Transitions:
A Case Study of the Conversion from Sheltered Workshops to Integrated Employment in Maine

Prepared by
George Washington University
Milken Institute School of Public Health
Department of Health Policy & Management
TRANSITIONS: A CASE STUDY OF THE CONVERSION FROM SHELTERED WORKSHOPS TO INTEGRATED EMPLOYMENT IN MAINE

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Introduction

Maine was one of the first states to eliminate state support for sheltered workshops. *Sheltered workshops began in the United States in the 1930s and are employment settings where people with disabilities work in segregated settings with other people who have disabilities, usually for less than minimum wage*. This special minimum wage, referred to as 14 (c), was authorized under the Fair Labor Standards Act and could be used by institutions holding certificates, and when issued to non-profit agencies, had no minimum floor for wages paid to workers with disabilities. In 2006 Maine passed legislation to research models other states had used to support employment for people with developmental disabilities, Public Law 570 “An Act to Create Employment Opportunities for People with Disabilities”. That led to passage of Maine Public Law Chapter 101 “Resolve, To Create Improved Employment Opportunities for People with Disabilities” which became effective in January 2008 and directed state agencies to increase supported and integrated employment opportunities for people with disabilities.

Integrated employment means people with disabilities compete with non-disabled people to obtain employment and work alongside employees who do not have disabilities. The Centers for Disease Control and Prevention define developmental disabilities as a set of conditions that includes autism, attention deficit with hyperactivity, hearing impairment, cerebral palsy and intellectual disabilities (sometimes severe deficits in functional IQ that interfere with socialization, learning and employment).

The Maine Departments of Health and Human Services and Labor were authorized by the legislation to implement MaineCare Sections 21 and 29, a new support waiver system using state Medicaid funding to create work supports for people with developmental disabilities. Work supports are measures designed to improve the ability of people with disabilities to obtain and retain employment. Work supports can include job coaches, assistive technology, transportation services and ongoing supervision at the work site.

Through MaineCare Sections 21 and 29, work settings eligible to receive state funding were community based settings where people with disabilities work with non-disabled people. MaineCare Sections 21 and 29 eliminated the use of state funding for work taking place in sheltered work facilities.

Public Law Chapter 101 outlined a framework for providing supported employment services in Maine through the Home and Community Based Waiver Program, the principal funding source states use to finance long term supports and services for people with intellectual and developmental disabilities.

Public Law Chapter 101 extended the transition process through the development of a statewide transition plan, including an information campaign on supported employment and capacity building activities targeted to providers of employment services for people with disabilities.
The passage of Maine Public Law Chapter 101 was a stepping stone in a path that began with the passage of the federal American with Disabilities Act (ADA) in 1990, a critical event reshaping federal definitions of appropriate settings for publicly funded services to people with disabilities. The rights of people with disabilities to live and work in integrated settings was successfully litigated in Olmstead v. L.C.

Maine's transition away from sheltered work modeled one states approach to implementing changes in federal policies promoting integrated work settings for people with disabilities. The specific focus on individuals with developmental disabilities reflected their predominance in the makeup of those employed in sheltered workshops. A GAO report from 2001 estimated that more than 75% of those working in sheltered workshops were people with intellectual and developmental disabilities (different terminology was used to refer to this population in the report). With passage of the legislation Maine’s stated objective was “to increase the number of people with disabilities employed in the state of Maine”.

With support from the CHIMES Foundation, researchers from the George Washington University studied the experience of providers who formerly operated sheltered workshops in Maine and reviewed secondary data describing the transition to learn how the transition affected the people with intellectual and developmental disabilities they once employed. The experience of Maine can serve as a guidepost for policymakers in other states who are considering implementing similar policies. This study was approved by the GWU University Institutional Review Board.

Researchers from George Washington University conducted key informant interviews with seven former providers of sheltered workshop employment services in Maine. This number represented a sample of convenience. The team also held discussions with agency personnel in Maine and Vermont who were involved in designing and implementing their policies to phase out sheltered workshop employment in their states and with other national technical experts in the field.

Five individuals who were working in sheltered workshops in Maine at the time of the transition were interviewed to gain insight into the effect this transition had on their employment status. Interviews were conducted during January and February of 2015. GWU collected available data on employment, wages, and information on former and current employment status for individuals who had been employed at four of the former sheltered workshop employment sites. Researchers collected provider revenue data from contractual fees they receive to provide employment services from one site prior to and after the transition from sheltered to integrated employment. State policy documents and the state website contributed to the research. GWU also consulted with researchers who have published work in this field.

This study was undertaken to answer these key questions:

1. Was Maine’s transition successful in moving people who had been working in sheltered workshops into integrated employment settings?
2. Were people who were transitioned from sheltered to competitive employment between 2002 and 2007 when the transition was taking place still competitively employed in 2014?
3. How do the wages of those people who were able to successfully transition compare pre and post transition?
4. Did the provider cost of providing employment services increase or decrease pre and post transition?

Some of the providers participating in this study are no longer offering employment services. Those interviewed cited barriers that interfered with their ability to provide employment services, including the prohibition on colocation of community supports and employment services and increased provider costs for providing employment supports.

**Background**

Maine is a primarily rural state with a total population of 1,328,361. 544,000 people are over the age of 18. Population data from the 2010 Census indicated that 806,322 individuals were aged 20 to 64 years of age, the years during which employment typically takes place. This represents slightly more than half of Maine’s population.\(^{10}\)

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Population</th>
<th>Percentage of Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Aged 20 to 64 years</td>
<td>806,322</td>
<td>54.7</td>
</tr>
</tbody>
</table>

*Adapted from the 2010 Census

According to data from the American Community Survey In 2011, 108,518 people in Maine were classified as having any disability and 52,707 as having a cognitive disability.\(^{11}\) Of those people with any disability, 32,769 were employed and 11,822 people with cognitive disabilities were employed. In Maine, the percentage of people with any disability working was higher than the percentage of people with cognitive disabilities working.\(^{11}\)

<table>
<thead>
<tr>
<th>Disability Type</th>
<th>Number</th>
<th>Number Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any Disability</td>
<td>108,518</td>
<td>32,769</td>
</tr>
<tr>
<td>Cognitive Disability</td>
<td>52,507</td>
<td>11,822</td>
</tr>
</tbody>
</table>

*Adapted from the American Community Survey*
“From 2010 through 2012, an average of 203,200 persons with one or more disabilities resided in Maine, equal to 15.5 percent of its civilian non-institutionalized population of 1.3 million. This proportion was higher than that of the United States, where an estimated 12 percent of residents had a disability.”

Work Alternatives

Our review of published employment data for people with intellectual disabilities in Maine show an average of 12 hours worked per week in 2011, the lowest in the nation. According to the 2012 American Community Survey approximately 34% of people with disabilities in Maine were working, compared with nearly 80% of people without disabilities. People with disabilities in Maine who receive the MaineCare Sections 21 or 29 waivers can and often do supplement their work hours with community supports. For both those who are working and for those who have not been able to find employment, many more hours of the day are now filled with community support activities than had been the case prior to the transition.

Community supports describes services that “increase or maintain the ability to successfully engage in inclusive social and community relationships and build skills that support health and well-being” of people with disabilities. In Maine and in other states people with intellectual and developmental disabilities do volunteer work, take classes to learn skills, and participate in activities away from their program’s centers out in the community where they interact with people without disabilities. These activities are intended as rehabilitative and/or to build the capacity for work. Community supports are eligible services under the Maine Care Community and Home Based waiver system, but cannot be provided in the same facility as work supports. Facilities in Maine that offer both community supports and employment services must provide those services in separate locations. Organizations offering community supports and employment services have historically been small not for profit organizations.
People with Developmental Disabilities

The definition of disability under the American Disabilities Act (ADA) refers to people who have a physical or mental impairment that interferes with one or more activities of daily living. The Center for Medicare and Medicaid Service (CMS) definitions for intellectual disability refer to a functional IQ below 70 – 75, and limitations in adaptive skills that have existed since childhood.

A developmental disability, according to a CMS definition, is ‘severe and chronic’. It can result from either physical or mental impairment or both, but must result in limitations to 3 or more major life activities: “(i) self care; (ii) receptive and expressed language; (iii) learning; (iv) mobility; (v) self direction (vi) capacity for independent living and (vii) economic self sufficiency”. This condition, according to this definition, necessitates long term or lifelong services or treatment.

In the United States, the employment gap is wider for people with disabilities compared to the non-disabled, and workers with disabilities suffered more job loss during the recent recession. People with intellectual and developmental disabilities have greater employment disparities.

In 2008, when Maine Public Law 101 was implemented, data from the 2008 American Community Survey showed 13.4% of people aged 21 to 64 years of age in Maine were disabled compared with 10.4% for the United States as a whole. Hawaii had the lowest rate at 7.2% compared to Puerto Rico, the highest at 20.2%.

