

## Customized Employment Corner

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# Customized employment Q and A: Funding consumer-directed employment outcomes

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Emphasis on consumer-directed services through self-determination and informed consumer choice are the cornerstone of customized employment. In the past, funding representatives usually controlled the decisions and allocations of resources, including the choice of service providers, for individuals with disabilities needing employment supports. Today, the concepts and practices of funding employment supports are evolving to focus on consumer-directed, customized employment outcomes. Since funding practices vary greatly from state to state, funds for customized employment continue to be scarce in many communities.

The first step in framing a customized employment plan is asking the question: “What are a person’s dreams, interests, and passions related to living and working in the community?” The next step is to set up process where the consumer exercises control over key steps in turning those dreams into employment. Some of the key steps in the process include: choice of provider, satisfaction with the job outcome as a prerequisite for payment to the provider, and the opportunity to turn a job into a career. The extent that the job seeker with a disability controls these choices is the true measures of whether the employment supports are consumer-directed.

Employment outcomes for people with significant disabilities at times have drawn heavily on entry-level jobs in predominantly service occupations. Often, these jobs were “forced choice” situations if an individual with a significant disability wanted to work. Increasingly, providers have replaced this practice with

careful job matches. This involves negotiated arrangements with employers as the foundation for customized employment outcomes. The concepts of resource ownership, business within a business, and telework are truly representative of consumer-directed customized employment outcomes.

There are a growing number of examples illustrating the prescriptive alignment of dollars needed to provide the individualized supports that facilitate customized employment outcomes. This customized employment corner reviews practices for funding consumer-directed, customized employment outcomes. It also provides examples of how community rehabilitation programs (CRPs) can encourage and support more consumer-directed funding approaches.

### **Question: How can funding approaches inhibit or encourage consumer-directed funding?**

**Answer:** The use of two very different scenarios can illustrate how funding approaches can inhibit or facilitate consumer-directed services. The first scenario is presented using the words of an employment specialist who works at a community rehabilitation program.

*“I really want to spend time getting to know the people that I work with, but my manager says I need to move quickly into job placement. Our program does not get paid very much for planning and assisting people in setting a job goal. I am pushed*

*to get people working, sometimes in jobs that really aren't a good match. I need more time to help identify a person's real job interests."*

In this example, there is little evidence of a consumer-directed employment process. Limited time is available to explore and discover interests that can translate into job goals. "Getting the person a job as quickly as possible" takes precedence over carefully surveying possible job opportunities. This negatively impacts the employment specialist's ability to negotiate a customized position with an employer that best matches a person's abilities and interests as well as the company's needs.

The funding agency has set up restrictive time limits for services. All too frequently, jobs found under the funding pressure described previously result in job dissatisfaction and job loss. Or, the consumer with significant disabilities is moved to the end of a waiting list, because staff does not have time to customize the employment process.

Consider another funding approach that facilitates consumer-directed services. An employment support team is formed for a consumer that includes the employment specialist from the CRP; representatives from the local One Stop Career Center, Vocational Rehabilitation, and the Developmental Disabilities Agency; as well as key family and friends chosen by the consumer. The funding representatives collaborate on how to best match or "braid" funds in order to provide the needed services. This team explores, under the consumer's direction, possible job interests and needed supports. Together, they map out an employment plan. The satisfaction of the consumer with the services and job outcome is the critical measure used to direct funding.

The second example clearly illustrates how funding supports a consumer-directed process that targets an employment outcome, which matches the abilities and interests of the individual with a disability. Consumers can control, or at least directly influence, funding decisions in a variety of ways.

- The consumer uses vouchers or personal budgets to fund services.
- Funding representatives meet to proactively match resources to very personalized employment plans.
- Funding is matched to targeted employment outcomes specifically chosen by consumers.

**Question:** What are some of the constraints in funding arrangements that can work against achieving consumer-directed employment outcomes?

**Answer:** There are a number of constraints that limit a program's flexibility to provide individualized supports, which ultimately restricts employment outcomes. Four of these are 1.) Inadequacies and inequities in rates across service options, 2.) Limits on activities prior to job placement, 3.) Funding that is non-responsive to individual support needs, 4.) Funding that is non-responsive to career interests, and 5.) Time limits on how long a service can be provided. Inadequate rates or reimbursement policies can create financial disincentives to community programs embracing best practices in providing customized employment. If there are inequities in the rates paid for customized employment compared to other services, programs may be less responsive to the customized employment service needs of their consumers.

