

Employment First Oversight Commission

2014 Report to the Governor and Kansas Legislature

The Employment First Oversight Commission makes the following recommendations in an effort to support Governor Brownback's Kansas Road Map, as well as the employment outcomes contained within the KanCare managed care contracts. Among other objectives, the Governor's Road Map calls for increases in net personal income, private sector employment, percentages of high school graduates that are career ready and decreases in the number of Kansans living in poverty. Additionally, KanCare establishes employment of people with disabilities as an outcome of the Managed Care contracts. These recommendations clearly support and will help obtain the outcomes and goals of the Governor's Road Map and the KanCare contracts.

Information about Governor Brownback's Road Map can be found here:

<https://governor.ks.gov/road-map/>

Recommendations to increase the number of Kansans with disabilities in competitive and integrated employment:

- **Incentivize the Goal of Employment First – The State of Kansas needs to adjust the way employment and support services are funded in order to incentivize the outcome of increasing numbers of Kansans with disabilities in quality competitive and integrated employment. The system needs to use this opportunity to develop new business models where these services can be successful and based on the outcome of competitive and integrated employment.**
 - Funding should be coordinated and adjusted to focus efforts to dramatically increase the numbers of Kansans in integrated and competitive employment. Long-term supports should reward vendors that are able to keep people employed in competitive and integrated settings. This will allow a business model to be formulated around these incentives and funding. A taskforce of the stakeholders including persons with disabilities, families, Kansas Department for Aging and Disability Services (KDADS), Kansas Rehabilitation Services (KRS), Workforce Investment Act (WIA) funded programs, Department of Commerce, Kansas State Department of Education (KSDE), Managed Care Organizations (MCO's), the Ticket-to-Work program, the federal Developmental Disabilities Network, providers and vendor representatives could design the system with the help of national and regional experts.
 - State agencies involved in employment programs should develop a seamless system to create individual integrated employment outcomes for people with disabilities.
 - A key step is addressing the entry into an employment career path at the high school level. Kansas Rehabilitation Services (KRS) must be engaged early in the

process as well as the Workforce Development Centers under the Workforce Investment Act (WIA).

- In addition to incentivizing the outcomes of competitive and integrated employment, funding of employment and support services must also be timely to ensure effective outcomes. Stakeholders have complained that payments do not currently support time for assessment/discovery of the individual's skills and interests, job development, placement, etc. In addition to being paid on time, payments must also ensure that providers have cash flow, and also not to take a huge loss if someone drops out before getting to the few benchmark payments currently available.
- Changes are needed to the system that funds employment services and supports in order to be able to move to a more effective outcomes-based business model. Such a model should focus on competitive and integrated employment and should have rates that support the values of independence, productivity, and self-sufficiency. Components may include:
 - Payments based on amount of time worked by the person with a disability, not the service hours spent by the vendor.
 - Incentives for reduced hours of support while maintaining hours worked by beneficiaries
 - Incentives for competitive and integrated employment jobs with paid benefits and time off
 - Payments based on a matrix of tier rates and negotiated rates that encourages all to work
 - Existing rates for day services can stay in place
 - Reduction in rates over time as people need less support yet maintain a level of payments to insure continued employment
- **Ensure Employment First Consistently Occurs – Establish proper accountability measures and gate keeping to help ensure that competitive and integrated employment is truly the first option.**
 - The current system is not leading to consistent competitive and integrated employment outcomes for people with disabilities. A solution for this could be to set up gate keepers to focus on and encourage competitive and integrated employment. In a perfect world, gate keepers would not operate direct programs but could ensure that people actually experience competitive and integrated employment as their first option.
 - Possible gate keepers include Community Developmental Disability Organizations, Independent Living Centers or Community Mental Health Centers.
 - KSDE needs to offer technical assistance and guidance that schools will be in conformity with the Employment First mandate if they only fund placements or supports in competitive or integrated settings. Studies show that participation in sheltered workshops as a so-called “pre-vocational” service does not contribute to and often hinders success in securing competitive, integrated employment. KSDE

needs to provide technical assistance so that integrated and competitive employment is truly the first option.