Data from the Maine Department of Labor site did not consistently categorize employment data so that people with intellectual and developmental disabilities could not be distinguished from a more general category of people who are disabled. The term cognitive disabilities was sometimes used to refer to people with intellectual disabilities.

Developmental Disabilities

The Centers for Disease Control and Prevention list a number of conditions or disorders that develop in early childhood, usually persist throughout life, and that can result in physical impairments or interfere with language, learning or behavior. The list includes attention deficit hyperactivity disorder, cerebral palsy, visual impairments, loss of hearing and intellectual disabilities and autism.

Autism is a disorder that can interfere with employment depending upon its severity. Autism is a lifelong developmental disorder affecting communication skills, social interactions and behavior. Some autistic people have difficulty engaging with the people around them, including family members. People with autism may have other disorders, such as intellectual disabilities, attention deficit hyperactivity disorder, anxiety, and/or problems with speech. Conditions like autism and other developmental disorders can interfere with the ability to obtain and retain employment.
Intellectual Disabilities

Intellectual disabilities are defined as limitations on learning and function that can be caused by injury or disease. Common causes include Down’s syndrome, fetal alcohol syndrome, birth defects or genetic conditions. While many intellectual disabilities occur at or near birth; some can result from head trauma, cerebrovascular disease or infection and can occur later in life. Problems with motor skills, verbal skills, memory, processing speed and problem solving are characteristic5.

"On average, less than one in three adults in Maine with a disability is employed. The likelihood of working varies widely by type of disabling condition. Persons with sensory difficulties are more likely to be employed than those with other disabilities."

"Data from the Maine Department of Labor for 2010 through 2012 show that the disabled in Maine are less likely to be employed. Employment rates vary by disability type with cognitive disabilities near the lower end of the range12."

Source: 2008-2010 American Community Survey, American Factfinder, Tables S1810 and B18120.

There is a gap in employment rates between people with disabilities and non-disabled people, both nationally and in Maine\textsuperscript{13}. The national percentage of people with disabilities (ranging in age from 21 to 64 years) in 2008 who were working was 39.5\% compared with 79.9\% for people without disability. An estimated 8.7\% of people with disabilities nationwide in 2008 were looking for work\textsuperscript{13,21}. By 2012, the American Community Survey estimated that the percentage of those working had fallen to 33.5\% among people with disabilities compared to 76.3 \% for people without disabilities. The percentage of people with disabilities seeking work had climbed to 10.8\%\textsuperscript{13}.

Maine is no exception to the employment gap between people with disabilities and non-disabled people. In Maine, in 2008, an estimated 39.5\% of people (aged 21 to 64) with disabilities were employed compared with 81.4\% of people without disabilities in the state\textsuperscript{2}. Estimates from the 2012 American Community Survey showed that employment rates decreased for people with disabilities during the four year interim period, which began in 2008, when Public Law 101 went into effect and Maine began to phase out sheltered workshops\textsuperscript{21,13}.

<table>
<thead>
<tr>
<th>Percentage of People with Disabilities Working in Maine</th>
<th>Non-Disabled People</th>
<th>People with Disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>81.4%</td>
<td>39.5%</td>
</tr>
<tr>
<td>2012</td>
<td>79.1%</td>
<td>34.1%</td>
</tr>
</tbody>
</table>

*Data extracted from the 2008 and 2012 American Community Survey


**Number of Hours worked per week**

In 2011, people with intellectual disabilities in Maine worked a shorter work week than people in other states, with work weeks averaging 12 hours per week. This compares with 32 work hours per week in the District of Columbia\textsuperscript{11}. Maine’s work week is shortest compared with other states for people with other disabilities as well, averaging 22 work hours per week\textsuperscript{11}.

**Sheltered or Facility Based Work**

*Sheltered work is defined as employment that is offered in non-community based settings, typically a facility where people with disabilities work with other people with disabilities with ongoing support and supervision*\textsuperscript{22}. Sheltered workshops began in the United States as early as the 1930’s as a system
for providing employment for people with severe disabilities, typically offering a reduced wage and in segregated employment settings9.

**History:** This system of certifying employers to offer workers with disabilities rates below the minimum wage originated with the National Industrial Recovery Act of the New Deal (1933-1935). President Roosevelt, in 1934, through an Executive Order, directed the Department of Labor to issue certificates for people “whose earning capacity is limited because of age, physical or mental handicap…”16.

“The process of establishing the special minimum wage {requires employers to} ...identify the prevailing wage in their geographic area for experienced workers who do not have disabilities that affect their ability to perform the work and who perform the same or similar work. They must then measure the productivity of the workers for each job they perform as compared to the productivity of experienced workers who do not have disabilities. Finally employers must calculate the special minimum wage rate by applying the workers productivity rate to the prevailing wage for the job...For example if a 14 (c) worker’s productivity for a specific job is 50% of that of experienced workers who do not have disabilities that affect their work and the prevailing wage paid to experienced workers for that job is $6.00 per hour, the special minimum wage rate for the 14 (c) worker in performing that job would be $3.00 per hour.”9

Not for profit organizations offered ‘sheltered work’ to people with disabilities to enable them to use work to build occupational skills, increase their ability to socialize, improve confidence and to rehabilitate16. Sheltered workshops operated by not for profit organizations who received special 14 (c) certificates were permitted to use a productivity standard to determine wages after a physician had documented the disabiling condition. The wage was determined based on the prevailing wage was for similar work performed in competitive settings. These rehabilitative ‘sheltered work’ settings were initially referred to as ‘work activity centers’ to distinguish them from competitive settings operated by for profit entities16.

Business for profit entities receiving a 14 (c) certificate have traditionally had to adhere to a higher standard, with a specified floor for the wage paid to workers with disabilities that is based on a percentage of the prevailing wage. That percentage has varied since the enactment of the Fair Labor Standards Act, but more often than not has been 75% of the prevailing federal minimum wage16. The term ‘sheltered workshop’ can also apply when people with disabilities work in competitive settings for less than minimum wage16.

In the United States, the majority of sheltered workshops were and are operated by not for profit organizations whose services include community supports for individuals with disabilities9 16. The term work centers is now used interchangeably with sheltered workshops, as is the term community rehabilitation programs. All three terms have been used to describe not for profit facilities “that provide employment opportunities for people with disabilities”9.

Because people with intellectual and developmental disabilities have low employment rates and face challenges in obtaining work, they often work in low paying, entry level jobs11. Those with
severe disabilities have an even more difficult time obtaining employment\textsuperscript{20}. These are some of the factors that led to the development of sheltered workshop employment settings.

**Special Wage Certificates**

Special 14 (c) wage certificates are authorized as part of the Fair Labor Standards Act\textsuperscript{23}. These certificates are awarded to organizations (primarily non-profit or state run organizations) receiving these certificates allowing them to pay a special wage to people with mental illness and/or developmental disabilities\textsuperscript{1}. Nearly half of the people with disabilities working in sheltered facilities had multiple disabilities\textsuperscript{9}. The certificates authorize payment of less than minimum wage to qualified people\textsuperscript{9}.

Initially special wage certificates contained an assigned minimum floor wage that was specific to the certified entity and was not standardized or predetermined for all organizations. During 1937, hearings took place on proposed federal wage legislation\textsuperscript{16}. This prompted a change in the 14 (c) certification process, moving to a bifurcated system that offered no wage floor for people with disabilities working in work centers (where the purpose of work was to achieve a rehabilitation goal), but a floor of 75% of prevailing wage for people with disabilities employed in competitive settings\textsuperscript{16}. Fair Labor Standards Act changes to the 14 (c) certification program were approved in 1938 when President Roosevelt signed the Act\textsuperscript{16}.

During 1966, Congress considered legislation that would provide full minimum wage to employees with disabilities (PL 89-601)\textsuperscript{16}. This legislation was not enacted, but did prompt a reexamination of practices by work centers and workshops employing people with disabilities. Work activity centers and workshops were to be operated as physically separate facilities and administered separately. A 1967 Department of Labor Report raised the issue of an alternative funding mechanism for supplementing the wages for people with disabilities that did not depend upon their earnings and was not related to their productivity, acknowledged the difficulty of estimating an appropriate wage given the range of disabling conditions, and suggested changes in management of centers to improve productivity in their workers with disabilities\textsuperscript{16}.

By the 1980s, reform efforts had shifted their focus to blind workers, partly in response to a 1979 Wall Street Journal article that suggested blind workers were being treated unfairly because their disability was not so severe as to warrant a special wage\textsuperscript{16}. The ability of the Department of Labor to properly oversee the wage determinations of productivity was also called into question. The House Subcommittee on Labor Standards held oversight hearings, and issues about potential conflicts of interest by not for profit organizations were added to the list of concerns\textsuperscript{16}.

The Fair Labor Standards Act was amended in 1986 to eliminate differences in wage determination for work activity centers and sheltered workshops. The Department of Labor instituted an administrative review process for wage disputes, and employers were prohibited from reducing the wages of currently employed workers with disabilities without DOL review\textsuperscript{16}.