Funding policies also can set limits on pre-job placement activities, such as an in-depth effort to explore and discover personal employment goals and to develop job opportunities responsive to those goals. These limits will restrict consumer choice and consumer self-determination in establishing a job goal. In addition, funding mechanisms that fail to take into consideration the level of support each individual needs to be successful in employment will limit access to customized employment services for people with the most significant disabilities.

Funding policies can impact the ability of an employment service provider to be proactive in meeting the job and career interest of a recipient of customized employment services. For example, setting a specific time limit on payment authorizations, such as ceasing funding 60 or 90 days from the point of job placement, can severely limit the opportunity for an individual to get assistance in making a career move after a period of employment. Funding approaches that fail to take into consideration ongoing support needs after job placement may unnecessarily limit job mobility and career advancement.

**Question: What are the characteristics of a more consumer-directed funding approach to achieving customized employment outcomes?**

**Answer:** Funding approaches that support consumer-directed funding employment outcomes have a number of characteristics to include: 1.) Expanding access to services, 2.) Placing consumers in control of funds, 3.) Placing consumers in control of the selection of providers, and 4.) Removing funding barriers.

**The first indicator of consumer-directed funding is that an individual with a significant disability has reasonable access to services.** Funding policies that are not committed to funding the level of services needed for success is an example of a design that results in denial of access. This can include under-funding the support program for an individual. Access to services can also be limited by provider agencies that refuse to take referrals because of concerns that adequate funding is not available to cover the costs of providing services.

**The funding of people, not programs, is the second core indicator of consumer-directed funding.** The program has taken precedence over the individual when he or she asks for a competitive job and is told that those services are not available. In contrast, a consumer-directed funding approach gives control of funding allocations to the recipient of services. This can be accomplished in two ways. The first way is through a voucher system where the consumer himself or herself actually has authorization power to purchase needed services. However, use of vouchers is currently rare in customized employment services and needs to be explored through changes in funding policies.

The more typical way that the individual receiving services can direct funding is by having customer satisfaction signoff as a part of any major funding decision. For example, in an outcome-based system, one of the typical intermediate outcomes is acquisition of employment. In a consumer-directed system, a provider agency would not be paid for the services that led to the acquisition of the job unless the employee with a disability indicates satisfaction with the job. The job also must be consistent with the employment goal of that individual.

**Authority to select providers is the third indicator of the consumer-directed funding system.** Consumers must have informed choice regarding the strengths and potential weaknesses of a variety of provider agencies potentially available in their communities. Information needs to be provided to consumers on the various outcomes achieved by these provider agencies. This information could include the wages and benefits acquired as well as the types of jobs found. This information allows the consumer to get answers to the following key questions.

- Does the employment support agency focus more on service oriented, high turnover type positions, or is there a spread of positions across a variety of employment situations with indications of career potential?

- What is the job retention of consumers who have been served through this particular provider?
- What is the disability profile of individuals who receive services?

Information should be available from the funding agencies and/or the community programs to answers each of these questions. The consumer of customized employment services should be encouraged to ask these questions before committing to a program.

**Finally, funding collaborators recognize the demands and limits facing each funding partner and work together to limit barriers that interfere with access to needed services and supports.** A funding arrangement that sets very specific limits on the amount and/or type of services is a barrier, such as an ongoing support funding limited to, for example, 4 hours of service per month. If ongoing support funding is limited, job stability or retention may be threatened for the individual whose job assignment or supervisor changes, since a short period of more intense support might be needed. Consumer-directed funding collaborations remove this type of barrier.

#### **Question: Do you have examples of consumer-directed funding strategies?**

**Answer:** The states of New Hampshire and Oklahoma provide two very good examples of consumer-directed funding strategies. Details of the research design and outcomes can be found in the referenced articles. Examples of lessons learned from both projects on the funding of consumer-directed, employment outcomes are as follows.

