States Expand Employment and Training Opportunities for People with Disabilities
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Executive Summary

This white paper was developed by the National Governors Association Center for Best Practices (NGA Center) as part of its collaboration with the U.S. Department of Labor (DOL) Office of Disability Employment Policy’s (ODEP) State Exchange on Employment and Disability (SEED) to foster a nationwide workforce more inclusive of people with disabilities. As part of this collaboration, NGA Center served as an intermediary organization, helping governors’ offices and state officials develop strategies to take advantage of pools of untapped talent and ensure that workforce development and hiring policies are inclusive of people with disabilities.¹

NGA Center hosted a learning lab on May 9-10, 2018, in Madison, Wisconsin, titled “Building Inclusive Talent Pipelines for People with Disabilities.” Alaska, Arizona, Hawaii, Indiana and Maryland were selected to participate in the learning lab, where they learned about Wisconsin’s successes and shared best practices with one another and leading subject matter experts.² This paper describes strategies that emerged as best practices in participating states and other states across the country highlighted during the learning lab. Additional policy options and state examples are available through another SEED project publication titled “Work Matters: A Framework for States on Workforce Development for People with Disabilities.”³
The Opportunity for Governors

Unemployment rates remain near record lows, with many states experiencing rates below the national average of 3.8 percent, and yet employers struggle to fill the more than 6 million jobs that remain open across the country. In this climate, governors are increasingly aware of the need for a highly skilled workforce—one that meets the needs of businesses and workers—to help drive economic growth. To this end, governors are not only working to ensure that education and training programs prepare people for in-demand jobs but are also engaging people who often experience high rates of unemployment, including people with disabilities.

Roughly one in five American adults, or approximately 53 million people, live with some type of disability, and their unemployment and poverty rates are nearly double the rates of people without disabilities. Labor force participation for people with disabilities is just 20.2 percent—less than a third of the rate of participation among people without disabilities. However, this is often not by choice. At least two-thirds of people with disabilities are striving to work, whether they are already working and want more hours or are unemployed and looking for work. Many who do find work face limited opportunities and are likely to earn less. For example, a worker with a disability who has a high school diploma earns $6,505 less per year than his or her peers without disabilities.

These trends of unemployment, underemployment and lower wages are costly to states. Pay disparities for people with disabilities result in $6.5 billion per year in forgone state tax revenue, while supporting unemployed working-age people with disabilities costs states at least $71 billion a year. In contrast, supported employment—when a person with disabilities receives assistance obtaining and maintaining employment in a competitive work setting that employs people with and without disabilities—yields an estimated $1.21 return to taxpayers for every public dollar spent.

State regulations can also be barriers to training and workforce participation for people with disabilities. For example, some states currently operate under “order of selection rules,” meaning that departments of vocational rehabilitation (VR)—the state agency serving people with disabilities who are employed or seeking work—can serve only a select portion of total applicants. Unserved applicants can be referred to workforce development departments, but this process can be confusing and arduous. Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) regulations may also be confusing and limiting for people with disabilities looking to enter or reenter the workforce. It is often unclear to recipients whether they can work and still receive SSDI; some are afraid to ask or do not know whom to contact with questions, and still others are intimidated by paperwork and other requirements and so do not complete the process.

Recognizing these barriers, the high costs to states and the need for skilled talent, many governors are prioritizing employment and training opportunities for people with disabilities as a critical component of their talent pipeline and economic development strategies. Employers, recognizing their challenges in acquiring and retaining talent, are turning to these untapped pools of talent, as well. Many states are successfully developing promising practices for overcoming barriers to employment and expanding opportunities for people with disabilities, some of which are highlighted below.
State Strategies to Expand Employment and Training Opportunities

During the May 2018 learning lab, the six participating states—Alaska, Arizona, Hawaii, Indiana, Maryland and Wisconsin—shared best practices and engaged in dialogue with subject matter experts on leading practices across the country. These strategies fell into four priority areas: (1) preparing people with disabilities for careers, (2) supporting and retaining employees with disabilities, (3) engaging employers in education and training, and (4) coordinating services and supports across state agencies.

Preparing People with Disabilities for Careers

Supporting people with disabilities through the education and training pipeline into stable employment is critical to their ongoing professional and personal success and fulfillment. The most successful programs and practices in states:

- Connect classroom learning to career possibilities; and
- Expose students to hands-on work experience in a competitive work environment in which people with and without disabilities are employed and work alongside one another.