In 2001 in response to a Congressional request, the General Accounting Office surveyed and visited a number of sheltered workshops across the country. The General Accounting Office surveyed
institutions with 14 (c) certification and found that most of the people receiving reduced wages were mentally ill or had a developmental disability, worked part time, were less than 54 years of age, and were receiving community supports as well as employment services. Many were recipients of federal disability payments in addition to their earnings.9.

At the time the GAO survey was conducted, more than 80% of institutions holding a 14 (c) certificate were Work Centers (not for profit organizations with rehabilitation goals), offering employment and community services, 9% were for-profit businesses, and the remainder were hospitals, residential facilities or schools.9.

**Current Disability Employment Policy**

The Federal Office of Disability Employment Policy (ODEP) was established in 2001 within the Department of Labor pursuant to Public Law 106-554, with the goal of increasing employment opportunities for people with disabilities. This office became the lynchpin of federal efforts to shift people with disabilities from sheltered worksites into competitive work settings. In 2002, ODEP began an initiative to evaluate programs offering employment services that were eligible for special wage certificates with the goal of transitioning workers to “integrated employment settings” and to decrease the number of workers whose labor was subsidized. Integrated settings usually offer workers with disabilities wages that are similar to those of other workers.25.

This federal initiative included a training program called the National Training Technical Assistance for Providers project (T TAP). Since T TAP began, many entities receiving certificates have transitioned some or all of their employees to integrated settings. Some states have completed their transition while others are considering enacting similar policies.25.

*Employment First*: The Office of Disability Employment Policy’s newest initiative is called Employment First. Employment First’s premise is that all people with disabilities are capable of working in integrated settings and deserve an opportunity to do so. Through Employment First, state grants are provided to assist with creating broader access to integrated employment for people with disabilities by creating better coordination between policies, reimbursement and service delivery systems. Mentoring programs allow peer to peer state networking. Maine is the recipient of an Employment First grant.26.

**Community Rehabilitation Providers**

Special wage certificates were most often held by non-profit organizations providing services to people with severe disabilities, rather than for profit businesses. The term community rehabilitation program or sheltered workshop has been used to refer to not for profit institutions providing these employment and other services.9. Another term commonly used is Community Rehabilitation Providers (CRP’s). A community rehabilitation provider is a community–based organization that employs people with disabilities and may also provide additional employment and support services.22.
A Community Rehabilitation Provider (CRP) might operate a special wage certificate employment facility, provide support for an individual who is employed in a community settings on a permanent or temporary basis, and/or provide or coordinate community services activities such as volunteer non-paid work. CRPs may arrange other instructional or recreational activities taking place in the community or at the facility. CRPs provide most of the employment supports for people with intellectual and developmental disabilities.

In Maine the term Community Supports is used to describe services that are eligible for support through the MaineCare Community and Home Based Waiver system. Community supports is defined as “supports provided to increase or maintain a member’s ability to successfully engage in inclusive social and community relationships and to maintain and develop skills that support health and well-being of disabled individuals.”

**Comparison of Percent of Individuals Served with Intellectual Disabilities (IDD) and Any Disability Receiving Employment Supports from Community Rehabilitation Providers**

**Results from 2010 – 2011 National Survey of Community Rehabilitation Providers**

<table>
<thead>
<tr>
<th>Employment Service by CRP</th>
<th>Percentage with any disability</th>
<th>Percentage with IDD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility-Based work</td>
<td>20.7%</td>
<td>25.2%</td>
</tr>
<tr>
<td>Individual-supported employment</td>
<td>14.3%</td>
<td>12.1%</td>
</tr>
<tr>
<td>Competitive employment with time limited supports</td>
<td>5.4%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Enclaves</td>
<td>5.4%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Mobile Crews</td>
<td>2.5%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Time-limited paid work</td>
<td>1.2%</td>
<td>.5%</td>
</tr>
<tr>
<td>Total Employment</td>
<td>62.7%</td>
<td>57.2%</td>
</tr>
</tbody>
</table>

*Adapted from results of the 2010 – 2011 National Survey of Community Rehabilitation Providers (NSCRP)*


Community rehabilitation providers provide employment in a variety of settings for the people with severe disabilities they served. These settings include: 1. *Facility based: Employment that takes...*
Place in location where work is performed with other people with disabilities, 2. Competitive employment with time limited supports: People with disabilities compete with other non-disabled people to obtain employment and receive work supports initially but not long term. 3. Enclaves: Community work settings where more than one person with a disability works together with non-disabled people and whose compensation as a group, 4. Mobile crews: Groups of people with disabilities whose pay and supervision are contracted, but who work in a community setting with non-disabled people, and 5. Time limited paid work: Temporary work usually performed in a community setting by a person with a disability for compensation.

Prior to the implementation of Public Law 101, the Community Rehabilitation Providers in Maine interviewed for this study employed people with disabilities in all of the work settings described above: facility based employment, competitive employment, enclaves and work crews. Following the implementation of the law, facility based employment no longer exists in Maine. People with disabilities, primarily people with intellectual and developmental disabilities, are employed in competitive settings, enclaves and mobile crews as well as time limited paid work.

The vast majority of people served by CRPs in the United States are people with intellectual disabilities (IDD). In the 2001 GAO survey, 74% of those served in sheltered workshops were people with intellectual and developmental disabilities, and many had more than one disability.

According to the 2010-1022 National Survey of Community Rehabilitation Providers, a higher percentage of people with IDD receiving services from community rehabilitation providers were working in facilities, when compared with people with disabilities in general. A lower percentage of people with IDD compared to people with disabilities in general were working in individual employment settings. Higher percentages of people with IDD were working in enclaves and mobile crews. Providers surveyed in the 2010-2011 NSCRP operating sheltered workshops reported that 90% of those served were people with IDD.

Sheltered workshops in Maine were employing 558 people with IDD in 2001 prior to implementation of Public Law 101. There were no people employed in sheltered work in 2010 in Maine after the passage of Public Law Chapter 101. The number of people with IDD who served in integrated employment in Maine, however, also declined during the years from 2001 to 2014.

Increase in non-work activities for people with IDD

The numbers of people with IDD in community based non-work increased dramatically from 550 to 3,178. Data for intervening years was not reported. In Maine, the number of people with IDD employed in sheltered workshops decreased, but the numbers working in integrated settings also decreased. Data from the National Survey of State Intellectual and Developmental Disability Agencies’ Day and Employment Services, the percentage of people served in integrated employment settings decreased from 31% in 2001 to 23% in 2010. There was a dramatic increase in the number of Maine residents who were being served with community based non-work services.
Community based non-work activities include field excursions to sites where they interact with people without disabilities, skills building and socializations activities, volunteer work in community settings and crafts\textsuperscript{22}. Community services refers to the category of these services provided by CRPs to people with developmental disabilities. MaineCare Sections 21 and 29 support waivers reimburses CRPs for providing these activities\textsuperscript{15}.

Integrated employment rates in Maine are comparable to national data on employment with community rehabilitation providers in the United States reporting only 27\% of the people with IDD they served working in integrated settings in 2010. Participation in facility based non work services had grown, however\textsuperscript{11}.

**Evidence that Supported Work Services Can Improve Employment Outcomes for People with IDD**

Employment services can increase the number of people with disabilities who are able to find and maintain employment. Devising customized employment solutions that involve discussions with the individual seeking employment, their family members, prospective employers and other service providers has been shown to be effective in improving employment outcomes for people with disabilities\textsuperscript{20}.

Supported employment has been shown to be effective in improving employment outcomes for people with severe mental illnesses. Effective methods include those that provide intensive support and access to job coaches\textsuperscript{20}. One model for providing this support is called Individual Placement and Support (IPS), which is defined as: rapid identification of local job placements accompanied by a close working relationship between the job placement professional, the employer and the individual. Close attention to personal preferences, strengths, skills and limitations is the hallmark of IPS\textsuperscript{27}. This usually happens through consultation with the individual being placed, family members and others who are well acquainted with the individual’s attributes. It requires ongoing monitoring and contact with the employee and the employer which continues throughout the duration of employment\textsuperscript{27}.

Strategies such as job negotiation have proven effective in promoting employment for people with IDD and other people with disabilities. *Job negotiation includes strategies that free up a more highly compensated employee from mundane time-consuming tasks, offer a service that fills a service gap an employer has, or allows one job to be shared by more than one person*\textsuperscript{20}.

The evidence suggests that after placement, employment services should continue (*this is called follow along*), providing ongoing support and necessary accommodations so that workers with disabilities can perform job tasks and so that issues that interfere with employment can be addressed\textsuperscript{20}.

Across the nation employment or work supports often include assistance with transportation or other work related services, as well as accommodations in the workplace and supervision for the
employed person with disabilities. They include a core of services that are usually provided by vocational rehabilitation agencies (VR) and community rehabilitation providers.

