

COMMUNITY COUNTS 2015 REPORT

**Minnesota State Council on Disability, Minnesota
Consortium on Citizens with Disabilities
The Arc Minnesota**

January 15, 2015

Executive Summary

During the 2010 legislative session, legislation was passed creating a “Community Counts” report. This report—put together annually by the Minnesota State Council on Disability, The Arc Minnesota, and the Minnesota Consortium for Citizens with Disabilities—presents the effectiveness of state programs serving people with disabilities.

This year, the report has evolved slightly. Whereas previous Community Counts reports have offered comprehensive surveys of state services, this year’s report focuses specifically on the issue of employment. This is in line with the Governor’s Executive Order 1414, policy priorities at DHS and the Olmstead Implementation Office and the Minnesota State Council on Disability’s policy focus going into its celebration of the 25th anniversary of the Americans with Disability Act (ADA).

Even after 25 years, Minnesotans with disabilities are participating in integrated competitive employment at rates far below other working-age Minnesotans. To illustrate, only 17% of adults with intellectual and developmental disabilities who are supported by public funding are working in the competitive labor force. In addition, the unemployment rate for Minnesotans with disabilities is ten times higher than that of the state as a whole. Moreover, the unemployment rate among Americans with disabilities is actually worse now than it was at the time of the ADA. It is imperative that the state of Minnesota expand, support and monitor employment services for Minnesotans with disabilities. What follows is a summary of the current state of affairs.

It must be noted that disability employment policy has been fundamentally reshaped by the Supreme Court’s Olmstead decision. The task now is to provide Minnesotans with disabilities with informed choices, opportunities, and assistance to participate in the competitive workforce in jobs they find meaningful and desirable.

I. Policy Context: Minnesota's Olmstead Plan

On June 22, 1999, the United States Supreme Court ruled that keeping Americans with disabilities segregated in center-based services and employment was unconstitutional. With the Minnesota Supreme Court's subsequent decision in *Jensen et al v. Minnesota Department of Human Services* reinforcing the mandate, Minnesota has now begun transforming its educational and adult disability service systems to support Minnesotans with disabilities to lead integrated lives and work in the community if they so choose.

In January of 2013, Governor Dayton established the Olmstead Plan Sub-Cabinet to oversee the state's transition to a more integration-focused approach to residential, education, and workforce services for Minnesotans with disabilities. The Minnesota State Council on Disability, in partnership with the Minnesota Consortium for Citizens with Disabilities and The Arc Minnesota, are intent on providing technical expertise as well as vigilant advocacy, to ensure that the state fully and effectively implements Olmstead reforms.

II. Current Overview and Policy Response

The section below details Minnesota's employment policies for Minnesotans with disabilities, and gives the context, both nationally and at the state level, in which those policies are taking place. As the data shows, the disability community experiences an unemployment rate that is over seven times higher than that of the nondisabled population. Even more shocking, the employment numbers we see now are actually worse than those at the time of the ADA's passage, 25 years ago. It is for this reason that it is imperative that the state address the issue of employment among the disability community.

National Overview:

Total US Population (2013): 314,746,745

US Disabled Population (2013): 39,892,960

Percent Disabled of U.S. Population (2013): 12.7%

Number of Americans with Disabilities employed: 7,031,023

Percent of Americans with disabilities employed: 34.0%

Labor Force Participation Rate—people with disabilities: 20.3% (December, 2014)

Labor Force Participation Rate—people without disabilities: 68.1% (December, 2014)

Minnesota Overview:

Minnesota Population (2013): 5,362,681

Minnesota Disabled Population (2013): 563,442

Percent Disabled of Minnesota Population (2013): 10.5%

Total in day and employment services: 16,493

Total in integrated employment services: 2,745 (17%)

