency responsible for administering the State Medicaid plan and the State agency with primary responsibility for providing services and supports for individuals with mental health needs, intellectual disabilities and developmental disabilities, with respect to the delivery of VR services, including extended services for individuals with the most significant disabilities.

engage, prepare and support youth with disabilities leaving high school to move on to post-secondary education or competitive integrated employment.

- Participate in newly required processes to ensure access, for youth with disabilities under age 26, to sub-minimum wage employment (i.e., sheltered works and enclaves) only occurs if efforts to achieve competitive integrated employment with VR services are tried first and are unsuccessful.
- Implement a newly required process to conduct outreach to individuals with disabilities earning sub-minimum wage on an annual basis, educating them about the benefits of competitive integrated employment and how VR services can assist them to transition successfully to competitive integrated employment.

In many ways, WIOA clarified the expectation that state VR agencies must be involved in efforts to support people with IDD to seek and secure competitive integrated employment. VR agency collaboration with both their peer state IDD agency and with employers of people with IDD using sub-minimum wage (who were also typically contracted providers of service for the state IDD agency) was expected to increase. The result was to be more individuals with IDD encouraged and supported to pursue competitive integrated employment with assistance of their state VR agency. ***This emphasis was also expected to support state IDD agencies to increase competitive integrated employment through coordination with VR in the provision of Supported Employment. With the state IDD agency's ability to share payment, service delivery and provider network support responsibilities with their state VR agency, this was intended to mean more overall resources would be available to support people with IDD to work successfully in competitive integrated employment.***

Nebraska VR and DDD began signing annual inter-agency agreements, in response to WIOA, starting in 2015-16. The most recent agreement was signed August 1, 2022 and extends to July 31, 2024. WIOA requires state VR agencies “to identify and make arrangements, including entering into cooperative agreements, with other State agencies and other appropriate entities in order to provide supported employment services (emphasis added) and extended employment services, as applicable, to individuals with the most significant disabilities, including youth with the most significant disabilities.”³⁴ The interagency agreement includes referral by DDD of those individuals who **desire** competitive, integrated employment.³⁵ [emphasis added] This is very common nationally and requires the efforts necessary to establish interest to be undertaken by the DDD agency before referral to VR. According to key informants familiar with the current inter-agency agreement, it does not yet fully and clearly delineate division of payment responsibility so there is still a feeling, according to key informants, that this is a “murky” area. DDD personnel interviewed for this study reported that the agency tried to distinguish its payment responsibilities and roles in its waiver service definitions instead of the inter-agency agreement, clarifying the waivers do not cover services included under VR

³⁴ See <https://wioaplans.ed.gov/node/41821> retrieved December 20, 2022.

³⁵ Ibid.

milestones, unless VR services are not available to a waiver participant. The inter-agency agreement does address information sharing and access to the respective agencies' services by people with IDD, including outlining a strategy for each agency to be able to obtain information from the other agency. VR does provide information to DDD Service Coordinators for individual planning purposes including individuals' status with regard to being able to benefit from VR services (whether VR services will be made available to an individual) as well as information about an individual's need for continued Supported Employment service funded by the DDD waiver upon VR case closure. However, this only occurs on an individual case level at present, to address immediate, case-specific needs, in quarterly meetings between DDD and VR, or through a mutual referral process between the agencies. Aggregate, program-level information sharing on eligibility, service provision and employment outcomes does not yet occur but could be an important element of tracking overall systemic increases in outcomes.

The Medicaid Home and Community-Based Settings Rule

Also in 2014, the federal Centers for Medicare and Medicaid Services (CMS) published a final regulation establishing a set of required standards for settings where Medicaid-funded Home and Community-Based Services (HCBS) are being provided. Most HCBS being provided by states is provided through programs called Medicaid "Waivers". In Nebraska, this federal regulation applies to both the Comprehensive and Day waivers administered by the Nebraska DDD. The HCBS Settings Rule standards place considerable emphasis on community integration and establish a requirement that **all** HCBS providers, regardless of service or setting, facilitate "opportunities" for people with disabilities receiving HCBS to "seek employment and work in competitive integrated settings."³⁶



Photos © iStock by Getty Images.

The combination of the passage of WIOA and the promulgation of the HCBS Settings Rule has had an impact on many states efforts around competitive integrated employment (CIE) for people with IDD and community integration opportunities more generally. There is a positive relationship between a person with a disability

³⁶ 42 CFR §441.301(c)(4)(5). See: <https://www.law.cornell.edu/cfr/text/42/441.301> retrieved 11/11/22.

being engaged and involved in their community and ultimately participating in the mainstream workforce through competitive integrated employment.³⁷ In Nebraska, key informants reflected that opposition to the ending of sheltered workshops and use of subminimum wage overshadowed the focus on ensuring equitable, access, meaningful opportunities and informed choice regarding competitive integrated employment and community involvement. Key informants reflected that stronger promotion and improvement of the access and opportunities is needed, particularly in advance of any types of federal actions that could force the change (e.g., lawsuit; elimination of subminimum wage provisions in the US Fair Labor Standards Act).

Soon after the passage of WIOA and promulgation of the Medicaid HCBS Settings Final Rule, the data discussed previously demonstrates there was not an apparent impact for Nebraskans with IDD in terms of access to and use of Supported Employment services, and participation in competitive integrated employment. However, policy and program changes related to Supported Employment continued to occur in Nebraska.

DDD AND VR ANNOUNCE COLLABORATION THAT TRANSFERS \$1.7 MILLION IN DDD STATE MATCH DOLLARS TO VR

The collaboration announced in January 2017³⁸ emphasized the need for DDD to be in compliance with the federal HCBS Settings Rule and VR to be in compliance with WIOA. The transfer of state funding, through legislative action, was approved to take place July 1, 2017, and allowed VR to secure a higher federal match for services, creating an estimated \$8 million dollars in total to provide Supported Employment Services to Youth with IDD and Adults with IDD in Sheltered Workshops and on Waiting List. At the per-consumer cost of \$8,000 maximum estimated by VR, the additional funding should have enabled just under 1,000 youth and adults with IDD to receive services to obtain competitive integrated employment.

DDD 2017 MEDICAID WAIVER RENEWALS: SUPPORTED EMPLOYMENT RESTRICTIONS CHANGE BUT STILL REMAIN

As compared to Supported Employment-Individual services definition and limitations for the waiver effective 2010-2015, the waiver renewals that became effective in June of 2017³⁹ changed the service from the expectation it be “intermittent” supports to “intensive, sometimes ongoing” supports. This new language was

³⁷ Multiple federal agencies agree on this fact. See: A Framework for Community Engagement. A Pathway to Competitive Integrated Employment. Retrieved 11/11/22 at: https://rsa.ed.gov/sites/default/files/subregulatory/A%20Framework%20for%20Community%20Engagement_0.pdf

³⁸ Nebraska DHHS Fact Sheet (January 9, 2017). *Collaboration between DHHS and Department of Education on Employment Opportunities.*

³⁹ <https://leadcenter.org/home-and-community-based-waivers-employment-and-day-services/#nebraska> Retrieved 12/15/22.



more in line with the federal definition of Supported Employment used by CMS⁴⁰ and the federal Rehabilitation Services Administration (RSA).⁴¹ Language continued that allowed the service to be used to help people access work incentive benefits counseling from another source while not explicitly stating the waiver could pay for these services. Strict

requirements related to “Stabilization” and “Extended” supports were removed. In place of this, Supported Employment-Follow Along was added as a distinct service for extended support of people working in competitive integrated employment. Follow Along services were described as “intermittent and occasional job support” largely provided face-to-face with virtual/remote communication with the employer when needed or required. Supported Employment-Follow Along was limited however to no more than 25 hours annually, without regard for how many or how few hours a Supported Employee may be working, nor for the relative severity of a Supported Employee’s disabilities. In both definitions, the following language was included:

Individual programs must be identified in the participant's service plan that supports the need for continued job coaching with a plan to lessen the job coaching. Individual programs must be specific and measurable and updated when not yielding progress, and data must be tracked and analyzed for trends. Monthly summary reports on progress or lack of progress must be made available upon request.

As noted previously, designing services to expect incremental reductions in job coaching over time (typically referred to as “fading”) is a Supported Employment best practice. However, a reimbursement model continued to be used that did not incentivize fading; unfortunately, in fact, it incentivized **not** fading job coaching support. This issue is addressed later in this report and in the recommendations made at the end of this report.

Finally, of note in the 2017 waiver amendments was the fact that Supported Employment (including the Follow-Along service) was made an option for self-direction, allowing waiver participants to hire their own staff rather than use a contracted provider agency.

⁴⁰ CMS Technical Guide (January, 2008). See: <https://healthlaw.org/resource/cms-application-for-a-1915c-waiver-technical-instructions-and-guidance/> retrieved December 14, 2022.

⁴¹ Public Law 113–128, §1(a), July 22, 2014, 128 Stat. 1425 Federal Regulation 34 CFR §361.5.

NEBRASKA VR FORCED TO CLOSE ACCESS TO SERVICES: DECEMBER 2017 TO OCTOBER 2018



In December 2017, a unique situation occurred wherein Nebraska VR experienced an unprecedented shortage of funding. Nebraska VR went into Order of Selection initially closing Priority groups 2 and 3. Priority group 1 (most significantly disabled applicants) continued to be served until April 2018, but at this time, this Priority group was also closed. All Priority groups were closed from April to October of 2018, resulting in people with IDD (and all other new VR applicants) being placed on a waiting list. For a period of time, Nebraska DDD did not interpret people with IDD being on a VR waiting list as evidence that VR services were not available to the person, and therefore did not allow Supported Employment to be provided through the waivers, if waiver participants were on the VR waiting list. This essentially brought the provision of Supported Employment services to people with IDD seeking competitive integrated employment to a complete stand-still. After expressions of concern from many stakeholders, DDD did allow

temporary use of Prevocational Services while individuals seeking Supported Employment services could not receive these through VR due to all Order-of-Selection categories being closed. Supported Employment job coaching services through the waivers could only be authorized if a job was obtained without waiver or VR assistance. When VR began serving people from the waitlist again, as of October 1, 2018, they did so at a pace that reflected available resources which meant most people on the waiting list still had to wait some period of time for services. However, DDD terminated Prevocational Services authorizations for individuals on the VR waiting list as of September 30, 2018, before most waiver participants were able to start receiving services from VR. These individuals, not yet in Supported Employment as of October 1, 2018, were not given the option of receiving waiver-funded Supported Employment services until after VR could assume responsibility for funding these services initially. Instead, while individuals waited to be taken off the VR waitlist, they were given the choice of Habilitative-Workshop⁴² waiver services or Habilitative-Community Inclusion⁴³ waiver services, neither of which had an expected outcome of competitive integrated employment. In general, there were a lot of questions and confusion during this time, with access to

⁴² Now renamed “Day Supports” in the DDD waivers.

⁴³ Now renamed “Community Integration” in the DDD waivers.

Supported Employment not permitted under the DDD Waivers, even though this is the service waiver participants needed to pursue competitive integrated employment. According to the official communication from DDD⁴⁴:

“Starting October 1, 2018, if a participant wants competitive integrated employment, a referral must be made to VR to determine the participant’s eligibility. If they are eligible for VR services because they are ready for employment, the participant must remain on VR’s waiting list until VR contacts them and no DD employment service codes may be authorized during this time. [In addition] Habilitative Workshop or Habilitative Community Inclusion waiver service cannot be authorized for participants to seek employment.” [Emphasis added]

The temporary closure of VR services created an obvious gap in access to Supported Employment services for people with IDD and this was exacerbated by federal guidance to the state that resulted in the prohibition of waiver-funded Supported Employment services even when VR ceased serving new applicants, making VR services unavailable to waiver participants on the VR waiting list. While DDD may have been concerned about the possibility of a significant increase in Medicaid waiver expenditures, if all services normally funded by VR were now going to be included in waiver service plans, as noted previously both DDD waivers have individual

budget limits that are used to control overall program costs.

Later in 2018, Nebraska VR and DDD made a “Collaboration Announcement”⁴⁵ specifically focused on coordinating employment services for people with IDD. This included the Department of Education as a partner but focused on ensuring compliance with WIOA (including specific requirements pertaining to subminimum wage) and the HCBS Settings Rule (requiring that all waiver participants have opportunities to seek employment and work in competitive integrated settings). The overall expectation the three agencies advance competitive integrated employment (CIE) opportunities for youth and adults with IDD was recognized and embraced by the agencies through this Collaboration Announcement. The goals of the collaboration were cited as coordinated services, avoiding duplication and focusing on services that promote employment, community integration and community inclusion. The priority during the first year (2018) was to work with students who graduate and individuals who are in sheltered workshops funded by DDD. Nebraska VR staff members began reaching out to DD providers of sheltered workshop services to identify individuals wanting competitive integrated employment with whom VR could work.

⁴⁴ Email communication from DDD Policy Administrator, “End of Interim Process for DD Vocational Services Authorizations”. Sent October 3, 2018.

⁴⁵ See <http://vr.nebraska.gov/resources/pdfs/CollaborationAnnouncement.pdf> retrieved December 20, 2022.

DDD 2019 MEDICAID WAIVER AMENDMENT: PROMISING CHANGES BUT LACK OF CLARITY ON BRAIDING SERVICES WITH VR REMAINS SIGNIFICANT BARRIER TO PROGRESS

In 2019, DDD amended both the Comprehensive and Day Services waivers, which included changes impacting Supported Employment. These changes included:

1

Removed annual budget cap for Transportation. This is important and positive for Supported Employment utilization given that transportation to and from a competitive integrated employment site is not included in the Supported Employment service authorization. Only transportation during Supported Employment service provision is included in the rate paid for the service. While this is preferable in designing Supported Employment service definitions, competitive integrated employment access may be prevented if transportation (if needed by a waiver participant) to/from a competitive integrated employment site is not available either because: (1) there is no separate Transportation service category; (2) if the Transportation service has a cap that limits its use for people working in competitive integrated employment; or (3) if the Transportation service cannot be used to assist a waiver participant, with no access to transportation for competitive integrated employment from another source, who is working in competitive integrated employment without the need for Supported Employment services at the job site. The presence of a separate and distinct Transportation service without an annual budget cap addresses concerns (1) and (2) while the definition of Transportation does not prohibit its use to support a person traveling to/from competitive integrated employment. *An additional positive is the fact that the Waivers offer Vehicle Modifications as a separate service.*

Issues remaining that may inhibit participation in competitive integrated employment for individuals who have no other source of transportation to/from competitive integrated employment include: (1) Limits on Transportation are still dependent on an individual's approved annual budget and choices an individual must make between services if the annual budget does not extend to meet all of the individual's desired services; (2) individuals receiving Residential Habilitation (including Therapeutic) are expected to be transported between residential habilitation and day/employment services, including competitive integrated employment settings, by the residential provider. The residential provider is also expected to provide transportation when needed during the provision of residential services. All of this transportation is included in the rate paid for residential habilitation. Because people working in competitive integrated employment cannot typically be transported in a group to their place of employment, the residential provider's reimbursement rate may not account for the individualized transportation needs of individuals working in competitive integrated employment who have no other source of transportation to/from work; (3) Transportation may not be provided by a legally responsible individual even in situations where the waiver participants lives with only the legally responsible individual.

2

Supported Employment-Individual service continued to disallow the provision of work incentive benefits planning and analysis, only permitting the service to be used for referring the participant to gain access to an employment network, Ticket to Work services, Work Incentive Planning and Assistance (WIPA) services, or other qualified employment service programs that provide work incentive benefits planning. The ability of the waiver to cover this service if it is not available through these other sources was not addressed. Given

very low national utilization of Ticket to Work with people with IDD, significant limitations on criteria for access to WIPA services, and Nebraska VR only providing these services to people who had already made the decision they wanted to pursue competitive integrated employment, the inadvertent result of the waiver language was no access to work incentive benefits analysis and planning for DDD waiver participants trying to decide if they wanted competitive integrated employment. After concerns were expressed, DDD clarified that work incentive benefits planning and analysis, if needed and not available from another source, could be authorized under Supported Employment-Follow Along.

3

Supported Employment-Individual could be combined with other day/prevocational service options up to a maximum of 35 hours/week and subject to a person's total, approved annual budget. The waiver indicates that if people's needs cannot be met within the 35 hours/week, the person's team will meet to determine what alternatives may be available, such as Vocational Rehabilitation services or services available through public education programs in the participant's local school district. This language suggests such additional services could be used to augment the 35 hours/week provided through the waiver if a person's needs cannot otherwise be met within the 35 hours/week limit. However, providers interviewed for this study report that they must reduce service provision to waiver participants by an amount equal to the amount of service provided with VR or public education program funding when calculating the weekly billable hours.

4

Supported Employment-Individual services are not permitted to overlap with, supplant, or duplicate other comparable services provided through the Medicaid State Plan, HCBS Waiver service, or Vocational Rehabilitation (emphasis added). While this language is not uncommon in Medicaid waivers, it did not appear to offer clarity with regard to the ability to **braid** this service with other non-duplicative services available through Medicaid or VR. Additionally, it did not make clear that, if Supported Employment services were not available to a DDD waiver participant through sources other than the DDD waiver, the waiver could authorize and pay for these services. After these waiver amendments, Supported Employment updates on the data presented previously in this section were not yet available as of the publication of this report.

DDD MARCH 2022 WAIVER RENEWALS: KEY LIMITATIONS AND SOME LACK OF CLARITY ON INTENT LIKELY TO CONTINUE LIMITED ACCESS TO COMPETITIVE INTEGRATED EMPLOYMENT

Supported Employment-Individual services is appropriately defined as a service for a waiver participant with IDD, "who, because of their disability, needs intensive, sometimes ongoing support, to maintain an individual job in competitive or customized employment or self-employment, in an integrated work setting in the general workforce." The service does not include the supported employee's transportation to/from the worksite; however the waiver offers Transportation as a separate service which can be used, if needed and if coverable within a waiver participant's annual budget limit. The following limitations in the Supported Employment-Individual service are noted:

- The service is limited to **maintaining** and **sustaining** waiver participant in this type of employment; thereby excluding any supports for a waiver participant to **explore** and **obtain** this type of employment, if such supports are not otherwise available to a waiver participant through VR (or

Special Education if still in high school). This limitation is not required under federal regulations. While there is now an ability to provide the service if a person is on the VR waiting list (making VR services unavailable to the person), only services for a person who has already chosen and found a job are available through the waiver.

- Supported Employment-Individual service continues to disallow the provision of work incentive benefits planning and analysis, only permitting the service to be used for referring the participant to gain access to an employment network, Ticket to Work services, Work Incentive Planning and Assistance (WIPA) services, or other qualified employment service programs that provide benefits planning.
- The service can be delivered virtually rather than face-to-face but virtual service delivery is limited to no more than ten hours/week (regardless of supported employee hours worked). Face to face, in-person service delivery must be the majority of the service provided each week regardless of whether this is necessary for a supported employee.
- No longer can Vocational Rehabilitation services be used to augment the limit of 35 hours/week for combined day and employment services a waiver participant can receive. Now, language states “Vocational Rehabilitation milestone services are included within the weekly 35 hours.” This is consistent with key informant reports that providers are expected to subtract hours spent serving a person through VR, from the 35-hour limit, apparently even if those hours do not involve face-to-face service delivery (e.g., work with employers to acquire employment for the person; benefits counseling evaluation; etc.)
- There is no specified ability to exceed the 35-hour limit if participation in competitive integrated employment constitutes a certain amount of the service need. This would be an example of an incentive for waiver participants to work competitively, to offset the many disincentives they typically encounter.
- Expectation of fading job coaching support over time is incorporated into the Supported Employment-Individual service definition; but the services continue to be reimbursed on a fee-for-service basis, which maintains a financial disincentive for job coaches to fade because doing so leads to a reduction in funding.
- There is no time limit on Supported Employment-Individual; but there is also no specific language addressing when a person would be appropriate for transition from Supported Employment-Individual (no annual limit on hours; paid at higher hourly rate) to Supported Employment Follow-Along (25-hour annual limit; paid at lower hourly rate).

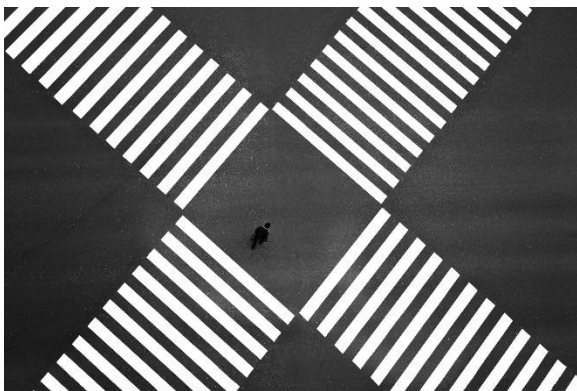
Supported Employment-Follow Along services allow for intermittent (as needed) service delivery including remote/virtual service delivery when possible. The service does not include supported employee’s transportation to/from the worksite; if needed, this is covered under the Transportation waiver service. The service has no time-limit. However, the following limitations were noted:

- The service is limited to 25 hours **per year** regardless of the supported employee’s level of need or total hours worked.

- The service requires minimum of twice face-to-face observation of the supported employee at the worksite (regardless of supported employee/employer preference). This requirement alone amounts to 24 separate visits each year to the person at their worksite, with a minimum unit to bill for service set at one hour. This is expected to be included within a service that has an annual limit of 25 hours.
- There is not clarity about Supported Employment-Follow-Along services being available specifically to support competitive integrated employment situations. While the definitions state the service is for support of people earning at or above minimum wage working in an integrated community setting, the definition states workplaces with 49% people with disabilities working “around the participant” could qualify. While the service cannot be used to support people working in work crews (i.e., Enclaves) and Prevocational group models, it does not explicitly exclude Workshop settings which may have 51% people without disabilities employed there.

Unfortunately, the cumulative impact of the various limitations described above are highly likely to continue inhibiting access to Supported Employment services for people with IDD, thereby resulting in reduced opportunities to achieve and maintain competitive integrated employment. It should be noted however, that an interview with the DDD Director conducted as part of this study confirmed the intent of the Division to make changes in order to better achieve their intentions with regard to Supported Employment services and facilitation of competitive integrated employment opportunities. To this end, the recommendations section of this report includes the study team’s recommendations for waiver changes to eliminate barriers to accessing the types and amount of Supported Employment services that waiver participants need to achieve and maintain competitive integrated employment.

THE BLURRY INTERSECTION OF VOCATIONAL REHABILITATION AND MEDICAID WAIVERS IN THE PROVISION OF SUPPORTED EMPLOYMENT SERVICES TO PEOPLE WITH IDD



Nebraska VR Supported Employment services seem to have followed a course similar to DDD and many other state VR agencies in terms of the

historical access to Supported Employment services that individuals with IDD experienced. In the early days of Supported Employment, absent special efforts made by some states because of the receipt of federal grants, VR agencies tended not to provide Supported Employment services to people with IDD. Because of the prevalence of sheltered workshops, state VR programs operated with the assumption that people with IDD were most appropriately suited to sheltered work, and across the country, both Medicaid

waiver and stat VR programs routinely placed people with IDD in sheltered workshop settings for employment. In 2001, as noted previously, federal policy governing state VR programs was changed and placements in sheltered employment were no longer considered successful outcomes. In Nebraska, looking back as far as 2010, the Medicaid waiver language in place until 2017 stated that all of the employment-related services, including Supported Employment, were **not available** to waiver participants with IDD through Nebraska VR. Each service definition included the following language:

This service is not available under a program funded under section 110 of the Rehabilitation Act of 1973...

This seemed to establish an expectation that access to Supported Employment could only occur for people with IDD through the DDD waivers. This very likely reduced expectations that VR would play a role in the provision of Supported Employment, explaining the very low numbers of people with ID served by VR during these years. Additionally, some Supported Employment providers reported preferring situations where they only had to deal with one funding source. With the focus largely on the DDD waivers for authorization and funding of Supported Employment services for people with IDD, the limitations and restrictions in these waivers, likely to control utilization and costs, seem to ultimately contribute to very low

participation in Supported Employment services by people with IDD.

In the 2017 renewal of the DDD waivers, which coincided with the transfer of \$1.7 million dollars from DDD to VR discussed previously, the language referenced above was changed to expect that Nebraska VR services would be accessed first by a waiver participant, before the waiver would be used to fund and provide Supported Employment services, saying:

Documentation must be maintained in the service coordination file for each participant receiving this service that the service is not available under a program funded under section 110 of the Rehabilitation Act of 1973 (Vocational Rehabilitation Services).

