REPORT OF THE
DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES AND DEPARTMENT OF REHABILITATIVE SERVICES

EMPLOYABILITY NEEDS OF PERSONS WITH SERIOUS MENTAL ILLNESS, MENTAL RETARDATION AND SUBSTANCE ABUSE PROBLEMS

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

SENATE DOCUMENT NO. 14

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To Governor Gilmore and Members of The General Assembly:

Attached please find the Department of Mental Health, Mental Retardation and Substance Abuse Services report on the Employability Needs of Persons with Serious Mental Illness, Mental Retardation and Substance Abuse Services in response to Senate Joint Resolution 151.

We appreciate this opportunity to describe the existing employment services provided for people with mental disabilities and recommend ways in which the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) and the Department of Rehabilitative Services (DRS) can work together to better address these needs.

Sincerely,

Richard E. Kellogg

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EMPLOYABILITY NEEDS OF PERSONS WITH SERIOUS MENTAL ILLNESS, MENTAL RETARDATION AND SUBSTANCE ABUSE PROBLEMS

I. EXECUTIVE SUMMARY

A large number of Virginians with mental illness, mental retardation and substance abuse problems seek help each year from community programs. The goal of Virginia's public mental health, mental retardation and substance abuse system is to assure that consumers have access to adequate, continuing supports and to services in settings that promote the highest quality of life. Job skills and employment opportunities enable consumers to gain some independence and contribute to their own, their families'and their communities' financial well-being (SJR 151).

Major Issues and Findings

- The Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) and the Department of Rehabilitative Services (DRS) work together in an effective but limited way to address the employability needs of people with mental disabilities.

- Individualized supported employment services for people with mental disabilities can be cost effective for taxpayers.

- People with mental disabilities have excessively high rates of unemployment even though they desire and can obtain competitive employment.

- Stigma about people with mental disabilities hampers their opportunities for gainful employment.

- The DMHMRSAS does not currently emphasize the provision of employment services to people with mental disabilities.

- Existing financial disincentives inhibit the development of employment services.

- State of the art practices in the provision of employment services for people with mental disabilities are not widespread in Virginia.

- DRS/DMHMRSAS/Community Services Boards coordinated employment programs appear to result in greater employability for adults with a serious mental illness and those with substance abuse problems.

- Pending federal legislation may significantly alter important facets of employment services.

Recommendations

- **DMHMRSAS and DRS should enhance and expand current joint activities to address the employability needs of people with mental disabilities:**

  –implement successful pilot programs statewide for adults with a serious mental illness and for those with substance abuse problems;

  –educate the public and employers about the potential of people with mental disabilities to be valuable workers;

  –initiate, develop and implement a statewide plan to successfully employ consumers in the public mental health system;

  –develop and implement a knowledge, skills and training initiative on state of the art practices in employment services;

  –establish a work group to specifically address the vocational and employment needs of young adults.

- **DMHMRSAS and DRS should adopt and implement financial incentives and funding strategies to promote the expansion of cost effective employment options for people with mental disabilities:**

  –incorporate financial incentives for positive employment outcomes in provider contracts;

  –integrate the provision of individualized employment placements and supports into the mental health Medicaid carve out that is currently under study.

- **DMHMRSAS should evaluate consumer operated employment programs and psychosocial rehabilitation programs to determine the nature, extent and effectiveness of vocational services and supports that they provide.**

- **DMHMRSAS and DRS should utilize the results of pending studies on employment services for people with mental disabilities in Virginia and changes in federal vocational rehabilitation legislation to refine these recommendations and develop action plans to enhance employment services for this population.**

II. AUTHORITY FOR REPORT

This document is the final report of a study mandated by the 1998 Session of the General Assembly, Senate Joint Resolution 151 (Appendix A). This report summarizes the current status of employment supports in Virginia for people with serious mental illness, mental retardation and substance abuse problems; identifies systemic state and federal regulations and policies which impact vocational and employment programs; describes "best practices" in employment supports; and, presents conclusions and recommendations.