Supported employment has been shown to be effective in improving employment outcomes for people with severe mental illnesses. Effective methods include those that provide intensive support and access to job coaches.

IPS is one of the approved models for providing supported employment services in the state of Maine. Studies of job placement practices nationwide, however, show limited implementation of these job development practices. Fewer than half of surveyed employment consultants used strategies described above.

When employment supports need to be provided on a long term or permanent basis they are usually funded through state intellectual and developmental disability agencies, rather than through vocational rehabilitation agencies. These state IDD agencies coordinate and regulate how supports are provided and the settings in which they occur. Monitored services include integrated work services, facility based work and independent work provided without supports. In Maine the Department of Health and Human Services is the designated agency for people with IDD. Vocational rehabilitation services are provided by the Maine Department of Labor.

### Home and Community Based Waivers (HCBS)

The largest source of funding for employment services for peoples with intellectual and developmental disabilities is the Medicaid program. Other funding sources include Social Security, Title XX Social Security Block Grants, other state funds, and the Intermediate Care Funding for IDD (ICF/ID or ICF/MR). To incentivize work the Social Security Administration allows individuals who receive Supplemental Security Income (SSI) some exclusions from calculations of their total earned income. Other work incentives can provide beneficiaries with assistance in purchasing vocational rehabilitation, and other employment services. ICF/ID is a Medicaid benefit funding health, rehabilitation and other services to promote independence and improve function for people with IDD. Title XX Social Security Block grant funds are allocated to states based on their population and can be used for community based care for people with disabilities, children and the elderly.

Medicaid funded 75% of long term supports for people with IDD in the US in 2009, and the bulk of that funding flows from the Home and Community Based Waiver program. The Home and Community Based Waiver (HCBW) program was authorized in 1981 as a mechanism for states to target beneficiaries who might be institutionalized, e.g. frail seniors living in the community. Spending levels in this program have grown tremendously, in part because of growing pressure to provide more health and employment services in community settings.

Guidance from the Centers for Medicare and Medicaid Services (CMS) on definitions of supported work settings for the HCBW program prioritize placing people in integrated employment settings. The program also requires that vocational rehabilitation assess individuals prior to their receiving a home and community based waiver.
Total I/DD Spending: $53.21 Billion

Source: Braddock et al., Coleman Institute and Department of Psychiatry, University of Colorado (2011).
*Rosa’s Law (Public Law 111-256) was signed by President Obama on October 5, 2010. It was an Act "to change references in federal law to mental retardation to references to an intellectual disability, and change references to a mentally retarded individual to references to an individual with an intellectual disability."

Figure 1. Federal-state Medicaid is the majority of total intellectual and developmental disabilities spending in fiscal year 2009
In Maine, the Home and Community Based Waiver Program is the principal source of funding for employment supports to people with intellectual and developmental disabilities.

“People with disabilities and their families may receive income support from two programs administered by the U.S. Social Security Administration (SSA): Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI). While SSDI and SSI target different populations, there is some program overlap. In 2012, the share of Maine residents receiving worker disability benefits from SSDI or SSI was 9 percent of resident population age 18 to 64, compared to 6 percent nationally. 

MaineCare Waiver Supports Employment Services for People with IDD in Maine

Work Support employment services funded through the MaineCare Sections 21 and 29 Waivers are defined as “direct support provided to improve a member’s ability to independently maintain productivity and employment”. They can include hygiene, self-care, dress code, work schedule and work preparation assistance. Some services can be provided in the home setting as well as at the work site15.

In 2006, Maine implemented Public Law 2005, chapter 570 requiring each Maine state agency to review its hiring and practices for people with intellectual and developmental disabilities, develop a plan for increasing hiring opportunities and engage in outreach activities so that people with disabilities would become more aware of employment related services. Models from other states implementing work supports and services were examined to determine what might work well for Maine and stakeholders were consulted to develop Maine’s approach to implementing supported employment for individuals with disabilities2.

The Maine Department of Health and Human Services, Office of Adults with Cognitive and Physical Disabilities (OACPD) and the Maine Department of Labor, Division of Vocational Rehabilitation signed a Memorandum of Understanding to implement the state version of the Home and Community Based Waiver, which is called the MaineCare Waiver Supports program. This program oversees, and monitors employment services for people with intellectual and developmental disabilities in Maine3.

Public Law 201 phased out state funding of sheltered workshops2. The legislation was prompted in part by the relatively small proportion of individuals in Maine who were receiving employment services from the state relative to receipt of other community services. Data from 2002 published in a report to the Maine legislature show that the state was spending $19,448,162 for 3,510 people with disabilities receiving support for habilitation services (also referred to as community supports that includes voluntary non paid work). In comparison, the state spent $4,166,916 on supported employment services for 695 people with disabilities6.

MaineCare Sections 21 and 29 fund a system of supports for employment for people with disabilities to encourage the transition from sheltered work to community based employment. MaineCare Sections 21 and 29 included definitions of services eligible to be supported2.

Change in Definition of Eligible Worksites: Employment Settings means a work setting that is integrated with non-disabled employees in a variety of ways. The job must be one that is available to a non-disabled employee with the same expectations for the member’s job performance and attendance. The member works under similar work conditions as others without disabilities in similar positions; including access to lunchrooms, restrooms, and breaks. The member performs work duties with ongoing interaction with other workers without disabilities, and has contact with customers, suppliers and the public to the same degree as workers without disabilities in the same or comparable occupations15.
Public Law Chapter 101 instituted an 18-month timetable to phase out all state contracted funding for sheltered employment sites beginning in January 2008. The change was expected to affect the approximately 220 people who were working in sheltered workshops across the state.

The Principal elements of this law included:

1. A data system on employment outcomes for people with IDDs
2. Outreach and training for providers, and people with IDD
3. A supported employment information campaign targeted to consumers and the public
4. Training to expand the belief that work is possible
5. Strengthening the relationship between the DOL and DHHS²

A series of informational workshops on accessing community supports and supported employment services were created in partnership with the University of Southern Maine, DHHS, the Maine Developmental Disabilities Council, and Speaking Up for Us (SUFU). Additionally, a pilot project focused on three agencies that had been operating sheltered workshops to provide them with training and technical assistance to transition their workers. These activities were designed to build capacity in the provider community to implement the changes in state supported employment services for people with IDD²

The reorganized system of employment supports created by Public Law 101 places some restrictions on the location of employment services. Work facilities must be physically separated from places where other rehabilitative services were offered. Additionally the ratio of supported work services changed. Additionally the ratio of supported work services changed recently in 2014. Staffing ratios were limited to an average of 1:3 when ratios up to 1:1 had been permitted prior to the implementation of Public Law Chapter 101. This ratio refers to the average number of staff who can be assigned to a person to provide supervision, and work accommodations to ensure their health and safety in the workplace and to enable them to perform work related tasks¹⁵.
Vocational Rehabilitation

Services are offered using a variety of strategies referred to as "supported employment". Supported employment is defined as "competitive work in an integrated setting with ongoing support services".29
CRPs in Maine contract with the Department of Health and Human Services or with the Department of Labor to provide supported employment services to the people with IDD they serve.\(^\text{15}\)

Vocational rehabilitation is the oldest publicly funded provider of employment services at the federal and state level offering assistance to people with disabilities, providing assessment for employment, training and job placement. Eligibility for vocational rehabilitation includes mental or physical impairment that impedes the process of finding or maintaining employment. Because of limited funding, state programs are directed to prioritize their services to people whose disabilities are most severe.\(^\text{29}\)

As of 2014, 2,000 working age individuals in Maine were eligible for either MaineCare Waiver Sections 21 or 29 but had not yet received waiver dollars for employment supports.\(^\text{30}\) The Maine Department of Labor, Division of Vocational Rehabilitation is responsible for job placement, job coaching, and assessments for employment eligibility for people with intellectual disabilities served through the MaineCare Waiver Sections 21 and 29.\(^\text{2}\)

The numbers of people who were successful in obtaining and maintaining integrated employment following the implementation of Public Law 101 have fluctuated. Slight decreases were initially observed, but levels increased from 722 in 2010 to 816 in 2011. This number includes people whose disability was classified as visual impairment.\(^\text{14}\)

**Other Key Stakeholders Working on the Transition**

*Maine Developmental Disabilities Council:* The Maine Developmental Disabilities Council (MDCC) is a partnership between people with disabilities, their families and other organizations advocating to ensure that people with disabilities in the state of Maine have access to resources and services and
that their independence is promoted. MDCC participated in the effort to train people with disabilities to promote better access to employment during the transition away from sheltered workshops. They were a partner in the “It’s Your Life, Building Connections through Work” program, an activity that trained working people with intellectual and developmental disabilities to mentor those seeking work.

