

# Employment in a Medicaid Environment: State Agencies Strategic Investment in System Improvements to Increase Individual Employment Outcomes

2016 Home and Community Based Services Conference

NASDDDS

National Association of State Directors of Developmental Disabilities Services

# HOME AND COMMUNITY BASED SUPPORTS SPENDING

Home and community-based services (HCBS) - Over 1.44 million people received Section 1915(c) waiver services in 2012, one of every 218 Americans.

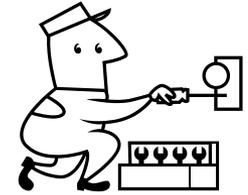
Accounts for half of Medicaid home and community-based services expenditures

Total 1915(c) waiver expenditures in the CMS 372, \$37.8 billion

- **40 % for people with developmental disabilities**
- **55 % for older people or people with physical disabilities**



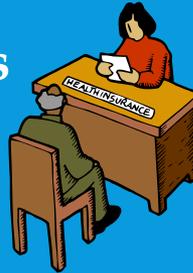
# OPTIONS WITHIN A MEDICAID ENVIRONMENT



## New Service Models



- Support families
- Develop relationship-based living arrangements
- Focus on employment
- Pay Family Caregivers



## New Finance Models

- Implement resource allocation methodologies
- Adopt managed care strategies
- Look at new federal authorities for HCBSs
- Create support waivers



# USING AUTHORITIES: STATE EXAMPLES

## Delaware

- iSpa – Pathways to Employment
- Youth and young adults as targeted population
- Individual integrated employment expected outcome/ cross system implementation

## Tennessee

- MCO's performance improvement plans
- Strong employment services including financial literacy and benefits information prior to working with certified benefit counselor

# CHANGES IN HOME AND COMMUNITY BASED SERVICES (HCBS) REGULATIONS

HCBS Rules Were:

Published  
January 16, 2014

Effective  
March 17, 2014



# HCBS CHARACTERISTICS



- The home and community-based setting requirements establish an outcome oriented definition that focuses on the nature and quality of individuals' experiences
- The requirements maximize opportunities for individuals to have access to the benefits of community living and the opportunity to receive services in the most integrated setting
- The new standards are "experiential" and about "qualities" of the setting

# HCBS SETTING REQUIREMENTS



42CFR441.310(C)(4)

- Is integrated in and supports access to the greater community
- Provides opportunities to seek employment and work in competitive integrated settings, engage in community life, and control personal resources
- **Ensures the individual receives services in the community to the same degree of access as individuals not receiving Medicaid home and community-based services**

# HCBS SETTING REQUIREMENTS

- Ensures an individual's rights of privacy, dignity, respect, and freedom from coercion and restraint
- **Optimizes individual initiative, autonomy, and independence in making life choices**
- Facilitates individual choice regarding services and supports, and who provides them