III. BACKGROUND AND CONTEXT OF THE REPORT

The Joint Subcommittee Studying the Future Delivery of Publicly Funded Mental Health, Mental Retardation and Substance Abuse Services (House Joint Resolution 240) was directed by the 1996 Session of the General Assembly to conduct a comprehensive evaluation of the commonwealth's system of delivering mental health, mental retardation and substance abuse services. During the course of its two-year study, the joint subcommittee found opportunities to strengthen Virginia's services delivery system, including the need to address employment. The Joint Subcommittee's Mental Health Workgroup Report (November 18, 1997) stated:

> *The Workgroup heard concerns from consumers that assistance with obtaining and maintaining employment is needed to maximize independence and to support recovery. The Workgroup recommends that the Department of Rehabilitative Services and DMHMRSAS work together to address the employability needs of persons with serious mental illness. The agencies should report to the 1999 Session of the General Assembly on their findings.*

Subsequently, the Joint Subcommittee heard testimony at public hearings from consumers and other constituents emphasizing the importance of employment issues for the other disability groups as well. In response to constituent concerns, the 1998 General Assembly passed House Joint Resolution 151 which directed:

> *That the Department of Rehabilitative Services and the Department of Mental Health, Mental Retardation and Substance Abuse Services be requested to work together to address the employability needs of persons with serious mental illness, mental retardation and substance abuse services.*

A. Unemployment Rates: Virginia and People with Mental Disabilities

The Virginia Department of Labor and Industry reports that the 1997 annualized rate of unemployment in Virginia for the civilian labor force was 4%, however unemployment rates for people with mental disabilities compares very unfavorably. The DMHMRSAS 1995 *Continuum of Care Study: An Assessment of Service Needs Within the Public System of Mental Health, Mental Retardation and Substance Abuse Services*, reported that most community services board (CSB) mental health clients (85%), most mental retardation clients (62%), and many substance

abuse clients (55%) were either unemployed or not in the labor force.

Table 1. Unemployment Rates: Virginia and Virginians with Mental Disabilities

Virginia Civilian Labor Force (1997)	Adults with Mental Illness	Adults with Mental Retardation	Adults with Substance Abuse
4%	85%	62%	55%

The estimated 85% unemployment rate for mental health consumers in Virginia is consistent with data reported by the National Institute of Mental Health (NIMH). NIMH estimates nationally that, among adults between the ages of 18-69 with a serious mental illness, between 70% and 90% are unemployed, a rate that is higher than for any other group of people with disabilities in the nation.[1]

These unemployment rates and lack of jobs for people with mental disabilities are major barriers to successful recovery, community integration, and financial independence. The *Continuum of Care Study* found that, after residential services, one of the largest gaps in service capacity for seriously mentally ill adults enrolled at CSBs was employment services.

With regard to unemployment among young adults, the Virginia Intercommunity Transition Council (VITC) seeks to promote transition outcomes for young adults with disabilities by providing leadership and innovation in employment, education, training, and community supports. VITC notes that barriers to employment are one of the obstacles to independence for these populations. Post-secondary students with serious emotional disturbances are reported to have a high need for employment support on the job, counseling related to employment, the development of positive work behaviors, and community living assistance. School employment support generally ends at school exit and VITC has strongly urged that community mental health professionals and the Department of Rehabilitative Services (DRS) become involved in earlier transition planning from schools to employment.

B. Cost Effectiveness of Employment Services for People with a Mental Illness

High unemployment among adults with mental disabilities may negatively affect the larger community as a whole through lost taxes and higher mental health treatment costs. The Department of Rehabilitation in California recently completed a *Taxpayer Return Study* which demonstrated taxpayer savings through vocational rehabilitation of people with severe psychiatric disabilities. The study noted three positive outcomes: increased taxes paid, reduced public assistance, and reduced mental health costs. These indices were developed and combined to provide a dollar index of average monthly returns to taxpayers for each successfully employed

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[1] Manderscheid, R. W. and Sonnenschein, M.A. (Eds.),Mental Health, United States, 1992. U.S. Department of Health and Human Services, Rockville, MD: DHHS Publication No. (SMA)92-1942.

consumer. The study found that a total of $629 per month was saved by taxpayers for each individual successfully employed as follows: an average of $239 was paid in federal, state, local and sales taxes, an average of $203 was saved in public assistance payments, and an average of $187 was saved in mental health services each month.

IV. CURRENT COMMUNITY BASED EMPLOYMENT AND VOCATIONAL SUPPORTS

In Virginia, most community based employment and vocational supports for people with serious mental illness, mental retardation and substance abuse problems are provided by the Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) through the forty CSBs, either directly or contractually by private nonprofit and for-profit agencies and by the Department of Rehabilitative Services (DRS), which is the Virginia "Designated State Unit" to administer the Vocational Rehabilitation Program under the Federal Rehabilitation Act. The focus of this program is to provide an array of services to enable persons with disabilities to overcome or diminish the impact of the disability and allow the individual an opportunity to work. Services are available through a delivery network comprised of 36 field offices, four evaluation centers offices, a Transitional Living Center and the Woodrow Wilson Rehabilitation Center (WWRC). All services to DRS recipients are planned and coordinated through these offices by professional rehabilitation counselors and associate staff members.