Disability Rights Center: The Maine Disability Rights Center (DRC) is a non-profit organization that serves as an advocacy organization for people with disabilities in Maine. DRC assists people with disabilities who are attempting to address issues related to housing, health, rehabilitation or other services. DRC is recognized as an official disability advocacy agency by the state.

Muskie School of Public Service, University of Southern Maine: The Muskie School of Public Service partnered with the Maine Department of Health and Human Services Office of Adults with Cognitive to design and conduct a peer training program called “It’s Your Life, Building Connections through Work”. The program identified people with disabilities who had obtained competitive employment in the community. These individuals received training to conduct peer outreach and serve as spokespersons and models of success. The training sessions were targeted to people who were employed in sheltered workshops.

Maine Jobs Council Commission on Disability Employment: The Maine Jobs Council Commission on Disability Employment cosponsored two one-day conferences, “Making Employment Work for ME” in 2007 with other stakeholders. This effort was part of the stakeholder engagement process for Maine to establish an employment support network for people with disabilities and to develop the MaineCare Sections 21 and 29 Supports waiver and establish an employment support network.

Speaking Up For Us: Speaking Up For Us is an organization in the state of Maine formed by people with disabilities. SUFU participated in the peer training program “It’s Your Life, Building Connections through Work”. Their peer trainers conducted and participated in the training workshops sessions. They were integral in promoting messages related to improving the ability to find community employment opportunities.

The above mentioned stakeholders were actively involved in shaping the transition plan to implement Public Law Chapter 101, by providing guidance to the state on the elements and helping to weigh alternative approaches. Other stakeholders included the Autism Society of Maine, the Brain Injury Association, the Center on Community Inclusion (CCI), the Disability Rights Center, the Maine Chamber of Commerce, the Maine Jobs Council, the Maine Parent Federation, the State of Maine Special Education Services and the Southern Maine Council on Transition, who were part of the Committee that prepared a report to the Maine State Legislature on implementation of Public Law Chapter 101.

Community Rehabilitation Provider Study Participants

Seven community rehabilitation providers who had provided sheltered workshop employment services in Maine for people with disabilities were interviewed for this report. Interviews were conducted by phone and in person. Interviews with providers were transcribed from notes. Five
people with disabilities were also interviewed. Those interviews were taped and transcribed. The CRPs were referred by ANCOR or by other providers and represent a sample of convenience. GWU was not able to contact and interview all former providers of sheltered workshops employment services in Maine.

An estimated 47 agencies were providing paid employment support through the Department of Health and Humans Services in 2007 according to a state survey, 675 people with developmental disabilities were employed. The average number of hours they worked per week was 11.97. Their average per person wage per week was $80.756.

The CRPs who consented to be interviewed provided data on a total of 70 people with disabilities. Documents we reviewed indicate that there were approximately 220 people with disabilities who were receiving employment supports for sheltered work in Maine at the time that Public Law 101 was beginning to be implemented.

Researchers at GWU were able to identify data from employment records from four of the six providers. Two providers referred people with disabilities for in person interviews.

**Characteristics of Maine Community Rehabilitation Providers who participated:**

All of the providers interviewed were private non-profit organizations that had a long history of providing services to people with severe disabilities in Maine, many of whom have intellectual or developmental disabilities or a combination of disabilities. The providers work in all sections of the state and offer their clients with disabilities a variety of services including housing, assisted living, intermediate care, supported living, crisis services, community supports and supported employment. Providers are compensated through contracts with the Department of Health and Human Services and the Department of Labor. They also receive funding from local municipalities, private donors, civic and religious organizations and associations for handicapped citizens.

When providers interviewed for this report were operating sheltered workshops in Maine, the people with IDD they employed were working up to five days a week. Their earnings were paid using the 14 c special wage certificates. Some individuals earned as little as .22 cents per hour. They received paychecks directly from the community rehabilitation provider.

Below are examples of the types of services offered by providers interviewed for the report:

**Community Supports:** All providers interviewed received funding from the Maine DHHS, Office of Adults and Disabilities Services to provide community support including non-work volunteer and other activities. Community supports describes services “that increase or maintain the ability to successfully engage in inclusive social and community relationships and build skills that support the health and well-being of disabled people.” Many providers interviewed for this report, who had employed workers in sheltered workshops, reported that those workers are now receiving more community supports than work support.

**Supported Employment Services (contracted through VR):** A few providers receive funding from the Maine Department of Labor, Division of Vocational Rehabilitation. With this funding, they provide
job placement and employment supports to individuals who work in integrated employment settings in the community. Employees receive a paycheck directly from the employer.

Facility Based Employment Services (serving at least 50% people with disabilities): A few providers operate facilities that employ people with disabilities. They pay minimum wage or better to employees who work with non-disabled people in the work place. These providers created or continued small businesses, increased wages to minimum and hired non-disabled employees to work with their clients with disabilities. This enabled them to continue to provide employment for people with intellectual and developmental disabilities who had been employed in the sheltered workshop. Providers interviewed for this study who have been able to provide employment in facilities they operate are doing so for fewer hours per week.

Enclave: One provider operates an enclave. They contract with a private employer to provide employment to several people with disabilities who labor at a worksite with non-disabled people. They are compensated as a group and receive a paycheck from the community rehabilitation provider. One of the enclaves was negotiated after the transition so that employees could work at the job site with non-disabled employees. This arrangement was undertaken when the sheltered workshops were beginning to be eliminated and at that time, employees were doing the same work for the same business but at the facility, not at the business’ primary location.

This provider was able to negotiate to retain the employment for the group by creating the enclave and transitioning the worksite away from the provider’s location. The business was unwilling to hire the people with disabilities directly, despite encouragement to do so by the provider. The enclave members with disabilities participate in employee events and other activities with other non-disabled employees. The employees with disabilities are not part of the production line, however, because of safety concerns.

Research Questions

Research Question One: Was Maine’s transition successful in moving individuals who had been working in sheltered workshops into integrated employment settings?

According to state officials interviewed for this report, the number of people working in sheltered workshops in the state of Maine at the time Public Law Chapter 101 was implemented was 200 to 300 people. Data from the National Survey of State Intellectual and Developmental Disability reported 558 people with IDD working in facilities in 2001, prior to the passage of Public Law Chapter 101 and no people with IDD working in facility based settings in 2010 after implementation. Community Rehabilitation Providers interviewed for this survey report that their clients were predominately people with intellectual disabilities. They were reportedly some of the people with the most severe disabilities receiving employment supports in the state. Public Law Chapter 101 targeted the people with severe disabilities seeking work in the state, specifically people with intellectual and developmental disabilities.

Public Law Chapter 101 succeeded in eliminating work in facility based settings where only people with disabilities worked. However, employment in integrated settings has not increased since its’
passage\textsuperscript{14}. In Maine people with IDD are spending more time in non-work activities and when working, work an average week that is the shortest in the nation\textsuperscript{11}.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{chart.png}
\caption{Number of Clients by Type of Job Before & After Close of Program (3 Sites)}
\end{figure}

\textit{Combined Number of jobs and job category for people with IDD working in labor categories at three sites prior to and after closure of sheltered workshops}
Wage data following closure for one former sheltered workshop employment provider.

Research Question Two: Were individuals who were transitioned from sheltered to competitive employment between 2002 and 2007 when the transition was taking place still competitively employed in 2014?

Number and job category for people with IDD working in labor categories at three sites after closure of sheltered workshops.
Data from four providers interviewed for this study tracked employment outcomes through the transition for a group of 70 people. The majority of those people are no longer employed or are working fewer hours per week. Many people who had been employed in sheltered workshops are now receiving community supports either in place of or in addition to hours worked.

**Research Question Three: How do the wages of those individuals who were able to successfully transition compare pre and post transition?**

People who had been employed in sheltered workshops whose data was examined for this study, are now mostly working at minimum wage and their earnings per hour have increased. Hours worked per week, however, have declined. Many people are no longer employed, however, and those who are working, earn less per week because of the reduction in the number of hours worked.

![Average Days Worked Per Week Before and After Close of Program (1 Site)](chart)

*Average days worked prior to and after transition at one former sheltered workshop facility.*

**Research Question Four: Did the provider cost of providing employment services increase or decrease pre and post transition?**

One Community Rehabilitation Provider provided data on earnings they received for providing employment services to the people with disabilities they served. The number of people served declined during the transition from sheltered work to integrated employment. Per person revenue for providing employment services also declined.
Individual Interviews

Five people with intellectual and/or other disabilities who had been employed in sheltered workshops were interviewed for this report. One person had multiple disabilities. Three of those
interviewed were employed. One person was working 15 hours per week, two were working fewer than 10 hours per week and all three combined work part time and supplement the remaining hours of their week with community supports. Two people were receiving community supports only and engaging in a variety of volunteer activities including woodworking, crafts and community activities at churches and other sites.

Provider Experiences with Transition

According to Community Rehabilitation Providers interviewed for this report there was fairly uniform consensus on a number of issues related to their provision of employment services to the people with intellectual and developmental disabilities they served.