This, along with the 2014 passage of WIOA discussed previously in this report, led to increased involvement of Nebraska VR in the provision of Supported Employment services to people with IDD. However, just six months later, Nebraska VR went into Order of Selection and five months after that (April 2018), the program entirely closed to new applicants for six months. People with IDD seeking Supported Employment from VR were placed on a waiting list. This was unexpected for all parties and created many questions given the DDD waivers in place and the \$1.7 million dollars DDD had transferred to VR to provide Supported Employment services, presumably expected to reduce the amount of these services that DDD would need to fund.

For a period of time therefore, DDD did not interpret people with IDD being on a VR waiting list as evidence that VR services were not available to the person, and therefore did not allow Supported Employment to be provided through the waivers if waiver participants were on the VR waiting list.⁴⁶ This essentially brought the provision of Supported Employment services to people with IDD **seeking** competitive integrated employment to a complete stand-still. After consultation with the federal Centers for Medicare and Medicaid Services (CMS), Nebraska DDD did allow individuals on the VR waiting list to access Prevocational Services under the waiver; but access to Supported Employment services was limited only to people who had a competitive integrated job and needed supports to keep it. While VR opened again, the waiting time for people to get off the waiting list also caused confusion about whether the DDD waivers could be used for Supported Employment or not, raising the question of whether a VR service can be considered available to a person with IDD if the wait to receive the service is more than a customary and reasonable amount of time. Overall, while few expect this unique and unexpected situation to happen again, it does appear the residual impacts are still being felt with relationships somewhat strained and the questions surrounding when VR and DDD are first

payers for Supported Employment remaining according to a number of key informants for this study.

However, in the most recent March 2022 DDD waiver amendment discussed above, DDD did change the language in the Supported Employment-Individual and Supported Employment-Follow Along definitions to specifically address the VR waiting list, saying:

For each participant receiving this service, and on the wait list under a program funded under section 110 of the Rehabilitation Act of 1973 (Vocational Rehabilitation Services), documentation must be maintained in the service coordination file. Documentation must include that the participant is on the Vocational Rehabilitation Services wait list, and the service is not available due to the program's wait list.⁴⁷

While this is a significant improvement in clarification of when waiver employment services can be provided for an individual otherwise seeking VR services, the changes to the definitions to limit waiver Supported Employment services **to exclude use of the services to assist a person to explore, seek and obtain a job**, created new confusion about how a person on the VR waiting list, or deemed unable to benefit from VR services for these needs,

⁴⁶ The only exception being a person who had a competitive integrated job and needed supports to keep it.

⁴⁷ See the waivers with this language at: https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html?f%5B0%5D=waiver_state_facet%3A851#content

could be assisted through the waiver. The actual federal Medicaid requirement is that waiver Supported Employment services can cover the same things that VR-funded Supported Employment provides; but a **particular waiver participant** may not be authorized for a waiver-funded Supported Employment service to be used for a purpose that duplicates what is otherwise available to that specific waiver participant from VR.⁴⁸ Braiding resources is permitted in this way and in fact, is encouraged when done in this way. Instead of taking this approach, it appears DDD chose to limit the scope of individualized Supported Employment services to exclude services that VR provides, except for job coaching. While for the most part, this may seem to make logical sense, it does not account for how individuals are able to:

- Have an adequate opportunity to make a truly informed choice about whether to pursue competitive integrated employment, particularly if there is a need for education on benefits and work incentives before a truly informed choice can be made
- Seek and obtain competitive integrated employment if VR cannot serve them either due to a waiting list occurring at some point or a determination of individual ineligibility for VR services, for example if a person is determined unable to benefit from VR services.

These are two critical needs that, in the absence of other sources of service to address, a Medicaid waiver could cover. Opting not to cover services to address these two critical needs, particularly informed choice, can have a significant negative impact on access to competitive integrated employment for people with IDD.



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THE PERCEPTION OF PEOPLE WITH IDD IN THE BROADER COMMUNITY AND AMONG NEBRASKAN EMPLOYERS

A number of key informants emphasized their belief that a key underlying cause for the low utilization of individualized Supported Employment and low participation of people with IDD in competitive integrated

⁴⁸CMS 1915c Waiver Application and Technical Guide (January, 2019 revised April 2022). See: https://wms-mmdl.cms.gov/WMS/help/version_36_1915c_Waiver_Application_and_Accompanying_Materials.zip Pages 132 and 166.

employment is related directly to public perceptions of people with IDD in Nebraska, which directly feeds into employer perceptions. A number of key informants reported a widespread lack of awareness, among Nebraskan employers, of the potential and capabilities of people with IDD. Some interviewed noted that employers focus mostly on the label of IDD and the assumptions they have associated with IDD are not positive with regard to people’s abilities to work. Key informants reflected on what they felt was the lack of an intentional and coordinated effort to influence how the general public and employers in Nebraska view people with IDD.

There is a cyclical relationship when it comes to how the general public and employers can come to value people with IDD more highly. Valued social roles, like employee, are key opportunities that cause the broader community to hold a more positive view of people with IDD. But it’s also true that the broader community – particularly employers – must hold a more positive view of people with IDD in order to give them a chance to become employees. Therefore, the process is cyclical: causes are also effects, and vice-versa. The illustration below simplifies this reality.



Key informants, including employers, stressed the importance of *intentional* work to change commonly held perceptions of people with IDD, outside of the service system.⁴⁹ They consistently identified this as a key to expanding successful Supported Employment and increasing the competitive integrated employment participation rate among people with IDD. **Key informants could not point to any existing statewide, high-profile effort specifically intended to raise awareness of the skills, abilities and contributions that Nebraskans with IDD can make to their communities and as part of the workforce.** While the existing

⁴⁹ Employers interviewed stated that barriers to increasing employment for individuals with IDD include the perception most employers hold of people with IDD; concerns about how the individual might fit into the business and customer culture; assuming people with IDD will need more training and supervision they don’t see how they can provide; not feeling they have sufficient knowledge of how to onboard and train the individual on the job, and not knowing how to correctly ascertain an individual’s strengths and reliability.

provision of Supported Employment and work done by Supported Employment providers and Nebraska VR to promote the abilities of individuals with IDD is having some positive impact, most agree that there is a need for a more widespread and high-level effort to raise the public's and employers' awareness in this way.

Employers interviewed for this study shared that the individuals with IDD that they hired have been the most reliable and passionate of all their employees, elaborating that these individuals care about the work processes, anticipate customer needs and are there not just there for the paycheck. The employers also believed that they, along with other employers of successfully hired individuals with IDD, would be the best ambassadors for other employers who may not have hired individuals with IDD and have expressed fears about doing so.

While there is evidence that some major businesses and corporations have discovered gifts of people with autism⁵⁰, this was seen as a promising first step that needs to be built upon to ensure a much broader range of Nebraskan employers recognizing that people with IDD have skills and abilities that businesses need. Based on interviews with key informants, there are untapped opportunities for the state and other organizations dedicated to people with IDD to formally collaborate on a meaningful employer outreach and education effort. Such an effort could utilize strategies that not only target employers but also the general public. Successful strategies could include public service announcements and more critically, involvement of the governor has been highly impactful in other states (e.g., Wisconsin; Ohio; Delaware). An interview conducted for this study with policy staff in the Governor's Office suggests the incoming governor may be interested in learning about how governors in other midwestern states have taken an impactful leadership role with regard to increasing employment rates among people with IDD.

EXPECTATIONS OF PEOPLE WITH IDD WITHIN PUBLICLY FUNDED SERVICE SYSTEMS THAT SERVE PEOPLE WITH IDD

Chronically low expectations of people with IDD were mentioned by many key informants interviewed for this study as a common theme. There was consensus among key informants that

Nebraska as a state can and should have higher expectations of individuals with IDD and their capabilities so that supports and services offered can help individuals with IDD achieve a higher

⁵⁰ See: *Why Some Companies Are Trying to Hire More People on the Autism Spectrum*. The Atlantic. December 28, 2016. <https://www.theatlantic.com/business/archive/2016/12/autism-workplace/510959/> retrieved January 21, 2023. See also: *Autism in the Workplace: Companies Hiring People with Autism*. International Board of Credentialing and Continuing Education Standards. September 19, 2019. <https://ibcces.org/blog/2019/09/10/autism-workforce-hiring/> retrieved January 21, 2023.

quality of life. The service systems' expectations are also the primary driver of what the general public and employers expect of people with IDD. The service system also often exerts significant influence over what families and guardians expect of their family members with IDD.



One key informant pointed out that no one typically asks a young child with IDD “What do you want to be when you grow up?” Assumptions generally are that children with IDD will grow up to be adult service users. Among school districts across the state, there is not consistent use of employment and career curriculum content, starting from a very young age, planting the seeds of expectation for a working life as an adult in the minds of children with IDD and their families.⁵¹ They also aren’t consistently brought into contact with adults similar to them, who are successfully working in competitive integrated employment (CIE). In a way, the lack of enough positive competitive integrated employment (CIE)

outcomes among adults drives the assumptions among children and their families, that they also will not have competitive integrated employment (CIE) as a part of their adult life. Breaking the cycle is challenging but essential to change assumptions, which is the first step to changing outcomes in adulthood. Presently, there is no “Peer Pipeline” to schools, ensuring successful working adults with IDD are positively influencing the assumptions of children with IDD and their families. In some states, Peer Specialists with IDD are recruited, trained and paid to do this work, and the Peer is able to access Supported Employment services as needed to sustain their own involvement in paid, competitive integrated employment while simultaneously using this role to influence the assumptions of children and youth with IDD and their families.

Since August 2022, the Nebraska Office of Special Education (OSE) has been ensuring transition planning, which includes planning for employment, is consistently starting at age 14. Presently, the OSE reported in an interview for this study that encouragement of competitive integrated employment (CIE) at the highest level is an expected part of the student transition plan. It was reported that the present high school transition process places the focus on employment *after* high school rather than securing employment *prior to* leaving high school,

⁵¹ Raising awareness and building expectations can and should start in kindergarten. See page 7 of: *Opening Doors to Employment*. Wisconsin Department of Public Instruction. June 2013. <https://witig.org/transition-planning/opening-doors/> Retrieved January 21, 2023.

if post-secondary training or education is not being pursued. The OSE acknowledged that, although they are tracking post-secondary outcomes for students 14+ with an Individualized Educational Plan (IEP), the OSE does not currently track specifically for competitive integrated employment outcomes, nor does it track how many IEPs, for students early in the transition process, include a post-secondary employment outcome that competitive integrated employment (CIE). The agency identifies Nebraska VR as the appropriate agency to track post-secondary employment competitive integrated employment (CIE) outcomes; however, not all youth with IDD exiting high school may engage with VR so some would be missed if VR is the only agency tracking these outcomes.

As discussed previously, under WIOA, state VR agencies are expected become more involved with individuals with IDD served by state Medicaid Waivers; but the Medicaid Waiver program is expected to *maintain* its level of effort, resulting in a more diverse and greater amount of resources being invested in facilitating competitive integrated employment for people with IDD. The same is true for special education programs. As VR becomes more involved with youth under the WIOA provisions for Pre-Employment Transition Services and provisions to avoid the unnecessary use of subminimum wage, state special education programs are expected to *maintain* their level of effort, resulting in a more diverse and greater amount of resources being

invested in facilitating competitive integrated employment (CIE) for youth with IDD.

OSE reports the relationship between leadership of DDD and the state special education system is mainly tied to both agencies' participation on the Nebraska Developmental Disabilities Council. Parents and guardians of transition-age youth are reported to learn about adult services primarily through VR. While every high school does have the name of their district's DDD coordinator, it does not seem clear these coordinators are actively engaged by the high schools to serve as a resource. Numerous key informants for this study commented about the importance of high expectations being established well before a youth with IDD becomes eligible for VR services and Medicaid waiver services. Yet what has been historically typical for an adult with IDD (day habilitation services and eventually, a residential habilitation setting) is too often what youth with IDD and their families assume they should be seeking after high school. Without early and concerted efforts to change these assumptions, youth with IDD and their families are likely to articulate these goals in transition planning, which begins a process of applying special education and other available resources toward achievement of goals that may have been chosen with inadequate understanding of what is available and what is possible, particularly how competitive integrated employment is available and can be possible with Supported Employment services.



While presuming a person's ability to work in competitive integrated employment has been a policy of federal and state Vocational Rehabilitation (VR) agencies for decades,⁵² ascribing to this policy in practice has proven challenging for VR agencies across the country. The roots of the challenge lie in the fact that VR agencies across the country used to place people with IDD into sheltered work and enclaves under prior federal policy, and this was considered a successful outcome. While, in 2001, this was changed under federal regulation⁵³, there continued to be a belief that this type of employment was appropriate long-term employment for people with IDD. However, as the national VR system's focus shifted exclusively to competitive integrated employment for people with IDD after 2001, the presumption of a person's ability to achieve competitive integrated employment with the help of VR services was

sometimes called into question, with vocational testing/evaluation and trial work experiences used to answer the question of whether a person with a significant disability like IDD was likely to be able to work in competitive integrated employment. Typically, VR services did not proceed if the result of the vocational evaluation/testing and/or trial work experience(s) was a conclusion the person was not able to work in competitive integrated employment.

Additionally, there was an expectation (as discussed in the historical context section above) that the person would need to be capable of working without any supports after a short period of time. This failed to acknowledge the purpose and appropriate use of Supported Employment services and their availability beyond VR case closure for individuals with IDD who were enrolled in Medicaid waivers. Across the country, these expectations caused many people with IDD to be determined by state VR agencies as unable to work in competitive integrated employment. To some extent, this led to depressed efforts by people with IDD to seek VR services, with the systems supporting them conveying the message that they would be unlikely to qualify for VR services, despite the fact they may want competitive integrated employment and could be successful with Supported Employment services.

⁵² Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Code of Federal Regulations, title 28 (2002):516-544.

⁵³ Department of Education (Monday, January 22, 2001) Part XVI 34 CFR Part 361 State Vocational Rehabilitation Services Program; Final Rule Ver Date 11< MAY> 2000 19: 17 Jan 20, 2001.

<http://www.ed.gov/legislation/FedRegister/finrule/2001-1/012201a.pdf> - 463900 bytes - Mon Jan 22 14:13:43 EST 2001.

In many ways, the Medicaid-funded system of services for people with IDD followed the lead of the VR system. As mentioned earlier, key informants stressed that over the years, Supported Employment has evolved in a way that excludes more people with IDD than it includes.

Today, federal and state VR policy has shifted to focus more on the delivery of services to support people with IDD to achieve competitive integrated employment rather than spending limited public dollars testing and evaluating people in ways that have not proven to be reliable predictors of the ability of people with IDD to successfully work in competitive integrated employment. However, three or four decades of history is challenging to overcome and there is still work to do to fully implement the presumption of employability, with Supported Employment services. Some key informants noted that the passage of WIOA at the federal level largely stopped determinations that people with IDD were not able to achieve competitive integrated employment with the availability of VR services. There is leadership support to ensure these practices remain in the past; but for a period of time, ongoing monitoring will be required given the three-decades of history that predated WIOA. Not surprisingly, change in expectations within these systems is critical for facilitating higher expectations among families, guardians, employers and the general public.

Employment First

Employment First is a term used for policy and practice that expects and assumes competitive integrated employment for people with disabilities. It has been adopted in various forms including state law, state agency policy and as part of advocacy agendas.⁵⁴ One of the most powerful definitions of *Employment First* ever offered came from the chair of a state Rehabilitation Council (the advisory committee for state VR agencies):

“Employment First means employment is what we expect to achieve and what we plan for first, instead of planning for something less because we think employment is not possible.”

Adopting *Employment First* as state law, through an executive order, or in state agency policy can provide a framework and impetus for action in a state, with a mechanism of accountability that can ensure measurement of progress is regularly done and publicly reported. If a state decides to invest in a targeted initiative to improve competitive integrated employment outcomes for people with IDD, starting with adoption of *Employment First* can aid in the success of the initiative. A governor’s executive order can elevate the importance of the initiative to cut across state government agencies versus *Employment First* being adopted by a single agency. It can be used to formalize inter-agency collaboration with

⁵⁴ See <https://apse.org/legislative-advocacy/employment-first/employment-first-map/> retrieved 11/11/22.

administration endorsement from the highest level.⁵⁵ Providers interviewed for this study commented that without *Employment First*, there is not clarity that competitive integrated employment for people with IDD is a priority

among state leaders or of the system as a whole. This suggests there might be benefit to the State of Nebraska adopting *Employment First* in some meaningful way.

LACK OF EFFECTIVE STRATEGIES IN PERSON-CENTERED PLANNING FOR INDIVIDUALS WITH IDD AND THEIR FAMILIES/GUARDIANS TO FACILITATE INFORMED CHOICE ABOUT COMPETITIVE INTEGRATED EMPLOYMENT

A number of key informants discussed what they felt are needed changes in the person-centered planning process used for individuals with IDD enrolled in one of the state’s Medicaid waivers for people with IDD. Service Coordinators, who facilitate person-centered planning, are employed directly by DDD. Common themes were identified across many key informants with regard to how the option of competitive integrated employment is discussed with individuals and parents/family members/guardians involved with them. It appears there is not yet a strategy to ensure the person-centered planning process can address what competitive integrated employment could look like for each waiver participant and what a viable pathway to competitive integrated employment for each waiver participant might look like. One key informant said quite simply, “So many [people with IDD] don’t believe they can work.” Additionally, key informants noted that Medicaid waiver Service Coordinators (or DDD as an agency) needs to communicate **early** with teachers, parents, and students with IDD, conveying the message that the adult system **expects** it will be supporting youth transitioning to work in competitive integrated employment and engage in community life in other ways that match their preferences and goals. One parent/guardian with direct experience of being on a DDD waiver commented there is “very little discussion of competitive integrated employment in the person-centered planning process. I have to bring it up, they wouldn’t. Based on my experience, I can’t imagine meaningful discussion about employment is happening with most people.”



⁵⁵ See: <https://www.respectability.org/2018/10/ndeam-ohio/> highlighting commitment of Governor John Kasich, former Governor of Ohio.

Some key informants warned that meaningful person-centered planning conversations about competitive integrated employment were not happening in particular areas of the state where Service Coordinators perceived there was no Supported Employment provider capacity and/or limited jobs due the rural nature of the area. Finally, it was shared that person-centered planning teams might be more concerned with protecting the person from harm than accessing competitive integrated employment which could support the person in gaining a higher level of independence. This connects back to the concern with not being able to address what competitive integrated employment (CIE) could look like for each waiver participant, including how it could be implemented in a way where the risks involved are no greater (ideally lesser) than if the person participates in alternatives to Supported Employment services.

DDD is in the process of rolling out a new approach to person-centered planning, but DDD leadership interviewed for this study indicated they were not sure whether competitive integrated employment is a focus. Leadership recognized the opportunity exists to make competitive integrated employment a stronger focus in the new person-centered planning process building on previous training of Service Coordinators that has been done. Others interviewed for this study expressed hopefulness about the new person-centered planning process; but expressed a concern that competitive integrated employment must be intentionally included in the process (always included) and Service Coordinators must be taught new ways to engage individuals and their families/guardians in discussions and planning for competitive integrated employment. One key informant suggested measurable outcomes should be established including how many waiver participants have a goal to work in competitive integrated employment and of those who do not, how many have a goal to explore the option of competitive integrated employment. It was noted by multiple key informants that the DDD waivers don't currently include a service option that can support exploration and learning regarding competitive integrated employment to facilitate truly informed choice. For example, "Community Integration" and "Day Supports" do not specifically allow for or encourage the provision of employment/career *exploration* as a component of these services although this is permissible. There was also a suggestion that person-centered planning tools to be used could be customized for the focus on employment (e.g., Important To/Important For; Likes/Dislikes) with tools or conversation guides also focused on the identification of strengths and skills that are transferrable to employment.

Leadership in both the DDD and VR agencies consistently expressed a desire to address the historic lack of interest in competitive integrated employment among people with IDD and their parents/guardians/families. There was recognition that the DDD waivers include a "large number of able and capable people who could be employed." Leadership recognizes opportunities to strengthen the approach used by their staff: Service Coordinators on the DDD side and VR Specialist on the VR side. But also, there is a need to recast the

alternative services as **steppingstones** or **wrap-around supports** for competitive integrated employment participation.

There is a recognition that parents/guardians are significant partners in the process, and their views often are adopted by individuals with IDD. Facilitating truly informed choice becomes a process that must focus on **both** the individual with IDD and their parents/guardians, if involved. Given that currently, access to VR Supported Employment depends on the outcome of the waiver person-centered planning process, it is critical that the new person-centered planning process include a prominent new approach regarding competitive integrated employment. Some key informants did comment that revising the person-centered planning process may involve reconsideration of the ongoing oversight and support that Service Coordinators receive, as well as their caseloads. However, VR leadership reinforced the idea they want to be part of these conversations and efforts to address informed choice, asserting that VR personnel can help people with IDD and their parents/guardians to see the benefits of competitive integrated employment. While key informants report that the most recent MOU signed by DDD and VR calls for DDD Service Coordinators to be invited to all VR meetings involving individuals receiving DDD services, and VR Specialists to be invited to all meetings for individuals served by DDD to provide input for all services and decisions related to employment, most key informants agree this does not happen when an individual enrolled in the DDD waiver is not identified as having an employment goal. A formalized approach to including VR personnel in DDD waiver person-centered planning processes, to encourage meaningful consideration of employment as a goal, was not yet identified; but in the context of DDD revamping person-centered planning, this seems like an opportune time to incorporate such involvement and track the impact it has. A suggestion was to begin with DD waiver participants which Service Coordinators believe have the strongest aptitude for competitive integrated employment and then continue with others after the successes with the initial targeted waiver sub-group is completed. This could be a focus for an updated DDD/VR MOU and could lead to the establishment of a more formalized practice-based partnership between DDD and VR **to promote and increase interest in competitive integrated employment**, similar to the partnership VR has with high schools.

Incentives and Disincentives for Nebraskans with IDD to Choose Competitive Integrated Employment

Key informants were generally in agreement that **fear** is a key reason why people with IDD and their parents/families/guardians say no to the question: “Do you want to work in the community.”

According to one key informant, too often, conversations focus on limitations and imagining

the possibility of poor outcomes rather than imagining the possibility of success and focusing on a person’s capacities. Additionally, most key informants recognized the parents/guardians/families are typically focused on keeping their family member with IDD safe and

mistakenly assume that working in the community creates more risk than congregate service models and segregated settings. While it seems like it should be true that a person with IDD would be safer in a specialized program, we have historical data on critical incidents that tells us this is not the case. People do not receive individualized support in these service models and settings, and there are no ordinary community members naturally present to supplement paid support with support they would be prepared to offer in a natural community setting. Group and segregated settings can also cause heightened anxiety and agitation among individuals served, as compared to individualized activities, leading to greater likelihood of issues between individuals served. Additionally, individualized services including competitive integrated employment offer more choice, according to Nebraska’s National Core Indicator 2020-2021 adult In-Person Survey.⁵⁶ 96% of people with IDD who have a paid community job reported they chose where they work versus only 62% of people attending a day program or workshop reporting they were able to choose this.



Some key informants also noted that fear can be about potential loss of benefits as a result of working for competitive wages. It was noted the resource and income limit for the Medicaid Insurance for Workers with Disabilities (MIWD) program was expended when the federal Centers for Medicare and Medicaid Services (CMS) allowed states to expand it. Work incentive benefits counseling still remains the primary, if not sole, vehicle for ensuring individuals with disabilities and their parent/guardians/families know about MIWD and other ways they can retain essential healthcare and health-related services (including Supported Employment services) if they go to work. Initially, people may just need a general educational session with a qualified work incentive benefits counselor to dispel common myths and help people recognize they can pursue competitive integrated employment. As a person gets closer to accepting a specific job, formalized work incentives benefits analysis can ensure they understand exactly how they can take the job and utilize work incentives, as well as how the additional earned income will impact their overall



⁵⁶See: <https://idd.nationalcoreindicators.org/wp-content/uploads/2022/08/NE-IPS-20-21-State-Report-508.pdf> retrieved December 2, 2022.

income and benefit eligibility. Fear *of the unknown* can be dispelled through both of these strategies.

With regard to incentives for individuals with IDD and their parents/families/guardians to choose competitive integrated employment, key informants shared different perspectives. Some reported that direct access to the DDD “Day Services” waiver, when an individual with IDD turns 21 and leaves special education, is now more focused on creating a pathway to employment and economic self-sufficiency, which has helped create a more level playing field for Supported Employment services. Other key respondents argued an incentive to choose Supported Employment exists today due to restrictions on how long a person can do contract

work in a traditional sheltered workshop if this is being done under Prevocational Services.

Currently, these services are expected to last no more than one year, with only a one-year extension possible with appropriate justification. However, Day Support services (formerly called “Habilitative Workshop” services) do not have a time limit, or the expectation a person has an employment goal; and the service does not explicitly prohibit paid sheltered work according to the approved service definition. Apart from these examples, key informants couldn’t point to clear incentives for individuals with IDD and their parents/families/guardians to choose competitive integrated employment rather than alternative services and settings that have been historically utilized.