Connecting Classroom Learning to Career Possibilities

High schools across the United States have long implemented Individual Learning Plans (ILPs) for students; ILPs are used in 43 states and mandated in 33 states. They are designed through a collaborative process that includes school counselors, students and their parents and tailored to each student’s individual needs to ensure that that student leaves high school ready for college and a career. Many of these states require that the ILPs be consistent with and part of a student with disabilities’ Individualized Education Plan (IEP). Recently, several states have shifted the approach administrators take to a student’s education: Plans are explicitly designed to shift a student and family’s thinking away from barriers and disabilities toward ways in which the students’ education prepares them for a career or further education.

Research has demonstrated that branding ILPs with career-oriented names is an effective means of accomplishing this goal. States are starting to change the branding and focus of their ILPs in accordance with this research. For example, Maryland refers to its ILP as the “Individual Academic and Career Plan”; Washington and Virginia call their plans a “High School and Beyond Plan” and an “Academic and Career Plan,” respectively. Career-oriented names also reflect a deliberate shift in focus for counselors managing ILPs, especially in conversations they have with students about their course selection and future plans. These shifts in plan branding and how they are discussed in counseling sessions are changing students’ views of themselves and their futures. Students using these career-oriented plans often perform better in school and successfully transition into postsecondary education or employment at higher rates.
Exposing Students with Disabilities to Hands-On Work Experience

Research suggests that exposing students and adults with disabilities to hands-on experience—working alongside both people with and without disabilities—improves their employment prospects by preparing them with relevant skills, increasing their confidence and demonstrating their value to employers. For example, numerous studies have found that students who participate in some type of work-based learning, vocational education or paid employment experience are up to four times more likely to be employed after graduation. They are also more likely to graduate high school, advance to postsecondary education and live independently after high school.

The Wisconsin Youth Apprenticeship Program is a long-standing example of a program that successfully serves students of multiple abilities, including students with disabilities, connecting them with work experience that leads to better academic performance and employment. The program operates in 373 of the state’s 424 school districts, and roughly 5 percent of the students served have one or more disabilities. Wisconsin Governor Scott Walker added a state Youth Apprenticeship Coordinator to the Department of Workforce Development staff in 2015 and supported expanded funding for 33 regional consortium coordinators and one local coordinator per school. These state, regional and local coordinators are key to the program’s success; they forge relationships between employers and schools, ensure that all partnerships align with the state’s broader economic development agenda, identify students who will be a good fit for each apprenticeship and ensure that students are accessing other supports they may need throughout their apprenticeship.

The Wisconsin Youth Apprenticeship Program has yielded excellent outcomes for its students. During the 2016-2017 program year, the program saw an 83 percent completion rate and an average hourly wage of $9.88 for all participating students. Students without ILPs (called “Individualized Education Programs” in Wisconsin), including students with disabilities, had a 76 percent completion rate and an average wage of $8.52 per hour (D. Burton, personal communication, July 12, 2018).

Another program that has generated positive employment and education outcomes from providing hands-on workplace experience for high school students with disabilities is Project SEARCH, which operates in 47 states. Through the program, employers host high school students and adults with intellectual and developmental disabilities in rotations through unpaid internships, during which they receive continual feedback on performance, learn about the industry and business culture and become more confident in their ability to thrive in a multiple-ability work environment. Nationwide, more than 75 percent of participants secured employment after graduation; of those, 33 percent were employed by their Project SEARCH internship host site. Other participants received employment elsewhere, bolstered by the work experience, professional recommendations and confidence they gained from their Project SEARCH internships.

Governors have taken note of these outcomes. Wisconsin Governor Walker supported the expansion of Project SEARCH from 11 to 27 sites in the state. Michigan Governor Rick Snyder launched a Project SEARCH host site within Michigan state government in 2017, making it the state’s 16th Project SEARCH site. Participants work in 15 divisions and agencies of state government. Other states are replicating the Project SEARCH model of career exploration and workplace experience in their programs.
Supporting and Retaining Employees with Disabilities

States are identifying and implementing strategies to help employees with disabilities continue working, whether the disability is present from the beginning of the worker’s tenure or the worker becomes disabled while on the job. Supporting and retaining workers with disabilities offers benefits to employers and to society overall. When workers with disabilities stay on the job, employers’ costs related to workers’ compensation or employee turnover may be reduced. A 2016 study by the Society for Human Resource Management found that the average cost of onboarding a new employee is $4,129. States lose revenue when people with disabilities are not achieving their employment potential; this loss is particularly noticeable in the form of foregone income tax revenue not collected from unemployed people with disabilities who are able and willing to work.