- **Change the Rate Structure – Disability service and support rates and the entire rate structure needs to be changed. Current system is insufficient to obtain effective outcomes.**
 - The current pay for performance rates are not sufficient to pay for the cost of the services needed to create the employment relationships needed to obtain competitive and integrated employment. This results in people with disabilities falling through the cracks and “falling out of the system” at several different points throughout the process. KRS payments for milestones should be more reflective of the provider costs to achieve each milestone. KRS needs to change its rate structure to address these issues.
 - As one example, KRS must make it easier to obtain job coaching, which is a lesson learned by the Great Expectations Initiative and something promoted by consultants and experts. Unfortunately, job coaching has been under-utilized in Kansas. Instead of restricting access to job coaching, the State should promote access to this service which can be important to obtaining competitive, integrated employment.
 - Additionally, KRS needs to better fund and support an in-depth, effective discovery process. Effective discovery leads to effective job placements.
 - “Discovery” generally refers to a set of strategies that explore the lives of persons with disabilities as a means of gaining necessary information and perspective in order to obtain a career.
 - In addition to making adjustments to the rate structure, the referral method and procedure can be improved as well. Stakeholders have complained that standard operating procedure is often for KRS to make a referral with minimal information from the agency. This requires the provider to spend an extensive amount of time gathering preliminary information that was already readily available. Revamping referral procedures and information received, such as work history, criminal background, etc., would be helpful. Additionally, referral information needs to be understood to be just that, and it does not replace assessment and discovery.

- **Transition Services – Funding & services must better support the transition from school to work.**
 - Parents and students with disabilities have long complained that much more must be done to support students and parents during this critical transition from school to work. Although the importance of “transition” plans and services is often talked about as being important, what is needed is measurable and meaningful action.
 - During the final year of high school, KRS must better assist with job training and development in order to better ensure that students can transition from school to an adult career that is competitive and integrated. Current KRS practices typically wait until a student has exited from education before these services can be authorized and paid. This policy must change as it forces disruptions in services and is costly in terms of student achievement, motivation, and skill retention.

Starting over is never a cost effective practice. Braiding of funding and resources must occur between the school system, KRS and adult long term care services, with the goal of employment before the student exits school. KRS should fund provider staff to work with students in school work programs, like Project SEARCH, where the national model is to have support professionals available to serve as job coaches and help them search for jobs they can transition into out of high school.

- KRS's procedure and practice needs to be adjusted to ensure KRS's active engagement with students and parents and the provision of transition service through the entire transition planning process, beginning at age 14. Active engagement by KRS will be measured based upon KRS's success in meeting different transition benchmarks, including:
 - Active outreach and identification of students to inform them of KRS services and eligibility, starting at age 14.
 - Active role in facilitating the enrolment of students in KRS, starting at age 16. Stakeholders have expressed concerns that Individual Education Plan (IEP) Teams often simply hand parents a sheet with KRS' phone number. Instead of this passive referral process, KRS should work with schools to proactively enroll students, for example reaching out by letter to identified students to apply for KRS.
 - Facilitating a vocational or functional assessment in order to identify the student's transition goals, starting at age 16.
 - Provide appropriate KRS transition services to the student, including but not limited to on-the-job training, community job tryouts, work experience, referral to community resources, benefits analysis/planning, and career counseling and guidance, starting at age 16.
 - Providing more intensive transition services for students starting in their final year of high school, culminating in a completed Individual Plan for Employment before graduation from high school.
- There is a lack of effective, usable information about transition services for parents and students with disabilities of transition age (i.e., in high school) and how they can effectively navigate this often conflicting and confusing system in order to obtain the supports and services to transition to adult life and a career in a competitive and integrated setting.
 - KSDE needs to work with stakeholders to develop easy to use tools and materials so that transition aged students with disabilities and their parents understand both the planning for transition services based on their post-secondary goal and their effective, hands-on implementation during and after their high school years.
- **Track Data to Show Improvement in Employment First – Kansas State agencies must effectively track data specifically detailing the numbers and percentages of Kansans with disabilities in competitive and integrated employment.**
 - The clear goal of the Employment First law is increasing the numbers of Kansans with disabilities in integrated and competitive employment. However, State agencies are not sufficiently tracking data specifically about the numbers of

Kansans with disabilities in competitive and integrated employment. Those agencies that do track some data in regard to competitive and integrated employment, appear to do so only within a limited number of programs of state government. Most programs do not track this data and there is no compilation of the program numbers into a useable, accessible format.