A. Department of Mental Health, Mental Retardation and Substance Abuse Employment Services

Discrete employment services provided by CSBs to individuals with mental disabilities include:

a) *Sheltered Employment or Work Activity–*
Work in a non-integrated setting that is compensated in accordance with the Fair Labor Standards Act for individuals with disabilities who are not ready, are unable, or choose not to enter into competitive employment in an integrated setting. This service also includes the development of social, personal, and work-related skills based on an individualized consumer service plan.

b)*Supported Employment Group Model-*
Work in a small group of individuals (three to eight people) at a single job site in the community or at dispersed sites within an integrated setting. Integrated setting means opportunities exist for consumers in the immediate work setting for regular contact with non-disabled individuals other than rehabilitation staff. Consumers may be employed by the employer or by the vendor of supported employment services. Ongoing support services are provided by an employment specialist who may be employed by the employer or by the vendor. Support services are provided in accordance with the

consumer's individual written rehabilitation plan. Models include mobile and stationary crews, enclaves, and small businesses.

c)*Transitional Employment Services-*
Transitional employment programs involve a sequence of temporary supported placements that offer the consumer a variety of work experiences and are intended to result in a final competitive employment placement with or without ongoing supports.

d) *Supported Employment-Individual Placement Model–*
Work for a single consumer placed in an integrated job setting in the community. The consumer is employed by the employer. On-going, individualized, and flexible support services (such as transportation, job-site training, counseling, advocacy) are provided by an employment specialist, co-workers, or other qualified individuals. Support services are provided in accordance with the consumer's individual written rehabilitation plan.

An overview of the scope of discrete employment services (excluding vocational services and supports provided within psychosocial rehabilitation programs) currently provided by CSBs to people with mental disabilities is contained in the following table:

Table 2: Community Services Boards
Employment Services Data by Primary Mental Disability
FY 1997†

Employment Services	Mental Health	Mental Retardation	Substance Abuse
Number (%) CSBs Providing Service	* 16 (40%)	32 (80%)	** 3 (0.7%)
Number (%) CSB Consumers Served	*** 836 (2%)	18,887 (23%)	214
Annual CSB Expenditures (%)	$2,070,502 (1%)	$28,023,556 (19%)	$170,493
FTE CSB Staff (%)	24 (1%)	280 (10%)	3
	* Excludes 10 DRS/LTMI Sites		Specialty Programs
† Source of Data: FY 1997 CSB Fourth Quarter Performance Reports	*** Adults with Serious Mental Illness (SMI)		**Substance Abuse Employment Services are not included in Performance Contract

Mental Health

In FY 1997, relatively few employment services to individuals with serious mental illness (exclusive of the joint DMHMRSAS/DRS Long Term Mental Illness (LTMI) program described later in this report) were provided by CSBs:

- only 836 (2%) of the 34,836 seriously mentally ill adults (ages 18-64) seen by CSBs received employment services;
- only 45 (0.5%) of the 8,510 young adults (ages 18-22) seen by CSBs received employment services;
- approximately $2,070,502 (1%) of FY 1997 CSB total costs for mental health services were attributable to employment support services.
- only 24 (1%) of the 2,241 CSB full time equivalent (FTE) direct-care mental health staff provided employment services.

DMHMRSAS also provides $47,900 per year through a direct contract with an innovative consumer operated program located in Fairfax, the Laurie Mitchell Self-Help Career Center, which helps people with psychiatric disabilities find and maintain jobs and to obtain job promotions, and $81,200 to a small greenhouse business for mental health consumers in Southwest Virginia. Additional funding is provided to a number of consumer-run drop-in centers, which provide an alternative and adjunct to CSB day programs, and to projects that hire consumers as staff to provide outreach and counseling along with CSB Case Managers and Clinicians.

Mental Retardation

Department of Mental Health, Mental Retardation, and Substance Abuse Services (DMHMRSAS) provides state general funds to CSBs (Community Services Boards) for employment/workshops/day programs for individuals with Mental Retardation and match for the Home and Community-based MR Waiver (Day Support/Pre-vocational, Supported Employment) funded programs. CSBs provide services to approximately 18,887 individuals with Mental Retardation, of which approximately 12,400 receive Case Management and approximately 7,500 receive Day Support, Vocational or Employment Services.