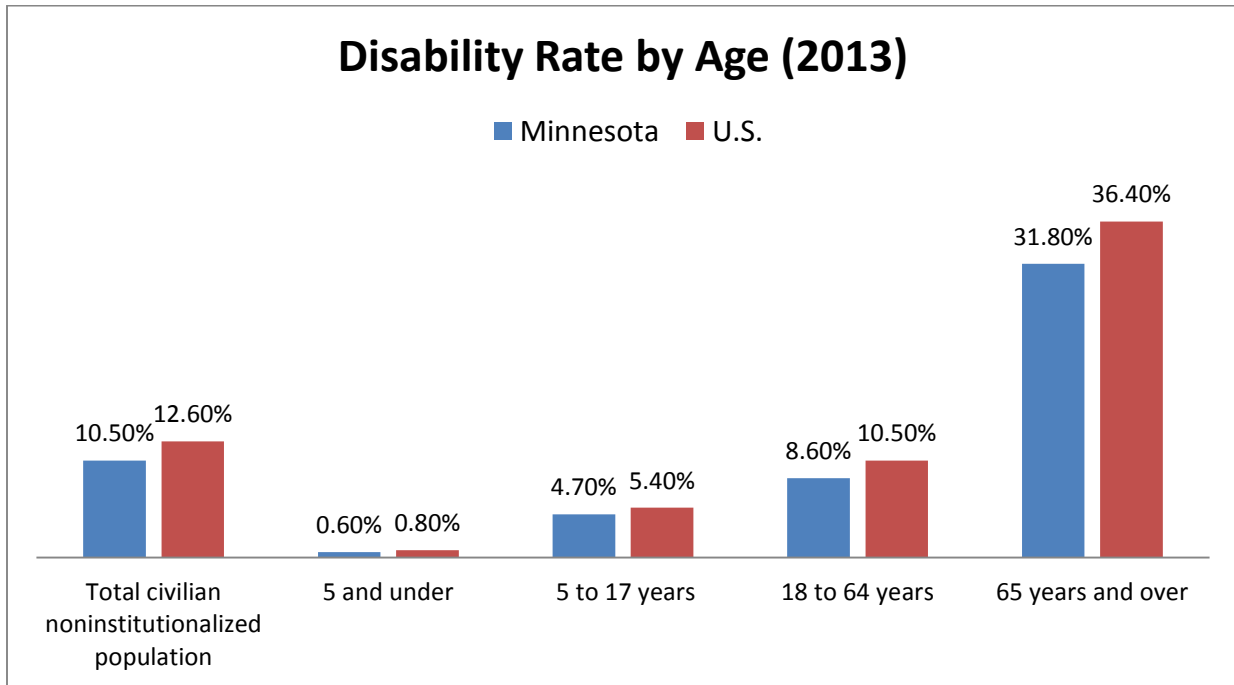
Total funding for day and employment services: \$255,162,542.00

Total funding for integrated employment services: \$19,129,212.00 (7%)

As the data shows, Minnesota has a great deal of work to do to fully implement Olmstead reforms. Currently, only 17% of eligible Minnesotans with disabilities are working in community-based employment opportunities. Unsurprisingly, only 7% of funding for employment services for Minnesotans with disabilities is spent on integrated employment. These numbers show that, in order for the goals of Minnesota’s Olmstead Plan to be realized, there must a radical rebalancing of funding and stronger attention paid to policy implementation and interagency collaboration.

Although a significant amount of the general population has a disability, disability disproportionately affects older demographics. Figure 1 shows that, while 10.5% of Minnesotans and 12.6% of Americans have disabilities, among those over 65, 31.8% of Minnesotans and 36.4% of Americans have disabilities.