IMPLEMENTATION OF SUPPORTED EMPLOYMENT SERVICES TO DATE HAS NOT ALWAYS FOLLOWED BEST PRACTICES

Much of the potential of Supported Employment to successfully and cost-effectively enable an individual with IDD to work in competitive integrated employment relies upon the implementation of Supported Employment services with fidelity to best practices that are widely recognized but still not common practices. While this is not a problem unique to Nebraska, overcoming it requires *an intentional approach and effective investments, coordinated across funders of Supported Employment services*. Employers that were interviewed shared their expectations, pointing out that early identification of a person’s strengths and skills by both the person and the employer was seen as critical for ensuring success. Additionally, ensuring a quality onboarding process was reported to be very important so that the new hire knows how the employer expected the job to be done. In the field of Supported Employment, this is referred to as learning the “natural ways and natural means.”⁵⁷ According to employers, there is also a need to ensure the new employee has the

⁵⁷ See

<https://static1.squarespace.com/static/57fa78cd6a496306c83a2ca7/t/5830ecede3df28d681d1c911/1487959077585/Systematic+Instruction+Seven+Phase+Sequence.pdf> retrieved 11/11/22.

proper equipment, uniform, etc. applicable to the job and the new employee feels safe and comfortable in completing the tasks and duties of the job. Employers that were interviewed talked about the value of initial use of a job coach to assist with this process; but stressed that success was also very dependent on the employer taking full responsibility for their new employee with IDD, just as they would with any new employee. Employers reflected on the desire to have the job coach **assist them**, rather than **replace them**, as trainer and supervisor of the employee with IDD. In the field, this is reflected in the best practice expectation that new employees are taught and coached in the “natural ways” and “natural means” of the business by “natural people” with assistance as needed from an external job coach.⁵⁸

Providers and other key informants consistently shared there is lack of best practice education and training for most direct support workers performing Supported Employment services, resulting in the likelihood that few Supported Employment services are being delivered with true fidelity to best practices. If the training is



occurring, the content may not reflect best practices. If the training occurs and reflects best practices, it may be delivered in a way that does not result in knowledge translation and application of learning in job performance.

VR leadership acknowledged the agency does not yet have a focus on tracking job coach training to ensure it is occurring, it includes the necessary content, and it utilizes an effective

approach to delivery of the training. However, VR leadership also indicated a specific interest in creating ways to incentivize providers to maintain consistently trained staff, with certification based on competency something that should be incentivized.

There are shifts nationally to more competency-based approaches, with demonstration of competence as an essential element of the training; but the most cost-effective methods for taking this approach are not yet being utilized on a significant scale. Additionally, there is major turnover in Supported Employment staff and to some extent, this explains the lack of appropriate investment in competency and performance-based training for Supported Employment staff. There is cynicism about the value of investing in effective training because of high turnover. There is also turnover in the immediate supervisors of Supported Employment staff which contributes to higher turnover of those they supervise, due to supervisors’ own lack of expertise and experience that is needed to properly supervise, mentor and develop Supported Employment staff. The cynicism which presumes staff turnover is inevitable is likely to be what underlies the failure to invest in the professional development of Supported Employment staff and actually makes the turnover much more likely.

⁵⁸ Ibid.

Key informants also noted the lack of a career ladder for Supported Employment staff also contributing to turnover. They further noted that rural parts of the state face additional challenges with recruitment of Supported Employment staff, given both the number of available workers in these areas and the number of people with IDD who may need the services at any given time.

There is a clear related issue with the wages being paid to Supported Employment staff. It's important to note that wage is not the sole reason people leave the work. In fact, poor preparation and supervision are also key reasons for turnover of staff. But there is no doubt that compensation packages impact turnover of Supported Employment staff. Performance-based funding structures (e.g., VR milestone systems) are common in Supported Employment but with inadequate training and competence of staff (fueled by cynicism about anticipated turnover), performance-based income is compromised, leading providers to offer lower compensation packages to staff, building a staffing model that assumes poor performance and unfortunately, this becomes a self-fulfilling prophecy. Overall, the traditional instinctual responses to the challenges faced with Supported Employment staff only worsen and sustain those challenges.

While performance-based payment structures like VR milestones could be strategically improved to better support providers and their staff, a shift to fee-for service is not the answer. Where fee-for-service reimbursement of Supported Employment services is in place, a focus on best practice outcomes, including fading of job coaching, does not typically occur as it should and as a result, Supported Employment becomes a comparatively expensive option, driving people with IDD toward the use of alternative non-work and congregate, sometimes also segregated, service models that don't offer the opportunity to work and earn regular wages. These issues with payment models are discussed in much more detail later in this report. Most key informants believed a change in payment structures could positively impact Supported Employment service quality and availability, although key respondents had different ideas as to how the payment structures should be changed and some questioned whether the changes needed would cost the state more and therefore require new funding or redistribution of existing funding.

Where poor Supported Employment practice manifests itself in the provision of job coaching at high levels for long periods of time, key informants commented on the importance of looking back to the job finding phase to assess whether a good job match resulted for the individual and the employer. Here, employers and leadership in state systems recognized the importance of having a strong and complete understanding of a person's strengths, interests, skills, and conditions for success, along with a strong understanding of potential employer's culture, needs and expectations. When the goal is to enable a person to work as independent of paid support as possible, job finding/development is done in a way that is typically very different from how it has historically been done. Of course, when payment structures do not link payments for job

finding/development to sustained employment and independence levels realized on the job, there is little emphasis on these results in the service delivered. Additional quality indicators for job development and job coaching mentioned by key informants, and which could be advanced by a different payment structure, included hours worked and whether the employer was in agreement with the job coach fading.

Key informants also acknowledged that job coaches may not have training that teaches them the expectations inherent in best practices, including their own fading over time. Again of course, when payment



structures do not reward these fading outcomes (and instead, reward a failure to fade), there is little emphasis on this result in the service delivered.

When key informants were asked to identify high performing Supported Employment providers in Nebraska, examples given were agencies where a broader approach to best

practices was present. This included exposing staff to professional development opportunities on a regular basis that conveyed best practices for Supported Employment but also provided a broader philosophical context for the work, building staff's commitment not just to the job but to the field and the people served. This helped staff understand the value of their work in a different way that appears to contribute to retention and quality. Additionally, these high performing agencies adopted other outcome priorities for people served that pushed beyond typical services to valued outcomes (e.g., homeownership, business ownership, etc.). These more broad-based approaches to staff professional development and supports for people served appear to have led to the agency achieving higher performance in Supported Employment.

One key informant noted that the philosophies underpinning the work are often missing in how providers now typically recruit, train and support their DSPs. One key informant put it this way:

New hires need in-your-face training on the history for people with IDD. The focus needs to be on why we are trying do what we are doing. DSPs need to understand what a pivotal role they have. These jobs shouldn't be advertised highlighting the benefit package for the worker. Ads should appeal to people who want to do civil rights work and should describe the work as a unique combination of support and advocacy.

Providers interviewed also noted that there was a lack of effective technical assistance to provider agencies seeking to innovate to improve and enhance services that lead to individuals obtaining and maintaining

competitive integrated employment. Some key informants also reflected on the need for leadership development noting that while providers may have strong leadership in terms of business acumen, there is a need to balance this with strong philosophical underpinnings and how (and why) best practices have evolved over time. If its missing at the leadership level, it is likely to be missed at the direct service professional level too. Some key informants mentioned Social Role Valorization (SRV) as a virtually extinct theory that drove so much progress in the field in decades past, which should be able to contribute to the advancement of Supported Employment today. Indeed, SRV has clear ties to Supported Employment.⁵⁹ When valued social roles are recognized as pivotal drivers of the quality of life of people with IDD, and these roles are recognized as inextricably linked to effectively addressing the social determinants of health, the importance of facilitating competitive integrated employment, and having strong Supported Employment services to do this, becomes clear.

Identifying Recognized Best Practices in Supported Employment for People with IDD

Best practice Supported Employment is not limited to one approach. While there are a set of common quality indicators that define a successful Supported Employment outcome, both in the short and long term, there are multiple ways to facilitate a successful outcome. What seems to matter most is implementing a best practice with fidelity. No matter which best practice approach a Supported Employment staff person choose to learn and use, the primary driver of their success is implementing the practice approach well (aka “with fidelity”). This challenges us to make sure training translates to competence; but supervision, how a Supported Employee’s performance is evaluated, how well a Supported Employee’s available time aligns with

the time necessary to implement best practices with fidelity, and finally how the Supported Employee’s employer (the Provider) and the Supported Employee are paid influences whether best practices approaches learned are implemented with fidelity in practice.

Among Supported Employment practice approaches recognized as effective with people with IDD, when implemented with fidelity, are:

- Customized Employment⁶⁰
 - Discovery recognized as best practice first step in Supported Employment process
 - Innovative job matching process that shouldn’t be a heavy lift for employers
 - Emphasizes dual customer approach by focusing on job creation that is strongest job match possible without resorting to

⁵⁹ Tyree, Milton, Kendrick, Michael and Block, Sandra. Strengthening the role of the employee: An analysis of supported employment using social role valorization theory. *Journal of Vocational Rehabilitation* 35 (2011) 197–209.

⁶⁰ See: <https://aspe.hhs.gov/reports/federal-financing-supported-employment-customized-employment-people-mental-illnesses-final-report-1> retrieved December 12, 2022.

traditional job carving, short-changing both the employer and the person with IDD

- Individual Placement and Support (IPS)⁶¹
 - Rapid engagement
 - Minor adaptations to model and fidelity review process
- Progressive Employment
 - The Nebraska VR approach includes several key elements⁶²:
 - Focus on employers and businesses as partners (dual customer model).
 - Early engagement as a key Progressive Employment activity and tool for exposing clients to job opportunities and client focused career selections very early in the VR process.
 - WIN meetings – The types and levels of staff communication during team meetings parallel the intent of VT Jobsville meetings.
 - Business Account Managers (BAMs) – NE hired several BAMs whose primary focus is business. As in VT, they do not carry a client caseload, and their focus is developing new business contacts and client placement opportunities.
 - Mechanisms for covering wages, stipends, liability, and worker compensation are in place.

- The percentage of overall agency clientele served through Progressive Employment in Nebraska is roughly similar to persons receiving Progressive Employment in VT DVR.
- Nebraska VR particularly utilizes Progressive Employment, including early engagement activities, with individuals with IDD. Persons who receive Progressive Employment services represent a higher percentage of VR consumers with diagnoses of most significant disabilities, mental illness, and intellectual disability. According to staff survey results, the highest percentages of reasons why clients are referred to Progressive Employment are “little or no work history” (49%), “stuck cases” (40%), “client’s stated interest in obtaining work experience” (38%), and “soft skills or behavioral issues” (33%). [Pages 5-6]

Currently, both VR and the Medicaid waivers for people with IDD have a standardized payment structure that does not presume use of any of these defined and tested models; except VR has differential milestone payments for the use of Customized Employment with people with IDD. See Figures 4 and 5.

⁶¹ Noel, Valerie. Evaluation of the Balancing Incentives Project for Individual Placement and Support Programs in the State of Illinois. Dartmouth University Geisel School of Medicine (January 7, 2016).

⁶² *Nebraska Vocational Rehabilitation Progressive Employment (Rapid Engagement) Model Replication and Evaluation Report* (2018) Institute for Community Inclusion at University of Massachusetts-Boston.

Figure 4. Nebraska VR Supported Employment – Authorizing/Paying Milestones

Milestone		When to Authorize	Dates of Authorization		Authorization Amount				Dates of Payment		Required For Payment
			START DATE	END DATE	ID/DD	CE/DD	BH	ABI/AUTISM	START DATE	END DATE	
M1	Initiate Services	The date of referral	Date of referral	Date of referral	\$1000	\$1000	\$1000	\$1000	Date of referral	Date of referral	M1 Job Search Form
M2	Job Placement	The date of referral.	Date after Initiate Services	Estimated date of job search. <i>This date can be extended if the client does not have a job by the original end date on the authorization.*</i>	\$1500	\$2500	XBH	\$2000	Date after Initiate Services (or 10/1 if another authorization is completed in a new federal fiscal year)*	Date the client starts the job	M2 Placement Report
M3	Stabilization	When VR is informed by the provider that the client has a job.	Date client is to start the job later	A minimum of 30 days after start job. <i>This date can be extended if the client does not stabilize in 30 days.</i>	\$1500	\$1500	\$1500	\$1500	Date client starts the job	Date the client stabilizes (must be at least 30 days).	M3 Job Stabilization Report
M4	Transition to Extended Services	When VR and provider have agreed that stabilization has occurred.	Date after VR and provider have agreed that stabilization occurred.	A minimum of 60 days after stabilization. <i>This date can be extended if the client is not closed at the end of 60 days.</i>	\$2000	\$2000	\$1500	\$1500	Date after stabilization.	Date client achieves successful outcome (must be at least 60 days from stabilization).	M4 VR Closure and SE Job Retention Plan
M5A	Job Report – 6 months	If client is still working at the 5 th month or when invoiced from provider.	6 months from successful outcome date.	6 months from successful outcome date.	\$500	\$500	XBH	\$500	6 months from successful outcome date.	6 months from successful outcome date.	M5-A SE Report
M5B	Job Report – 12 months	If client is still working at the 11 th month or when invoiced from provider.	12 months from successful outcome date	12 months from successful outcome date	\$500	\$500		\$500	12 months from successful outcome date	12 months from successful outcome date	M5- SE Report

- do not extend the authorization end date beyond 9/30. If the client has not started a job by 9/30 of the year the authorization was completed, unencumber and complete a new authorization with a start date of 10/1.

Figure 5. Nebraska DDD Waiver Reimbursement Rates

Developmental Disabilities Service Fee Schedule

Effective July 1, 2022

Service	Service Code	Level	Unit/ Frequency	7/1/22 Maximum Allowable Rate
<i>Day Services</i>				
Adult Day – Agency	6221	All	Hour	\$10.32
Community Integration - Agency	9845, 5913*	Basic	Hour	\$12.61
Community Integration - Agency	9845, 5913*	Intermediate	Hour	\$17.56
Community Integration - Agency	9845, 5913*	High	Hour	\$30.77
Community Integration - Agency	9845, 5913*	Advanced	Hour	\$51.86
Community Integration - Agency	9845, 5913*	Risk	Hour	\$57.22
Community Integration - Independent	9845, 5913*	Basic	Hour	\$18.59
Community Integration - Independent	9845, 5913*	Intermediate	Hour	\$18.59
Community Integration - Independent	9845, 5913*	High	Hour	\$21.69
Community Integration - Independent	9845, 5913*	Advanced	Hour	\$31.93
Child Day Habilitation - Agency	6396	Basic	Hour	\$12.61
Child Day Habilitation - Agency	6396	Intermediate	Hour	\$17.56
Child Day Habilitation - Agency	6396	High	Hour	\$30.77
Child Day Habilitation - Agency	6396	Advanced	Hour	\$51.86
Child Day Habilitation - Agency	6396	Risk	Hour	\$57.22
Child Day Habilitation - Independent	6396	Basic	Hour	\$18.59
Child Day Habilitation - Independent	6396	Intermediate	Hour	\$18.59
Child Day Habilitation - Independent	6396	High	Hour	\$21.69
Child Day Habilitation - Independent	6396	Advanced	Hour	\$31.93
Day Support - Agency	8652, 9828*	Basic	Hour	\$9.89
Day Support - Agency	8652, 9828*	Intermediate	Hour	\$15.16
Day Support - Agency	8652, 9828*	High	Hour	\$28.14
Day Support - Agency	8652, 9828*	Advanced	Hour	\$43.23
Day Support - Agency	8652, 9828*	Risk	Hour	\$46.33
Medical In-Home Habilitation – Agency	9220	Medical	Hour	\$33.15
Behavioral In-Home Habilitation - Agency	1796	Behavioral	Hour	\$40.62
<i>Prevocational Services</i>				
Prevocational - Agency - Individual	8362, 2801*	Individual (1:1)	Hour	\$53.27
Prevocational - Agency - Small Group	8362, 2801*	Small Group (1:2 – 1:3)	Hour	\$21.31
Prevocational - Agency - Large Group	8362, 2801*	Large Group (1:4 – 1:5)	Hour	\$11.83
<i>Employment Services</i>				
Small Group Vocational Support - Agency	8338	Agency	Hour	\$13.02
Supported Employment -Follow Along - Independent	2141, 1666*	Independent	Hour	\$30.27
Supported Employment -Follow Along - Agency	2141, 1666*	Agency	Hour	\$55.81
Supported Employment Individual - Independent	9695, 6435*	Independent	Hour	\$32.00
Supported Employment Individual - Agency	9695, 6435*	Agency	Hour	\$59.12

*Service code used when authorization is for remote delivery.

CONCLUSION

The DDD waivers from 2010 to 2019 included many limitations and restrictions on Supported Employment services. Although the specifics of the limitations and restrictions changed with each successive waiver amendment/renewal, the sense remained that use of individualized Supported Employment was being tightly restricted. This did not encourage, and may have actually prevented, broad-based access and utilization of individualized Supported Employment services by DDD waiver participants.

While in more recent years, DDD leadership may not have intended to tightly restrict and limit individualized Supported Employment services, the history combined with the content of the currently approved service definitions and policy guidance has, unfortunately, kept this perception in place among Service Coordinators and providers – and by extension, individuals with IDD and their families. Over the last thirteen years, successive waiver changes have had some positive impacts but these changes have not resulted in Supported Employment utilization rates that can drive meaningful competitive integrated employment participation rates.

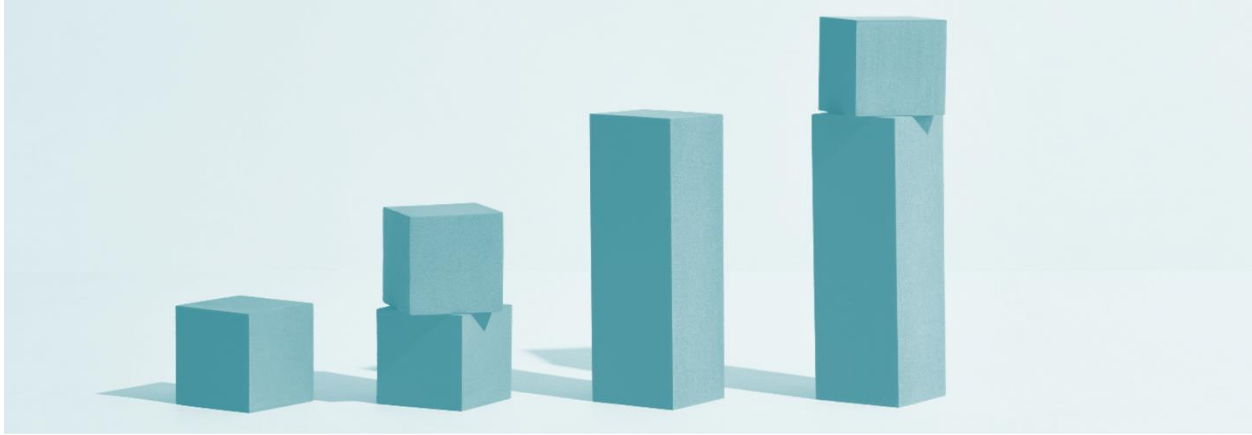
Some key informants noted the history of individualized Supported Employment services in Nebraska has not truly reflected how Supported Employment is defined:

- In the DDD waivers, it is defined as a service for “a participant who, because of their disability, needs intensive, sometimes on-going support, to maintain an individual job in competitive or customized employment, or self-employment, in an integrated work setting in the general workforce”.⁶³
- In the VR program, it is defined as “ongoing support services, including customized employment, and other appropriate services needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability, in supported employment and that are organized and made available, singly or in combination, in such a way as to assist an eligible individual to achieve competitive integrated employment.”⁶⁴

As noted previously, due to the significant impact of IDD, ***people with IDD are expected to require Supported Employment services to achieve competitive integrated employment.*** Yet the services have been historically structured to limit who is considered “appropriate” for these services and capable of working in competitive integrated employment. The people for whom Supported Employment was created end up being those most likely to be labeled as “inappropriate” for these services and not capable of working in competitive integrated employment. Often, these conclusions are based on the fact that Supported Employment services are limited: time-limited; limited in amount; and/or limited based on cost. Therefore, individuals “who, because of their disability, needs intensive, sometimes on-going support, to maintain an individual job” in competitive integrated employment are inadvertently deemed ineligible for the services that have been designed to address their needs and make work in competitive integrated employment possible.

⁶³ Source: DDD Comprehensive Waiver retrieved 11/28/22 from https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html?f%5B0%5D=waiver_state_facet%3A776&f%5B1%5D=waiver_state_facet%3A851#content]

⁶⁴ Source: Workforce Investment and Opportunity Act of 2014. Section 7(39) of the Act and 34 CFR §361.5(c)(54)



PROMISING CONTEMPORARY DEVELOPMENTS TO BUILD ON IN MOVING FORWARD

NEBRASKA VR SETS KEY GOALS RELATED TO SERVING PEOPLE WITH IDD

More recently, since the passage of WIOA, Nebraska VR has established key goals with regard to serving people with IDD. The agency has three specific goals in its WIOA plan that specifically concern people with IDD:

1. Improve successful Supported Employment outcomes (successful case closures) for people with IDD
2. Increase Supported Employment providers to deliver the service using best practices which includes best practices in engaging and working with employers
3. Increase and improve communication with all partners: state agency partners; providers; service coordinators. *To this end, State-level leadership meetings are held quarterly to enhance communication at this level and allow the benefits of this to trickle down to the local level. Communication is in part aimed at establishing consistency across VR offices around the state. Additionally, there is a desire to increase VR specialists' collaboration with waiver service coordinators to ensure people get coordinated assistance to take full advantage of what VR has to offer including help they may need to make appointments at VR.*

VR also recently commissioned a rate study for VR-funded Supported Employment services by Public Consulting Group (PCG). As of the writing of this report, the agency is in the process of making final decisions regarding implementation of new rates for Supported Employment services. New/updated minimum training requirements are also being considered for vendor staff delivering Supported Employment services funded by VR. This is intended to advance the second goal noted above by ensuring staff know, understand and utilize recognized best practices in their delivery of Supported Employment services.

NEBRASKA DDD LEADERSHIP COMMUNICATES INTENT TO IMPROVE CLARITY AND ACCESS TO SUPPORTED EMPLOYMENT SERVICES IN THE DDD WAIVERS

The DDD Director communicated in an interview for this study that the agency is currently working on waiver changes, with the assistance of the National Association of State Directors of Developmental Disability Services (NASDDDS) to better achieve the competitive integrated employment goals they wanted to support with the October 2019 waiver amendments.

NEBRASKA'S OLMSTEAD PLAN PROVIDES AN OPPORTUNITY FOR STRONG INTER-AGENCY COLLABORATION TO IMPROVE ACCESS TO SUPPORTED EMPLOYMENT SERVICES AND INCREASE COMPETITIVE INTEGRATED EMPLOYMENT RATES FOR PEOPLE WITH IDD

Also recently, Nebraska developed an Olmstead Plan focused on the goal of ensuring that “People with disabilities are living, learning, *working*, and enjoying life in the most integrated setting” [emphasis added].⁶⁵ The Plan was required by the Nebraska Legislature (LB570 approved by the Governor May 17, 2019) to address the state’s responsibility (as a public entity) to demonstrate its commitment to achieving compliance with the federal Americans with Disabilities Act of 1990. LB570 notes that the US Supreme Court, in ruling on *Olmstead v. L.C.*⁶⁶, found that people with disabilities should not be presumed “unworthy of participating in community life” and the Nebraska Legislature recognized that many Nebraskans with



disabilities are...in settings where they are segregated and isolated with diminished opportunities to participate in community life.”⁶⁷ The Plan⁶⁸ was submitted to the Nebraska Legislature on December 13, 2019 just prior to the start of the COVID-19 pandemic.

Goal 4 of the original Olmstead Plan states: “Nebraskans with disabilities will have increased access to education and choice in competitive, integrated employment opportunities.”

(Page 28) Strategies to achieve increased statewide access to competitive integrated opportunities include:

⁶⁵ See <https://dhhs.ne.gov/Pages/Olmstead.aspx> retrieved 11/11/22.

⁶⁶ L. C., **527 U.S. 581 (1999)** OLMSTEAD, COMMISSIONER, GEORGIA DEPARTMENT OF HUMAN RESOURCES, ET AL.

⁶⁷ LB-570 Section 81-6, 121 (1) and (2). See: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB570.pdf> retrieved 11/11/22.

⁶⁸ Available at: <https://dhhs.ne.gov/Olmstead/Nebraska%20Olmstead%20Plan%20FINAL%20for%20Submission%20to%20Legislature.pdf> retrieved 11/11/22.