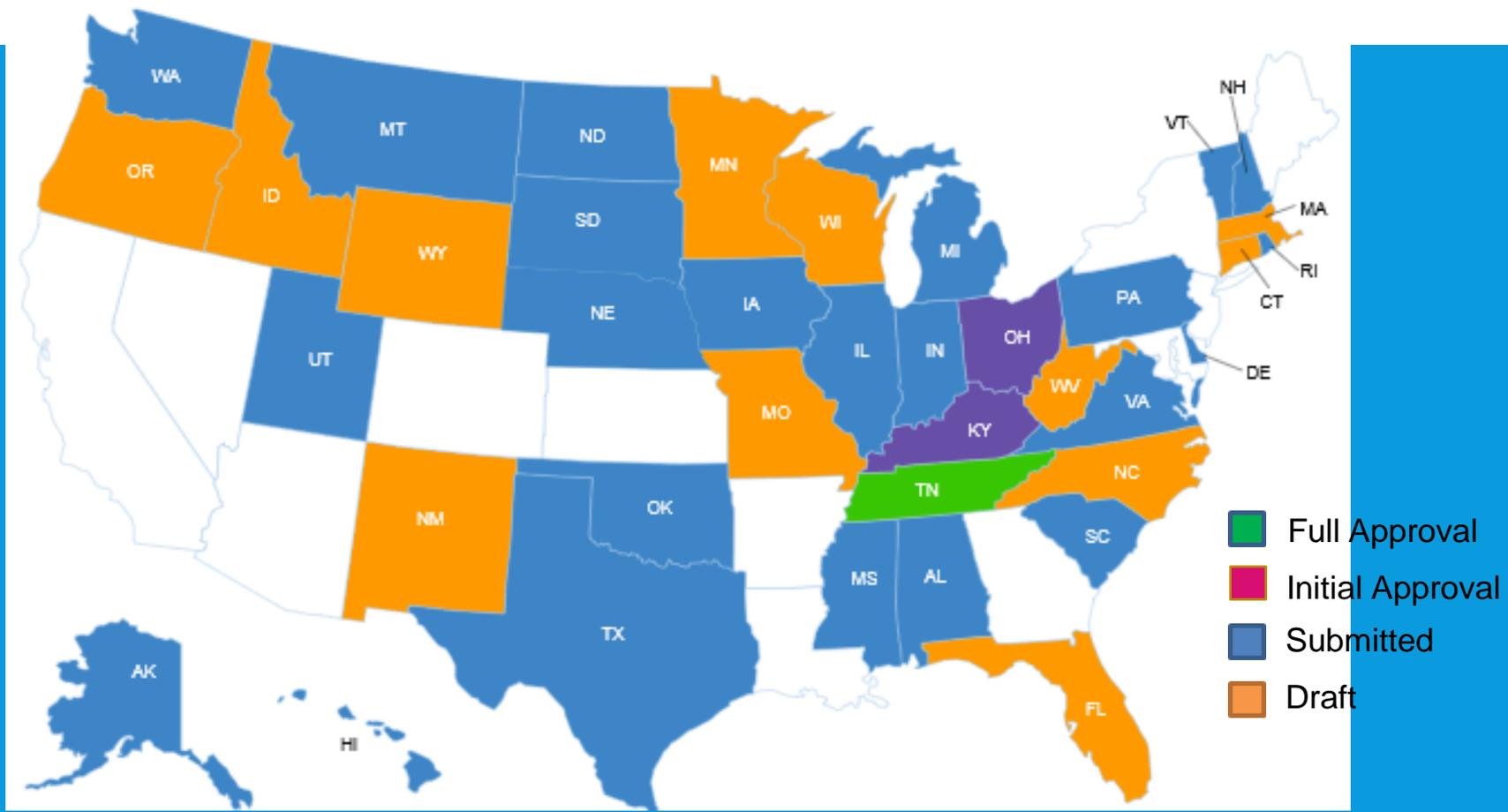
# ENSURING OUTCOMES THROUGH PERSON-CENTERED PLANNING

- Opportunities to seek employment and work in competitive integrated settings



- Opportunity to engage in community life, control personal resources, and receive services in the community to the same degree of access as individuals not receiving Medicaid HCBS
- Includes individually identified goals and preferences related to relationships, community participation, employment, income and savings, healthcare and wellness, education and others
- Exclude unnecessary or inappropriate services and supports

# State Transition Plan Updates



# HCBS REGULATIONS

"The Home and Community-Based setting... Provides opportunities to seek *employment* and work in competitive integrated settings, *engage in community life*, and control personal resources." (CMS 2014)



# TRANSITION PLAN LETTERS AND CMS GUIDANCE

## CMS noted in transition letters...



- States cannot comply with the rule simply by bringing individuals without disabilities from the community into a setting; compliance requires a plan to integrate beneficiaries into the broader community
- Individuals receiving HCBS nonresidential services should be engaged in activities they choose, that reflect their individual interests and goals and simultaneously promote the individual's desired level of community integration.

## CMS noted in Non-Residential Guidance.....

- States should consider carefully the extent to which settings compliance is met due to the nature of the service and/or the HCB qualities. For example, for individuals seeking supports for competitive employment, the state should consider whether the right service is being appropriately provided to achieve its goal, including the duration of the service and the expected outcomes of the service, or whether the provision of a different type of service would more fully achieve competitive employment in an integrated setting for the individual, in addition to whether the setting meets the HCB settings requirements.

# TRANSITION PLAN LETTERS AND CMS GUIDANCE CONT'D



## Reverse Integration

- Reverse integration, or a model of intentionally inviting individuals not receiving HCBS into a facility-based setting to participate in activities with HCBS beneficiaries is not considered by CMS in itself to be a sufficient strategy for complying with the HCBS settings rule. Compliance requires a plan to integrate beneficiaries into the broader community.
- Settings providing day activities, should ensure that individuals have the opportunity to interact with the broader community of non-HCBS recipients, and provide opportunities to participate in activities that are not solely designed for people with disabilities or HCBS beneficiaries that are aging.
- Individuals receiving HCBS nonresidential services should be engaged in activities they choose, that reflect their individual interests and goals and simultaneously promote the individual's desired level of community integration.

# TRENDS IN EMPLOYMENT AND COMMUNITY LIFE ENGAGEMENT



Employment is nature's  
physician, and is essential to  
human happiness.

- Claudius Galen (Galenus)

# VALUES THAT GROUND THE DISCUSSION

- Employment of people with disabilities is a natural part of the human experience
- Employment is a civil right (Americans with Disabilities Act-1990)
- Employment is an informed choice
- Competitive, integrated employment is possible; individualized supports and services may be necessary
- Employment is not defined by a disability group
- Dignity of risk

# CAN EVERYONE WORK?

**FACT:** Among all non-disabled, working-age adults  
70% are employed and not all full-time.

*· The question is not "can everyone work?" rather:*

1. How close can we get to the rate of non-disabled working adults?
2. If some states have good outcomes, how can we get there too?
3. Why wouldn't we try to get more people working?

# THE *DRAMATIC* IMPACT OF EMPLOYMENT ON MEDICAID CLAIMS

Research from around the country shows decreased Medicaid claims cost and many quality of life outcomes when persons with disabilities are employed.

- Kansas
- Utah
- New York
- Minnesota

This study was designed to determine whether participation in Medicaid for Employed People with Disabilities (MEPD)\* impacts health care costs.

