

Trends & Milestones

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Most Employment Services Growth in Developmental Disabilities During 1988-2002 Was in Segregated Settings

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In many studies of persons with developmental disabilities, researchers have noted significant benefits for both consumers and taxpayers when consumers move from sheltered work to supported employment (e.g., Rusch, Conley, & McCaughrin, 1993; Wehman, West, & Kane-Johnston, 1997). State developmental disabilities (MR/DD) agencies began providing long-term assistance for supported employment workers with developmental disabilities in the early 1980s. The 1984 Developmental Disabilities Act Amendments helped establish employment services for individuals with MR/DD as a national priority at that time, and then Assistant Secretary of Special Education and Rehabilitative Services Madeleine Will also provided critical leadership in developing and promoting the school-to-work transition and supported employment agencies.

In this summary of recent trends in employment services financed by state MR/DD agencies,

we report on data emanating from the State of the States in Developmental Disabilities Project (Rizzolo, Hemp, Braddock, & Pomeranz-Essley, 2004). *Supported employment* includes work in small business enterprise, work crews, enclaves within industry, and individualized job placements (Mank, Rhodes, & Bellamy, 1986). Data emanating from supported employment programs administered by the state's vocational rehabilitation agency were not included, except in Arizona and California. These 2 states previously transferred administration of MR/DD agency work-related programs to their state vocational rehabilitation agencies, and these data were included for purposes of comparability to all other states.

Summary of Results

Individuals with MR/DD participating in supported employment as a percentage of all partici-

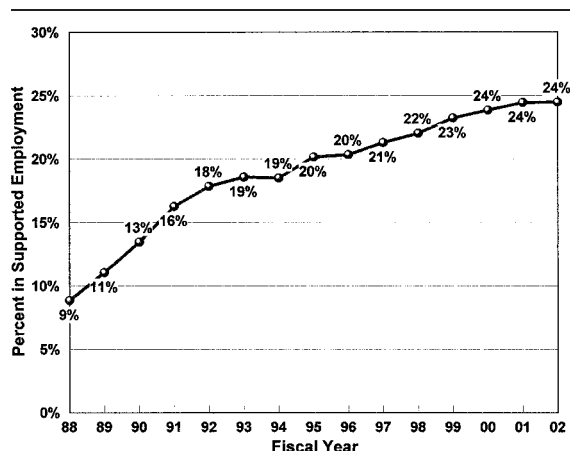


Figure 1 Persons with MR/DD: Percentage in supported employment.

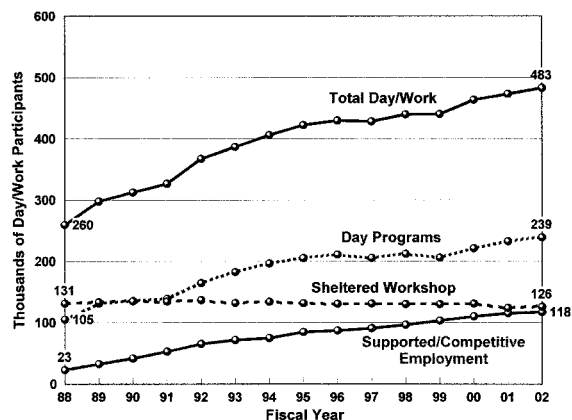


Figure 2 Individuals with MR/DD in day programs, workshops, and employment: FYs 1988 through 2002.

Table 1 Supported Employment Programs in the States: MR/DD Participants and Spending in FY 2002

State	Participants ^a	Utilization rate ^b	Spending	Spending per capita ^c	Supported/Competitive (%) ^d
Alabama	250	6	\$620,300	\$0.14	6
Alaska	307	48	3,917,183	6.13	48
Arizona	1,122	21	5,213,162	0.95	16
Arkansas	91	3	24,779	0.01	2
California	9,289	27	79,911,461	2.29	17
Colorado	2,001	46	DNF ^e	DNF	35
Connecticut	3,662	106	54,986,243	15.85	50
Delaware	393	49	3,467,103	4.29	32
District of Columbia	44	7	99,222	0.17	4
Florida	4,098	24	10,219,484	0.61	27
Georgia	4,427	52	18,401,865	2.15	39
Hawaii	143	12	546,084	0.44	11
Idaho	640	48	2,901,391	2.16	13
Illinois	3,008	24	15,481,400	1.23	11
Indiana	2,308	37	7,579,447	1.23	21
Iowa	2,098	71	7,679,050	2.61	27
Kansas	477	18	3,909,193	1.44	12
Kentucky	672	16	2,662,705	0.65	25
Louisiana	818	18	6,997,782	1.56	35
Maine	695	54	4,640,400	3.58	20
Maryland	3,099	57	39,296,221	7.23	38
Massachusetts	5,400	84	66,834,675	10.37	45
Michigan	6,431	64	27,655,440	2.75	39
Minnesota	4,081	81	18,228,288	3.62	27
Mississippi	397	14	1,673,050	0.58	18
Missouri	465	8	1,952,792	0.34	10
Montana	278	31	2,025,370	2.22	17
Nebraska	938	54	7,280,201	4.21	28
Nevada	492	22	590,400	0.27	35
New Hampshire	433	34	5,755,252	4.51	21
New Jersey	1,590	19	13,334,081	1.55	18
New Mexico	1,020	55	6,817,884	3.67	33
New York	10,012	52	38,490,000	2.01	16
North Carolina	1,229	15	4,627,836	0.55	15
North Dakota	361	57	1,882,867	2.96	23
Ohio	8,556	75	25,123,855	2.20	22
Oklahoma	2,641	76	16,081,925	4.60	59
Oregon	1,644	47	18,031,417	5.13	34
Pennsylvania	9,007	73	30,470,464	2.46	41
Rhode Island	545	50	3,486,125	3.23	19
South Carolina	1,183	29	5,794,154	1.41	16
South Dakota	707	93	4,913,611	6.43	34
Tennessee	827	14	3,319,422	0.57	14