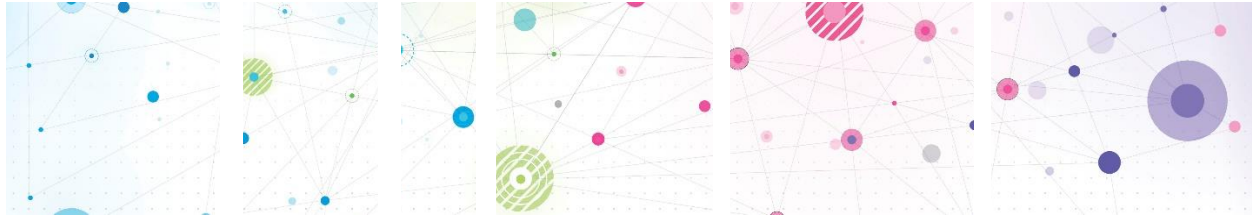
- Nebraska VR, Nebraska Department of Education (NDE), and the Nebraska Department of Health and Human Services (DHHS) will coordinate the delivery of pre-employment transition services. *These services are provided to high school students with disabilities anticipated to be eligible for VR, which would include individuals with IDD.*
- Nebraska VR and the DHHS (DDD and the Division of Behavioral Health) will coordinate funding to sustain supported employment milestones when VR is implementing an Order of Selection and individuals are on VR's waiting list for employment services. *This appears to call on the DHHS agencies to fund Supported Employment for individuals they serve, when those individuals are placed on a VR waiting list due to Order of Selection, until VR is able to assume responsibility for providing Supported Employment services to these individuals.*
- Nebraska Department of Labor (DOL) and VR will align efforts to increase the number of businesses, in a variety of sectors, that are hiring and retaining employees with disabilities.
- The Division of Behavioral Health (DBH) will issue a policy statement and provide educational materials to address attitudes about the ability of individuals with severe mental illness (SMI) to work.
- DBH will develop and implement tracking and monitoring of training, certification, and employment of peer specialists.
- In collaboration with the Division of Medicaid Long-Term Care, DDD will continue plans and report progress on closure of any waiver-funded workshops/enclaves and on movement to community-based alternative employment options.
- DDD will implement a mechanism for tracking employment for participants in Medicaid DD HCBS waivers.
- DHHS and state agency partners will assess current practices and identify opportunities to increase hiring people with disabilities in state employment.
- The Regional Centers operated by DBH will explore utilization of peer bridgers to support consumer transitions from institutional settings.
- DHHS, VR, and their partners will continue implementation of Project Search.
- VR will continue monitoring the median earnings of individuals with disabilities who work full-time after exit from the VR program.

This represents a holistic set of goals that has the potential to make a positive impact on the competitive integrated employment opportunities for Nebraskans with IDD. Most critically, one measurable outcome included VR eliminating the waiting list for VR services for individuals with the most significant disabilities (Category 1).⁶⁹ VR successfully achieved this goal as of December 2020.

Another key outcome involved increasing successful Supported Employment case closures by VR. Baseline data reported 595 individuals with disabilities statewide who were achieved competitive integrated

⁶⁹ Most individuals with IDD, particularly those deemed eligible for Medicaid waiver services, are considered most significantly disabled even though there are differences in the assessment criteria used by VR and Medicaid.

employment through the use of VR Supported Employment services, or 40% of all individuals who received VR Supported Employment services.



A key goal in the Olmstead Plan for DHHS is focusing on expansion of community-based services.

Participation in community-based services is recognized as a facilitator to increased interest in, skills for, and progress toward achievement of competitive integrated employment. However, the most recent progress update submitted to the legislature (December 2021) document concerns about lack of progress from the Olmstead Advisory Committee including consistent reports from stakeholders during focus groups, and also in Olmstead Advisory Committee meetings, that little progress has been made in expanding access to community-based services for individuals with disabilities. The December 2021 progress report to the legislature notes that DDD has determined that day services meet the requirements as set forth in the federal Home and Community Based Services (HCBS) Settings Final Rule and that developing a new habilitative day service is not necessary. It also notes that DDD terminated contracts for sheltered employment and congregate day services. However, key informants reported no change in the waiver service models being offered and reported the approved DDD waivers continue to include congregate Day Supports (formerly named Habilitative Workshop), Prevocational and Adult Day services, many of which typically take place in provider owned or controlled settings rather than integrated community settings.

Some other available waiver services typically take place in integrated community settings but use congregate models: Supported Employment-Enclave and Community Integration. The December 2021 progress report to the legislature further notes that stakeholders continue to report examples of integrated community-based services that consist of trips to the mall or to the park and that lack focus on individualized skill-building. The consulting group, Technical Assistance Collaborative, Inc. (TAC) recommended the Olmstead Plan should include additional strategies to increase community-based services, with measurable outcomes, baseline data and targets for achievement in order to assess the impact of the strategies on Olmstead Plan implementation. The TAC called on the DHHS divisions (including DDD) and external agencies to identify data sources, however limited they may be, to inform this work until more extensive data is available. It appears there is unrealized potential, in the integrated community-based waiver services that are being offered, to increase the skills of waiver participants with IDD and to focus the services on outcomes such as successful transition to competitive integrated employment.

UPDATE TO OLMSTEAD PLAN

On January 26, 2023, the Olmstead Plan Steering Committee reviewed a draft updated Plan. The Plan is based on a commitment to ensuring Nebraskans with disabilities receive services that maximize their full potential in the least restrictive, most integrated settings possible to meet their needs. The updated plan seeks to implement recommendations of an external evaluation⁷⁰ which found the need for more specific “tightly aligned” measurable outcomes to be identified within the Plan. With regard to the areas of the updated Plan addressing competitive integrated employment, Goal 4 of the original Olmstead Plan continues: “Nebraskans with disabilities will have increased access to education and choice in competitive, integrated employment opportunities.” However, the following is of note in the draft updated Olmstead Plan:

- Continued measurable outcome to increase Nebraska VR’s success rate for case closures into competitive integrated employment by 1% per year; but no specific measurable outcome with regard to increasing successful closures into competitive integrated employment for people with IDD and/or for Supported Employment cases specifically.

- Action items for Nebraska VR which include increasing the number of businesses, in a variety of sectors, that are hiring and retaining employees with disabilities; but no measurable outcome goal with regard to increasing the number of businesses who hire individuals with disabilities successfully closed into competitive integrated employment by Nebraska VR.
- Continued inclusion of measurable outcome to increase Project Search participation numbers by 2% per year; but no measurable outcome with regard to exiting Project Search with competitive integrated employment.
- No measurable outcomes under Goal 4 that are the primary responsibility of the DDD, building on or continuing the kinds of efforts outlined in the original Olmstead Plan:
 - In collaboration with the Division of Medicaid Long-Term Care, DDD will continue plans and report progress on closure of any waiver-funded workshops/enclaves and on movement to community-based alternative employment options. *The updated Plan includes no measurable outcome for DDD to demonstrate and report progress on*

⁷⁰ A copy of the TAC report on year one implementation can be found at: [https://nebraskalegislature.gov/FloorDocs/107/PDF/Agencies/Health and Human Services Department of/708_20211215-142757.pdf](https://nebraskalegislature.gov/FloorDocs/107/PDF/Agencies/Health%20and%20Human%20Services%20Department%20of/708_20211215-142757.pdf)

movement of waiver participants with IDD to competitive integrated employment.

- DDD will implement a mechanism for tracking employment for participants in Medicaid DD HCBS waivers. *The updated plan includes no measurable outcome for DDD to demonstrate growth in competitive integrated employment participation among participants in the Medicaid DD HCBS waivers.*
- DHHS and state agency partners will assess current practices and identify opportunities to increase hiring people with disabilities in state employment. *No measurable outcome focused on the State of Nebraska leading by example in becoming a model employer of people with disabilities.*

Overall, the draft updated Olmstead Plan appears to be missing key measurable outcomes that would advance competitive integrated employment opportunities and increase competitive integrated employment participation among Nebraskans with IDD. On a very positive note, the draft updated Olmstead Plan makes clear it is a living document reflecting an ongoing process in which the State and stakeholders are engaged together. This presents an opportunity for including additional targeted efforts, and associated well-defined measurable outcomes, to

increase competitive integrated employment opportunities and outcomes for people with IDD.



Also part of the Olmstead Plan was an outcome to increase the number of students participating in Project Search, which is a program that provides real-life work experience combined with training in employability and independent-living skills to help young people with significant disabilities make successful transitions to productive adult life. The Project SEARCH model involves an extensive period of skills training and career exploration, innovative adaptations, job coaching, and continuous feedback from teachers, skills trainers, and employers. As a result, at the completion of the training program, students with significant intellectual disabilities are employed in nontraditional, complex and rewarding jobs. In addition, the presence of a Project SEARCH program can bring about long-term changes in business culture that have far-reaching positive effects on attitudes about hiring people with disabilities and the range of jobs in which they can be successful.⁷¹ During outcome years September 2015-August 2018, Nebraska Project SEARCH sites

⁷¹ See: <https://projectsearch.us/transition-to-work/> retrieved December 4, 2022.

report an aggregate 98.8% (289/293) completion rate for Project SEARCH interns. Of those completers, 187 (64.7%) were reported as employed following the Project SEARCH program. The Olmstead Plan set a goal to improve the success rate for Project Search to 69% over a three-year period.

Of course, the onset of the COVID-19 pandemic impacted progress on the implementation of the Olmstead Plan. Workforce shortages associated with the pandemic were reported to have

hampered the ability to assist individuals with IDD to find and keep competitive, integrated employment. However, efforts to engage employers with regard to the benefits of hiring people with disabilities were reported by Nebraska VR and DHHS Talent Acquisition staff. The TAC further recommended that the Olmstead Plan include a strategy to promote, to Nebraska employers, individuals with lived experience of disability as strong candidates for competitive integrated employment.

ACCOUNTING FOR DIRECT SERVICE WORKFORCE CRISIS AND IMPACT ON AVAILABLE STAFFING FOR INDIVIDUALIZED SUPPORTED EMPLOYMENT SERVICES

The direct service workforce crisis has resulted in concerning trends toward increased congregation and segregation of people with IDD. Post-pandemic, states are focused on how to continue their commitment to person-centered services supporting community integration and the full range of choices, available to Nebraskans without disabilities, that come with integration into the broader community. This workforce shortage is obviously a challenge that must be addressed. As noted previously, addressing this crisis requires multiple strategic responses. Experts in human resources agree that raising wages isn't enough to "win the war for talent".⁷² Experts on the direct service workforce for people with IDD concur.⁷³ Job seekers choose not to enter the field, or to leave the field, for reasons other than low wages. While raising wages is no doubt an incentive for recruitment and retention, it is not accurate to believe this alone will solve the problem.

Wages are not enough to solve the problem, in part because of the sheer number of available job seekers and the number of available jobs. Additionally, post-pandemic, the attitudes and expectations of the American workforce have changed. People have discovered the advantages of certain types of jobs and are willing to compromise on salary and benefits to get or keep those types of jobs. Amidst all of these new

⁷² See <https://www.cnbc.com/2021/09/01/raising-wages-isnt-enough-to-attract-and-keep-workers-experts-say-.html> retrieved November 10, 2022.

⁷³ America's Direct Service Workforce Crisis: 2017 Report to the President by the President's Committee for People with Intellectual Disabilities. See: https://acl.gov/sites/default/files/programs/2018-02/2017%20PCPID%20Full%20Report_0.PDF retrieved December 12, 2022.

realities, recruiting for direct human service positions has always created an additional challenge which is evident by the shortages in a range of other helping professions. Working conditions need to improve. What can help with that? What can help attract job seekers to direct support work and what can help direct support workers enjoy their jobs more? One thing seems clear is that the combined stress and lack of positive impact often felt in traditional IDD service roles (i.e., individual staff having to support multiple people at one time; caretaker role; burden of paperwork and regulatory requirements) is now becoming something that must be addressed.

One essential response must be to focus on reducing the dependency of people with IDD on paid direct service staff providing face-to-face support because it has become clear that there simply aren't enough paid staff that can be recruited and retained to continue services as they have been historically provided to people with IDD. By making this a focus, paid direct service staff also move away from the 'caretaker' role to one focused on teaching, incorporating technology into support (e.g., mainstream and specialized assistive technology and adaptive aids), and sustaining rather than supplanting natural supports and generic community supports. While not researched, based on experience in other states, this has contributed to increasing job satisfaction of direct support workers, as they are able to assist individuals to achieve skill, independence, relationship and community involvement milestones. Not surprisingly, helping individuals with IDD work in competitive integrated employment is also something that contributes to direct service workers' job satisfaction and sense of accomplishment resulting from the supports they provide. Supported Employment services also provide the opportunity to deliver supports remotely whenever possible which allows available job coach capacity to be used as efficiently as possible. Increasingly, states are looking at the model of Supported Employment services as a model for evolving waiver services more broadly, emphasizing the underlying goals of habilitation through teaching, fully leveraging the benefits of technology and adaptive devices, and supporting people in natural, integrated settings where natural and community supports can also play a role. While transitioning waiver programs in this way represents a significant change in approach, it aligns well with a focus on increasing competitive integrated employment opportunities and outcomes.

An extremely promising solution to support competitive integrated employment, included in the recommendations in this report, involves the introduction of "Paid Co-Worker Supports", which involves paying employers for supports to be provided by a supervisor or co-worker in situations where a job coach is not available and the supported employee needs supports that are above and beyond natural supports otherwise available to all employees. This option can also be used when the supported employee and employer prefer this over having an external agency job coach or when it is more cost-effective than utilizing an agency job coach. In Wisconsin, the model is called "Partners with Business" (PwB) and it now has more

than a twenty-year history of implementation.⁷⁴ In the last five years, its expansion in the state has been the result of a legislative grants program administered by the state Board for People with Developmental Disabilities, the state designated Developmental Disabilities Council.⁷⁵



In addition to natural supervision and supports otherwise available to any employee without a disability, PwB provides the option to use VR or Medicaid waiver funding to reimburse an employer for the **additional** supervision and supports a worker with a disability would otherwise receive from a job coach. Since 2011, CMS has allowed for these employer-reimbursed paid co-worker supports, indicating: “Statewide rate setting methodologies...may be used to embrace new models of support that help a person obtain and maintain integrated employment in the community. These may include co-worker support models.”⁷⁶ To implement this model for providing needed supports, the Supported Employment provider facilitates and oversees the arrangement, enters into a formal, written agreement with an individual’s employer to reimburse the employer for supervision and supports provided by one or more supervisors and/or co-workers, acceptable to the individual, to enable the person to maintain competitive integrated employment (CIE) with the employer. The provider continues to function as the credentialed Medicaid provider and bills for the service in the typical way, passing through part of the reimbursement to the employer, per the written agreement. The arrangement includes background check and essential training for the supervisor or co-worker that will be providing the additional supervision and supports.

⁷⁴ Follow this link for more information: [Service Description: Partners with Business \(wisconsin.gov\)](https://www.wisconsin.gov/partners-with-business)

⁷⁵ Follow this link for more information on the DD Council effort: [Partners with Business | Wisconsin Board for People with Developmental Disabilities \(wi-bpdd.org\)](https://www.wisconsin.gov/partners-with-business)

⁷⁶ Application for a §1915(c) Home and Community-Based Waiver [Version 3.6, January 2019] Instructions, Technical Guide and Review Criteria. Release Date: January 2019. Centers for Medicare and Medicaid Services. Available at: https://wms-mmdl.cms.gov/WMS/help/35/Instructions_TechnicalGuide_V3.6.pdf

Evidence to date demonstrates the PwB model is highly cost-effective, saving providers the cost of travel time and mileage for job coaches to travel to/from a worksite where an already-present co-worker or supervisor otherwise could provide the supports that are above and beyond natural supports they are already providing. The model offers a very promising solution in the face of job coach shortages. Additionally, the arrangement has benefits for the supported employee in that they are not stigmatized by the presence of an external job coach, they have more consistent support from someone who is also working for the employer, and the employer is more invested in the success of the supported employee than when a job coach is in the picture. The employer also experiences benefits in not having someone in their workplace that is not their employee (some employers won't hire a supported employee because of this issue), and not having to deal with changing job coaches due to high turnover in these positions.

ADDRESSING LACK OF TRANSPORTATION FOR COMPETITIVE INTEGRATED EMPLOYMENT

A study on increasing competitive integrated employment cannot ignore the need to address the challenge of transportation. A job desired and a job secured should not be a job declined because an individual with IDD has no way to get to and from work. Yet the existing transportation infrastructure in IDD services is largely tied to provider owned settings. While transportation is all but guaranteed to some waiver services, it is often a significant challenge for people who want to work in competitive integrated employment. The goals of community integration and involvement, including employment, are dependent on reconceptualizing transportation, how it can be provided, who can provide it, and how it can be paid for.

Transportation is rightly recognized as a social determinant of health.⁷⁷ Medicaid has long provided transportation to and from Medicaid services, and Nebraska is one of the states that has also opted to include non-medical transportation in its IDD waivers. While these forms of transportation exist, they are limited by certain policies. According to key informants and research done for this study, these include:

- 1** Limits on Transportation are still dependent on an individual's approved annual budget and choices an individual must make between services if the annual budget does not extend to meet all of the individual's desired services
- 2** Individuals receiving Residential Habilitation (including Therapeutic) are expected to be transported between residential habilitation and day/employment services, including competitive integrated employment settings, by the residential provider. The residential provider is also expected to provide transportation when needed during the provision of residential services. All of this transportation is included in the rate paid for residential habilitation. Because people working in competitive

⁷⁷ See: <https://health.gov/healthypeople/priority-areas/social-determinants-health> retrieved December 10, 2022.

integrated employment cannot typically be transported in a group to their place of employment, the residential provider's reimbursement rate may not account for the individualized transportation needs of individuals working in competitive integrated employment who have no other source of transportation to/from work;

3

Transportation may not be provided by a legally responsible individual even in situations where the waiver participants lives with only the legally responsible individual.

The recommendations presented at the end of this study include specific recommendations with regard to transportation.

THE RATIONALE BEHIND LIMITING ACCESS TO SUPPORTED EMPLOYMENT SERVICES

While some of the DDD waiver service limitations on Supported Employment may have been, in part, driven by a fear of recouping of federal Medicaid funds for authorizing services generally available through the VR program, many of the historical limitations seem to have been driven by **concerns about the cost** of providing individualized supports when the waiver service system predominantly involved congregate service models that on their face, appeared more cost-effective. Contributing to this might also be simplistic comparisons of reimbursement rates that typically make Supported Employment-Individual services appear very expensive as compared to alternative service options (e.g., Workshop/Prevocational Services; Day Services) when this may not in fact be the case.⁷⁸ Consequently, assumptions about the high cost of Supported Employment-Individual services, combined with assumptions about who was

considered capable of competitive integrated employment (CIE), likely led to these services being implemented as time-limited services, with reauthorization discussions centering on the need to end the service due to spending involved. According to key informants interviewed for this study, these conversations were very different than the reauthorization conversations for other waiver services.



Key informants also reported more recent restrictions on support of self-employment using Supported Employment services. In an effort to

⁷⁸ Mills, Lisa. *Value-Based Payment Methodologies to Advance Employment First: A Mix of Inspiring Examples from Across the Country*. January 2020: US Department of Labor.

avoid labeling hobby endeavors or provider-owned or operated ventures as self-employment, guidance appears to have created some unintended restrictions that hamper the development of legitimate self-employment opportunities for people with IDD.

Over the years, these expectations and limitations, governing when and how Supported Employment services could be provided, appear to have significantly constrained how many people with IDD wanted, and were able to pursue, competitive integrated employment (CIE). The policies, whether formal or informal, intentional or inadvertent, seem to have limited access to a service that is designed to enable individuals with IDD to engage in gainful employment and:

- Earn wages that help people take a big step up out of poverty
- Work in regular businesses contributing to those businesses' economic success
- Experience community integration; and
- Pay taxes, as owed, unlike most individuals with disabilities who relied totally on public benefits.

Key informants for this study reflected on their historical experience and concluded that Nebraska's conservative state culture may explain why these policies prevailed. Yet this explanation doesn't seem to align with conservative ideology, which typically expects individual responsibility. When it comes to work, individual responsibility typically means everyone

of working age is expected to work (if they are not raising children or enrolled in higher education). It seems unlikely that a conservative culture would drive restrictions on public programs that provide services to enable people, including people with disabilities, to work.

An alternative explanation may be that people with IDD, thought to be capable of working in competitive integrated employment (CIE), were assumed to be -by definition- individuals who would not need ongoing intensive Supported Employment services. As a result, and as can be seen in many states' histories surrounding Supported Employment, the service became defined as a service only for people with IDD who would actually need very little support, particularly long-term support, to work in competitive integrated employment (CIE).

Additionally, some key informants noted that the history of Supported Employment for people with IDD in Nebraska was largely as a pathway out of sheltered work, without much emphasis historically on individuals with IDD going directly into Supported Employment from high school or with assistance from Nebraska VR. This likely also depressed the expansion of Supported Employment given that rates of transition out of sheltered work have been consistently very low nationally.⁷⁹ The only exception to this is, in more recent years, where there has been a policy emphasis on reducing the use of sheltered work

⁷⁹ Multiple US Government Accountability Office Studies on Subminimum Wage have confirmed this.

and publicly funded services used to support this model. Unfortunately, however, this emphasis on transitioning people out of sheltered work, without a strong focus on the expected outcomes of those transitions, resulted in the majority of these transitions going to non-work services (facility or community-based) due to the lack of intentional infrastructure and incentives (for providers and individuals with IDD and their families/guardians) to transition to Supported Employment.

Key informants for this study also observed early beliefs and assumptions continuing over time. For example, in smaller Nebraskan communities, competition for jobs still exists even with low statewide unemployment, perpetuating opinions that people with IDD should not be taking jobs from people who have a family to support. Some key informants also noted that historically, there was a perception that Supported Employment meant the employer was being offered two workers (the supported employee and the publicly funded job coach) for the price of one, which led to a conclusion that promoting Supported Employment of people with IDD was unfair to regular workers seeking available jobs. It's important to note this "two-for-one" wasn't always just a perception. Unfortunately, this perception sometimes became a reality when Supported Employment practices were not effectively implemented.

Additionally, some key informants noted the very early, post-institutional assumptions also continued over the years, with the belief that people with IDD participating in the mainstream of their community may still represent too much risk, either for the individuals with IDD or the community or in some cases, both. This is despite a lack of valid evidence to support this as fact. Overall, people interviewed for this study, who had long experience with services for people with IDD, generally felt that ***Supported Employment services, to support people with IDD in competitive integrated employment (CIE), have always tended to exclude more people with IDD than these services have included.***



Overall, information from key informants suggests the past history of Supported Employment in Nebraska has created challenges to securing broad-based leadership, stakeholder and community support for making Supported Employment a readily available and widely utilized service strategy that could make competitive

integrated employment a widely available option for Nebraskans with IDD. Yet, everyone – without exception – who was interviewed as a key informant for this study was interested in and supportive of finding ways to meaningfully expand competitive integrated employment opportunities, and the use of effective Supported Employment services to facilitate these opportunities.

Everyone indicated a belief that Nebraska could accomplish a significant increase in the number of people with IDD working in the mainstream Nebraskan workforce. The next section of this report takes a look at the most recent developments within Nebraska regarding competitive integrated employment opportunities and Supported Employment services for people with IDD.

HOW MUCH COMES DOWN TO MONEY?

As discussed previously, there has been caution ***in many states*** with regard to offering Supported Employment services to enable a broader segment of people with IDD to work in competitive integrated employment (CIE) because of concerns about the cost of these services.

In the VR system, Supported Employment continues to be funded by limited grants that are part of the annual VR agency budget in each state. The limited amount of these grants combined with the comparatively higher cost per person for Supported Employment services as compared to traditional VR services, has caused state VR agencies to structure Supported Employment in a way that historically has only worked effectively for people with IDD who were more capable and needed less supports to find and work in competitive integrated employment. Now, WIOA now requires a portion of this funding to be used to serve youth in transition, which further limits rather than extends the funding VR has that is dedicated to Supported Employment although it should be noted, VR agencies are permitted to spend their general case dollars on Supported Employment if the need for Supported Employment services exceeds what the dedicated grant funding can cover.

In the Medicaid waiver system, Supported Employment was added as an available service in most all states; but concerns about cost combined assumptions about who was capable of competitive integrated employment resulted in the service being structured in a way that made it feasible only for people with IDD who needed less supports to find and work in competitive integrated employment.