States play an important role in promoting policy and program solutions that help employers retain employees with disabilities. State solutions include:

- **Increasing support for existing state agencies**, especially VR agencies;
- **Supporting state agency compliance with federal legislation;** and
- **Access to supports**, such as health care providers, benefits counselors, transportation and housing.

Increasing Support for VR Staffing and Services

A state’s VR agency plays a vital role in supporting private- and public-sector employers that hire people with disabilities by supporting those employees after they are hired in addition to supporting them during their education, training and job search. Alaska, Hawaii, Maryland and Wisconsin provide examples of creative uses of VR agencies to support employees with disabilities. For instance, many states have invested in programs that provide job coaches, who are particularly helpful for individuals with developmental disabilities because they can help these individuals navigate stressful situations, enhance their customer service skills and advocate for themselves on the job. Wisconsin has recognized the importance of its Division of Vocational Rehabilitation (DVR) services, with Governor Walker fully funding the department in his 2017-2019 budget. Maryland has enhanced support for services for people with disabilities by elevating the director of the Maryland Department of Disabilities to a cabinet position. This department advises multiple agencies and the governor’s office on disability policy issues, and the inclusion of the department’s director in the governor’s cabinet enables the secretary to be present at high-level budget and staffing conversations and represent the perspective of people with disabilities in those discussions. This department collaborates with the Division of Rehabilitation Services, housed under the Maryland State Department of Education, and several other agencies.

Supporting State Agency Compliance with Federal Legislation

Several states have led the way in creating policies that facilitate collaboration and coordination among state agencies consistent with the principle that competitive, integrated employment is the priority, presumed, default outcome. Alaska became one of 34 “employment first” states in May 2014, passing legislation that requires state agencies that support people with disabilities to consider meaningful, integrated employment as the priority in service planning for people with disabilities. This legislation was developed in partnership with Governor Sean Parnell’s Council on Disabilities and Special Education. As part of this work, Alaska launched its Beneficiary Employment and Engagement initiative, which resulted in various toolkits and pathways for providers that emphasize employee retention as a component of a successful employment first strategy.
The Wisconsin Business Enterprise Program (BEP) was authorized under the federal Randolph-Sheppard Act (1936), which mandates a nationwide priority for blind or visually impaired people to operate vending facilities on federal property. Wisconsin BEP has expanded its scope beyond the Randolph-Sheppard Act mandate, engaging directly with private-sector employers to broaden access for those with visual impairments and adding occupations, including mini-market stocking. The state’s DVR representatives have a legislated mandate to help businesses address employee barriers, provide support and lead training programs focused on how to foster strong relationships among employees, regardless of disability status.

Coordinating Employee Access to Medical Services and Supports
When a worker becomes disabled on the job, the rate of chronic unemployment increases when that person is out of work longer than 12 weeks. Washington’s Centers of Occupational Health and Education (COHE) is a program that helps employees return to work quickly and safely after a workplace accident by creating a network of partnerships among medical providers, employers, injured workers and community-based organizations that support injured workers. Each COHE has one Health Services Coordinator (HSC) on staff for every 2,350 annual claims. The HSCs coordinate with the injured or disabled employee to make sure that he or she receives the highest standard of care as well as enhancing communication among Washington’s Department of Labor and Industries, providers, employees and employers. This partnership approach helps get workers back to work quickly with appropriate supports, decreasing the possibility that a workplace injury turns into a long-term disability.

Indiana learned from the COHE model and has replicated similar partnerships in its Benefits Information Network. The state used its Medicaid Infrastructure Grant to develop a network of benefits information counselors and disability support services. This network makes it easier for people to access federal and state work incentives and support, increasing the likelihood that they will remain engaged with the system and receive the support services they need to stay at work.