Benefits to working in Community Settings: Some of the providers interviewed for this report reported that the individuals who were able to find work in integrated settings benefitted from employment in unexpected ways. They reported improvements in social skills, increases in verbal skills and social interaction. Additionally, they reported that coworkers and employers benefitted by having an opportunity to work closely with someone who had an IDD.

One provider transitioned from sheltered work years before Public Law Chapter 101 was passed and prior to the cessation of state supplemental funds for sheltered workshops. This organization received training that facilitated a change in their organizational policy. This provider made a deliberate decision to close their sheltered workshop after attending a training designed to encourage community employment for people with intellectual and developmental disabilities. Their site had been used as work adjustment training for vocational rehabilitation referrals. One of their early placements involved an employee who had been with them in sheltered employment for many years. They were skeptical about his ability to be placed because he tended to work slowly, but when they were approached by a potential employer they took a 'leap of faith' and referred him for the job. This placement was a huge success and the individual has been at this job for more than 20 years.

Job Placements: Some people with intellectual and developmental disabilities were able to obtain community employment easily. One provider reported working with a person who was able to obtain employment using natural supports. Natural supports are defined as work supports from employers or coworkers that are performed by employers or other employees, and that do not require the assistance of a job developer or job coach33.

Many of the people with IDD, however, were not able to work independently at the level of supervision providers were able to give them. New state requirements are intended for people to work independently without support at least 50% of the time. Many individuals providers currently work with cannot work at that level of independence. Many require a higher level of supervision and support. Some Community Rehabilitation Providers interviewed for this study report challenges with placing people with IDD. These challenges include 1) people with IDD spend prolonged time getting assessed by vocational rehabilitation; 2) CRPs cannot directly place people
with IDD in jobs 3) supervision levels permitted under the Section 29 waiver make it more difficult to provide follow along services once job placements take place.

_Hours worked per week:_ Many of the people with IDD served are working fewer hours per week now. Many work less than 10 hours per week; some as few as 3 or 4 hours per week. They are earning minimum wage now, a significant increase over the wages they had received in sheltered work, but the reduction in hours translates to less income per week. When section 29 of the Maine waiver was first implemented work hours were capped at 300 hours per year of work, or twelve hours of work per week. Some providers reported to us that these work hour caps resulted in work reductions for many individuals and that individuals often receive more community service support than work supports.

_Difficulty keeping jobs in the community:_ Some CRPs reported that many of the positions they found for people with IDD are vulnerable to changes in management, shifts in the economy or employer decisions to phase out positions. When that occurs, the job placement process has to begin again and individuals have to be reassessed by vocational rehabilitation before they can be placed in a new job. Many providers reported to us that some employers are reluctant to pay minimum wage when the worker has a disability may not be able to perform as productively as a non-disabled employee. Several providers found that individuals they were working with did not meet a minimum productivity standard and were unable to perform several tasks required for the job they were seeking.

_Long wait times for vocational rehabilitation assessments and placements:_ Many of the providers interviewed for this report had clients who were had experienced long wait times while awaiting job placement services through vocational rehabilitation. Providers reported instances of delays longer than a year to complete assessments. Once individuals are placed, jobs sometimes end suddenly and the process of moving through the vocational rehabilitation system must begin again under the current system. Providers indicated they cannot provide employment services until clients are released by vocational rehabilitation.

_Changes in reimbursement for work supervision:_ Many providers identified their clients as needing more supervision because of behavioral and other issues than they can currently provide with reimbursement and supervision levels under MaineCare Sections 21 and 29. People who had been receiving one to one supervision prior to the implementation of Public Law Chapter 1010 are now lacking adequate supervision for work following recent changes implemented in 2014 that changes the ratios that were permissible. Providers reported that following transition many of the people who needed one-on-one supervision who had been employed in the sheltered workshop, no longer were employed, but are receiving day services including arts and crafts and other community services. Examples of individuals who might need more supervision included incontinent individuals, those who needed to be fed or who had complex medical needs in addition to their intellectual or developmental disability.

_Inability to provide direct work placements:_ Several providers interviewed for this report told of clients who had learned of employment opportunities, but lost them while waiting for assessments to be completed. Many providers indicated that they are no longer able to directly place people

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with disabilities without first involving vocational rehabilitation, and that this had impeded employment opportunities for some people with whom they work.

**Age:** Age was mentioned by many providers as a factor in the current employment status of individuals who had worked in sheltered employment. Some older individuals, who may have been in the cohort who were transitioned to community housing settings when the state residential facility closed, originally entered sheltered workshops as their first employment experience. When sheltered workshops began to be phased out in Maine, some of these individuals were old enough that retirement was an option for them. It is unclear, however, whether the experience of having been in a state residential facility, or age itself, was the critical factor making some older individuals more difficult to place.

**Level of Disability:** Some providers reported that their clients with more severe disabilities are overrepresented in the population of individuals who were not able to successfully transition to integrated employment sites. “The question is what to do with the people who we don’t think will do well in the community.” Many of the providers interviewed for this study reported that they had some people with severe disabilities who had previously been employed in their workshops who were not able to be placed in community settings following the elimination of the workshops. Level of disability was one characteristic commonly cited as a factor impeding placements for some of those people who are no longer employed or who are now only receiving community support services, when they had been employed on at least a part time basis prior to the implementation of the legislation.

**Changing Role of Vocational Rehabilitation:** Maine’s public law required that people with IDD seeking employment do so initially with the assistance of state vocational rehabilitation services. An intake process takes place to assess the readiness for employment, and to assist with skills development. Once the individual secures employment, a job coach is assigned to accompany the individual to the work setting for a period of time to smooth the transition and provide accommodations for work.

Many providers report that many of their clients experience lengthy wait times for intake and individual assessments to be completed, although wait times have improved. Additionally, finding job coaches whose available hours matched hours assigned to people with IDD sometimes prevented jobs from being offered or ended them prematurely. The December 2014 Report of the Commission on Independent Living and Disability has a section on employment that recommends continuing efforts in Maine to improve vocational rehabilitation outcomes including reductions in the time for individuals to receive and individualized plan of employment (IPE) in accordance with federal requirements.  

Some providers perceived vocational rehabilitation as standing between an individual and employment. Direct placements in jobs without involving vocational rehabilitation job development personnel may no longer be possible if benefits are to continue. This means that if someone learns of a job through other sources, getting supported employment for that job may be delayed or prohibited. Providers reported that the timing and quality of vocational rehabilitation services seems to be improving but wait times for assessment and placement are still sometimes prolonged.
"The vocational rehabilitation process can be tough. They have to apply and go through the system and this can sometimes take 2 to 3 years. They are assigned a job coach who may not be from this community. At the end of that if they get a job, they would qualify for long term job supports ...but the only road to employment is through vocational rehabilitation."

*Increasing Complexity of Workplaces and Economic Factors:* Several providers reported that people with disabilities they work with cycle in and out of employment because of economic factors. Jobs are sometimes seasonal. Managers vary in their willingness to work with people with disabilities and if there is turnover in management, that may lead to a job loss. Increasing complexity of work was also cited as a common reason for job loss. The downturn in the US economy has resulted in a nationwide trend that has affected employment for people with disabilities to a greater degree than for people without disabilities.\(^{11}\)

“There are times you want to carve a piece out of a job to meet the skill level of the individual. That’s more challenging in today’s environment because people are trained to be interchangeable”. Some providers reported that jobs that used to be available that were narrow in the scope of responsibilities are less common for their clients with disabilities. Several providers stated that employees are expected to be able to perform a lot of different tasks and that this can be challenging for people with disabilities, and that the ability to cross task may not always be present for people with disabilities.

**Discussion of Employment Data Collected from Participating CRPs**

The data provided by a subset of providers participating in the study reflects that their clients with developmental disabilities are working fewer hours, but at higher wages. GWU was able to gather data on employment types and some wage data for people with intellectual and developmental disabilities who were working in sheltered workshops prior to Maine’s transition. Because institutions began transitioning away from workshops at different times, these data could not be compared across institutions at specific points in time. Wage data was not available for all individuals or all institutions. Data on the costs associated with employing individuals that were borne by the institutions was not available for all institutions. We characterized type of employment into 6 categories based on job classifications from the Equal Employment Opportunity Commission (http://www.eeoc.gov/employers/eeo1survey/jobclassguide.cfm)\(^ {34}\).