In a field that struggles with scarcity of financial resources on a continuous basis, the focus on the financial resources changing hands to support the provision of services to people with IDD takes on exceptional importance. Aligning financial incentives for state agencies, service providers, their staff, and even individuals with IDD and their parents/families/guardians, with the health and quality of life

outcomes desired and expected for people with IDD, in the same way these outcomes are desired and expected for people without disabilities, is critical for improving Nebraska’s ability to encourage and assist its citizens with IDD to achieve these health and quality of life outcomes.

Key informants reflected on the current financial incentives and where they currently exist. One key informant noted it is important to recognize how providers are currently invested in providing services.

Incentives aren’t needed for providers to continue to do what they typically do currently; in fact, if the existing incentives are too great for providers to continue “as-is”, it may be impossible to create sufficient incentives for providers to change without reducing the existing incentives to avoid change. It was recognized by more than one key informant that agencies of all kinds tend to be comfortable with what they know and what they believe works for



them financially. One key informant noted its simply easier to keep people with IDD where they are and bring new people with IDD into the system or agency by bringing them into the services that existing service recipients are receiving. Quite simply, growing by expanding an existing business line can be easier than growing by adding a new business line.

Another key informant noted that the current business model is comparatively easier to staff where there are standard weekday 8-5 operating hours with a specific location. Overall, the incentives for providers currently are both financial and level of effort incentives. It’s hard work to change and even harder work if the change is to something that feels harder to do than what you are changing from. Yet, shifting emphasis to the provision of Supported Employment and more individualized community-based services is not insurmountable. Indeed, personal care agencies serving people in their own homes have been operating this type of facility-free, dispersed staffing model for years, and typically at some of the lowest reimbursement rates offered to providers. To some extent, they are able to make the model work because they do not have other models to revert back to, or that draw resources from this service model. As one key informant noted, when a provider is predominantly invested in services other than Supported Employment may typically pull Supported Employment staff to cover staffing gaps in those other services.

Given a business model change is needed, it's clear the financial incentives need to be aligned with the expected change. This is a fundamental need, beyond offering technical assistance, changing service definitions/categories, and many other strategies thought to support successful business model change. As with the closure of institutions, time-limited bridge funding may be needed; but the long-term benefits of accomplishing these business model changes across a state's IDD provider network justify the short-term investment. With the current leadership and their commitment to coordination and collaboration, Nebraska is positioned well to move in this direction and achieve success, based on review of current policies and practices that was done as part of this study. Cost-effectiveness is critical to assure in any transition, both for providers and the state. In supporting a transition toward increased Supported Employment, resources brought to bear by Nebraska VR become part of the equation when evaluating cost-effectiveness. While some providers expressed concern about the complexity involved in leveraging two funding sources for one person's Supported Employment needs, an intentionally braided structure implemented by both funding sources can reduce these challenges for providers. Much of the complexity that may exist typically results from the lack of collaboration between the funding sources, specifically to implement an intentionally braided structure.

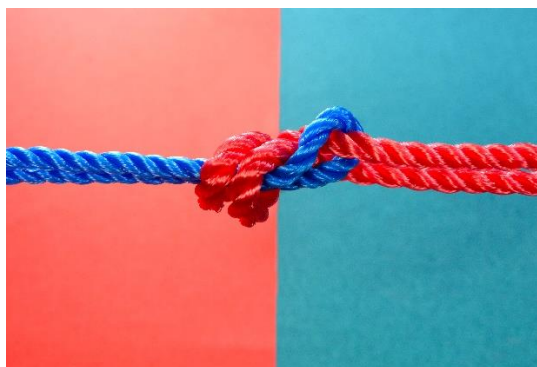
BRAIDING RESOURCES TO USE FINANCIAL RESOURCES MORE EFFECTIVELY

There appears to be room for Nebraska to strengthen how and when it formally braids resources to support an individual with IDD who wants to find and keep competitive integrated employment. Currently, a person receiving Prevocational Services, to acquire skills and abilities that will contribute to success in competitive integrated employment, must stop these services once VR begins serving the person. This means the person is required to stop a service focused on strengthening their chances of

success in competitive integrated employment at the point another agency begins the process of finding the person competitive integrated employment. These types of handoffs, from one service/system to another, is known as sequencing.⁸⁰ Nebraska is accomplished on sequencing particularly in the provision of Supported Employment for the behavioral health population. For example, milestones typically paid by VR can be shared by VR and the Nebraska Division of Behavioral

⁸⁰ Mills, L. *Making Collaboration Real: How to Effectively Leverage Resources to Improve the Employment Outcomes & Socioeconomic Advancement of Youth and Adults with Disabilities*. The National LEAD Center's First Annual National Policy Roundtable. Washington, D.C.: July 17-18, 2013.

Health through hand-offs during a person's Supported Employment process that are designed to ensure Supported Employment is a joint investment. In contrast, braiding for a person with IDD would, as an example, permit the person to continue receive the Prevocational Service focused on strengthening their chances of success in competitive integrated employment at least until the person obtains competitive integrated employment. It should be noted that states that have mastered sequencing are well-placed to move on to braiding for an even greater impact on successful outcomes; thus, with Nebraska VR's existing experience, development of a braided structure for Supported Employment for people with IDD should be possible.



As mentioned previously, a Medicaid waiver policy currently exists that does not appear to align with best practices and may hinder realizing the full benefits of braiding waiver and VR resources. This policy requires providers to reduce the hours of waiver day/employment services they are

providing each week by the hours that they are providing VR services, if the combined total of services exceeds 35 hours. This does not appear to recognize that some VR services are most effectively done on behalf of the individual with IDD (e.g., frequent employer contacts; employer needs assessment; discussions with employers leading to the initial interview; etc.). Therefore, the person may have a need to continue in the waiver services while VR services on their behalf are being provided by another staff person at the agency. Without the ability to do this, braiding that creates an incentive – rather than a disincentive – for the individual with IDD (and their family, service providers) to pursue competitive integrated employment cannot be implemented. What a DDD waive participant experiences is a requirement to give up services they need in order for someone to work with them on finding a competitive integrated job. In contrast, intentional braiding can facilitate incentives and the use of best practices by providers, reducing service gaps that individuals with IDD may otherwise experience under the current policy. Intentional braiding, fully articulated in joint policy, and in training and guidance for the field, can also prevent service delays and disconnects that come with the simple sequencing of Medicaid and VR services.

ASSUMPTIONS ABOUT THE COST OF SUPPORTED EMPLOYMENT

A number of key informants mentioned the challenges resulting from widely held beliefs about the cost of Supported Employment, both whether publicly funded systems can afford to dramatically expand access to Supported Employment and whether it is a cost-effective investment of public dollars. While not the subject of research, it is logical to expect that Nebraskan taxpayers, funding the state's public programs largely with earned income taxes, would prefer to see the taxes they pay, on the income they earn from working, go to programs that support fellow Nebraskans to work if they need publicly funded services to get and keep work. Apart from this general principle however, state agency leaders face questions about return on investment from the services their agencies provide. Concerns about the cost-effectiveness of Supported Employment, and questions about fiscal sustainability if Supported Employment is expanded, are legitimate issues that cannot be ignored. How Supported Employment services are implemented is one factor that influences cost-effectiveness as well as payment rates and payment methodologies for the services. Additionally, how Supported Employment services are paid for can also influence the cost-effectiveness of these services, particularly if the financial incentives are not aligned with use of practices that are associated with cost-effectiveness.

With a recognition that money often figures prominently in discussions about changing how services are delivered to people with IDD, this report was commissioned to evaluate the current cost-effectiveness of supported employment for people with IDD already working in competitive integrated employment. The next section of the report addresses this evaluation and the findings.

EMPLOYMENT OUTCOMES DATA COLLECTION

OVERVIEW OF METHODOLOGY EMPLOYED

To address assumptions regarding the realized independence of people with IDD from paid direct support staff and cost-effectiveness resulting from participation in individualized Supported Employment services supporting work in competitive integrated employment, this study sought to collect comprehensive employment outcomes data for as many people with IDD currently working in competitive integrated employment as possible. To achieve this,

Supported Employment providers were encouraged to participate in the data collection as they were not only assisting the state of Nebraska in determining the cost-effectiveness and outcomes of services that support individuals with IDD in obtaining and maintaining competitive integrated employment, but also, they would have the opportunity to:

- Gain a deeper understanding of their own job coaches' performances, including a better understanding of how they are spending their time

- Capture a better understanding of their agency’s current performance and service outcomes to support informed business decisions, backed up by facts
- Recognize opportunities for increased effectiveness and efficiencies

For the purposes of this study there were two periods for which data was collected. Period #1 was Sunday, March 6th through Saturday, April 2nd, 2022. Period #2 was Sunday, May 1st through Saturday, May 28th, 2022. The focus of the data collection was for any individual with an IDD (including Autism) who met the following criteria:

- Currently working in competitive integrated employment as defined in WIOA⁸¹
- Are enrolled, previously enrolled or never enrolled in one of Nebraska DDD’s HCBS Waivers (Comprehensive Waiver; Day Services Waiver)
- Willing to anonymously share their information, knowing they wouldn’t be identified
- May include individuals who meet the above criteria but is not currently receiving publicly funded services to sustain competitive integrated employment from the provider

The Supported Employment providers were provided training, tools and resources to participate in the data collection which included instructions, a job coach time tracking tool, and a provider agency master reporting spreadsheet. Participating providers received a set of standardized definitions that their job coaches used for the tracking and reporting of job coaching time, which supported accurate and consistent data collection. The directions, as written for job coaches were as follows:

- **JOB COACHING DIRECT TIME (FACE TO FACE):** Job coaching – the time you are actually on the job site providing direct job coaching services. Does not include direct time providing personal care or supervision (put this time in Job Coach Personal Care At Workplace category).
- **JOB COACH PERSONAL CARE AT WORKPLACE:** Face to face time assisting with any personal care needs. If you are at the site for 2 hours total and did personal care for .25, your direct time is 1.75 and personal care is .25.
- **JOB COACH SUPERVISION TIME AT WORKPLACE:** This is the time spent with a client at the jobsite but outside of their paid work hours (e.g., waiting for a ride or supervising them during their lunch or break times). Example: John’s shift ends at 3 but you wait with him for an hour for his cab- you report that hour in this category.
- **JOB COACH NO SHOW TIME:** This is lost time the job coach spent waiting for an individual to show up who does not show up for work and either gives you no notice or such short notice you can’t use the time to serve another individual. If you go to the client’s worksite, log travel time and mileage related to no-shows under Job Coach Travel Time and Miles Driven Alone.
- **JOB COACH INDIRECT TIME/TIME ON BEHALF OF:** Must be time specifically for this client. Examples: Planning and consultation – relaying information to funding sources, families, other providers, employers, making transportation arrangements, meetings, making adaptations/jigs/checklists, recording keeping – writing reports, developing support plans, completing client timesheets (timecards), and records review. This is NON-face-to-face time that

⁸¹ Public Law 113–128, §1(a), July 22, 2014, 128 Stat. 1425 Federal Regulation 34 CFR §361.5

does not include travel time. If you travel as part of indirect time (e.g., to meet with an employer) log travel time and mileage related to this separately under Job Coach Travel Time and Miles Driven Alone.

- **JOB COACH TRAVEL TIME:** Coach only to/from the job site. If you are traveling between two clients, do not record the travel time/mileage for both clients unless you divide the time/mileage between the two clients. If you are coaching more than one person at a site, divide the time/mileage between all clients at the site.
- **MILES DRIVEN BY JOB COACH TRAVELING ALONE TO/FROM JOB SITE:** This is the miles that the job coach spent traveling to/from a job site when you are NOT transporting the client.
- **JOB COACH TIME SPENT TRANSPORTING SUPPORTED EMPLOYEE:** This is the miles that the job coach spent traveling to/from a job site when you ARE transporting the client.
- **MILES DRIVEN TO TRANSPORT SUPPORTED EMPLOYEE TO AND/FROM JOB SITE:** This is the miles that the job coach spent traveling to/from a job site and transporting the client.

Additional information collected and taken into consideration for the purpose of evaluating the competitive integrated employment outcomes resulting from Supported Employment services included:

- Individuals Total Paid Hours Actually Worked
- Individual's Total Paid Time Off (including unpaid sick leave, unpaid vacation, unpaid furlough)
- Individuals Total Unpaid Time Off (including unpaid sick leave, unpaid vacation, unpaid furlough)
- Individual's Actual or Estimated Hire Month
- Individual's Actual or Estimated Hire Year
- Individual's Current Wage
- Name of individual's Place of Employment
- Individual's Employer of Record
- Individual's Type of Employment
- Individual's Type of Industry
- Year of most recent Benefits Summary and Analysis for individual
- Natural Support Network relationships resulting from competitive integrated employment (CIE): Supported by the Supported Employment service provider
- Natural Support Network relationships resulting from competitive integrated employment (CIE): Not supported by Supported Employment service provider
- Individual's Current Source of Transportation to/from Employment
- Individual's Current Funding for Transportation to/from Employment

OVERVIEW OF PROVIDER PARTICIPATION AND SIZE OF COHORT FOR WHICH DATA WAS RECEIVED

Seven provider organizations participated in the two data collection periods. The Study Team received data on 234 distinct individuals working in 252 unique jobs. Additional data provided indicated that 81% worked in traditional jobs (wage employment), 13% were reported to be working in customized or carved positions, 4% were self-employed and 2% were listed as unknown. Across the two data collection period there were 472 distinct reports of data for the total of 252 specific jobs.

ESTABLISHING NEEDS-BASED TIERS FOR DATA ANALYSIS

Rather than treating all 234 individuals with IDD, for which data was received, as a single cohort, to better understand and interpret the data, four needs tiers were established, and providers reported the appropriate tier for each individual they included in their data set:

- Needs Tier 1 = Individuals on Medicaid Waiver who have an Individual Service Plan (ISP) indicating constant supervision is required
- Needs Tier 2 = Individuals who are eligible for Medicaid Waiver or on Medicaid Waiver (no ISP indicating constant supervision is required)
- Needs Tier 3 = Individuals who are not eligible for Medicaid Waiver
- Needs Tier 4 = Individuals whose Medicaid Waiver status was unknown

As noted in Table 10 below, 84% (211) of the Supported Employment jobs were held by 194 individuals falling into needs tier 2: identified by the provider as eligible for or enrolled in one of the DDD Medicaid Waivers, but not having an ISP indicating constant supervision required. Taking account of data previously reported that estimates the DDD Waivers support roughly 800 individuals with IDD in individualized Supported Employment/competitive integrated employment, obtaining a data set on 211 individuals with IDD eligible for or enrolled in a Medicaid Waiver is considered a sufficient sample to draw conclusions that can be extrapolated to the population of DDD Waiver participants currently receiving individualized Supported Employment and working in competitive integrated employment. Only 7% of the supported employees and Supported Employment jobs reported were for individuals with IDD classified in needs tier 1: identified by the provider as enrolled in one of the DDD Medicaid Waivers and with an ISP that indicates constant supervision is required. Needs tier 3 supported employees and jobs reported accounted for only 2% of all reported and needs tier 4 made up 7% of the jobs reported and 8% of supported employees for which data was reported.

Table 10. Provider-Reported Supported Employee Jobs Held by Supported Employee Needs Tier

Needs Tier	Count of Supported Employees	Percentage of Total Supported Employees	Count of Supported Employment Jobs	Percentage of Total Jobs
Tier 1	17	7%	18	7%
Tier 2	194	83%	211	84%
Tier 3	5	2%	5	2%
Tier 4	18	8%	18	7%
Grand Total	234	100%	252	100%

ESTABLISHING PHASES TO TAKE ACCOUNT OF LENGTH OF EMPLOYMENT IN DATA ANALYSIS

Because 83% of supported employees and 84% of the distinct job data reported was for individuals eligible or enrolled in a DDD waiver but not requiring line-of-sight supervision, the study team chose to focus on this group for its in-depth data analysis. This group is also likely to mirror the vast majority of the existing DDD waiver population. In addition to analyzing outcomes of individuals based on needs tier, the analysis also took into consideration how long each job had been held when outcome data was submitted. This further allows for better understanding and interpretation of the data.

As previously shared, one of the best practices of supported employment is a service model that expects fading (reduction), over time, of the job coaching support necessary for a person to maintain competitive integrated employment (CIE); thus, as the person holds their job longer, the expectation is a step down in needed job coaching. For the purposes of analyzing the data, three phases were therefore established to assess fading of job coaching over time:

Phase 1 = Individuals on the job 0-11 months

Phase 2 = Individuals on the job 12-24 months

Phase 3 = Individuals on the job 25+ months

Taking into account the 211 unique jobs held by those individuals in tier 2, there were 60 unique jobs where individuals who were in the phase 1 (0-11 months on the job), 42 unique jobs in phase 2 (12-24 months on the job), and 103 unique jobs where individuals were in phase 3 (on the job for 25 or more months). Only 6 jobs held by individuals who were identified in Tier 2 did not have a phase reported.

ASSESSING PRODUCTIVITY CONTRIBUTION TO NEBRASKA EMPLOYERS RESULTING FROM SUPPORTED EMPLOYMENT THAT ENABLES INDIVIDUALS WITH IDD TO WORK IN COMPETITIVE INTEGRATED EMPLOYMENT

One of the most impactful outcomes of Supported Employment for employers and the state's economy is the hours worked by individuals with IDD and the associated productivity value for employers. As Table 11 illustrates, in the eight-week period used for data collection, the 194 supported employees collectively worked for Nebraska employers for over 12,000 hours. In the context of the current labor shortage, the investment of public funding to support individuals with IDD to spend their time engaged in competitive integrated employment has significant value for employers and their workforce productivity outcomes. As compared to the same public dollars being invested in programs that do not result in people with IDD

working competitively, the investment in Supported Employment services has value beyond simply providing the necessary supportive services that people with IDD need.

Table 11. Supported Employee Hours Worked During 8-Week Data Collection Period

	Count of Supported Employees	Supported Employee Total Paid Hours (8-week period)
Tier 2	194	12,218

ASSESSING THE COST-EFFECTIVENESS OF SUPPORTED EMPLOYMENT SERVICES THAT ENABLE INDIVIDUALS WITH IDD TO WORK IN COMPETITIVE INTEGRATED EMPLOYMENT

One outcome of supported employment necessary to know in order to assess the cost-effectiveness of Supported Employment is the hours each person with IDD works. State agencies operating Medicaid HCBS waivers maintain information on the hours of supported employment services authorized, and the rate paid per hour of service; but they do not always track the hours each person with IDD is working and use this information in assessing cost-effectiveness. They may simply compare the hourly cost of supported employment services to the hourly cost of alternative services, which almost always makes supported employment appear much more expensive.

In human services, cost-effectiveness is not defined simply by comparing costs and determining which service costs the least. Instead, **cost-effectiveness is defined based on an analysis of both the comparative costs and comparative outcomes of one or more services.**⁸² The goal is to identify which services offer maximum health and quality of life gains for the cost associated with the service.⁸³ By analyzing employment outcomes using information on hours worked by supported employees and hours of Supported Employment service provided, it is possible to more accurately assess cost-effectiveness and comparable cost in relation to other service options that could be funded for people with IDD. Table 12 below illustrates the result of evaluating the cost-effectiveness of the Supported Employment services for individuals with IDD included in the data received for this study.

⁸² See: <https://www.cdc.gov/policy/polaris/economics/cost-effectiveness/index.html> retrieved December 2, 2022.

⁸³ Marsden G, Wonderling D. Cost-effectiveness analysis: role and implications. *Phlebology*. 2013 Mar;28 Suppl 1:135-40. doi: 10.1177/0268355512475119. Erratum in: *Phlebology*. 2013 Apr;28(3):173. PMID: 23482549.

Table 12. Employment Outcomes and Comparable Cost of Supported Employment Services for 194 Supported Employees in Tier 2 (Eligible for or on DDD Waiver and not requiring line-of-sight supervision)

Phase of Employment	Jobs	Supported Employee Total Paid Hours	Total Hours Coached	Coaching Level	Cost Per Hour of Paid Supported Employment*
0-11 Months	60	3649	1908	52%	\$30.74
12-24 Months	42	2805	889	32%	\$18.92
25+ Months	103	5332	2506	47%	\$27.79
Unknown	6	431	34	8%	\$4.73
Grand Total	211	12218	5337	43.7%	\$25.84

* Using Supported Employment-Individual Rate (Effective 7/1/22) of \$59.12/hour of service.

As illustrated above, with existing VR and DDD Supported Employment reimbursement models and rates in place, **the average cost for the 194 individuals with IDD to work an hour in competitive integrated employment was \$25.84**. This compares, to the hourly cost of other available services, much more accurately and favorably than the \$59.12 reimbursement rate per hour of service which does not account for fading of job coaching that has been achieved. It is also important to note that **the average cost of \$25.84 is being achieved for these 194 individuals without the use of any reimbursement model or rates designed to incentivize and reward fading of job coaching which creates the cost-effectiveness**. The next area of data analysis done for this study looked at overall projected costs if such a reimbursement model were put in place. Additionally, the recommendations section of this report addresses how the state could move in this direction to bring the average hourly cost down further while ensuring providers that successfully fade are able to financially sustain their Supported Employment services.

ASSESSING THE IMPACT OF APPLYING ALTERNATIVE REIMBURSEMENT MODEL ON COST-EFFECTIVENESS FOR THE STATE AND PROVIDER NET REVENUE



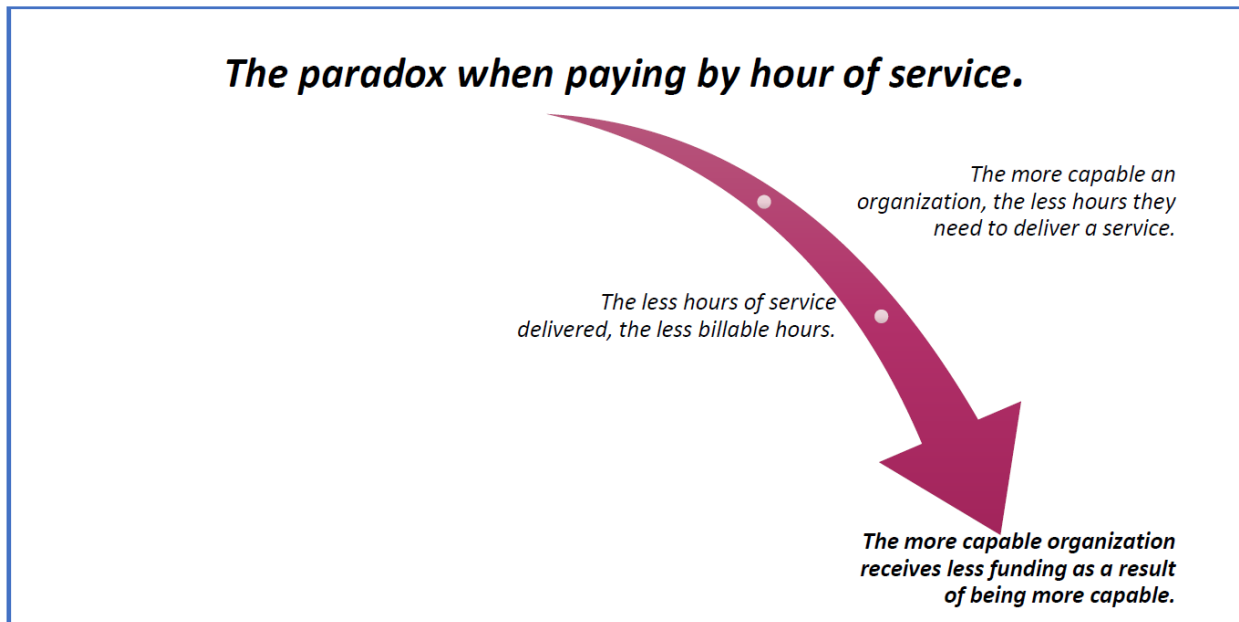
In conducting the employment outcome data analysis for this study, additional consideration was given to aligning the payment model for Supported Employment services with the desired outcomes of the service.