Recognizing the importance of such models, ODEP, in partnership with DOL’s Employment and Training Administration and the Social Security Administration, is funding the RETAIN Demonstration Projects. RETAIN—Retaining Employment and Talent After Injury/Illness Network—projects will test the impact of early intervention strategies that improve stay-at-work/return-to-work outcomes of individuals who experience work disability while employed.
Engaging Employers in Education and Training

The public workforce and VR systems have a dual-customer focus, serving the needs of both jobseekers and employers looking for talent. As an equal “customer” of the services that these systems provide, it is important that employers participate as investors and contributors to education and training of the workforce, including workers with disabilities. Like educators and state agency staff, employers are increasingly shifting their focus away from barriers and challenges toward talents and abilities, and their state agency partners are helping them make that shift. The following practices emerged as key for successfully using employers’ resources, expertise and leadership:

- **Making the business case** for training, supporting and retaining talented employees with disabilities; and
- **Supporting partnerships between state VR departments and the business community** that ensure programs are tailored to business needs.

Making the Business Case

States that engage in successful partnerships with employers for employment of people with disabilities have found that the strongest business case focuses on two key messages: recruiting the right talent and abilities in all job candidates and hiring candidates whom employers are more likely to retain, thereby reducing employee turnover costs.

For example, Andis Manufacturing, a small business in Wisconsin, worked with the Wisconsin DVR and its Project SEARCH team to identify the jobs in which the company was struggling to keep people employed and the skills needed for those jobs. Through the Project SEARCH internship program, Andis found that students on the autism spectrum were particularly effective in a critical laser operation position and that they wanted to stay in those positions longer than other employees had previously (T. George, remarks delivered at the Building Inclusive Talent Pipelines for People with Disabilities learning lab, May 10, 2018). Though new to Project SEARCH in the 2017-2018 academic year, Andis plans to participate again and is interested in hiring several of its interns full time.

Larger companies also reap benefits from targeting this pool of talent. In dozens of states, CVS Health trains people with disabilities who thrive in positions for which the company often has trouble hiring and retaining employees, including front-of-store and retail positions. The company has also successfully hired people with diverse talents in higher level or higher skilled positions than it traditionally considered for disability employment programs, such as pharmacy technicians (L. Barkley, remarks delivered at the Building Inclusive Talent Pipelines for People with Disabilities learning lab, May 10, 2018).

In addition to skills and talents that people with disabilities bring to the workforce, these workers also make up a large segment of the consumer market—another aspect of “making the case” for business participation in this work. People with disabilities represent $490 billion in after-tax disposable income, similar in size to other significant market segments like African Americans ($501 billion) and Hispanics ($582 billion). This market is valuable for companies to tap into; internal representation and inclusion efforts help build trust and loyalty among consumers with disabilities. CVS Health, among other companies, has acknowledged this as one part of why employing people with disabilities was not only the right thing to do but also a smart business decision (L. Barkley, remarks, May 10, 2018).
Supporting Partnerships Between VR and Employers

A dual-customer approach has long been implemented in the broader workforce development system, but it is a newer approach for VR systems. Many governors and cabinet officials are directing VR agencies to build stronger relationships with local and regional businesses for both training and hiring people with disabilities. When VR staff can help an employer develop appropriate training and accommodations for people with disabilities, many employers find it easier to support disability employment initiatives. For example, CVS Health finds that its disability employment programs are most successful when the state VR agency can provide support and assistance for activities such as candidate screening, interview support and job matching (L. Barkley, remarks, May 10, 2018).

Highly visible gubernatorial support for employment and training for people with disabilities is key to the success of these partnerships. For example, Wisconsin Governor Walker titled his 2015-2017 budget “Year of a Better Bottom Line” after a 2012-2013 NGA Chair’s Initiative of the same name that focused on engaging employers in training and hiring people with disabilities. The accompanying budget recommendations led to funding to hire nine Business Services Consultants (BSCs) in the Wisconsin DVR. Each BSC is responsible for a cluster of counties in which he or she delivers services that support candidate identification and screening and helps build connections and develop new programs with employers. The hiring of BSCs represented a broader shift toward making business engagement efforts in the state inclusive of people with disabilities. Companies in Wisconsin know that the state and governor support and trust its DVR and that DVR has dedicated resources to help businesses hire talent with disabilities, which in turn makes companies more confident in entering into a partnership with the state’s VR agency.

Aligning Services and Supports Across State Agencies

Aligning services provided by multiple state agencies to each person engaged in the education and workforce development systems is a cross-cutting challenge underlying the policy and practices shared above. Governors and states are experimenting with innovative governance structures to better coordinate services and supports to people with disabilities across agencies and ensure an aligned strategic agenda, including:

- Installing dedicated statewide disability offices focused on aligning strategies and services across agencies serving people with disabilities;
- Facilitating collaboration and coordination among state agencies; and
- Coordinating service provision for minors and families receiving SSI.