Employment categories were as follows:

- Administrative support worker

\(^{20}\)"Job carving is the act of analyzing work duties performed in a given job and identifying specific tasks that might be assigned to an employee with severe disabilities. "You could approach an employer and carve out a particular area for a person with a disability. A welder spends an hour a day cleaning up his scrap metal. Someone can do that for eight dollars per hour and free up the $25 per hour welder. What we are finding now is that when we go to employers they are looking for all ‘all- arounders’; they need people who can dust the shelves, run the cash register and do everything. Employers are asking more and more of their employees, sometimes more than people with disabilities can provide”.\(^ {20}\)
• Laborer/Helper
• Operative
• Sales Worker
• Service Worker
• Volunteer

Summary of Employee categories:

We received information on 70 people with intellectual or developmental disabilities who were working in sheltered workshops prior to the transition. Twenty three people were working as Administrative Support workers prior to the transition and only 2 afterwards. Six were working as Laborer/Helpers prior to the transition and four afterwards. Ten were working in the Operator category prior to the transition and 6 following the conversion. Six people were working in Sales positions in workshops and after the transition there were five in similar positions. Service workers numbered 13 prior to conversion and 13 afterwards. Twenty three people were unemployed after the conversion and seventeen people were performing voluntary work for no compensation.

Days of the Week: The average number of days of the week for 21 people who were working in one sheltered workshop employment facility was 4.24 days. After the sheltered workshop employment facility closed, the average number of days worked per week was .48 days.

CRP Revenue Data: One provider was able to provide data on their labor revenue for individuals who had been working in their sheltered workshop employment facility. The revenue ranged from $6215 per person when the workshop was operating in 2001 to $4349 per person in 2011 after the transition.

Examples of Conversion in Other States

Maine was among a group of states that were early adopters of policies phasing out state support for sheltered employment worksites for people with intellectual and developmental disabilities. Below are two examples of other states who were also early adopters of policies to eliminate sheltered work.

Vermont: Vermont Developmental Disability Services (DDS), the state agency providing services to people with intellectual disabilities, transitioned away from sheltered workshops initially by eliminating funding for new entrants into sheltered workshops and then shut down existing workshops over a three year period. According to those interviewed for this study, provider capacity for transitioning away from sheltered employment was improved by a pilot training and technical assistance project on supported employment implemented through a partnership between the state of Vermont and the University of Vermont beginning in 1979.

The last sheltered workshop in Vermont was closed by 2003. Data from the National Survey of State Intellectual and Developmental Disability Agencies Day and Employment Services revealed
that 34% of people with IDD were working in integrated settings in Vermont in 2011 compared with 23% in Maine that year.\(^\text{11}\)

According to those interviewed for this report, the structure of the Vermont Medicaid Home and Community Based employment waiver already permitted the bundling of services prior to the transition away from sheltered workshops. The state provided incentives to get people into the community to work in a way that wouldn’t undermine the home or the community supports people had been receiving. A needs based case managed system assesses the services each person needs, assigns a number of hours of services a week and then pays a lump sum on a monthly basis to the service provider for all of the services that person is receiving, including employment or community services or a combination of both.

In Vermont funds flow from the vocational rehabilitation agency to providers through a grant funding mechanism as opposed to fee for service allowing long term employment support services such as follow along to occur that ordinarily would not be reimbursable.\(^\text{1}\)

One state official asked about work supports in Vermont credited their success with a team based approach to developing and maintaining employment that focused specifically on people with intellectual disabilities, not people with disabilities in general, and that included a range of employment supports including follow along for as long as that individual was working at their integrated employment site. Vermont compares favorably to other states in placing people with IDD in integrated employment settings with rates twice the national average.\(^\text{11}\)

\begin{quote}
\textbf{Washington:} The state of Washington phased out state funded institutions for young people with developmental disabilities in the 1950’s and 1960’s at the request of some families who advocated for local facilities to educate their children. As the children aged, many remained in these developmental centers. In the 1970’s and 1980’s many centers changed focus and began providing services to adults, as the children they had previously served were beginning to be admitted to public schools. These developmental centers became the sites for sheltered workshop.\(^\text{35}\)

In 1979, Washington reevaluated the developmental centers and proposed system changes to work toward increasing independence for persons with disabilities. Centers were required to report on outcomes, including providing information on job skills and wages for these individuals. Expectations for improvements in job skills and wages were raised. Over the last thirty years more individuals have moved out of sheltered workshops and into competitive employment.\(^\text{36}\)

Washington places an emphasis on employment readiness during transition, with heavy emphasis on the expectation that everyone should work in high schools. Students with disabilities and their families receive assistance to transition to employment, and the state has a strong commitment to supported employment.\(^\text{Error! Bookmark not defined.}\) Public agencies and organized labor participate in supported employment by offering opportunities to individuals with disabilities. A state policy permits hiring someone with an IDD without it counting towards their full time employment count. Former sheltered workshop sites are used for early intervention and family support.\(^\text{36}\)
\end{quote}
Lesson for States Implementing Policies to Promote Integrated Employment

The following criteria emerged and were highlighted by many of those interviewed for this study as important in the implementation of Maine’s conversion from sheltered to competitive integrated employment:

Adequate Planning for Data Collection:

States must plan adequately for data collection. Good policies are data driven, and accompanied by information systems that can measure whether the policy change improves outcomes. First, states must determine what questions need to be answered to inform and shape the development of their policies and to guide implementation. To do this they should look at what data they are already collecting. After identifying the gaps, states should devise a system to collect the additional information needed.

A common problem states may face is that they have data on employment programs like Vocational Rehabilitation, but not data on individuals or on facility based programs. Tracking individuals across both systems can be challenging. If facilities close their sheltered workshops and transition individuals into community services or day programs these services may be billed under a different code so the information is captured in different systems limiting the ability to determine what happened to those people. Without that ability to capture and compare across different systems, states may not be able to track people with disabilities as they leave sheltered facility based work and transition into the community settings.

Flexibility in Systems for Financing Services:

The eligible services definition a state uses to determine what Medicaid is going to reimburse, can influence how well states will be able to allocate resources to facilitate employment for individuals transitioning out of sheltered workshops. Financing needs to be flexible, so that it can be tailored to individual’s assessed needs and so that payment can be made available for indirect services that influence employment outcomes but that may not be directly categorized as employment services. One example of that is transportation. Especially in rural states, it can be important to have billing flexibility to include the costs of transporting people with autism and intellectual and developmental disabilities to worksites. The ability to pay for staff to be at the job site when the individual is not there can also facilitate lasting job placements.

Support Systems for Providers Making the Transition: Providers of services to people with intellectual and developmental disabilities, the individuals themselves and family members need training and technical assistance during the transition. These systems and the training and technical assistance that accompany them can help to ease what is often a difficult transition, reassuring everyone that employment is possible and helping to overcome barriers that may arise.

Training for Employers/Coworkers: "We use our waiver for education in the place where people with disabilities will be working. If a person has epilepsy and is going to have seizures at the job site, job development staff might go in and do a lunchtime training on epilepsy so that people know what to expect. That’s considered a placement service. It’s billable.”
Without that assistance, services can cease abruptly, or jobs may be a mismatch for people or fail to materialize or to be sustainable.  

In Maine, 3 sheltered workshop employment providers received grants to facilitate the transition. This grant funding allowed the providers to receiving training, technical assistance and planning support to make the transition. These funds enabled the provider to overcome family and employer resistance to competitive integrated employment. The grant activities took place prior to the passage of the legislation and allowed the state to work with entities prior to implementation of this policy on a statewide passage.

**Family and Individual Support:** Creating work for individuals with disabilities usually requires a substantial and sustained network of support services to enable individuals to identify, obtain and continue employment. Job development can be very challenging and it requires a complete assessment of the individual's desires and needs, including their social interaction skills, processing and aptitudes. Family preferences have to be taken into account and critical things that affect employability but that may not be considered directly relevant to employment, such as transportation, should be included in the mix.  

Maine's “It's Your Life: Building Connections Through Work” initiative used people with IDD who had been successful in finding integrated employment to train others who were working in facilities. This peer to peer training model was useful in overcoming barriers and providing support for individuals who were considering moving from facility based to integrated employment.  

**Community Participation:** All individuals with disabilities have the right to become fully participating members of their communities. With this right emerges an opportunity for communities to know their members with disabilities better. When individuals with disabilities are fully participating in community institutions and activities, they can be better appreciated and recognizable as part of the fabric of community life. This appreciation and recognition can develop in ways that may not have occurred if people's housing and employment are separated from other community members.  

**Health and Safety:** Individual health and safety must be preserved and can be a factor in choosing worksites for people with disabilities. Additionally, people's ongoing health needs must be able to be met within the context of work.  

**Trained Staff:** Staff need to be trained to accommodate the changing policy environment, but still be able to care for the needs of the people with which they work. Retraining staff to conduct job development in a new policy environment is critical. Change cannot be implemented if those who are responsible for implementing the change do not have the tools with which to work or do not share a commitment to the new framework.

**Fiscal Integrity:** The fiscal integrity of the service system has to be driven by frugal management and a realistic set of resources that are adequate to meet the needs of the population (VT-Disability Overview). The drivers of policy change regarding sheltered workshops cannot be purely economic. If people with intellectual and developmental disabilities are to be able to work, adequate resources...
must be built into the system to support employment because labor support can be resource intensive, especially for people with the most severe disabilities.