Why Fee for Service Does Not Incentivize Cost-Effective, Quality Supported Employment Outcomes

Historically, Medicaid programs have been operated on a fee-for-service basis rather than a performance or outcome basis (e.g., paying based on the hours worked by the supported employee). The fee-for-service approach is not well aligned with the delivery of Supported Employment services for a number of reasons:

- A fundamental expectation in supported employment is that on-the-job supports (job coaching) will fade over time. If providers are reimbursed based on hours of service, there is no financial incentive to get people jobs where fading is possible: namely jobs that are well-matched to a people's abilities in workplaces where natural support potential exists. There is also no incentive to implement effective strategies to fade once a person is on the job, including use of systematic instruction to teach the job and technology to provide needed supports. The provider experiences a reduction in funding by doing these things. In contrast providers who do poor job matching and who do not implement strategies to fade experience no reduction in funding.
- Many fee-for-service approaches allow billing only for face-to-face service delivery, which is not desirable for many aspects of supported employment services. We know that the critical, early stages of job development are typically done without the individual present. It is also the case that once an individual is settled into their job, the most effective supports are often the least intrusive, involving check-ins with the individual and the employer, and other assistance provided most cost effectively through the delivery of support that is not face-to-face. A policy that allows billing only for face-to-face can encourage unnecessary and potentially intrusive supports while discouraging the use of supports that may not be face-to-face but may be more appropriate and more cost effective. Providers who invest in and learn to use innovative technology to provide supports via cell phones, Zoom, Skype, etc. are not rewarded for adopting these approaches in a fee-for-service arrangement.
- The fee-for-service approach includes no incentives to increase the hours that supported employees work, particularly if this can be done without increasing the need for on-the-job supports. Low hour jobs in supported employment are a chronic problem nationally and it appears that incentives are needed to reverse this trend. Increasing the hours that people work is not rewarded in a fee-for-service approach that pays service hours delivered by the provider. This includes no incentive to assist a person to obtain work incentive benefits counseling assistance or fears about loss of benefits cause an individual to not seek increased hours even if the person would like to work more.
- A fee-for-service approach does not include strong incentives for providers to prevent job loss and there are often difficulties with providers getting timely approvals from case managers to increase job coaching hours to prevent a job loss. This means the provider either chooses to provide the extra supports without having a way to get reimbursed for that emergency support or the provider awaits the authorization by which time the supported employee may have lost their job.
- A fee-for-service approach to job development/placement does not reward providers for achieving the outcome in an efficient manner. The longer it takes a provider to find a person a job, the more revenue they receive. In contrast, providers who are highly competent in doing job development/placement and who get people jobs in less time are rewarded with a lower reimbursement.

Ultimately, a fee-for-service approach to purchasing supported employment services is likely to result in the most capable organizations, which require the least hours to deliver the service due to their capabilities, ending up with the least billable hours and thus the lowest reimbursement for their work. The more capable organization receives less funding as a result of being more capable. The illustration below captures the problem with using fee-for-service reimbursement for Supported Employment services.



Source: Mills, Lisa. *Value-Based Payment Methodologies to Advance Employment First: A Mix of Inspiring Examples from Across the Country*. January 2020: US Department of Labor.

For all of these reasons, states and other funders of supported employment are increasingly exploring and implementing outcome and performance-based funding models. There are a variety of ways to move in this direction, and away from fee-for-service.⁸⁴ In the next section, the approach, for which that the study team has the most experience, is discussed and analysis of the impact is done using the data collected for this study.

Basing Payment on Hours Worked by the Supported Employee

In considering what outcome of Supported Employment should be the focus of a different payment model, the obvious outcome is the hours worked by the supported employee. Paying for Supported Employment services based on the hours a supported employee works aligns the payment model with a number of positive outcomes of Supported Employment that have been universally endorsed for many years:

⁸⁴ Mills, Lisa. *Value-Based Payment Methodologies to Advance Employment First: A Mix of Inspiring Examples from Across the Country*. January 2020: US Department of Labor.

- **Fading of job coach supports:** When a provider is paid based on hours worked, to the extent the provider can use best practices to fade job coach supports more than the level of fading expected in the payment model, the provider will see an increase in net income for their better performance and this quality outcome.
- **Moving the supported employee toward full employment:** When a provider is paid based on hours worked, to the extent the provider can use best practices to assist the supported employee to increase their hours worked, the provider will see an increase in income for this quality outcome.
- **Preventing job loss or reduction in work hours:** When a provider is paid based on hours worked, the provider is naturally incentivized to prevent job loss, or reduction in work hours of the supported employee, because reimbursement continues when providers utilize best practices to ensure these negative outcomes for the supported employee are prevented to the greatest extent possible. Assisting supported employees to maintain involvement in competitive integrated employment, without gaps in employment, is also a universally recognized sign of better provider performance and quality outcomes.

Establishing Target Coaching Levels Based on Needs Tier and Phase of Employment

To build a reimbursement model that pays providers of Supported Employment services based on the hours worked by the supported employee, assumptions about the amount of coaching supported employees require, as a percentage of their hours worked, are essential. These assumptions must be informed by actual coaching data for people already working in competitive integrated employment (CIE). However, the actual assumptions can be adjusted to incentivize and reward fading beyond what is otherwise being achieved with fee-for-service reimbursement. To explore the possibility of paying based on supported employee hours worked, targeted coaching percentages were identified for each employment phase, informed by actual coaching percentages but also incorporating the expectation of incremental fading over time. See Table 13.

Table 13. Actual & Target Coaching Levels Given Length of Time Supported Employee Has Held Their Job

Employment Phases	Actual Coaching Percentage (Based on data collection)	Target Coaching Percentage (To ensure expectation of incremental fading over time)
Phase 1: 0-11 Months on the Job	52%	60%
Phase 2: 12-24 Months on the Job	32%	40%
Phase 3: 25+ Months on the Job	47%	30%

Assessing Actual Coaching Levels Compared to Target Coaching Levels

When comparing the target coaching percentages discussed above to the actual coaching percentages, the overall average actual coaching percentage average is just 2.4% above the overall target percentage.

However, the detailed information in Table 14 below shows that job coaching is not fading as expected when individuals reach Phase 3 (25+ months on the job).

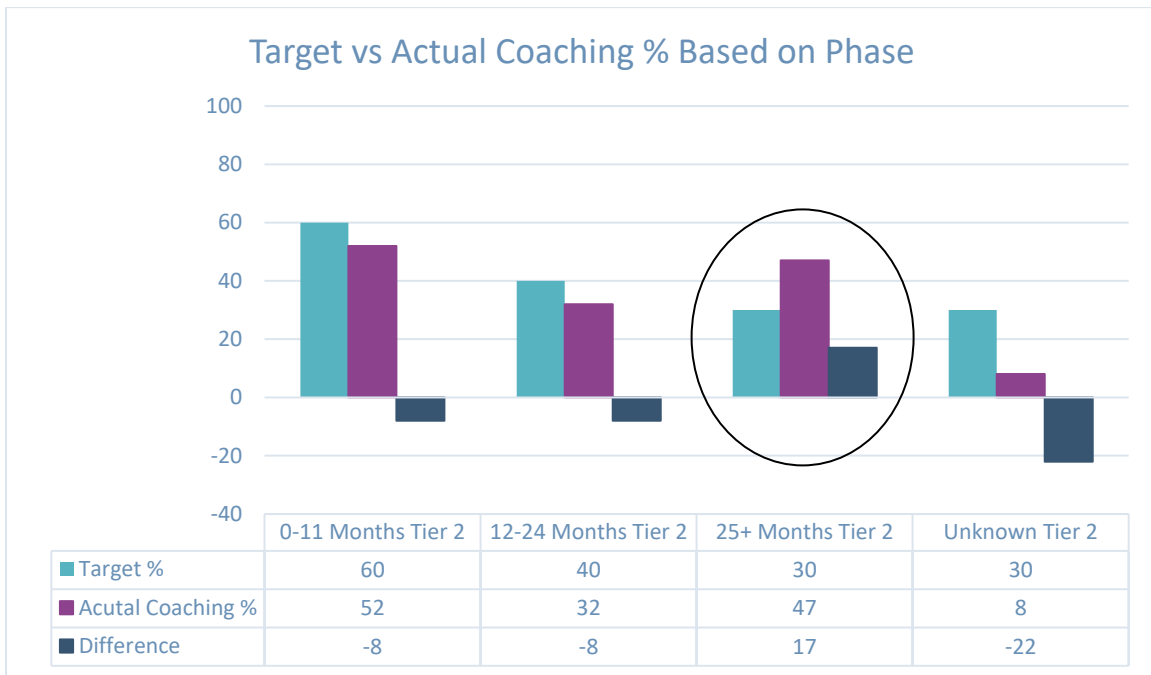
Table 14. Actual Job Coach Fading Outcomes versus Target Coaching Outcomes

Phase	Jobs	Total Paid Hours	Target Coaching Hours	Actual Hours Coached	Target Coaching %	Actual Coaching %	Difference
Phase 1: 0-11 Months on Job	60	3649	2190	1908	60%	52%	-8%
Phase 2: 12-24 Months on Job	42	2805	1122	889	40%	32%	-8%
Phase 3: 25+ Months on Job	103	5332	1600	2506	30%	47%	+17%
Unknown	6	431	129	34	30%	8%	-22%
Grand Total	211	12218	5041	5337	41.3%	43.7%	+2.4%

As otherwise expected, individuals who have been on their job the shortest amount of time (0-11 months) have the highest actual job coaching %. Setting the target coaching percentage for this group slightly higher creates an incentive for providers to assist more individuals to enter competitive integrated employment. Where individuals have held their job for 12-24 months, as expected, the job coaching % steps down from the 0-11 months level. Again, setting the target percentage higher for this phase incentivizes providers to assist more individuals to enter competitive integrated employment. It is financially feasible for the Medicaid waiver program to establish these incentives, given that in any specific budget year, the waiver program will only have a limited number of individuals in Phase 1 or Phase 2, and VR will typically cover job coaching costs for a portion of Phase 1. Additionally, over time, the waiver program could anticipate an increasingly larger number in Phase 3, thus increasing the overall cost-effectiveness of Supported Employment job coaching services as years pass.

Typically, however, the actual coaching percentage for individuals who have held their job for 25 or more months is the lowest coaching percentage. The data collected for this study shows an unexpected spike in job coaching occurring for individuals in Phase 3, working in their jobs for 25 or more months. See Figure 5.

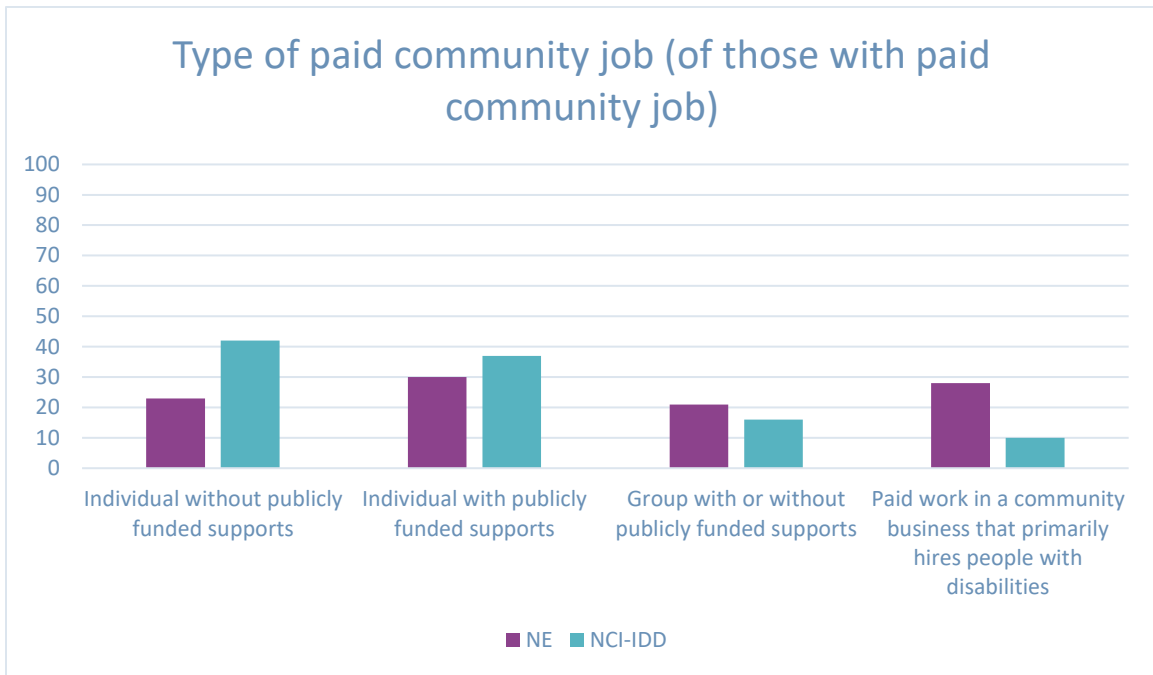
Figure 6. Job Coaching Levels for Individuals Holding their Jobs for 25+ Months



A few possible explanations for this unexpected spike may be:

- The financial incentives to focus on fading that is naturally built into the milestone-based VR Supported Employment payment structure does not continue in the DDD waiver payment structure.
- The segment of waiver participants working in competitive integrated employment for 25 or more months may be working without the involvement of a Supported Employment provider (contact between provider and individual no longer occurring) and thus data for these individuals was not reported in the data collection effort. It is notable that in the NCI data from 2020-21, (see Figure 5) shows 43.4% of those surveyed who reported they were working in individual community job, were doing so **without** publicly funded supports. This demonstrates that in all likelihood, the most able IDD waiver participants are not included in the group receiving Supported Employment services but are working without these services.
- The impact of the COVID-19 pandemic may have created an unexpected increased need for job coaching among individuals with IDD who've held their jobs for two years or more. Because all workplaces had to introduce COVID-19 protocols and all employees, including employees with IDD, had to learn and adhere to these protocols, this has been a confirmed reason for increased job coaching during this period of time, which otherwise would not have occurred.

Figure 6. National Core Indicators 2020-21 Adult In-Person Survey Data on Types of Paid Community Job Situations

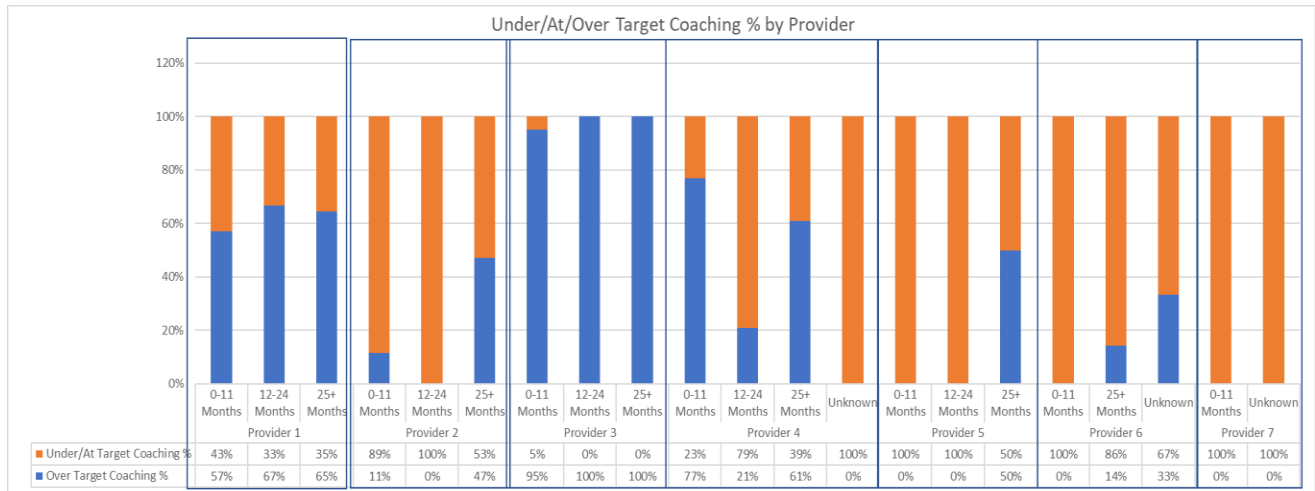


Given the finding of higher-than-expected job coaching for individuals holding their jobs more than two years, one key goal for implementing a different payment structure would be to encourage more appropriate and continued fading of job coaching as individuals sustain their employment beyond two years. While it is not appropriate to expect that all individuals, regardless of impact of disability, would be able to work with the very minimal level of job coaching available through Supported Employment-Follow Along (maximum of 25 hours/year), achieving an average job coaching level below 47% currently reported should be possible with a reimbursement model that financially incentivizes and rewards providers for using best practices to facilitate fading.

Understanding Actual Coaching Levels at the Individual Provider Level

To further understand the current performance of Supported Employment provider agencies and assess the impact of shifting to a payment model that incentivizes best practices and quality outcomes, analysis at the individual provider level was also conducted. Figure 7 demonstrates that job coaching levels for individuals in the same phase of employment varies somewhat. Among the seven total providers reporting data for just under 200 individuals with IDD, the table below shows two providers (Provider 1 and Provider 3) consistently over the target job coaching percentage for more than half of the people supported.

Figure 7. Supported Employment Provider Agency Job Coaching Levels



Based on experience in other states, these significant variations suggest job coaching practices likely vary between providers and some providers may not have the same focus on fading as other providers, in part because of the lack of incentive to fade associated with the fee-for-service reimbursement structure but other factors such as historical approach and local attitudes and expectations may explain the differences. Specializing in serving a high-needs population of waiver participants may also be a factor; but if this was the case, it would have likely shown up in a number of the individuals served being classified as Tier 1 (having an ISP indicating constant supervision is required). The above data is only for Tier 2 individuals eligible for or enrolled in a DDD waiver but not having an ISP requiring constant supervision). With technical assistance, training and support, it is possible for providers who are job coaching at comparatively high levels to implement best practice strategies to reduce this job coaching to at or near target job coaching levels.

Calculating Payment for Supported Employment Services Based on the Hours a Supported Employee Works

Using the targeted coaching percentages and employment phases allows for calculation of the appropriate payment to the Supported Employment service provider for each hour a supported employee works. The payment per hour worked is calculated by multiplying the fee-for-service reimbursement rate for the Supported Employment service by the target percentage. See Table 15.

Table 15. Calculated Payments Per Supported Employee Hour Worked

Employment Phases	Hourly Fee-for-Service Supported Employment Rate	Target Coaching Percentage (To ensure expectation of incremental fading over time)	Payment Per Supported Employee Hour Worked
Phase 1: 0-11 Months on the Job	\$59.12	60%	\$35.47
Phase 2: 12-24 Months on the Job	\$59.12	40%	\$23.65
Phase 3: 25+ Months on the Job	\$59.12	30%	\$17.74

* Using Supported Employment-Individual Rate (Effective 7/1/22) of \$59.12/hour of service.

Instead of the provider billing based on hours of Supported Employment services delivered, this billing model pays the provider based on the number of hours the supported employee works, creating the incentives for use of best practices and quality outcomes as discussed above, also allowing providers to use limited direct support professionals (job coaches) in the most efficient way possible, while avoiding congregation and segregation of individuals with IDD.

Based on data collected for this study, Table 16 highlights the estimated financial impact of implementing the above-described model with rates as illustrated in Table 15. As evidenced in Table 16, there is an overall 5.5% decrease in provider funding for individual job coaching services to the 194 waiver-eligible and waiver-enrolled individuals included in this analysis. As discussed previously, this is due to the higher level of coaching that is occurring for individuals who are supported in the third phase (individuals working 25 or more months in their jobs).

Table 16. Estimated Financial Impact of Paying Based on Supported Employee Hours Worked

Phase & Tier	Total Paid Hours	Target Coaching Hours	Actual Hours Coached	Target %	Actual Coaching %	Fee for Service Payment	Incentive Based Payment	Payment Difference
0-11 Months Tier 2	3649	2190	1908	60%	52%	\$112,801	\$129,473	+\$16,672
12-24 Months Tier 2	2805	1122	889	40%	32%	\$52,558	\$66,333	+\$13,775
25+ Months Tier 2	5332	1600	2506	30%	47%	\$148,155	\$94,592	-\$53,563
Unknown Tier 2	431	129	34	30%	8%	\$2,010	\$7,626	+\$5,616
Grand Total	12218	5041	5337	0%	44%	\$315,524	\$298,024	-\$17,500
								-5.5%

Additional analysis of individual provider impact was also conducted for this study. In Table 17, the results of this analysis are summarized. Providers 2, 6 and 7 would realize an increase in reimbursement whereas providers 1, 3, 4 and 5 would see a reduction in their reimbursement based on the current level of job coaching they are providing to the supported employees they serve as compared to consistent job coaching target levels, based on length of time each supported employee has held their position.

An Important Caution About the Above Fiscal Impact Model for Individual Provider Agencies

However, these projected fiscal impacts should be interpreted as incomplete due to no adjustments in job coach fading targets based on differences in impact/severity of disability among the supported employees in the cohort used in this study. Because the study team did not have access to data that could differentiate impact/severity of disability, the job coaching targets used in the analysis factored in only length of time the supported employees held their job. Data on impact/severity of disability should always be used when setting job coaching targets. This data typically comes from functional assessments such as the Supports Intensity Scale (SIS) or Inventory for Client and Agency Planning (ICAP) or a state's own assessment tool. If in fact, the providers shown in Table 17, losing revenue due to job coaching above the target percentages, are serving supported employees with relatively higher impact/severity of disability, taking account of this information and adjusting target job coaching percentages to account for this will likely correct most of the projected loss. Likewise, if in fact, the providers shown in Table 17, gaining revenue due to job coaching below the target percentages, are serving supported employees with relatively lower impact/severity of disability, taking account of this information and adjusting target job coaching percentages to account for this will likely bring the projected revenue increase to a more modest amount while still ensuring a financial incentive for all providers if job coaching below target percentages is occurring.

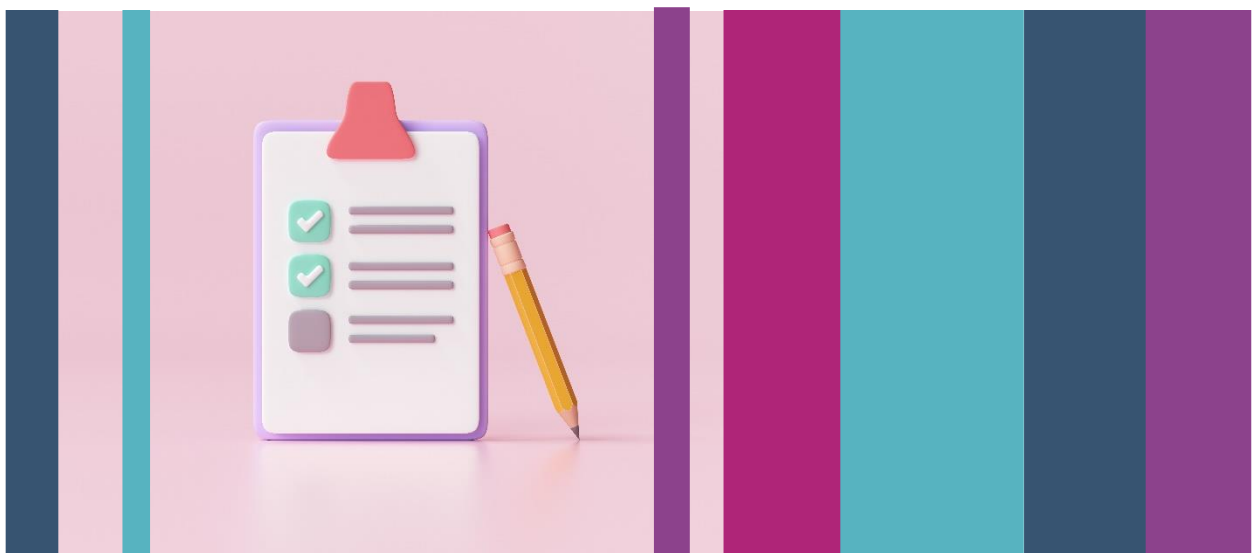


Table 17. Paying Based on Supported Employee Hours Worked: Estimated Financial Impact on Individual Provider Agencies

Provider ID	Phase	Jobs	Total Hours Worked	Target Coaching %	Target Coaching Hours	Actual Coaching %	Actual Coaching Hours	Fee for Service Payment	Outcome-Based Payment	Payment Difference
Provider 1	0-11 Months	5	104	60%	62	237%	246	\$14,544	\$3,689	-\$10,854
	12-24 Months	3	90	40%	36	106%	95	\$5,616	\$2,128	-\$3,488
	25+ Months	25	902	30%	271	79%	714	\$42,212	\$15,998	-\$26,214
Provider 1 Total		33	1096		369		1055	\$62,372	\$21,815	-\$40,556
Provider 2	0-11 Months	18	1816	60%	1090	8%	149	\$8,809	\$64,417	\$55,608
	12-24 Months	14	1694	40%	678	3%	46	\$2,720	\$40,060	\$37,340
	25+ Months	9	857	30%	257	8%	72	\$4,257	\$15,200	\$10,943
Provider 2 Total		41	4367		2025		267	\$15,785	\$119,677	\$103,892
Provider 3	0-11 Months	24	884	60%	530	132%	1166	\$68,934	\$31,357	-\$37,577
	12-24 Months	13	486	40%	194	128%	623	\$36,832	\$11,493	-\$25,339
	25+ Months	4	89	30%	27	151%	134	\$7,922	\$1,579	-\$6,344
Provider 3 Total		41	1459		751		1923	\$113,688	\$44,429	-\$69,259
Provider 4	0-11 Months	5	215	60%	129	130%	279	\$16,494	\$7,626	-\$8,868
	12-24 Months	11	487	40%	195	23%	112	\$6,621	\$11,517	\$4,895
	25+ Months	41	1483	30%	445	50%	741	\$43,808	\$26,302	-\$17,505
	Unknown	2	75	30%	23	0%	0	\$0	\$1,330	\$1,330
Provider 4 Total		59	2260		792		1132	\$66,924	\$46,776	-\$20,148
Provider 5	0-11 Months	2	52	60%	31	37%	19	\$1,123	\$1,845	\$721
	12-24 Months	1	48	40%	19	29%	14	\$828	\$1,135	\$307
	25+ Months	21	1682	30%	504	49%	823	\$48,656	\$29,832	-\$18,824
Provider 5 Total		24	1782		554		856	\$50,607	\$32,812	-\$17,795
Provider 6	0-11 Months	3	383	60%	230	3%	13	\$769	\$13,586	\$12,817
	25+ Months	3	320	30%	96	7%	21	\$1,242	\$5,676	\$4,434
	Unknown	2	356	30%	107	7%	24	\$1,419	\$6,314	\$4,895
Provider 6 Total		8	1059		433		58	\$3,429	\$25,575	\$22,146
Provider 7	0-11 Months	3	196	60%	118	19%	38	\$2,247	\$6,953	\$4,706
	Unknown	2	0	30%	0		10	\$591	\$0	-\$591
Provider 7 Total		5	196		118		48	\$2,838	\$6,953	\$4,115

Ensuring Successful Transition to Paying for Supported Employment Based on Hours Worked by Supported Employees

In any successful transition to a new payment model, projecting waiver-level and provider-level fiscal impacts is a critical part of the process. As noted above, this should always include factoring in the impact/severity of disability for waiver participants to build appropriate risk adjustment into the model. It is not uncommon, however, for fiscal impact analysis to show some providers doing better financially while others are initially projected to do worse. The goal is to minimize and eliminate the number of providers experiencing a loss in revenue. Experience suggests the following planning technical assistance and training enhances providers' ability to success in an outcome and performance-based funding model:

- **Training of Supported Employment program staff, including job coaches and staff who assist people with IDD to find competitive integrated employment, on best practices to ensure job coach fading over time is possible.** This begins with best practices in assisting people with IDD to find jobs, including practices to ensure the job is a good match with the person's interests, skills and conditions

for success, and practices that ensure employers understand how Supported Employment works, including the expectation that fading of the job coach, without uncompensated costs to the employer, is the goal of Supported Employment services. The best practice efforts continue when the job coach becomes involved and uses key strategies to establish a pathway to fading over time, in line with established fading targets. Regardless of the reimbursement model used for Supported Employment services, if effective training on best practices (and demonstrated competency in applying the training in practice) is not required of staff delivering the service, outcomes will be poorer, and costs will be higher than when up-front investment is made in training on best practices **using methods that ensure application of learning in practice**. Too often, training requirements are implemented in a way that results in little impact on quality and effectiveness of practices. It is imperative that training be implemented using evidence-based methods that ensure competency in service delivery results.