#### **The Dollars and Sense Individual Career Account (ICA) demonstration project in New Hampshire**

The ICA project looked at the impact on employment outcomes of greater beneficiary choice and control over vocational service planning, budgeting, and service/item procurement. All of the participants in the ICA project were receiving Supplemental Security Income (SSI) and/or Social Security Disability Income (SSDI) at enrollment. About two-thirds of the participants were consumers of mental health services; the remainder were experiencing intellectual and/or physical disabilities.

The ICA project tested whether individual choice and control over the planning, development, and pro-

curement of career-related services would result in improved employment outcomes. The primary ICA service model included: 1) benefits counseling, 2) person-centered planning, and 3) individualized budgeting. A budget spreadsheet was created with each participant to help organize individual employment plans and to serve as the basis for creating individualized budgets to fund plan objectives. These “Resource Plans” / budget spreadsheets listed:

- a) Participant goals in their own words.
- b) Objectives identified by the individual.
- c) Items, goods, services and supports needed to achieve the objectives.
- d) Costs, if any, for each item.
- e) Anticipated sources of funding for each item or service.
- f) Anticipated or likely provider of each item or service.

Participants in the ICA service model did improve their levels of employment including average hours worked and average monthly earnings during the first 18 months after enrollment. For example, participants who were employed increased from 38% in the first quarter to 53% in the 4<sup>th</sup> quarter. The important lessons learned from the ICA project for this discussion is that a high percentage of participants could work successfully within a service model emphasizing consumer choice. Individuals reported overall satisfaction with the ICA service, particularly with respect to personal service, responsiveness and a sense of being heard. CRPs can work with their funding agencies to adopt the person-centered, individualized budgeting process used in the ICA project. It is a process that emphasizes funding consumer-directed employment outcomes.

### **Oklahoma Department of Rehabilitation Services (DRS) “KEYS to Employment” Project**

The KEYS Project, funded by the Social Security Administration as a part of the State Partnerships Initiative (SPI), developed a consumer controlled voucher pilot for employment that used a combination of Vocational Rehabilitation and SSA funding to pay for needed services. Participants were SSI and SSDI beneficiaries with a diagnosis of schizophrenia or an affective disorder who were unemployed at intake. The project studied the impact on work activity that would result from enhancing choice using an assignable voucher and work incentive education focusing on maximizing self-sufficiency.

Participants in the full service group in the KEYS to Employment project experienced a significant increase in partial self-sufficiency, a major project goal, and their employment rates were significantly higher than those of members of the control group. The full service group received a three-part primary intervention that contributed to improved employment outcomes. The three key strategies were as follows.

1. **Assertive Engagement/Active Recruitment** focused on encouraging attendance to hear about how work can be an important part of recovery from mental illness.
2. **Work Incentive Education** conducted by Peer Specialists addressed the issue that many consumers do not pursue employment, because they fear losing their safety net and lack basic information on how available work incentives can support their return to work. The Peer Specialists presented information on Work Incentives from the perspective of maximizing self-sufficiency.
3. **Informed Choice of Provider Using a Vocational Voucher** where employment vouchers were issued at the end of each Work Incentive training session. After the use of the voucher was explained, available providers were given 5 minutes to market their services. In addition, vendor performance report cards (comparing vendors’ results) were distributed. The combination of the vocational voucher with the marketing presentation and the Provider Report Card created the decision support environment needed for an informed choice of service providers. The project sought to empower consumers to compare providers and choose the provider most likely to meet their needs.

### **Summary**

The Individual Career Accounts and KEYS to Employment projects provide very helpful examples of strategies focused on funding consumer-directed services. In each, community rehabilitation programs were actively involved in strategies that emphasized matching funding to services and employment outcomes driven by informed choice. Both projects placed a high value on Benefits Counseling to assure that consumers made decisions on targeted employment outcomes fully informed about work incentives and the impact of employment on benefits. Funding was matched

to needed supports through a combination of personalized budgeting, collaborative participation of funding representatives, and use of vouchers. Consumers were offered choices on how funds would be used and which programs would provide services. A high value was placed on consumer participation and consumer satisfaction with the service process and the employment outcomes achieved. The projects demonstrate a variety of ways funding agencies and community rehabilitation program can work cooperatively to support the achievement of consumer-directed employment outcomes.

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