- As merely one example, KSDE needs to identify and annually track the cost of and numbers of students transitioned to a sheltered workshop or other non-competitive, non-integrated setting as part of its operation of the special education program.
 - As another example, wherever a state program or service helps with employment for people with disabilities, the state needs to track numbers of people who end up in competitive and integrated employment settings as well as those that do not.
 - Given the fact that Employment First is still not an everyday reality in Kansas, the State of Kansas needs to follow the lead of other States, such as Ohio, by hiring a consultant to assist the state with determining a data plan and conducting a study to measure performance and cost effectiveness of Employment First. As an example, consultants such as Rob Cimera have been able to accomplish great things with other states in this area.
- **Prove Measurable Progress – State agencies need to issue a yearly report to the people of Kansas proving measurable progress and full implementation of the Employment First law by detailing specific strategies and changes that the agencies have made at the program, policy, procedure, funding and systemic levels. The Employment First Oversight Commission would like to receive a copy of that yearly report and pledges to help the State promote and distribute it to Kansas stakeholders.**
 - Employment First Must Become the Everyday Reality in Kansas – Stakeholders rightfully are concerned that over 2 years after its passage, Employment First is still not an everyday reality in Kansas. Employment First is not consistently or effectively implemented across all programs. This needs to change immediately.
 - Although there have been some changes made to accommodate the Employment First law, the level of change have not been consistent across all State agencies, programs or services. As noted in this Employment First Oversight Report as well as past reports, there are several positive things and pilot projects are occurring in Kansas, but it is generally not because State agencies have fully implemented the requirements of the law. The State must make all changes necessary to ensure that Employment First is the everyday reality. The State agencies must prove with measurable data and specific examples full implementation of the law.
- **Make the Business Case – The State needs to make the business case for employing people with disabilities in competitive and integrated settings, including:**
 - Approaching businesses about employing people with disabilities with a proposition on the value they will bring, not an appeal to their corporate responsibility.
 - Anticipating questions from businesses about their concerns for employing people with disabilities. Develop materials for employers to answer these questions.
 - Continuing support for the development of local Business Leadership Network chapters.

- **Find and Engage Businesses – The State needs to find and engage business to help promote the employment of people with disabilities in competitive and integrated settings, including:**
 - Finding businesses that want to employ people with disabilities by encouraging state agencies to apply the same strategies that promote employment for other populations of workers by utilizing dedicated staff with business expertise who can discuss the benefits of employing persons with disabilities.
 - Developing the appropriate level of expertise within designated state agency staff that routinely engage with business to promote the employment of persons with disabilities.
 - Gathering input from employers to determine what Kansas can do to assist with accommodations that empower persons with disabilities to be productive and healthy employees for businesses by incorporating such input when meeting with groups in the business sector.

- **Support Businesses - The State needs to support business in these efforts, including:**
 - Providing one point of contact to interact with business, and encourage that contact to communicate regularly. Businesses name this as one of the most important elements of working with state government, and researchers have found that the single point of contact was cited consistently as a factor of success across successful programs.
 - Ensuring that people with disabilities have skills businesses need – Businesses report that skills are the #1 concern in hiring a new candidate. When it comes to hiring people with disabilities, Kansas can make it more likely for businesses to hire a candidate who has been screened and trained to meet their needs.
 - Providing job coaches when appropriate for individuals who otherwise would not be able to work in an integrated setting. The role of job coaches is to provide specialized on-site coaching to the worker and to help modify the work environment, if necessary. Businesses report value from using job coaches.
 - Maximizing funding sources that support people with disabilities toward job training. For example, in New Hampshire, the Bureau of Developmental Services has established a revolving sector-based training fund making available \$50,000 of Medicaid Waiver Employment funds to each of the state’s 10 area agencies. The funds must be used to support individuals between the ages of 21 and 26 – a critical age for transitioning youth after high school – who then participate in instruction and training in a specific industry sector. Sector training options (e.g., Project SEARCH) offer instruction combined with real work experiences in a specific industry sector.