- **Transition Period for Provider Agencies** allows for provider leadership and management personnel to fully understand and prepare for being paid based on the supported employee's employment outcome (hours worked) rather than service. A transition period can be utilized to do side-by-side billing, where the provider continues to be paid based on service delivered while the payment based on supported employees' hours worked is also calculated to allow the provider to compare the results and assess financial impact over a period of time prior to actual transition to the new payment model. During this period of time, technical assistance can be provided to assist the provider with preparing for change in billing process and overall change in how supported employment program performance is measured, with a new focus on assisting supported employees to increase hours worked when they are stable and performing well in their positions. Additionally, coupled with the training of staff described above, technical assistance can be provided to address individual situations where unexpectedly high job coaching is currently occurring, to demonstrate implementation of best practices and how these can allow for fading of job coaching in these situations.

In the recommendations section of this report, additional recommendations are made related to implementing a different payment model and addressing other critical factors that **together** build **a comprehensive approach** to increasing competitive integrated employment outcomes. It's critical to go about the work with a clear understanding that while **a new payment model is essential for cost-effectively increasing competitive employment outcomes** among people with IDD, a new payment model **alone** will not result in better outcomes. And we have learned through much history that a comprehensive effort that leaves aside the need for a payment model that rewards best practices and focuses on the outcomes of Supported Employment services rather than the services as an end in and of themselves, will also likely fail to achieve better outcomes.

OTHER KEY FINDINGS FROM THE DATA COLLECTION EFFORT

BENEFITS PLANNING AND ANALYSIS REVIEW FOR INDIVIDUALS WORKING IN SUPPORTED EMPLOYMENT

The US Government Accountability Office recently found that one of the primary reasons individuals with disabilities do not transition to competitive integrated employment from subminimum wage/sheltered workshops is fear of losing benefits.⁸⁵ Despite this, data collected in this study showed that majority of the Supported Employment providers reporting data on individuals with IDD working in competitive integrated employment were unaware of the last time supported employees had a work incentive benefits summary and analysis completed. See Figure 8:

Figure 8. Number of Competitive Integrated Employment Participants for whom the Supported Employment provider knew when a Work Incentive Benefits Summary and Analysis was last completed

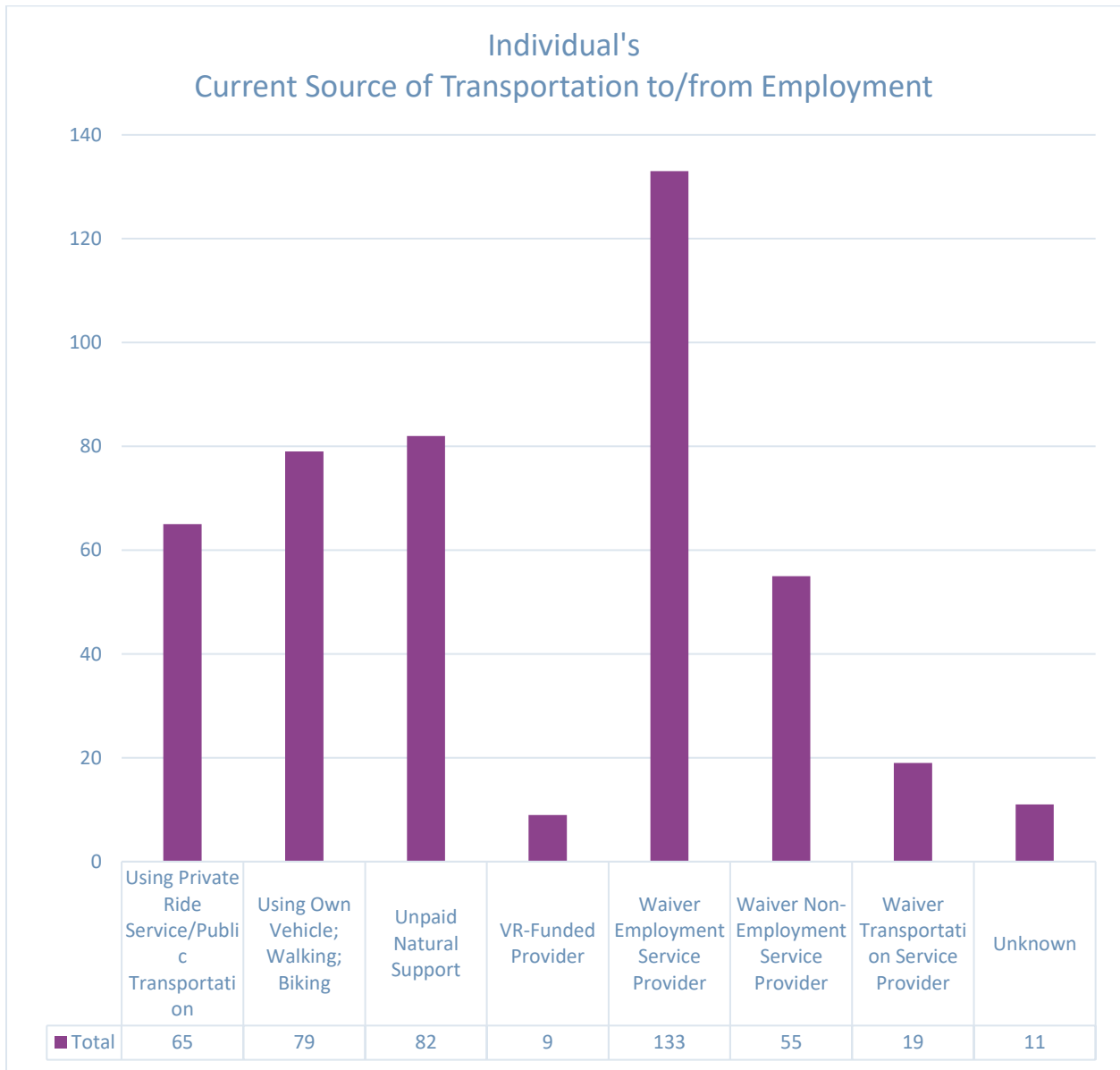
Year of Most Recent Benefits Summary and Analysis (BS&A) for Supported Employee	# of Responses	Percentage
2016	2	0.50%
2017	6	1.51%
2018	18	4.53%
2019	21	5.29%
2020	40	10.08%
2021	51	12.85%
2022	2	0.50%
No BS&A	21	5.29%
Unknown	234	58.94%
Unknown, No BS&A	2	0.50%
Grand Total	397	100.00%

SOURCES OF TRANSPORTATION FOR INDIVIDUALS WITH IDD WORKING IN COMPETITIVE INTEGRATED EMPLOYMENT

The data collection effort also looked at sources of transportation being used by individuals with IDD currently working in competitive integrated employment. Figure 9 below shows the balance of sources of transportation currently being utilized:

⁸⁵ <https://www.gao.gov/products/gao-21-260> retrieved December 10,2022.

Figure 9. Sources of Transportation to and from Competitive Integrated Employment



A total of 47% of the responses, where the source of transportation was known, involve DDD waiver service providers providing the transportation.

Additional data was collected on the source of the funding for the transportation. Figure 10 illustrates the data received.

Figure 10. Source of Funding for Transportation to and from Competitive Integrated Employment



A total of 46% of the responses, where the source of funding for the transportation was known, involve the DDD waiver funding the transportation.

CONCLUSION

This report summarized a study undertaken to assess and better understand current employment outcomes for people with intellectual and developmental disabilities (IDD) in the State of Nebraska. This report focuses on providing a comprehensive understanding of the current employment context for Nebraskans with IDD and to identify strategic recommendations that the State of Nebraska and other key stakeholders can implement to improve employment opportunities and outcomes for Nebraskans with IDD. The many key informant interviews conducted for this study confirmed that a sufficient group of key stakeholders, committed to advancing the welfare of Nebraskans with IDD, believe that when people with IDD are successfully and effectively supported to join the general workforce, this makes a positive impact on the Nebraskan economy and people with IDD themselves. However, most critically, assisting people with IDD to work can help address the plight of the state’s many employers who currently cannot find the workers they need and will likely face this challenge for many years to come.

The recommendations that follow are made with an assumption that there is enough consensus around these facts to move forward with a comprehensive set of changes to prioritize and accelerate the focus on competitive integrated employment opportunities for individuals with IDD.

The history of Supported Employment services in Nebraska is not dissimilar to other states except for the fact that the history does not yet include a truly comprehensive, intentional and visible effort involving key partner state agencies and key stakeholder partners (e.g., provider association; Developmental Disabilities Council; self-advocacy and parent organizations) acting together on a comprehensive shared plan, using resources of all partners in a coordinated way. Where efforts like this are evident in other states, more progress has been made on increasing and sustaining competitive integrated employment outcomes. **Nebraska has a significant opportunity at this particular point in history because of the positive relationships between leadership in the key state agencies, an unprecedented need and opportunity for individuals with IDD to join the general workforce, and the availability of Supported Employment services that, with key changes to improve access, effectiveness and cost-effectiveness, could deliver the improved outcomes desired.**



RECOMMENDATIONS FOR STATE AND STAKEHOLDER CONSIDERATION

The recommendations that follow are based on one key principle: Everyone has a role to play in change and progress will occur when stakeholders focus on how they themselves can change in ways that will contribute to better outcomes, rather than focusing solely on what others need to do to bring about positive change. Indeed, too many opportunities for positive change are missed because stakeholders blame each other for poor outcomes, most often pointing the finger of blame at others rather than reflecting on what they should start doing and stop doing to improve opportunities and outcomes for individuals with IDD to work in competitive integrated employment. The power of collaborative partnership is real. Transparency to allow other stakeholders and partners the opportunity to assist with problem solving is also powerful and can lead to solutions that otherwise would not be identified. At the end of the day, there is no reason why Nebraska should not be a national leader in providing competitive integrated employment opportunities to people with IDD. The following recommendations are intended to provide, for consideration, a framework for action.

Key informants contributed many of these recommendations. They consistently reflected on the workforce shortages that Nebraska is experiencing at this time and recognized that there may never be a more appropriate time to make increasing competitive integrated employment of people with IDD a flagship effort with proper resources dedicated to cost-effectively achieving increased and improved outcomes. The Study Team also includes its own recommendations, either as responses to key informant recommendations where appropriate, or as separate recommendations for consideration based on experience nationally and to ensure a fully comprehensive set of recommendations is presented for consideration.

1 **Develop a collaborative plan among all key partners to more strongly and intentionally promote, to employers and the general public, the value of individuals with IDD as members of Nebraska’s workforce.**



a. Explore leveraging public service announcements, pro-bono collaboration by public relations/marketing firms, and other strategies to **promote success stories and portray individuals with IDD in a way that emphasizes their capabilities** and contributions.

- b. In the short term – include highlights of **people with IDD who working in “essential worker” positions** during the pandemic.
- c. Consider key entities that would be well-placed to facilitate community conversations⁸⁶ or other engagement with local Chambers of Commerce and business/employer groups.
- d. Aim efforts at raising awareness of **the general public and employers**. By doing so, indirectly influence the attitudes and beliefs of individuals with IDD, their families, and organizations/professionals working in the field of IDD in Nebraska.

2 **Stakeholders, with leadership from key state agencies and other organizations, should collectively seek the new Governor’s involvement in promoting the value of individuals with IDD as members of Nebraska’s workforce with Nebraska’s business and industry groups and employers.**

⁸⁶ For more information on Community Conversations, see: https://www.wvi.org/sites/default/files/CommunityConversations_0.pdf and <https://www.nea.org/sites/default/files/2020-07/Organizer%27s%20Guide%20to%20Community%20Conversations.pdf>



- a. Highlight the growing number of examples of state governors making a positive impact by becoming involved through awareness-raising, employer engagement, targeted budget initiatives (Project Search, *Partners with Business*⁸⁷ paid co-worker supports), and executive orders.
- b. Connect the effort to economic development and addressing the challenges facing business and industry in Nebraska, as well as promoting unique opportunity Supported Employment brings for maximizing return on public investment in Nebraskans with IDD

3 Advance the State of Nebraska as a model employer, by intentionally developing competitive integrated employment opportunities for people with disabilities including people with IDD.

- a. Career exploration, job shadow, informational interview opportunities
- b. Paid internship opportunities

- c. Project Search sites within state government
- d. Equitable access to permanent positions (using customization when necessary and beneficial)
- e. Embed Supported Employment specialist position in state human resources agency⁸⁸

4 Nebraska VR And DDD should update and expand their Memorandum of Understanding (MOU).



- a. Specifically address the number of **working age individuals with IDD, enrolled in a DDD Waiver** but not yet working in competitive integrated employment, or working in competitive integrated employment at only a nominal level (i.e., less than 12 hours/week).
- b. Set annual targets in each successive five-year cycle to:
 - i. Annually, increase the percentage of working-age individuals with IDD, enrolled in a DDD Waiver:

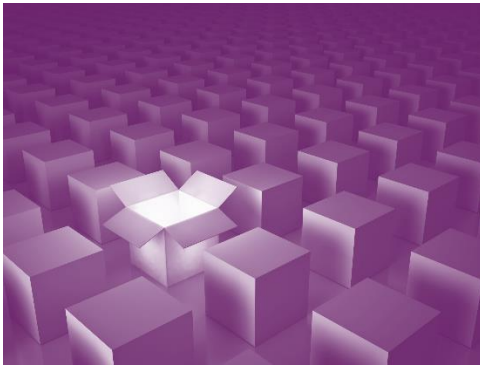
⁸⁷ See: <https://dwd.wisconsin.gov/dvr/service-providers/tech-specs/pwb.htm> and <https://wi-bpdd.org/index.php/partners-with-business/>

⁸⁸ Consider model created by the City of Seattle. See: <https://becausewecare1.files.wordpress.com/2018/08/supported-employment-brief-overview-2018.pdf>

- a. Who **believe they could work** in competitive integrated employment with the services and supports available to them through VR and DDD.
 - b. Whose **natural supports (family; legal guardian, as applicable) believe they could work** in competitive integrated employment with the services and supports available to them through VR and DDD.
- ii. Increase the number of working age individuals with IDD, enrolled in a DDD Waiver but not yet working in competitive integrated employment at the start of the year, who are supported during the year **to voluntarily apply for VR services** to seek competitive integrated employment (including customized competitive integrated employment and/or competitive integrated self-employment).
 - iii. Increase the number of working age individuals with IDD, enrolled in a DDD Waiver but not yet working in competitive integrated employment at the start of the year, who are **working in competitive integrated employment** at the end of the year: (1) at least 12 hours/week; and (2) 20 or more hours a week.
 - iv. Increase the number of working age individuals with IDD, enrolled in a DDD Waiver working a certain number of hours in competitive integrated employment at the start of the year, who are **still working in competitive integrated employment at least the same number of hours** at the end of the year.
- v. For all of the above suggested annual goals, **set annual targets that are considered reachable/achievable** yet an improvement in performance over prior year statistics (a stretch goal).
 - vi. Update VR referral form (if utilized) and application to **identify when a VR referral/applicant is on a DDD Waiver or DDD Waiver waiting list**. Ensure ability to track these applicants/consumers/cases in VR data system to facilitate **quarterly aggregate data analysis and reporting** specific to this population. Continue process of requesting confirmation of status through outreach to DDD with appropriate release of information.
 - vii. Update referral, application and eligibility process to **ensure Early/Rapid Engagement is used** with referrals or applicants who are enrolled on a DDD Waiver
 - viii. Identify allowable **commitments to sequenced and braided funding to clarify division of payment responsibilities** for common customers

5

Ensure uninhibited access to publicly funded Medicaid HCBS Waiver Supported Employment services for eligible individuals with IDD, when the needed service(s) are not timely available through Nebraska VR (or if a student is still in high school, through special education services funded under IDEA).



- a. Solve for budget constraints in ways other than limiting access (see Recommendation 5e. below)
- b. Establish **new or revised policy** to convey the efforts as **a leadership-driven priority**:
 - i. **Expect** every individual with IDD can and should be effectively assisted to identify their relevant interests, strengths, skills, capacities and conditions for success specific to competitive integrated employment
 - ii. **Expect** every individual with IDD (and their most involved natural supports and/or legal representatives, if applicable) have **a meaningful opportunity to understand and explore the option of competitive integrated**

employment in order to make a truly informed choice

- iii. Articulate **intent to promote and support** competitive integrated employment as an optimal outcome for all individuals with IDD and the communities/local economies where they live.
- iv. Continue semi-annual training of VR and DDD agency staff on collaborative efforts to advance the policy. Extend these trainings to DDD Service Coordinators and waiver service providers.
- c. Improve and formalize intentionality with regard to how the DDD waiver **comprehensive assessment and person-centered planning** process addresses competitive integrated employment
 - i. Ensure the comprehensive assessment addresses competitive integrated employment and identifications of needs that individuals with IDD have **to advance them on the path to** competitive integrated employment, or **to advance them in** competitive integrated, if they are already working in competitive integrated employment
 - ii. Define **core competencies for Service Coordinators**, specific to competitive integrated employment, and develop/implement training for Service Coordinators to promote attitudes, values and competencies necessary for effectively addressing competitive integrated employment in the processes

of comprehensive assessment, person-centered planning and implementation of person-centered plans. **Collaborate with Nebraska VR** on training on Progressive Employment approach and consider integrating motivational interviewing techniques with specific applicability to competitive integrated employment. Take account of existing core competencies and existing training content to ensure consistency in expanding and updating focus on core competencies specific to competitive integrated employment.

d. **Reconceptualize and redesign DDD Waiver service definitions:**

- i. Revise language of service definitions to **achieve optimal clarity by starting with language in CMS core definitions and adapting for Nebraska**. Create a single living “FAQ” document to provide additional, ongoing technical guidance on service definitions, as needed, and ensure all guidance is housed in one document.
- ii. Enhance what the person-centered planning process can do with regard to ensuring fully informed choice for DDD waiver participants who have not stated a goal to work in competitive integrated employment. **Add “Exploration and Informed Choice Service”** as a separate waiver service or distinct sub-component under the umbrella of Supported Employment-Individual for waiver participants not receiving Habilitative-

Workshop services. Also, **add process/activities associated with the “Exploration and Informed Choice Service” as an expected component of Day Support service** (formerly named Habilitative-Workshop) to be provided at least once every five years to each service recipient to ensure an informed choice has been supported regarding the opportunity to pursue and work in competitive integrated employment. Design based on existing, federally approved models from other states and in collaboration with Supported Employment providers. Make this particular service limited in scope and timeframe (e.g., 20 hours over 4 to 6 weeks); but allow it to be authorized in addition to the 35 hours/week limit, if necessary, to encourage utilization by individuals not currently working in competitive integrated employment.

- iii. Establish **“Facilitation of Access to Vocational Rehabilitation”** as an allowable quality outcome payment that Prevocational and Supported Employment-Enclave providers can earn, in addition to reimbursement for otherwise authorized services, to ensure waiver participants have knowledgeable, timely support and information needed to access VR services at when they wish to pursue competitive integrated employment.

- iv. Include **“Benefits Summary and Analysis”** as a separate waiver service or distinct sub-component under the umbrella of Supported Employment-Individual for situations where access to this service is needed and not otherwise available to a waiver participant through other sources. Establish distinct billing code, reimbursement methodology and rate. Maintain **“Referral for Benefits Summary and Analysis”** as the first option for authorization where other sources for the service are available to a waiver participant. Structure the service to recognize it is a consultation service requiring someone with specialized training and is done partially face-to-face and partially separate from the person. Further structure the service to recognize it is not a service to train an individual with IDD to do their own work incentive benefits analysis. Consider using approved waiver service definitions from other states. Ensure service emphasizes maximizing earnings while maintaining needed benefits.
- v. **Restore waiver participant’s ability to have non-face-to-face, pre-hire Vocational Rehabilitation services** (that do not duplicate waiver services) provided during the same hour(s) as waiver services included in the 35 hours/week limit, without the requirement that providers reduce the

face-to-face services being delivered/billed within the 35 hours/week limit. Examples of non-face-to-face, pre-hire Vocational Rehabilitation services include but are not limited to: VR-funded employer engagement to secure opportunity for interview/hire; VR benefits analysis non-face-to-face service activities.

- vi. Restore **“Job Development”** as a separate waiver service or distinct sub-component under the umbrella of Supported Employment-Individual for situations where access to this service is needed and not otherwise available to a waiver participant through other sources. Establish distinct billing code, reimbursement methodology and rate.
- vii. **Create an incentive to offset existing disincentives for DDD waiver participants (and their families/guardians, as applicable) to pursue and work in competitive integrated employment** and include Supported Employment-Individual job coaching in their service plan, particularly upon transition from VR where the VR Counselor recommends continuation of job coaching at some level to sustain competitive integrated employment. Do this by:
 - a. Developing an approach to **updating the individual budgeting algorithm to generate an appropriate budget**

add-on that can be applied only to services that are specifically for the purpose of supporting a person to explore, pursue, achieve and sustain competitive integrated employment.

The budget add-on should be based on a waiver participant's circumstances and needs related to competitive integrated employment at the beginning of their annual budget year or when a significant change in circumstances has occurred (e.g., transition from VR services). This will ensure any short or long-term investments that DDD wishes to make in supporting competitive integrated employment are targeted specifically for this purpose. The budget add-on dollars would not be accessible for any purpose other than competitive integrated employment supports. Recommend adding a specific competitive integrated employment assessment to be utilized in determining the appropriate budget add-on for each year; but for the first year after VR job coaching ends, ensure add-on accounts for level of job coaching VR recommends as needed at closure to sustain the newly acquired competitive integrated employment. (Suggest incorporating recommendation 5.d.xi.c and d. into

the implementation of this recommendation.)