\* MEPD is Iowa's Medicaid Buy-in



December 2012

## Costs of Health Care

**Medicaid for Employed People with Disabilities**

**Effects of employment on health care costs**

Elizabeth Momany  
Helen Schartz  
Phuong Nguyen  
Knut Carter  
Aaron Strong

# *IOWA PUBLIC POLICY CENTER LOOKED AT:*

- Eleven years of claims data from 2000-2011
- Control group = SSI related Medicaid
- Study Group = MEPD (employment by definition)
- Same definition of disability
- Majority are dual eligible for Medicare

21% less than expected

# RESEARCH LINKS

## **Lead Center - The Impact of Employment on the Health Status and Health Care Costs of Working-age People with Disabilities**

[http://www.leadcenter.org/system/files/resource/downloadable\\_version/impact\\_of\\_employment\\_health\\_status\\_health\\_care\\_costs\\_o.pdf](http://www.leadcenter.org/system/files/resource/downloadable_version/impact_of_employment_health_status_health_care_costs_o.pdf)

## **Kansas: Working Health Chart book**

<http://www.kdheks.gov/hcf/workinghealthy/download/chartbook.pdf>

## **Kansas: Employment as a health determinant for working-age, dually-eligible people with disabilities**

<http://dx.doi.org/10.1016/j.dhjo.2012.11.001>

## **Utah Medicaid Cost study**

<http://www.workabilityutah.org/documents/about/MWI%20Full%20Report%2012-20-10.pdf>

## **New York Poster abstract**

<https://appam.confex.com/appam/2012/webprogram/Paper3245.html>

## **University of Iowa Public Policy Center study**

[http://www.uihealthcare.org/uploadedFiles/UIHealthcare/Content/Services/Center for Disabilities and Development/UCEDD/Employment/Cost%20of%20Health%20Care%20Study.pdf](http://www.uihealthcare.org/uploadedFiles/UIHealthcare/Content/Services/Center_for_Disabilities_and_Development/UCEDD/Employment/Cost%20of%20Health%20Care%20Study.pdf)

# LOOKING AT NCI EMPLOYMENT DATA

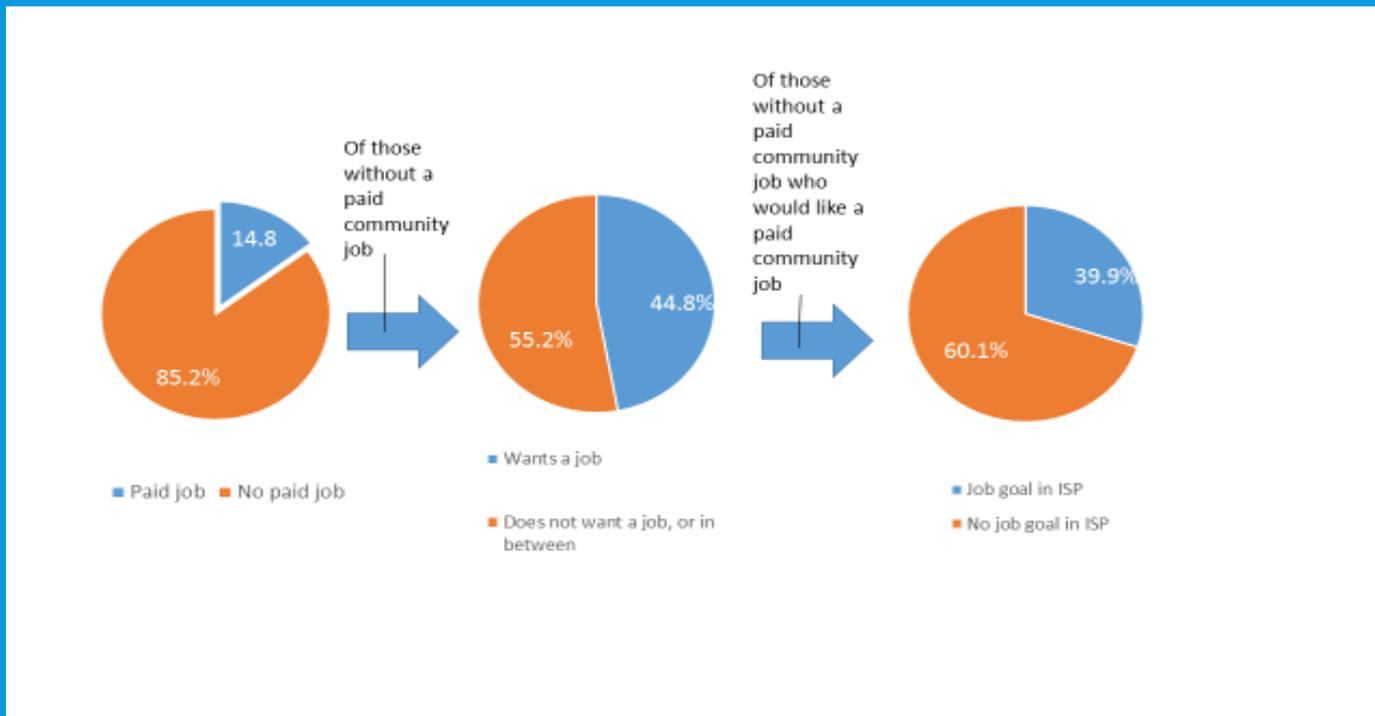
NCI is an ongoing, multi-state collaboration of state ID/DD and Aging agencies interested in measuring how well public systems for people with developmental disabilities perform along several dimensions.