Table 1 continued

Table 1 Continued

State	Participants ^a	Utilization rate ^b	Spending	Spending per capita ^c	Supported/Competitive (%) ^d
Texas	3,099	14	19,023,123	0.87	35
Utah	1,028	44	5,984,000	2.59	41
Vermont	733	118	5,381,556	8.69	42
Virginia	2,333	32	18,055,378	2.48	27
Washington	3,608	60	21,307,204	3.52	53
West Virginia	229	13	1,247,092	0.69	7
Wisconsin	3,258	60	18,168,803	3.34	20
Wyoming	250	50	677,580	1.36	25
United States	112,417	39	\$662,768,320	\$2.30	24

^aDoes not include 5,232 competitively employed workers assisted by MR/DD agencies in CT, KS, LA, PA, and TX. ^bSupported employment participants per 100,000 citizens of the general population of the state. ^cSpending per citizen of the general population. ^dPercentage in supported employment includes persons in competitive employment (referenced in footnote a). ^eDid not furnish.

participants in work-related programs financed by state MR/DD agencies increased from 9% to 24% between 1988 and 2002. However, as shown in Figure 1, the percentage in supported work has grown at a substantially slower rate in recent years.

In 2002, 24% of vocational and day program participants in the United States worked in supported or competitive employment, and the remaining 76% of participants received services in sheltered employment, day activity, or day habilitation programs. The proportion of total day-work participants in supported or competitive employment in 2002 ranged from less than 10% in Alabama, Arkansas, the District of Columbia, and West Virginia to 40% or more in Alaska, Connecticut, Massachusetts, Oklahoma, Pennsylvania, Utah, Vermont, and Washington. Supported employment spending by state MR/DD agencies increased by only 3% in inflation adjusted terms between 2000 and 2002. Total spending was \$663 million nationally in 2002 (see Table 1).

Most Growth in 1988–2002 Was in Segregated Employment Settings

The number of individuals in all state MR/DD agency-funded day-work programs (including supported/competitive employment) increased from 259,601 persons in 1988 to 482,814 persons in 2002 (see Figure 2). Fifty-eight percent of this growth was due to expansion of the number of segregated day

program recipients. From 1988 to 2002, the number of individuals in segregated employment settings increased by 128,551 persons, from 236,614 to 365,165. During this same period, the number of workers in integrated settings (supported/competitive employment) increased by 94,662 persons, from 22,987 to 117,649. Supported employment exhibited rapid growth between 1988 and 2000, increasing by an average 15% each year. However, this growth rate dropped to 3% annually between 2000 and 2002.

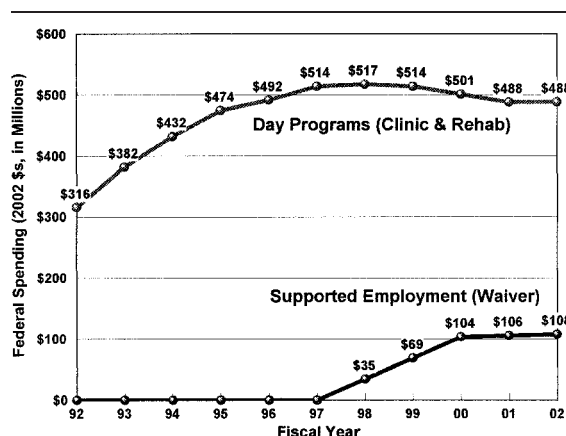


Figure 3 Federal Medicaid funding for day programs and supported employment.

Growing Role of Medicaid in Employment and Health Supports

Optional Medicaid programs are increasingly underwriting the costs of employment and day programs for persons with MR/DD in the states (see Figure 3). Home and Community Based Services (HCBS) Waiver spending for supported employment has grown significantly since the Balanced Budget Act Amendments of 1997 removed the requirement that HCBS Waiver-supported employment participants had to be previously institutionalized (West, Revell, Kregel, & Bricout, 1999). Two additional optional Medicaid programs—Clinic and Rehabilitative Services—continue to be the primary federal funding sources for day programs. In 2002, Medicaid funding for day activity and other segregated nonemployment programs totaled \$488 million, more than four times the \$108 million allocated that year for HCBS Waiver funding for supported employment.

The two most recent pieces of legislation aimed at improving work opportunities for people with developmental disabilities are the Balanced Budget Act of 1997 and the Ticket to Work and Work Incentives Improvement Act. Both laws were designed to reduce the barriers to work that people with disabilities confront as a result of the potential loss of publicly funded health care services when they become employed. These two acts may increase opportunities for persons with developmental

disabilities to obtain employment in integrated settings.

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