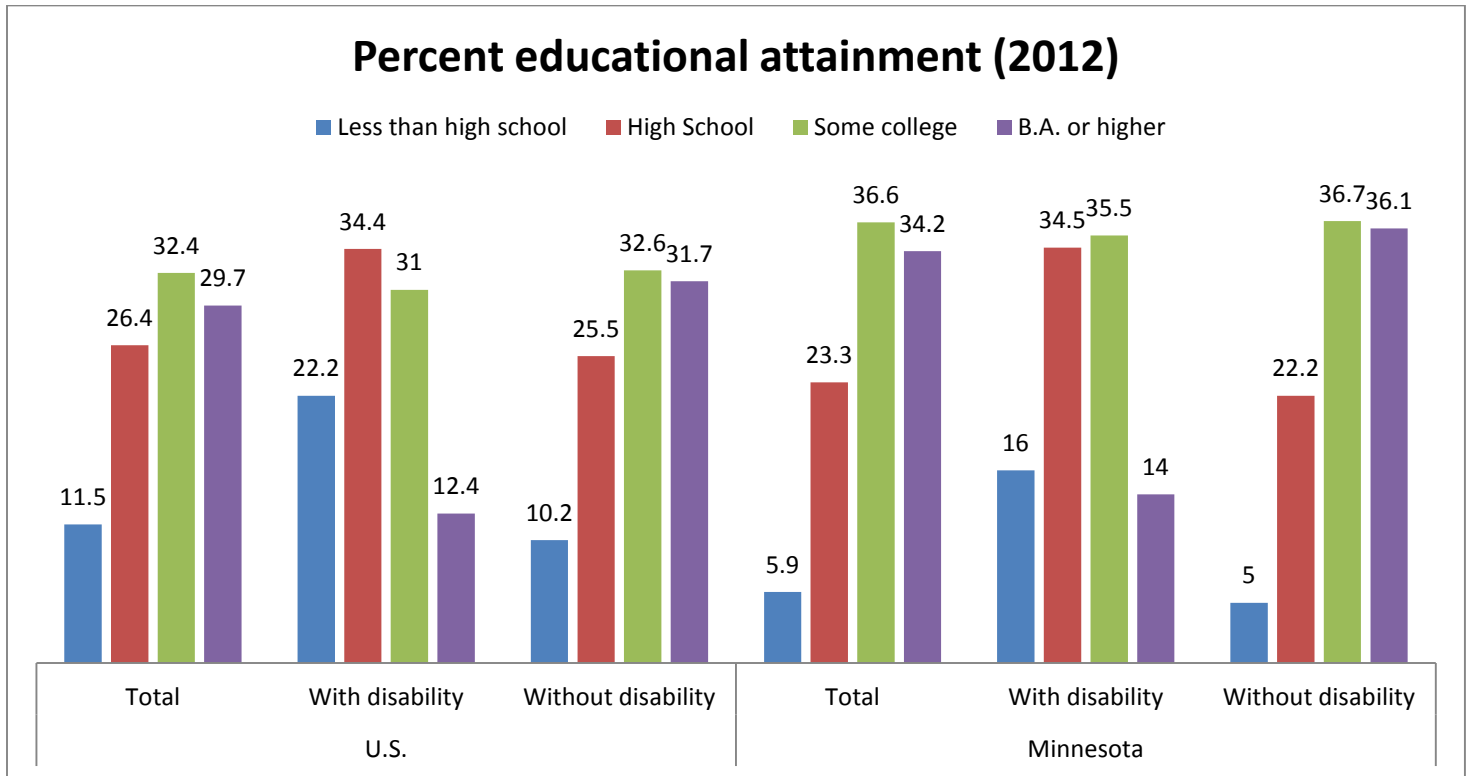
Figure 1: Disability Rate by Age



(Source: U.S. Census)

Figure 2 shows highest educational attainment for Minnesotans and Americans without disabilities. The percentage of Minnesotans with disabilities whose highest educational attainment is high school far outpaces that of their fellow citizens without disabilities. While a similar percentage of Minnesotans with and without disabilities are graduating high school, there is a stark disparity in Minnesotans with a bachelor’s degree or higher. Some of this may be due to differences in cognitive capacity, but research documents there are many ways for people with disabilities to learn skills and participate in post-secondary education and training programs. The state should continue to monitor this gap and invest in educational and training that embraces universal design for learning principles to widen accessibility and introduce new opportunities so Minnesotans with disabilities can more fully participate in secondary education and post-secondary higher learning and career pathways training.

Figure 2: Highest educational attainment for citizens with and without disabilities

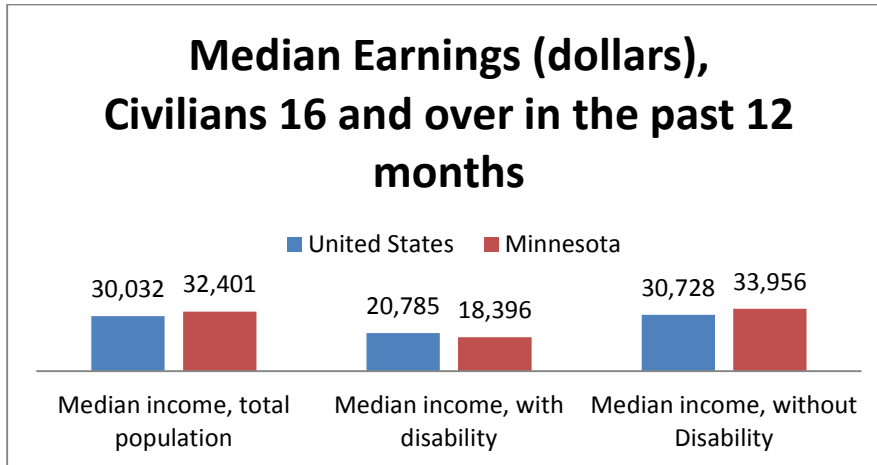


(Source: Cornell University Disability Statistics)¹

Figure 3 shows the median earned income of Americans and Minnesotans with disabilities, in comparison of that of Americans and Minnesotans without disabilities. Clearly, there is a stark contrast. Indeed, Minnesotans with disabilities see a worse income disparity with their counterparts without disabilities than is seen nationwide, with Minnesota experiencing a disparity of \$15,560 versus \$9,943 at the national level.