- b. Requiring paid work hours to be included in the weekly limit for day /employment services; but **increase the limit to 40 hours/week if at least a certain number of hours/week are spent working in competitive integrated employment.** Recommend initially 12 hours/week given data on current average weekly hours and intent to create additional incentive.
- c. Requiring paid work hours to be included in the weekly limit for day /employment services; but **allowing the 35 hours/week limit for habilitation and day services to be exceeded only in situations where an individual lives with family/natural supports or independently** (not waiver-funded residential situation) and works in CIE on weekends. Avoid forcing natural supports to "give-up" those hours of service during the week if natural supports are working weekdays.
- viii. Add **"Paid Co-Worker Supports"** as a separate waiver service or distinct sub-component under the umbrella of Supported Employment-Individual. Establish this option with Supported Employment agency oversight, but as alternative to agency job coaching for

situations where agency or self-direction job coach is not available or not desirable and employer prefers or is otherwise willing to have a co-worker provide any additional coaching, above what is otherwise available to workers without disabilities, that a person may need to sustain their competitive integrated employment. Design based on existing, federally approved models from other states⁸⁹ and in collaboration with Supported Employment providers. Establish distinct billing code, reimbursement methodology and rate.

- ix. **Establish a “Workplace Personal Assistant” role** where supports required by a Supported Employee no longer fit the definition of job coaching (i.e., no teaching component; no additional fading expected to occur; no focus on increasing the hours the person works). Establish appropriate corresponding reimbursement rates for this role for agency providers and self-direction workers filling this role. Establish reasonable training requirements that specifically address the role and key differences in performance expectations as compared to providing personal assistance at home or in other non-employment situations. Develop clear policy guidance to determine when

“Workplace Personal Assistant” should be authorized in lieu of Supported Employment-Individual job coaching. This service can also be used for individuals who would otherwise need approval for a high level of job coaching to be authorized, well above what would otherwise be appropriate given the person’s impact/severity of disability and length of time s/he has held the job. Some reasons for this type of exception includes criminal history requiring line of sight supervision, significant ongoing medical concerns requiring line of site supervision, and other similar situations where Paid Co-Worker Supports prove not to be an option.

- x. Maintain existing policy that legally responsible individuals (guardians, parents) cannot provide Supported Employment services. **Continue to allow other individuals (including other family members) to be eligible to provide Supported Employment services** with required qualifications as described in recommendation #7 below. Set reimbursement rates for individual providers that are reflective of these required qualifications and **establish minimum payment rates** that waiver participants may pay individual providers of Supported Employment services.

⁸⁹ Wisconsin, Tennessee, Alabama.

- xi. While VR ensures competitive integrated employment opportunities that also limit the need for costly transportation are the focus when Discovery (which includes identifying conditions for success and developing the Job Development Plan) and Job Development is being done, **address these remaining Issues with waiver Transportation services** that are reported to inhibit participation in competitive integrated employment for individuals who have no other source of transportation to/from competitive integrated employment:
- d. Clarify in written policy guidance (and by adding specific language in the next waiver updates) that the current Waiver Transportation service definition language **does not** include a limitation on the use of this service to enable a waiver participant to get to/from competitive integrated employment. Do this to address stakeholders who believe the service cannot be used to assist a waiver participant to get to/from competitive integrated employment if no other viable source of transportation is available to that individual. If in practice, this service has been limited so waiver participants cannot use it to get to/from competitive integrated employment, reverse this practice to align with the waiver and issue written policy guidance, as well as add language to the next waiver update, to make it explicit this limitation is not intended.
- e. Limits on Transportation are still dependent on an individual's approved annual budget and choices an individual must make between services if the annual budget does not extend to meet all of the individual's desired services. Solve for this by **implementing a targeted add-on in the individual budget algorithm that can be requested** only when a person is working in competitive integrated employment, their assessment information indicates transportation to/from their employment is not available through other sources, and their individual budget is not sufficient to cover the cost of the waiver Transportation services needed for competitive integrated employment. **Make the request process straightforward and reasonable** to ensure access to supports for competitive integrated employment is not inhibited in a way that creates a disincentive to work.
- f. Individuals receiving Residential Habilitation (including Therapeutic Residential Habilitation) are expected to be transported between residential habilitation and day/employment services, including competitive integrated employment settings, by the residential provider. The residential provider is also expected to provide transportation when needed during the provision of residential services. The waivers state all of this transportation is included in the rate paid for residential habilitation. Because people working in competitive

integrated employment cannot typically be transported in a group to their place of employment, **the residential provider's reimbursement rate may not account for the individualized transportation needs of people working in competitive integrated employment who have no other source of transportation to/from work.** Solve for this issue, and reduce disincentive that Residential Habilitation providers have for supporting individuals served in competitive integrated employment, by changing policy to **permit individualized transportation to/from competitive integrated employment by the residential provider to be billable through waiver Transportation service category or clarify policy that permits this transportation to be billed under Medicaid Non-Emergency Medical Transportation** because the transportation is taking people to/from a Medicaid service (i.e., Supported Employment-Individual being paid for while individual engaged in competitive integrated employment).

- g. Transportation may not currently be provided by a legally responsible individual even in situations where the only licensed, insured driver the waiver participant lives with is the legally responsible individual. Solve by ensuring policy change that permits a legally responsible individual to provide only the waiver Transportation service and only if the transportation being provided is to/from competitive integrated employment. This will

create both more viable and cost-effective transportation options for waiver participants as well as remove a disincentive for legally responsible individuals to support their adult children/wards in competitive integrated employment.

- i. **Ensure the use of Assistive Technology,** including technology specialized for people with disabilities but also non-specialized technology used by the general public, is always addressed and supported in the provision of employment services.
- h. **Revise service definition** in waivers to include the ability to utilize Assistive Technology to support competitive integrated employment participation.
 - i. Make intentional efforts to **incentivize (through reimbursement structure) and support Supported Employment providers** to develop capacity to assess individuals with IDD and their employment situations for application of appropriate Assistive Technology.
- i. **Use available public funding differently to achieve improved competitive integrated employment access and outcomes. Change reimbursement methodology and rates for Supported Employment services to align payment methodologies and amounts with best practice service provision and quality outcomes**
 - i. To ensure IDD service providers are not financially disincentivized to provide

individualized Supported Employment services to people with IDD, as compared to providing alternative service types and models, implement an outcome-based payment model for Supported Employment-Individual to replace the existing fee-for-service reimbursement structure and ensure contracted providers of Supported Employment services who are implementing these services most effectively (with fidelity to best practices) prosper accordingly without a loss of cost-effectiveness for the DDD.

- ii. **Eliminate distinction between SE-Individual and SE-Follow Along.** Make SE-Follow-Along the appropriate end of a continuum of job coaching support levels.
- iii. Continue option for virtual (non-face-to-face or remote face-to-face) service delivery but **transition to paying for Supported Employee hours worked** rather than service to avoid the need to establish artificial limits on virtual service delivery which don't take account of the number of hours a supported employee works, and which forces a certain amount of face-to-face service delivery regardless of whether this is necessary or appropriate for a supported employee.

- iv. In establishing payment structure based on hours worked, factor in fading expectations as addressed previously in this report; but also include a method for assessing impact/severity of disability as it relates to the need for employment supports. **Tier the payments-per-hour-worked to establish risk-adjusted rates.**
- v. **Collaborate with Nebraska VR** to establish how their payment structure for job coaching and the DDD Waiver payment structure can effectively interface for smooth transitions that neither inappropriately reduce or increase the amount of job coaching being provided to sustain competitive integrated employment immediately after VR-funded job coaching ends.

6 Promote uninhibited, equitable access to publicly funded Vocational Rehabilitation Supported Employment Services for People with ID/DD⁹⁰



⁹⁰ Public Consulting Group. *Nebraska Vocational Rehabilitation Services Provider Town Hall Supported Employment Service Rates* (June 17, 2022).

- a. Implement a **early/rapid engagement**, as a critical component of Progressive Employment activities for individuals with IDD. Include a focus on **expedited eligibility determination**, similar to the approach used for individuals with severe mental illness in the Individual Placement and Support -IPS- model of Supported Employment.⁹¹
- b. Focus on person-centered competitive integrated employment opportunities that also **limit the need for costly transportation** when Discovery (which includes identifying conditions for success and developing the Job Development Plan), job preparation and skill building, and Job Development is being done. Expect job search and development to start from a person’s home and radiate out from that point, rather than a Job Developer’s base location.
- c. In order to ensure service access for all people with IDD eligible for Supported Employment, **tiered payments for key elements of the Supported Employment process** are important to incorporate risk adjustment and avoid referral non-acceptance, referral acceptance without any outcomes, and referral acceptance with unsuccessful outcomes. All of these results can occur when payment structures are flat – in other words, when payment levels for specific aspects of the Supported Employment process do not vary to account for the range of people who

- may have IDD diagnoses and need Supported Employment. The result can be more restricted access or poorer outcomes for individuals with more significant impact/severity of IDD which may otherwise lead to increased determinations of individuals being unable to benefit from VR services when the actual issue may be the payment structure. Additionally, if Customized Employment is not authorized based on impact/severity of IDD, and after Discovery, the remainder of the Customized Employment process is only authorized if there is a need for a negotiated/created position, this is another justification for ensuring that the non-Customized Supported Employment service process is tiered.
- d. **Expand the details of needs documented in the eligibility determination process** to ensure this information can be used to establish each consumer’s tier level
- e. **An example of tiered performance-based rate structure is the following:**

Referral Acceptance/Completion of Intake Meeting

Tier A:	\$300
Tier B:	\$400
Tier C:	\$500

Discovery Profile Incorporating CIE Development Plan

Tier A:	\$1,800
Tier B:	\$2,400

⁹¹ See: <https://ipsworks.org/index.php/what-is-ips/> retrieved December 28, 2022.

Tier C:	\$3,000
<u>Job Development: Supported Wage Employment</u>	
Tier A:	\$1,800
Tier B:	\$2,400
Tier C:	\$3,000
<u>Customized Job Development: Supported Wage Employment</u>	
Tier A:	\$2,400
Tier B:	\$3,000
Tier C:	\$3,600
<u>Supported Self-Employment: Business Launch</u>	
Tier A:	\$2,400
Tier B:	\$3,000
Tier C:	\$3,600

f. Rather than paying hourly for milestones in the Supported Employment process, due to possible lack of data to establish outcome/completion-based payments which incentivize success and efficient, effective service delivery, consider paying **outcome/completion-based payments initially informed by other states' assumptions about hours necessary to complete each milestone** (in both Medicaid HCBS IDD programs and VR programs) multiplied by the hourly rates determined through the recent Nebraska VR rate study to arrive at the initial revised milestone payments which can be tiered as detailed immediately above. In the short-term, **permit providers to temporarily receive an add-on to the payment** (using hourly code) with supporting documentation post-completion

of a service with a particular consumer if it takes longer than the hours covered by the milestone payment. This approach would both keep the focus on timely/successful achievement of milestones and allow the state to gather data necessary to set final milestone payments. The hourly code could also be used where a milestone service terminated prior to successful outcome due to circumstances deemed, by the VR Counselor, to be beyond the provider's control. The data on these payments could also be used in setting the final milestone payments, to **incorporate the rate and cost for these types of unsuccessful completions into the payments for successful completions.**

7

Public funders of Supported Employment services should collaborate to ensure effective

Supported Employment practices by implementing competency-based qualification and/or training expectations for staff delivering Supported Employment services.



- a. These qualifications and/or training expectations should **incorporate evidence-based and best practices for the specific role(s)** that Supported Employment staff are fulfilling. The post-hire training expectations applying to provider agency staff generally must be pre-hire qualifications for individual providers in order to avoid the state being classified as a co-employer.
- b. Content should **focus on practices - for both Job Developers and Job Coaches – that facilitate fading of job coaching over time** if payment structure will be changed to align the incentives in the payment structure with fading job coach supports over time. Both Job Developers and Job Coaches need to do their work in a way that ensures fading is possible. *As noted previously, focusing on fading outcomes while paying fee-for-service does not allow providers delivering these fading outcomes to have a path to financial sustainability.*
- c. **A state’s colleges or universities are already utilizing competency-based approaches to education and can be very strong partners to develop and administer such training programs, bringing their own resources to the effort in some cases. To the extent needed to ensure agency providers and individual providers are not discouraged from providing**

Supported Employment services due to qualification/training requirements, public funding partners should share any financial investment needed to remove any disincentives until individual and agency providers begin to thrive financially in the performance-based payment models for Supported Employment due to the benefits of having qualified/competent staff to deliver Supported Employment services.

- d. Other options for Job Developers include ACRE⁹² training specifically designed for application with people with IDD. Other options for Job Coaches include Training Resource Network (TRN) and MG&A.⁹³



Reach youth with IDD early, focus on increasing CIE post-secondary outcomes in Individualized

Educational Plans, and promote the use of peer mentors to seed the expectation of a working life in adulthood



⁹² See <https://www.acreducators.org/> retrieved December 13, 2022.

⁹³ See: <https://trn-store.com/catalog/job-coaching-and-consulting> and <https://www.marcgold.com/mgacertification> retrieved December 13, 2022.

- Nebraska OSE, VR and DD should, in collaboration with key stakeholders including youth with IDD and their parents, adopt a **joint agreement in support of “Seamless Transition”**. The major features of Seamless Transition include:

- A focus on individualized student transition planning
- Collaboration between schools, other partner service systems (e.g., VR, Medicaid; Workforce)
- Resource and cost sharing among schools and other partner service systems
- Direct engagement of employers, technical colleges, colleges, universities and community organizations
- Paid work experiences in integrated settings while the student is still in high school, non-paid work experiences in integrated settings only to the extent necessary
- Opportunities to spend time in the local community, learning to use the community’s resources and learning other skills for adulthood through direct experience
- ***A job or acceptance into a non-segregated training program or post-***

secondary education setting before high school graduation

- OSE should implement a post-secondary outcomes survey/data collection strategy that seeks information on employment in a way that can discern where high school leavers are working in competitive integrated employment.⁹⁴
- Most critically, OSE should **begin tracking, by age, the types of post-secondary employment outcomes that are identified in IEPs** for special education students who have not yet left high school. OSE should ensure post-secondary employment outcomes identified in IEPs do not include non-work outcomes (e.g., attend day habilitation; volunteer) and should evaluate the types of employment outcomes appearing in IEPs, focusing on **the goal of 100% of these outcomes reflecting some type of competitive integrated employment**. By tracking this data statewide, the OSE can identify school districts that may need more technical assistance with regard to establishing post-secondary employment outcomes and designing transition services to facilitate achievement of these outcomes.
- **OSE’s direct collaboration with DDD should be increased, with a focus on early education (starting at age 14) of youth and their**

⁹⁴ An example from Michigan can be found at: https://www.michigan.gov/mde/-/media/Project/Websites/mde/specialeducation/data-reporting/PostSchool_Survey.pdf?rev=6d591dfac8ef4272b2b762b42409c56e retrieved December 30, 2022. See questions 5-12.

families on the Medicaid waivers and how, once a person is enrolled, these waivers can support competitive integrated employment and community participation. The increased partnership can focus on promoting, at an early age, competitive integrated employment and other themes for maximizing independence and full inclusion, ensuring youth and their families recognize the Medicaid waivers can support a life outside of traditional group home and day program models. **It is critical the partnership start with informing and educating key school staff, including special education teachers and transition specialists facilitating IEP meetings,** about the Medicaid waivers and their anticipated evolution going forward. Where youth with IDD cannot immediately transition onto a Medicaid waiver, the collaboration should focus on proactive information sharing with youth and their families with regard to steps they can take and strategies they can use including how to apply to be placed on the waiting list for Medicaid waiver services but also many more proactive steps they can take. To support parents and families, consider expanding the use of the Kansas F.E.A.T. (Family Employment Awareness Training)⁹⁵ to extend the impact this training can have on family expectations.

- OSE, DDD, VR, People First Nebraska and the State Independent Living Council should partner to **introduce Peer Mentors with IDD in high schools.** These Peer Mentors would be adults with IDD working successfully in supported competitive integrated employment. Consider the possibility of a **“Speakers Bureau” initiative through and the Developmental Disabilities Council or through the State Independent Living Council** focused on recruitment and preparation for Peers who would be paid to go into high schools to speak to and with transition-age youth with IDD.

9 Identify available short-term funding that can be invested in the provider network and workforce which can support increased opportunities for competitive integrated employment for people with IDD:



- a. **American Rescue Plan Act of 2021 Section 9817 Enhanced FMAP:** A review of the Quarterly Update for FFY 2022 (Q4) indicated no proposed use of the enhanced FMAP

⁹⁵ See <https://beachcenter.lsi.ku.edu/beach-family-employment-awareness-training-feat> retrieved December 30, 2022.

funding that is specifically aimed at increasing opportunities for competitive integrated employment and building/sustaining a properly qualified and trained workforce to deliver Supported Employment services efficiently and effectively. Nonetheless, the Nebraska Department of Health and Human Services, within which the DDD is located, is responsible for administering the funding. More generalized plans for investment in the HCBS system that have been approved by CMS can and should, in the implementation phase, be targeted toward increasing competitive integrated employment opportunities and the strength and size of the Supported Employment service provider network.

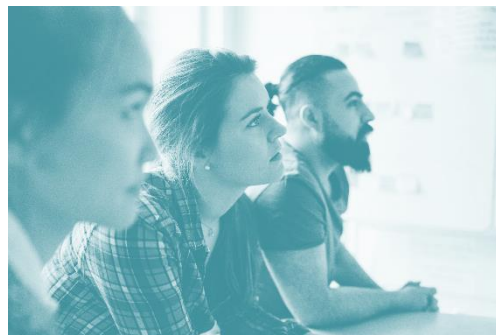
- b. In rural areas, **economic development funding** should be explored.
- c. **Foundations** interested in addressing poverty, unemployment, people with disabilities, diversity, inclusion or other relevant areas should be engaged to explore the role(s) they could play in assisting with the comprehensive strategy.

10

Engage key informants for this study

in a **one-day summit** to discuss this study’s findings and recommendations, and determine what consensus can be reached about how a collaborative initiative could move forward to

increase competitive integrated employment outcomes for Nebraskans with IDD.



- a. **Consider roles for all key informants** to acknowledge progress is dependent on a broad-based effort involving state agencies and a range of key stakeholders
- b. Consider how and **where to house the initiative** and keep individuals with IDD, their natural supports, employers, providers and other key stakeholders informed about the initiative and its progress/outcomes.
- c. Consider whether the comprehensive initiative recommended could be **a formalized element of the state’s Olmstead Plan**

11

Maintain commitment to evolving the comprehensive strategy over time.

- a. Keep at the forefront, this key lesson learned from elsewhere: ***Any strategy for change will become stale after a period of time*** and will need to be updated to reinvigorate key partners and stakeholders to continue progress toward the goal.

b. **Embrace mutual accountability** for moving toward improved outcomes. A key to progress is **focusing on problem solving rather than assigning blame**. Additionally, progress will be more likely when key partners and stakeholders together make concerted efforts **to understand how their actions and performance impacts others involved**. If each state agency's leaders and staff, and all other

key stakeholders start with "What can I do differently?" to improve competitive integrated employment opportunities and outcomes, the cumulative result will be the framework for **a comprehensive strategy that is likely to get strong buy-in** because everyone involved has defined some of their own responsibilities and commitments

FINAL THOUGHTS

With one of the lowest unemployment rates in the country⁹⁶ and ranking second among all states for labor force participation rate⁹⁷, it is clear Nebraska's economy needs more working-age Nebraskans to enter the labor force in order to continue economic growth and prosperity. While not unlike many other states, the history of people with IDD's participation in competitive integrated employment has fallen short of the potential that exists. In this study, all key informants agreed on this. Many key informants also recognized that now is the time to "grab the ring" and bring together state agencies and a range of other key stakeholders to jointly adopt a comprehensive and impactful strategy to increase:

- Employers' awareness of the contributions people with IDD can make to their businesses with the availability of publicly funded Supported Employment services. Funded by tax dollars, Supported Employment services provides a return to Nebraskan businesses, for the taxes they pay, bringing them the opportunity to hire and benefit from the contributions of fellow Nebraskan with IDD.
- The belief among people with IDD and their families/guardians that competitive integrated employment is possible with Supported Employment services and timely Benefits Analysis, making it a valuable opportunity that can be pursued without fear of greater risks to health or safety, net loss of income, or loss of eligibility for needed support services.
- The strategic commitments and corresponding investments that providers of IDD services make to building their capacity and expertise to deliver services that lead to and sustain competitive integrated employment outcomes as the optimal outcome of the publicly funded services they provide to people with IDD.

⁹⁶ The US Bureau of Labor Statistics reports that as of November 2022, Nebraska ranked fifth among all states for having the lowest unemployment rate. See: <https://www.bls.gov/web/laus/laumstrk.htm>

⁹⁷ The US Bureau of Labor Statistics reports that as of November 2022, Nebraska ranked second among all states for having the highest labor force participation rate. <https://worldpopulationreview.com/state-rankings/labor-force-participation-rate-by-state>

And finally, key informants agreed that the time has come to focus on the shared commitment to better competitive integrated employment outcomes, rather than attempting to assess blame for the current situation. Everyone has a role to play in making progress on this vitally important focus for Nebraskans with IDD and for ensuring an adequate state workforce in the coming years. Everyone can reflect on their own role and likely find there is something they could start doing, or do differently, or stop doing to better advance competitive integrated opportunities and outcomes. When state agency leaders and other stakeholders set aside assigning blame for the current situation and instead, engage together in an effort to bring about change, being honest and open throughout the process, very positive impacts can occur.

Additionally, it is important to note that this study did not find that current Supported Employment outcomes are highly problematic in terms of cost-effectiveness. As noted previously, in human services, cost-effectiveness is not defined simply by comparing costs and determining which service costs the least. Instead, **cost-effectiveness is defined based on an analysis of both the comparative costs and comparative outcomes of one or more services.**⁹⁸ The goal is to identify which services offer maximum health and quality of life gains for the cost associated with the service.⁹⁹ At a very basic level, we know from research that there is a bi-directional relationship between working and positive health and mental health, and in turn, healthcare costs.¹⁰⁰ We also know that income has a direct impact on health and mental health, and many key social determinants of health are greatly influenced by income. There are also many other well documented benefits of Supported Employment.¹⁰¹

This study used data from a sample of individuals with IDD working in competitive integrated employment that is considered sufficient to draw conclusions for the broader population of individuals with IDD in Nebraska. The data from this sample demonstrated that the cost of a waiver participant working an hour in competitive integrated employment is not nearly as high as is typically assumed. **While there is clearly room for improvement in cost-effectiveness, the current level of cost-effectiveness of individualized Supported Employment services appears reasonable, given the use of the fee-for-service reimbursement structure in the DDD Waivers, and what practices this approach to reimbursement incentivizes - more importantly,**

⁹⁸ See: <https://www.cdc.gov/policy/polaris/economics/cost-effectiveness/index.html> retrieved December 2, 2022.

⁹⁹ Marsden G, Wonderling D. Cost-effectiveness analysis: role and implications. *Phlebology*. 2013 Mar;28 Suppl 1:135-40. doi: 10.1177/0268355512475119. Erratum in: *Phlebology*. 2013 Apr;28(3):173. PMID: 23482549.

¹⁰⁰ See: https://leadcenter.org/wp-content/uploads/2021/07/impact_of_employment_health_status_health_care_costs_0.pdf retrieved December 2, 2022.

¹⁰¹ Particularly see the published works of Dr. Robert E. Cimera, currently a Professor at Kent State University.

what practices this reimbursement structure inadvertently disincentivizes, which are those practices that most contribute to the achievement of cost-effectiveness.

Finally, one key informant thoughtfully characterized the way forward, saying:

*“We don’t have enough money” seems to me to be an easy excuse. It may mean we lack ideas for what to do to improve outcomes or the only ideas we have are those that might cost a lot of money. It’s time to look at what we know about providers supporting people with IDD to work successfully in competitive integrated employment. We need to look at whose doing it cost-effectively while still making ends meet as an organization and learn about how they are making this happen. Then make sure the systems of funding support and incentivize all provider to operate in this way. To undertake this work, something needs to come off the plate. What should come off the plate is what is counter-productive to the goals. It is time to turn our focus to assisting people with IDD to realize the opportunities available to them **in their communities** and that includes, as a centerpiece, **finding people with IDD opportunities for employment** in their communities. If we are helping people “live their best lives”, we are focused on and using our resources to **seek new opportunities for people with IDD to explore and pursue.***

Higher expectations are critical, both of individuals with IDD and ourselves as actors who can so significantly influence individuals with IDD: their expectations, beliefs, opportunities, experiences and confidence to succeed. Our own confidence is critical: confidence that people with IDD can make a positive contribution as part of the general workforce, if Supported Employment services are available to them. And finally, a steadfast commitment to the principle that there is a place for everyone in the workforce and work brings multiple benefits, many of which will not necessarily be apparent until a person is working and an employer or customer is benefiting.