[www.nationalcoreindicators.org](http://www.nationalcoreindicators.org)

# EMPLOYMENT INDICATORS

- The average monthly earnings of people who have jobs in the community.
- The average monthly hours worked of people who have jobs in the community.
- The percent of people earning at or above their State's minimum wage.
- Of people who have a community job, the percent who receive job benefits.
- Of people who have a community job, the percent who were continuously employed during the previous year
- Of people who have a community job, the average length of time people have been working at their current job.

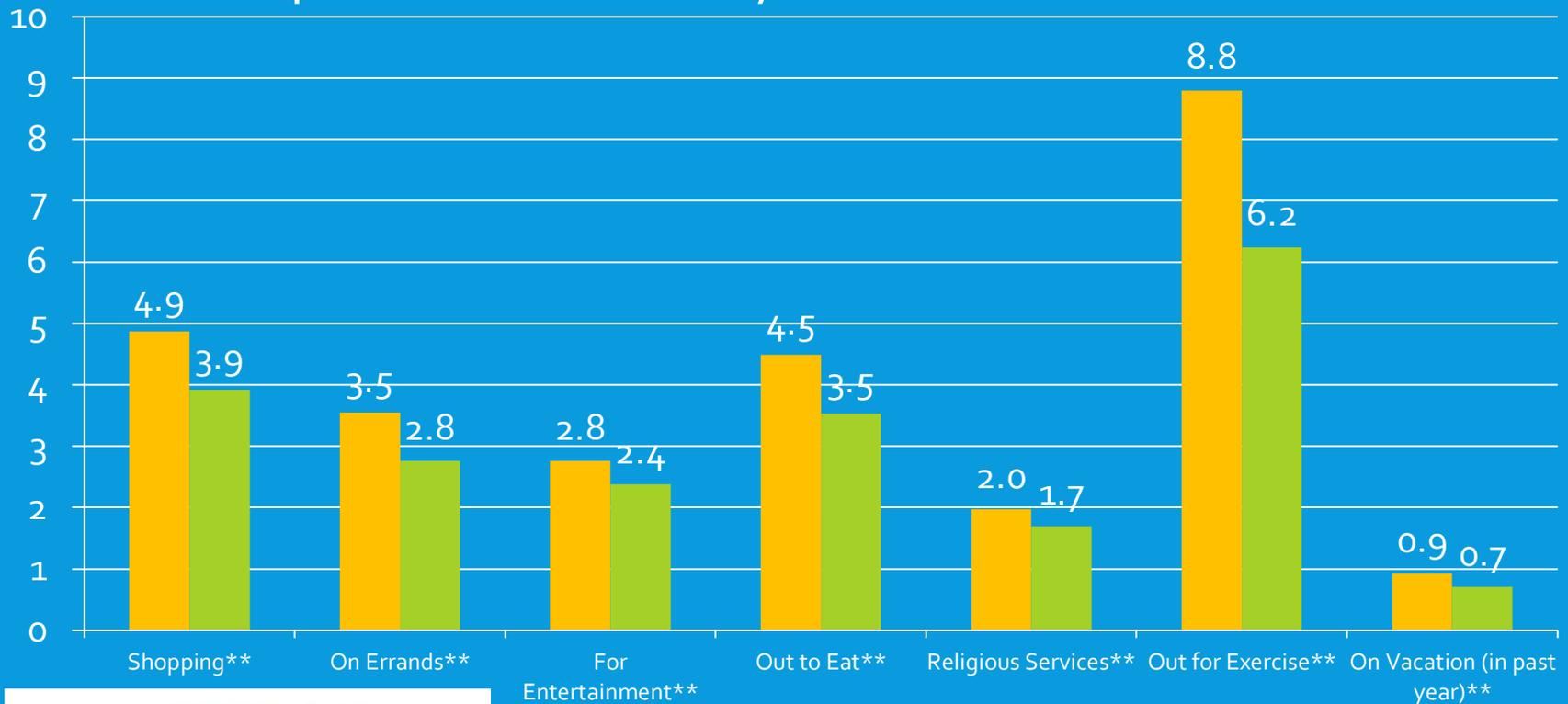
# Data on Choice Across the Nation



NATIONAL  
CORE  
INDICATORS™

# WORKING PEOPLE ARE MORE ACTIVE IN THE COMMUNITY

Community Inclusion- Average Number of Times Person Participates in Community Activities in the Past Month



# SELF SUFFICIENCY: NATION

## MEAN HOURS AND WAGES PER 2 WEEKS

	Hours worked	Gross Wages
Competitive job	31	\$267
Individually-supported job	26	\$227
Group supported job	32	\$186
Paid facility-based services	32	\$72