Installing Dedicated Statewide Disability Offices

Governors can lead alignment of strategic priorities and service delivery for people with disabilities by creating a statewide office dedicated to disability issues. In 1981, Massachusetts created the Office on Disability (MOD) through legislation passed with strong support from then-governor Edward King. MOD is an independent agency within the Executive Department that works closely with the governor and is fully staffed to coordinate across agencies, programs and services to ensure that people with disabilities are included in and accounted for across the workforce development and education systems. The agency also serves as the commonwealth’s Americans with Disabilities Act coordinating agency for the Executive Branch and as a resource for technical assistance on disability-related matters across state agencies. Continued support from the governor’s office across eight administrations has helped underscore MOD’s authority and importance,
which have been key to its success in supporting the implementation of state and federal laws relating to access and inclusion and helping the commonwealth meet its goals in areas like supplier diversity and increasing representation of people with disabilities among state employees.\textsuperscript{40}

Maryland created a department of disabilities with a cabinet-level secretary of disabilities in 2004 through legislation passed with the support of then-governor Bob Ehrlich. In addition to serving in the governor’s cabinet, the secretary of disabilities oversees the Maryland Commission on Disabilities and the Interagency Disabilities Board, coordinating their work with multiple state agencies, including the departments of health; human services; labor, licensing and regulation; and education.\textsuperscript{41} State officials believed that establishing a cabinet-level position focused on disabilities would not only provide a point of connection to the governor’s office and across other agencies but also elevate the importance of education, employment and other services and support for people with disabilities in the state.

**Coordinating Service Provision**

One model for aligning services and support provided to people with disabilities across agencies is offered by the Promoting the Readiness of Minors on Supplemental Security Income (PROMISE) grant program operated by the U.S. Department of Education (ED). In 2013, PROMISE awarded $211 million in five-year research grants to Arkansas, Connecticut, Maryland, New York and Wisconsin as well as a consortium of western states: Arizona, Colorado, Montana, North Dakota, South Dakota and Utah.\textsuperscript{42} Through this grant program, states are improving coordination of services for minor SSI recipients and their families to help students achieve better outcomes like graduating from high school; completing postsecondary education and job training; and obtaining competitive employment in an integrated, multiple-ability workplace, with the long-term goal of reducing these individuals’ dependence on Social Security income and other safety net supports as adults.

By setting a goal of improving education and employment outcomes for students, PROMISE projects are encouraging and supporting broader shifts in state agencies toward a focus on students’ abilities and their potential for productive employment. ED has not yet completed its evaluation of the project, but states are already seeing positive outcomes. For example, Maryland’s PROMISE project has already identified increased graduation rates, greater acquisition of work experience, increased employment rates and increased earning potential among students receiving enhanced service coordination (J. Gingerich, personal communication, January 9, 2018). The PROMISE grant project, upon completion, will provide states with examples of how to develop strong and effective partnerships across agencies, how to coordinate transition services and support for child SSI recipients and their families and how to manage data collection and tracking of student outcomes. Best practices that emerge from this project will be relevant not only to services and support for students with disabilities but also for building partnerships and streamlining service and support provision for individuals and families more broadly.
Conclusion

Governors face a unique opportunity to engage a largely untapped pool of talent, fulfill business needs and reduce fiscal burdens on state agencies by identifying and expanding opportunities for people with disabilities to engage in career-oriented education, training and employment programs. Governors can lead expansion of opportunities in their states by publicly supporting and prioritizing employment and training programs that prepare people with disabilities for careers in multiple-ability work settings; ensuring that the support necessary to retain employees with disabilities is in place; leading state officials in taking a business-oriented approach to program design; and setting a new standard that turns the focus of policymakers, program administrators, students, teachers, parents and employers away from disabilities toward abilities and talents. Employing these strategies will support the development of a more skilled labor pool for businesses, a stronger state economy and opportunities for more fulfilling work and life experiences for people with disabilities.

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2 For more information about the National Governors Association Center for Best Practices’ learning lab Building Inclusive Talent Pipelines for People With Disabilities, visit https://www.nga.org/center/meetings/building-inclusive-talent-pipelines-for-people-with-disabilities
15 Ibid.
20 Ibid.
21 Individual education plan (IEP) information was not cross-referenced with school or region IEP data. The numbers presented are based solely on students self-reporting whether they had and used IEPs.