Summary

Maine’s policy changes were undertaken with the goal of putting more people with intellectual and developmental disabilities to work in community settings, where they could work side by side with non-disabled people, and receive the same wages. Many of the individuals who were working in sheltered workshops at the time the policy was implemented are no longer working, are working fewer hours or doing volunteer work instead of paid work.

Policy Issues

Maine convened a stakeholder group to plan for elimination of sheltered work and to create a structure for implementation of new policies supporting integrated employment for people with IDD. Those interviewed for this spoke positively of the stakeholder process, especially training targeted to people with IDD to create a peer network of trainings and training targeted to providers to build their capacity for making the transition.

Fewer people with intellectual disabilities in Maine are working, however, and those who are working are working fewer hours. This represents a mixed result; the goal of eliminating sheltered work was accomplished, but the goal of improving employment outcomes for people with IDD was not. Wages rose and most workers with disabilities in Maine earn at least minimum wage but work fewer hours and earn less overall.

The MaineCare Sections 21 and 29 Waiver caps on numbers of hours worked, resulted in people with IDD working fewer hours than prior to the transition. Short work weeks persisted even when adjustments were made to the caps. Providers interviewed reported (and the review of documents confirmed), that many people with IDD receiving employment services are working fewer than 12 hours per week and are spending more hours in community service activities. The structure of the waiver system in Maine may not provide sufficient flexibility so that people with IDD can move from community services to employment and back again in a seamless transition, ensuring that individuals (and their families) do not experience delays in continuity of services.

Implementation

GWU had difficulty identifying state level data that tracked the cohort of individuals working in sheltered workshops in 2008 at the time of the implementation. The state began to collect data simultaneously with implementation of the policy, but this system did not appear to capture movements of individuals in and out of the workforce, and across the systems providing work services and community services.

The absence of individual chronological employment data on this group of individuals who were working in sheltered workshops when Maine began its transition to competitive integrated
employment made it more difficult for the researchers, and arguably for state level policymakers, to measure the progress towards meeting employment goals. This information could have helped the state to make adjustments to improve placement rates and ease the transition to competitive employment and away from sheltered workshops and to identify subgroups or individual characteristics that make job placement and job retention more difficult. With this information, targeted measures could be implement to improve employment outcomes and to improve peoples’ ability to access and retain employment, even if for limited numbers of hours per week.

Lengthy wait times to access vocational rehabilitation services at the beginning of the implementation period contributed to lack of progress towards the goal of increasing integrated employment. State efforts are underway to improve wait times. Barriers still exist, however, to rapid employment and to placing people with IDD in jobs they or their service providers may identify directly. Taking a job without being referred by vocational rehabilitation may result in a loss of benefits.

National data reveal that placing people with IDD in jobs and keeping them there is challenging\(^\text{11}\). Maine is not the only state facing these challenges, however, Maine has not shown improvement in integrated employment outcomes for people with IDD since Public Law Chapter 101 was implemented\(^\text{11}\). More people with IDD are receiving community supports instead of work, and spend more time engaging in non-work activities than prior to implementation of the law. In 2001, prior to implementation of PL Chapter 101, 550 people were being served in community based non work and that number grew to 3,178 in 2010 after the law was implemented. In Maine fewer people with IDD are working, and many of those who are working are working fewer hours, and have shorter work weeks\(^\text{11}\).

Maine may benefit from broader implementation of evidence-based approaches to supporting employment for individuals with IDD, as national surveys show few working in job placement using these strategies\(^\text{20}\). People with IDD have poorer employment outcomes than people without disabilities and poor employment outcomes than people with other disabilities\(^\text{11}\). This underscores the need for more targeted and aggressive strategies. One national disability organization cautioned that the move to integrated employment for people working in sheltered workshops would require a 'systems change' that included new resources and mechanisms to encourage and support the transition\(^1\).

**Other Factors**

GWUs review of data for a portion of the entire cohort of individuals working in sheltered workshops in Maine showed that more than half of those individuals are no longer working. A few retired or were lost to follow up. Those who are working are working fewer hours and receiving more community services than prior to the transition. Some had employment for a period of time but have since lost those jobs.

Some of the providers we interviewed cited factors that contributed to job loss for this cohort of individuals who had been working in sheltered workshops. Those factors included level of
disability, medical complexity, behavioral issues and the inability to identify suitable work environments that were sustainable for individuals with disabilities. It is possible that in the desire to expand employment opportunities by opening up more community sites, some individuals were left behind.

Some Community Rehabilitation Providers identified needs for ongoing training and technical assistance mechanisms to ease them through a transition process. The change in Maine’s policy was perceived by some providers as sudden, though there were timetables for a gradual move away from sheltered employment. There were pilot programs in Maine providing training and technical assistance to some providers, however, much of this technical assistance was grant funded, and did not continue when grant funds expired. Ongoing training and technical support funding mechanisms imbedded within the policy could have improved the ability of Maine providers to continue offer employment services.

Many providers acknowledged that some of the people with intellectual and developmental disabilities were not well served by the vocational rehabilitation process responsible for placements at the beginning of the transition away from sheltered employment. It took time for job placement services in Maine to evolve to the challenge of the newly implemented policy changes. “Some of those individuals would probably be placed if they were being assessed today”. Yet the question remains why these individuals were not among the group who had community employment when the process began?

It appears, based on reports from interviews, that the approximately 220 people who were in sheltered work at the beginning of the transition were likely to have severe disabilities, have intellectual and developmental disabilities, concomitant medical conditions, behavioral issues or other factors that make placement in competitive employment more challenging.

Some states have coped with providing employment services to a more challenging population by investing in a robust system of job placement that is tailored to the needs of individuals with severe disabilities. These systems include job developers who focus specifically on this population and who are funded to provide training to employers prior to placement, accommodations to facilitate the job and ongoing follow up monitoring after the placement takes. These systems may perform better and exhibit higher placement and retention rates for people with disabilities.

Vermont has shown an increase in the number of people with IDD employed in integrated settings since 1999¹¹. The percentage of people with IDD working in integrated settings was 37% in 2011 compared with 23% in Maine¹¹. Vermont has been highlighted for having a funding system that encourages provision of ongoing employment supports in a more seamless fashion and for having a job placement system with higher placement and retention rates for people with disabilities¹.

**Lesson for Other States Implementing Policies to Promote Integrated Employment**

Policy efforts to promote integrated employment for people with intellectual and developmental disabilities are moving forward to a new chapter. The implementation of the Employment First
initiative holds promise for improving employment outcomes for people with IDD in Maine and other states. There are some critical lessons that emerged from GWU’s review of the model Maine used that could inform policymakers in other states who are attempting to improve employment outcomes for people with intellectual disabilities within their borders:

1. States implementing policies to transition away from sheltered work should gather data on the population who are served by sheltered workshops, their families and providers prior to designing and implementing a transition policy. The first step to crafting effective policies may be to collect information on people with IDD and their current employment outcomes and challenges to employment.

2. Policymakers should create information systems that will track individuals and their employment status chronologically so that the impact of policies can be measured and appropriate adjustments made. These data systems should be able to track individuals across time as well as service settings, to enable policymakers and program officials as well as service providers to know whether employment outcomes are improving as a result of the policy.

3. Agencies responsible for providing vocational rehabilitation services for individuals with intellectual and developmental disabilities should invest sufficiently in a service delivery system so that job development personnel can implement services across the entire employment continuum from assessment to placement to ‘follow along’ services that last as long as the individual is employed. If services are being provided across institutional settings, incentives for providers, and the transition processes for people with IDD, must be consistently examined and reexamined to address gaps in services and/or excessive wait times for services.

4. Job placement for people with intellectual disabilities should include training and technical assistance for potential employers and coworkers prior to and after placement, with appropriate accommodations to enable the individual to accomplish their job and ongoing monitoring to ensure that problems that arise are addressed.

5. Policymakers should structure their Home and Community Based Services Waiver and other funding streams used to provide supported employment services so that individuals can transition easily from one service mix package to another. This can be facilitated by bundling services, eliminating barriers that fragment the service delivery system and allowing for adjustment to the service mix (balance of work and community supports and/or transitions into and out of work) within short time frames e.g. monthly when changes in status occur.

6. Providers of services to people with intellectual and developmental disabilities, the individuals themselves and family members need training and technical assistance during the transition. Without that assistance, services can cease abruptly, placements may be inappropriate or not sustainable.
7. Placing people with disabilities in integrated employment settings can lead to collateral benefits; verbal and socialization skills may improve and employers and non-disabled employees may improve their ability to interact with people with disabilities.
Appendix: End Notes


3 Baldacci, J.E., Harvey, B.M. (2008). Supported Employment - The following definitions and guidelines are being adopted as guidance by the State of Maine, DHHS – Developmental Services for Interpretation of Supported Employment. *Office of the Governor*.