Source: National Core Indicators Project 2014-2015

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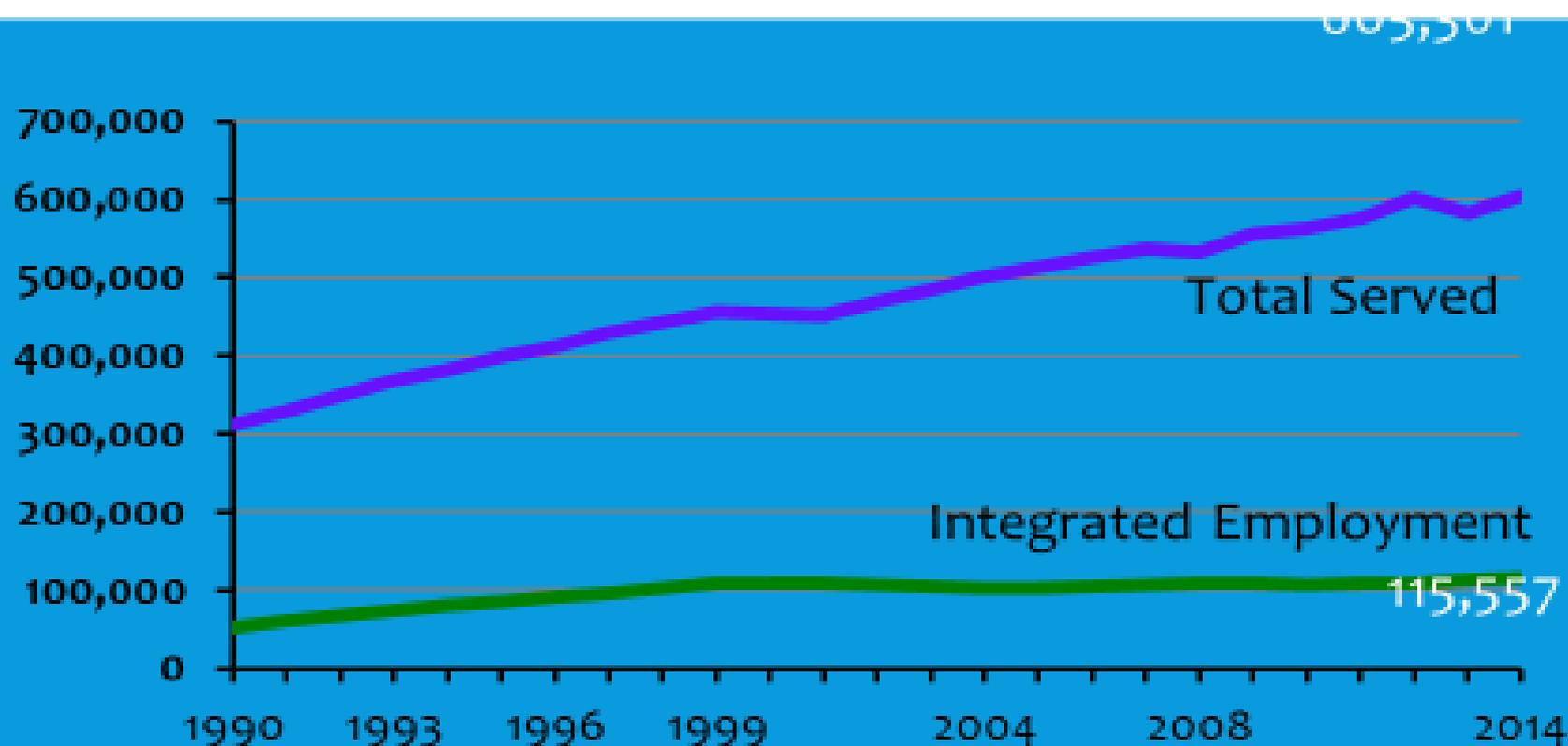
# GENERAL LABOR MARKET

**Table 11. Labor Market Success Indicators by Disability Status: 2014**

	No disability	Any disability	Cognitive disability	Cognitive disability with SSI
A. Percentage employed (Employment rate)	72.9%	33.7%	23.5%	8.2%
B. Percentage unemployed	5.4%	6.3%	7.5%	3.0%
C. Percentage not in the labor force	21.7%	60.0%	69.0%	88.8%
Total (A+B+C)	100.0%	100.0%	100.0%	100.0%
Unemployment rate (number unemployed / number employed + number unemployed)	6.9%	15.8%	24.2%	27.1%