- **Support Self Employment - The State needs to support self-employment for persons with disabilities.**
 - People with disabilities are twice as likely as people without disabilities to own their own business. Self-employment gives people with disabilities flexibility over their workplace and schedule, which are common barriers to full-time employment.

Continue to include resources and services through vocational rehabilitation for entrepreneurs starting and running their own businesses.

- **Benefits Planning: a Key to Unlock Employment – Because effective benefits planning is important for people with disabilities to obtain employment, the State of Kansas needs to ensure a comprehensive network of benefits planning is available.**
 - As one example, KDHE needs to increase the number of benefits planners to at least two for each Kansas workforce area, and benefits planners be directed to include working with those who are not yet active job seekers.
 - The first principle of employment for individuals with disabilities who are receiving public assistance is to know how the wages or salary they earn will affect those benefits. They must have counseling by someone who is trained (or better, certified) to present clear, accurate and current individualized information. Only then can they make truly informed choices. Providing effective benefits planning gives the job seeker information needed to make an informed choice.
 - Currently, there are less than 10 benefits counselors in Kansas with certification training. The Kansas Department of Health and Environment (KDHE) sponsors six, located in the five Kansas Workforce Area Centers and Topeka. The Cerebral Palsy Research Foundation (CPRF), Wichita, sponsors two benefits counselors with funding for statewide services from the Social Security Administration. The CPRF benefits counselors are limited to serving individuals who are active job seekers or currently employed. No grant funding is included for outreach presentations or training.
 - Clearly, less than ten benefits counselors for 105 counties is inadequate resourcing for this critical step of the employment process for individuals with disabilities.

- **Better Integration of Benefits Planning in State Programs and Services.**
 - Kansas Rehabilitation Services (KRS) needs to reaffirm to all of its counselors the importance of effective benefits counseling as part of the employment plan for all customers seeking employment and make benefits counseling a requirement within all contract employment services and fee-for-service contracts with other disability service providers.
 - Kansas Rehabilitation Services (within the Kansas Department of Children and Families) sponsors the largest number of vocational rehabilitation counselors in the state and makes referrals to many other disability employment service providers on a contract or fee-for-service basis.
 - Employment for individuals with disabilities needs to be understood as directed toward an optimum level of sustainable financial self-sufficiency. For some individuals, based on their productivity, employment should be a path to independence, in which earned income and employee benefits are a *substitute* for public assistance. For other individuals, based on less productivity, earned income and employee benefits are a *supplement* to a residual amount of public assistance. Either outcome decreases the total amount of state public assistance, and makes state programs more sustainable over the years. Effective benefits counseling

works with the individual's informed choice process toward an optimum outcome for them. A comprehensive benefits counseling program must include client understanding of "expedited return to benefits" provisions in order to encourage them to take the risks of seeking, obtaining, and retaining employment.

- The Department of Commerce needs to reaffirm to all its KANSASWORKS employment counselors the importance of effective benefits counseling as part of the employment plan for all customers with disabilities seeking employment.
- In addition to KRS and other supports, individuals with disabilities have access to the employment counseling services of the KANSASWORKS system of twenty-plus workforce centers and its website to support their active job seeking.

- **Managed Care Contracts and Outcomes need to support Benefits Planning – KDHE and KDADS need to develop benchmarks for its KanCare contracts with Managed Care Organizations (MCOs) that include requiring the MCOs to provide or fund certified benefits planning to their members with disabilities for active job seekers. The Commission believes that benefits counseling is so important that it should have its own benchmarks and outcomes in the MCO contracts.**