¹ Erickson, W., Lee, C., von Schrader, S. (2014). Disability Statistics from the 2012 American Community Survey (ACS). Ithaca, NY: Cornell University Employment and Disability Institute (EDI).

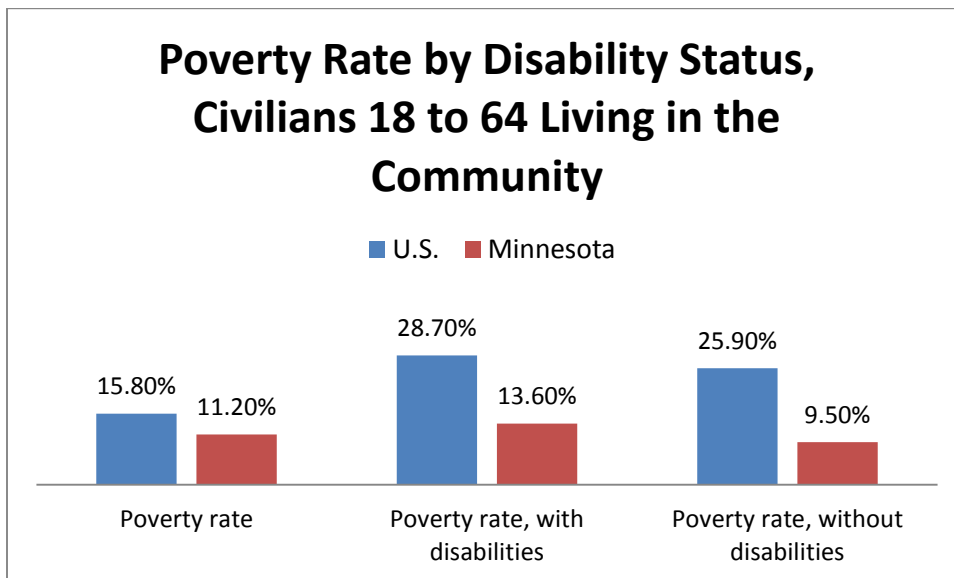
Figure 3: Median earnings in dollars, Civilians 16 and over for the past 12 months



(Source: Disability Compendium)

Given the disparities in earned income, it should come as no surprise that Minnesotans with disabilities experience higher rates of poverty than their fellow citizens without disabilities, although both rates are lower than the national rate. Figure 4 shows that, whereas Minnesotans without disabilities see a poverty rate of 9.5%, their counterparts with disabilities see a rate that is over 4 points higher, at 13.6%. This disparity is unacceptable and shows the moral imperative to fully implement Minnesota’s Olmstead Plan and Employment First Policy to address the lack of employment and secondary and post-secondary education/training opportunities for working-age youth and adults with disabilities.

Figure 4: Poverty rate in population with and without disabilities



(Source: U.S. Census, Disability Compendium)

How then, do all these factors play out in the focus of this report, employment for Minnesotans with disabilities? As Figure 5 shows, Minnesota exceeds the national employment rate for people with disabilities. Whereas the national rate is 33.9%, Minnesotans with disabilities have an unemployment rate of 46%. While this rate is better than that seen nationwide, it is still unacceptable. Also, we know from recent national research conducted by the University of Massachusetts, that Minnesota has highest reported rate of “center-based employment” in the United States.² Therefore, this data may be misleading as a high percentage of people with significant disabilities are working in center-based jobs and earning sub-minimum wages. Moreover, other studies and analyses have shown that the Great Recession was especially devastating for people with disabilities. Employment rates among people with disabilities declined drastically over the past 7 years, and they still have not returned to pre-recession levels.³ The state must make it a priority to provide employment opportunities for its citizens with disabilities.

Figure 5: Employment Statistics for Americans and Minnesotans with Disabilities

	U.S.	Minnesota
Total Number of Persons with Disabilities	20,714,303	287,236
Number Employed	7,031,023	132,259
Percent Employed	33.9	46

(Source: Disability Compendium)

In the light of these stark disparities, the state has embarked upon a major policy response. The following programs are the central components, currently, of Minnesota’s effort to respond to the mandate of the Olmstead decision:

1. MN DEED VOCATIONAL REHABILITATION

The Minnesota Department of Employment and Economic Development’s Vocational Rehabilitation Services (VRS) offers counseling and support that is tailored to the individual. Minnesotans with disabilities have the opportunity to meet with a VRS counselor to develop a work goal. The counselor then helps to develop a plan for achieving that goal through training and a job search. Once participants have secured employment, their counselor continues to check-in to help them succeed in their position.

DEED also works with community rehabilitation programs to implement Minnesota’s state-funded, extended employment that provides critical post-employment supports to individuals with disabilities and their employers.