Source: 2014 American Community Survey

# EMPLOYMENT AND DAY SUPPORTS IDD AGENCIES: NATION



Source: ICI National Survey of  
State IDD Agencies

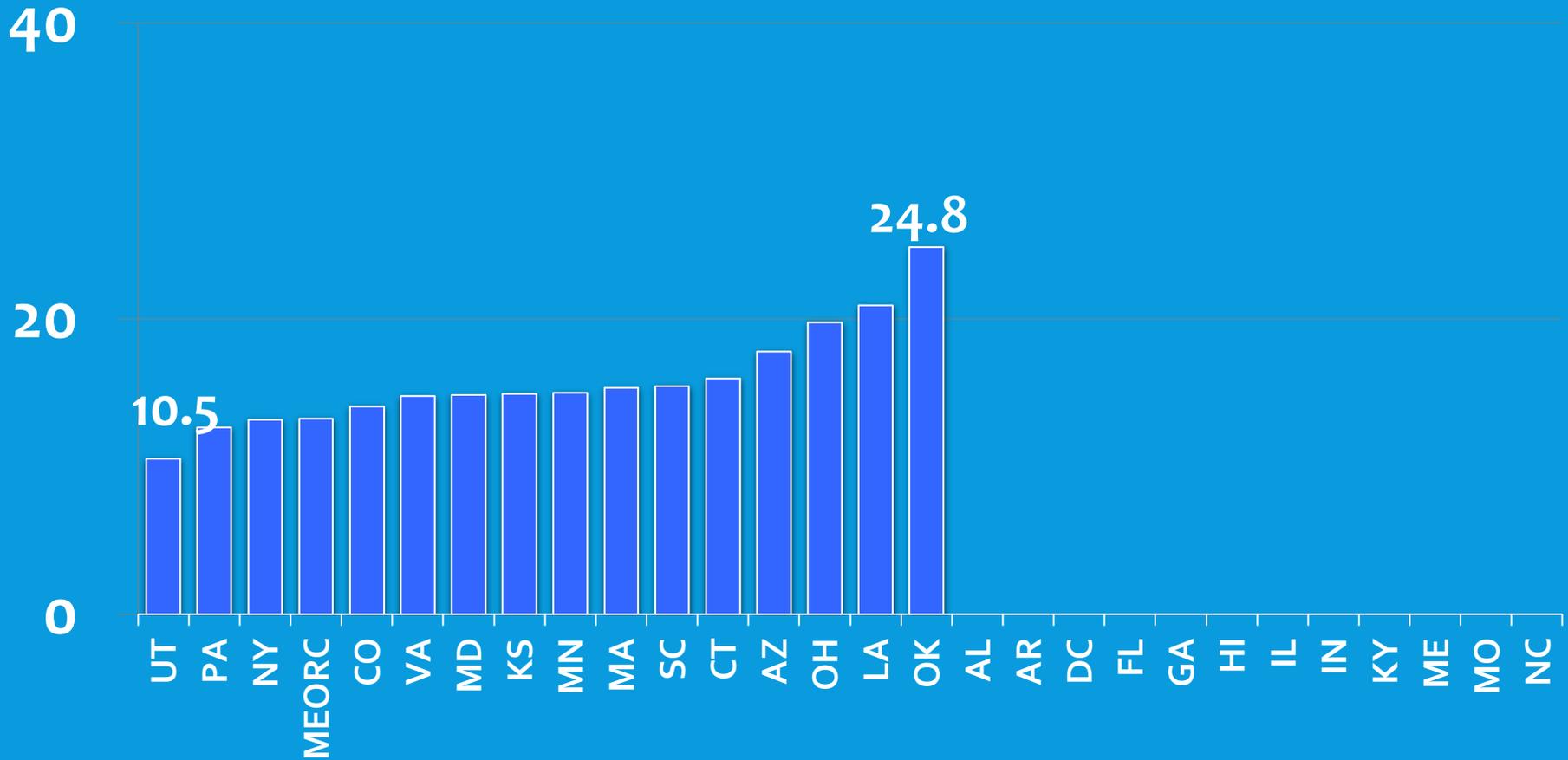


StateData.info

# ENSURING A MEANINGFUL DAY

## MEAN HOURS WORKED/WEEK

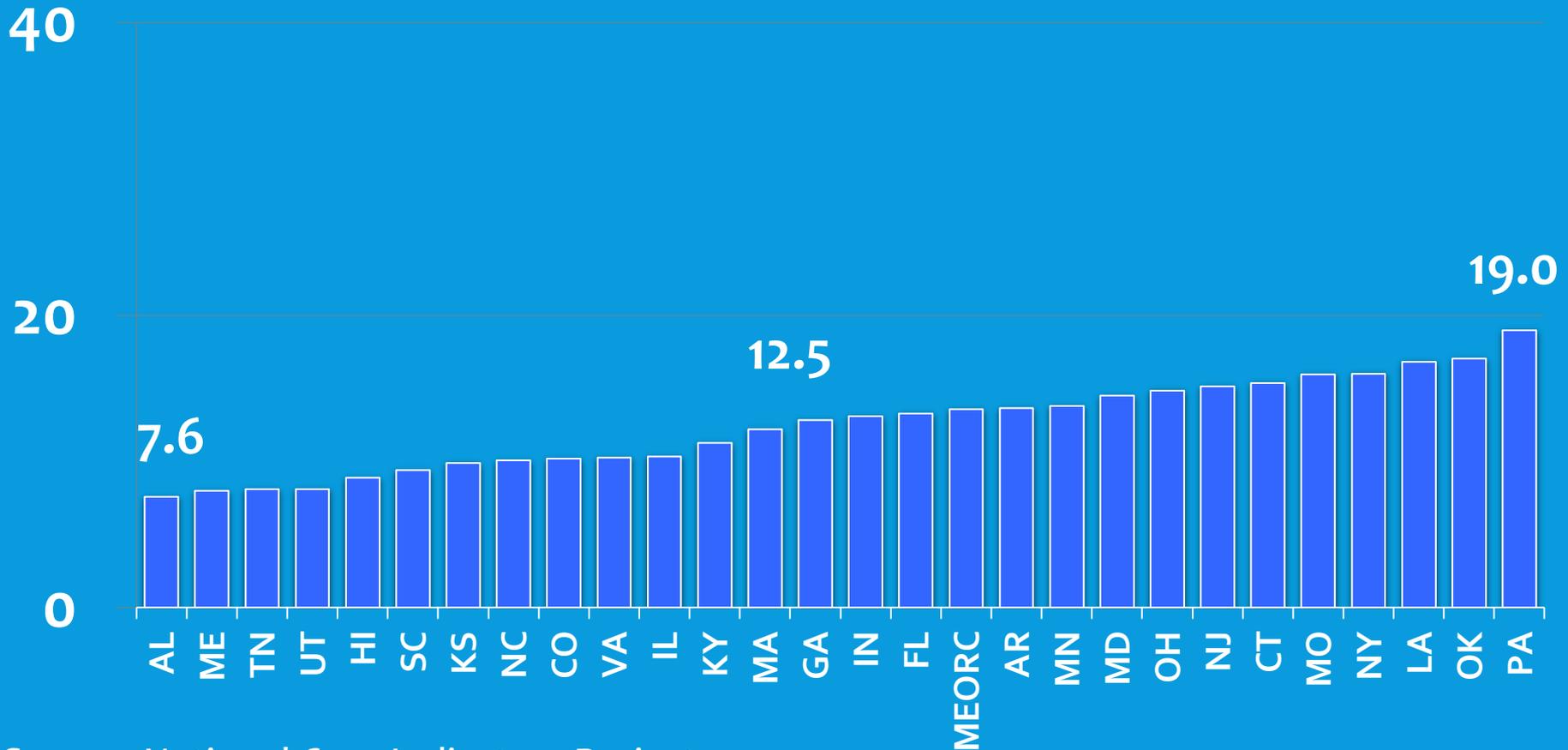
### *GROUP SUPPORTED JOBS*



Source: National Core Indicators Project  
2013-2014

# ENSURING A MEANINGFUL DAY

MEAN HOURS WORKED/WEEK  
*INDIVIDUAL SUPPORTED JOBS*



Source: National Core Indicators Project  
2013-2014

# COMMUNITY LIFE ENGAGEMENT

# WHAT DOES THIS HAVE TO DO WITH EMPLOYMENT?

- Leading to employment
- Wrapping around employment

# COMMUNITY LIFE ENGAGEMENT LEADING TO EMPLOYMENT

- Discovery

*"We use the day services to really evaluate people's skills and interests. And then... feed that information to our employment services team."*

- Volunteer jobs

- Building soft skills

- Networking

Slide by Jen Sulewski UMass Boston

National Association of State Director's of Developmental Disability Services

# COMMUNITY LIFE ENGAGEMENT WRAPPING AROUND EMPLOYMENT

- Filling gaps in schedule
- Filling gaps in life experiences
- Exploring new job options
- Retirement

# EMERGING TENETS: INDIVIDUALIZATION

- Probably the most-mentioned goal in expert interviews
- Person-centered planning and thinking
- Not necessarily 1:1 supports

# EMERGING TENETS: INDIVIDUALIZATION

➤ Barriers to this include group supports and “programitization”

*“What we don't want is people coming together in a building and all doing the same activity because that's what the program is set up to do. ”*

# EMERGING TENETS: INCLUSION

- Involvement in the community as anyone else would be
  - "You really want to set the expectation or understand how people are engaging in their local community. Are they going to the community center and participating in activities with everybody else? "*
- Interaction with people without IDD

# EMERGING TENETS: SOCIAL CAPITAL AND HUMAN CAPITAL

- Community life engagement should lead to relationships and social connections
  - "What we've talked about some is whether those interactions during the service day end up resulting in interactions outside of the service day."*
- Can also build human capital in the form of life skills, independent living skills

# EMERGING TENETS: INDEPENDENCE/INTERDEPENDENCE

- Building skills for independence
- Peer to peer supports
- Community connections can facilitate fading of paid supports

*"It's not necessarily about the person becoming more independent. It's just as much about creating community around somebody."*

# STATE EMPLOYMENT LEADERSHIP NETWORK - 10 YEARS OF SUPPORTING EMPLOYMENT



We believe that employment is simply a person working at an individual job in a local business, earning the prevailing wage for that position or industry, alongside peers who do not have disabilities. The business is located within the community, and is not owned or managed by the support organization (or provider).