- The three MCOs should consider having several of their Care Coordinators trained in benefits counseling, such as that available for non-certified counselors through the University of Missouri-Columbia. This will serve the interests of the MCOs because it will help them meet their performance outcomes on employment in the out years. It also will help the state through increasing the availability of benefits counselors for all individuals with disabilities, and not just those who are currently actively seeking employment.
- The State of Kansas has recently privatized Medicaid assistance through contracting with three national Managed Care Organizations (MCOs). Beginning in the second year of those contracts, employment is one of the benchmarks of successful contract fulfillment. KDHE as the Medicaid agency, and KDADS as the operator of HCBS Waiver programs, need to create both policy and procedural safeguards to ensure that when services are provided to members with disabilities that they cover basic benefits planning and ensure certified benefits planning to all members who want it. This should happen with regularity at several points of service delivery (the Person Centered Planning level, development of Plans of Care, delivery of services, etc.).
- Without access to benefits counselors, sponsored by both KDADS/KDHE and the MCOs, people with disabilities may never seek out employment because they don't have access to quality, certified benefits planning counselors to advise them. Without a knowledgeable benefits counselor to help them navigate this complex system and overcome the widespread misperceptions in the disability community about benefits and work, many will never have the opportunity to work. This creates a cycle of dependency where the person with the disability is dependent on the long term care benefits of public assistance to address and accommodate their disability, and they never have the hands-on support through benefits counseling to break this cycle.

- **Innovate with a 1915i application – The State of Kansas needs to apply for a 1915i State Plan Option to provide employment services, focused on competitive and integrated employment, for persons with disabilities not otherwise eligible for the 1915c HCBS Waiver.**
- **Build on the Successful WORK program – There should be an examination of whether the WORK program requirements could be adjusted so that a person with a disability who meets the SSI definition of disability and is employed could still qualify for and receive services from this helpful program. If this change is possible, then this policy should change.**
- **Help Make Project SEARCH even more Successful – KSDE should make adjustments to allow rural communities to benefit more from Project SEARCH.**
 - A barrier to Project SEARCH implementation in rural communities may be the smaller student I/DD population. A solution to this barrier is to include young adults with I/DD who recently exited education and are not being successful in securing employment. KSDE needs to clarify that doing this this is allowable with school funding. These young adults would benefit from Project SEARCH.
- **Technical Assistance – States that have a commitment to training and technical assistance regarding the delivery of quality employment services obtain better outcomes. Kansas needs to establish a formal mechanism for statewide training and technical assistance on implementation of Employment First and quality employment services. This is an important component that has been demonstrated to result in better outcomes by other states, such as Washington.**
 - Kansas needs to conduct training on Employment First, its core concepts, and quality service delivery practices with the goal of improving the initiative’s understanding with a variety of audiences, including but not limited to individuals with disabilities, family members, stakeholders, employment personnel, direct service workers, and state agency representatives.
 - Increased understanding is needed around core concepts, such as what is meant by effective supported and customized employment. Professionals need knowledge of the realities of how services need to change to support employment first and quality services. Clarification and consistency in terminology and service modalities are essential. People are not always communicating the same things even if they use the same words. Training is needed for case managers on employment first. According to information provided by KDADS to the Employment First Commission, the case manager manual on an HCBS Waiver still cites the old Employment First Executive Order by Governor Parkinson instead of the law signed by Governor Brownback. Job coaches need their own intensive training followed by technical assistance. Organizations should have access to technical assistance to benefit from changing or expanding their services and implement strategies to address prevailing challenges and to make Employment First a reality.

Some Examples of Efforts Supportive of Employment First

The Employment First Oversight Commission wants to acknowledge that there have been helpful and important pilot projects, program adjustments and other efforts that are supportive of the Employment First law. The following are merely some notable examples, and not a complete listing. Even though Employment First is not yet a consistent, everyday reality in Kansas, some progress is being made. At the same time that the Commission is challenging the State of Kansas to make meaningful improvements with Employment First, we also wish to applaud Kansas for several efforts, including but not limited to:

- KANSASWORKS Employer Partner Incentive Program (KEPI), a joint project of the Kansas Department of Commerce and Kansas Rehabilitation Services, a division of the Kansas Department for Children and Families
- Kansas Bidders Preference (KBP) program, operated by the Kansas Department of Administration
- The Employment Pilot Projects proposed by Kansas in its 1115 Home and Community Based Services Waiver application.
- Business Leadership Networks (BLNs)
- Great Expectations Initiative
- Project Search
- Employment First Summits, funded by the Kansas Council on Developmental Disabilities
- Disability Employment Initiative (DEI), U.S. Department of Labor grant to the Kansas Department of Commerce (current grant ends March 31, 2014; planning to re-apply for October 1, 2014)