² StateData: The National Report on Employment Services and Outcomes 2011, University of Massachusetts, Institute on Community inclusion.

³ Mourssi-Alfash, Mohamed. “The Great Recession and Disability Employment.” *Minnesota Economic TRENDS* (March 2014).

Extended Employment Participation data:

SFY13 Outcomes	Total	Supported Employment	Community Employment	Center-based Employment
Workers	4,984	2,529	2,206	2,496
Work hours	3,981,640	1,586,849	995,075	1,399,716
Wages paid	\$26,895,846	\$15,821,094	\$5,570,544	\$5,504,208
Average hourly wage	\$6.75	\$9.97	\$5.60	\$3.93
Average hours worked	15.4	12.1	8.7	10.8

Source: Extended Employment Compliance Audit, MN Department of Employment and Economic Development. June 30, 2013.

2. EMPLOYMENT FIRST

On September 29, 2014, the Olmstead Subcabinet adopted the Minnesota Employment First policy. The policy requires state agencies to respond to the requirements of the Olmstead decision. As such, state agencies are required to develop specific plans about how they will alter their operations and practices to make integrated competitive employment the “first and expected” option for Minnesotans with disabilities. Additionally, the policy requires that state agencies: (1) encourage and support opportunities for integrated, competitive employment in support of Minnesotans with disabilities who choose to work; (2) assure that each individual’s informed choice is honored by investing in experiences that support individual decision-making and options with respect to workforce participation, and (3) invest in person-centered services and strengths-based practices to increase integrated, competitive employment and assure state-funded services lead to outcomes grounded in individual’s interests, strengths, skills, and needs for job support.

The Employment First Policy and its provisions ensure the promise of the Olmstead decision becomes a reality, and we must be vigilant to ensure that agencies follow through on their obligations. We have several concerns in particular. We’re concerned the State of Minnesota’s employment goals are not bold enough to be transformational in measure. We have concerns about the response time of state agencies in implementing required provisions of the newly approved Employment First Policy. In addition, we worry about the response time of the MNChoices program. We are concerned that many citizens with disabilities will have a choice for the first time, and as a result will need added support in order to make informed decisions. We’re concerned Minnesota’s investment in disability systems change and rebalancing state fiscal resources to achieve better outcomes will be inadequate. We’re concerned that individuals with disabilities and their families have not received timely and adequate information to process and act on the proposed changes and opportunities to work. Finally, we need consistency in vision and service delivery among public and private partners within all counties and regions of Minnesota to obtain desired and measurable outcome results.

3. EXECUTIVE ORDER 14-14

In recognition of a lack of diversity in the State of Minnesota's workforce, Governor Mark Dayton signed Executive Order 14-14. The order lays out goals for hiring of applicants with disabilities to raise the proportion of employees who identify as disabled to 7 percent, up from its current levels of 4 percent. The order acknowledges that the percentage of state employees who self-identify as disabled has fallen dramatically in recent years, and that the State of Minnesota has an obligation to serve as a model for other employers in the state. We applaud those efforts and will advocate diligently, holding the State accountable for reaching those goals. In time, the State can show other Minnesota employers that employees with disabilities are an asset and not a liability.

4. Workforce Innovation Opportunity Act (WIOA)

On July 22, 2014, President Obama signed into law the Workforce Innovation and Opportunity Act (WIOA). The Act emphasized integrated, competitive employment for Americans with disabilities. Up until now, these individuals have been largely confined to sheltered workshops. In keeping with the spirit of Olmstead Reforms, WIOA empowers Americans with disabilities to have a say in where they work. Vocational rehabilitation services must now explore all options and encourage participation in the competitive workforce in support of people with disabilities, before directing them to center-based services.

Key dates:

July 22, 2014: Title IV amendments to the Rehabilitation Act took effect

Spring 2015: Notice of proposed rulemaking must be published

July 1, 2015: The Act takes full effect, unless otherwise noted

January 22, 2016: Final rules must be published

Key Changes:

- No more than 90 days may elapse between determination of eligibility and Individualized Plan for Employment
- Increases services to youth with disabilities
- Supports employer engagement

III. Where do we go from here?

As this report has endeavored to stress, Minnesota is in the midst of great changes in its policies and practices to improve employment and post-secondary education and training outcomes in support of working-age youth and adults with disabilities. While *Olmstead* and *Jensen* did much to set the state on a course towards integration, currently, the Olmstead Plan is just that, a plan. We must be committed to action and vigilant in holding all stakeholders accountable, as we work to provide Minnesotans with disabilities the life to which they are constitutionally entitled.