SELN 2013

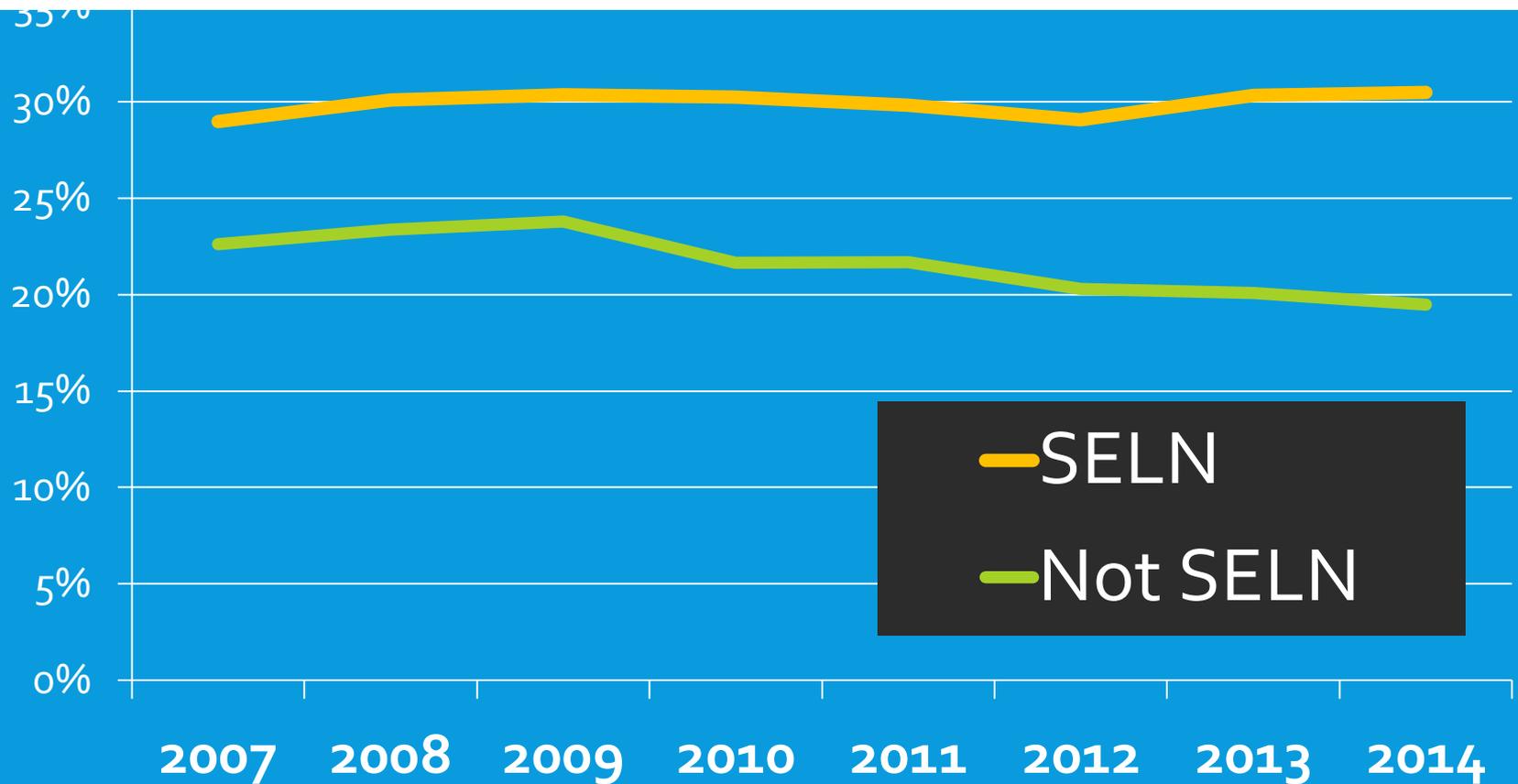
# STATE EMPLOYMENT LEADERSHIP NETWORK - 10 YEARS OF SUPPORTING EMPLOYMENT



High performing state framework continues to be key in making sustainable change.....



# PERCENT IN INTEGRATED EMPLOYMENT MEAN OF THE STATES MEMBER IN AT LEAST 2012-2014



# LEADERSHIP

- ✓ Clear and unambiguous commitment to employment in individual community jobs Local and State level champions for employment.
- ✓ Identified lead employment staff.
- ✓ Regular messaging about employment.
- ✓ There is a network of stakeholders within the state who advocate for employment

# STRATEGIC GOALS AND OPERATING POLICIES

- ✓ Employment is identified as the preferred outcome in state policy
- ✓ State has measureable goals
- ✓ Operating practices including individual service plans and case management emphasize employment
- ✓ Expectations for employment outcomes are placed on providers

# TRAINING AND TECHNICAL ASSISTANCE

- ✓ High performing employment systems invest in the development and maintenance of a strong, competent workforce, building the skills of job coaches and developers, first line supervisors and key employment staff.
- ✓ Meaningful minimum qualification requirements exist for employment staff
- ✓ Outreach and training is targeted across stakeholders including job seekers, families, schools, case managers

# INTERAGENCY COLLABORATION AND PARTNERSHIP

- ✓ Relationships with key state and local partners
- ✓ DD partners with VR, education, mental health, Medicaid to foster employment outcomes
- ✓ Interagency policy and processes support employment outcomes
- ✓ Smooth transition between funding streams

# FINANCING AND CONTRACTING METHODS

- ✓ The outcome of employment in integrated community jobs is emphasized and supported through the state's resource allocation formulas, reimbursement methods and rate setting practices.
- ✓ State service definitions encourage a pathway to employment.

# SERVICES AND SERVICE INNOVATION

- ✓ State supports and encourages innovation in employment services and options
- ✓ The state disseminates information about creative strategies and outcomes
- ✓ Supports encourage individuals who may not elect to participate in community employment to pursue a pathway to employment

# PERFORMANCE MEASUREMENT AND DATA MANAGEMENT

- ✓ Comprehensive data on employment outcomes measure progress, benchmark performance, and document outcomes.
- ✓ Information is used to evaluate and track results, inform policy, and improve provider contracts and service agreements.
- ✓ Data are shared with stakeholders.

# QUESTION-AND-ANSWER PERIOD



# CONTACT INFORMATION

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