CSB local dollars, fees and other private funds are also utilized to provide long term funding for individuals in a variety of employment/day programs. Currently, only 12 persons in individual supported employment are funded through MR Medicaid Waiver, 78 in-group model supported employment, and 2,420 in day support/pre-vocational programs (Source: 1998 Office of Mental Retardation Waiver data set). The reasons so few people are funded by MR Waiver in supported employment are threefold:

1) Federal regulation eligibility has only recently changed to allow all Waiver eligibles to

receive supported employment (previously, individuals would have to have resided in an ICF/MR institution to qualify),

2) Day Support programs, historically funded by the State Plan, have not been required to, nor have elected to fully convert to Federal Medicaid Waiver match, and

3) the current rate structure needs to be adjusted to fund the true cost of supported employment.

DMHMRSAS was unable to separate funding sources from numbers of individuals served statewide in an unduplicated count above 18,887. In addition, since the DMHMRSAS performance contracts collect data only from CSBs and their contract providers there is no mechanism or data on the number of individuals receiving services from private agencies and other funding sources.

B. Department of Rehabilitative Services Employment Services

DRS services for persons with disabilities depend upon each individual's needs, interests and capabilities. DRS may provide any one person with a number of services. The individual and their vocational rehabilitation counselor choose the ones that can best help. These services may include, but are not limited to: vocational counseling, vocational evaluation and career exploration, equipment and assistive technology, training, supported employment, job placement and employment resource centers.

Table 3. 1997 DRS Vocational Rehabilitation (VR) Overall Target Population Indicators

	Numbers of Opened/Closed Consumers	Percent Referred By CSBs	Total Billed VR Case Cost Open/Closed Consumers	"Employment Rate" Eligible Consumers
Mental Illness	7,423	31%	$9,905,095	[620/1,892] 33%
Mental Retardation	5,887	9%	$7,389,132	[776/1,592] 49%
Substance Abuse	1,565	29%	$1,849,805	[140/381] 37%

In FY 1997, 14,660 (44%) of the 33,396 persons on the DRS caseload consists of people with mental disabilities (The unduplicated number of individuals receiving services simultaneously from both DMHMRSAS and DRS cannot be obtained with existing data). Of these:

- 7,423 individuals had a diagnosis of mental illness
  2,301 (31%) were referred to DRS by CSBs;

- 5,887 individuals had a diagnosis of mental retardation
  530 (9%) were referred to DRS by CSBs;

- 1,565 individuals had a diagnosis of substance abuse problem
  454 (29%) were referred to DRS by CSBs;

The programs funded by DRS and OMR (DMHMRSAS) have some complementary aspects as noted for supported employment. An individual may receive initial short-term funding from DRS and long term follow-along from the Waiver funding of OMR or other CSB state general or local funds. Another source of long term funding is through DRS's Extended Employment Services (EES) and follow-along funding through Long Term Employment Support Services (LTESS).

The EES and LTESS funds provide for additional supports, above regular employment supervision, required by persons with the most severe disabilities to function within an employment setting. In FY 1997, of the 1,277 people served by these programs, 853 (64%) were people with mental retardation and 237 (18%) were people with either mental illness or substance abuse problems. Unlike a large majority of consumers with whom DRS works toward employment, the individuals with mental illness and mental retardation often require long term and/or life-long supports to maintain their employment status. Some Community Services Boards have chosen not to pursue available EES and LTESS funds and some have withdrawn their participation in this program, apparently preferring to focus instead on providing day activity rather than employment services.

V. DMHMRSAS AND DRS COLLABORATIVE ACTIVITIES

The following table highlights existing joint activities between the DMHMRSAS and DRS.

Table 4. An Overview of DMHMRSAS/DRS Joint Employment Initiatives for People with Mental Disabilities

Initiative	Disability		
	MH	MR	SA
DRS Field Office/CSB Cooperative Agreements	x	x	x
Specialized Programs	x		x
Collaborative Studies	x	x	
Cross Training of Staff	x		
Joint Planning/Grant Applications	x	x	

A. Regional DRS Office/CSB Cooperative Agreements

The Department of Mental Health, Mental Retardation and Substance Abuse Services and the Department of Rehabilitative Services currently encourage collaboration in addressing the needs of the target populations by the incorporation in the CSB Performance Contracts of the requirement for a joint written CSB/DRS Field Office Agreement as specified in Section 37.1-197 of the *Code of Virginia.*

These joint written cooperative agreements, to be reviewed annually, specify services to be provided to consumers; identify agency and staff positions that are responsible for maintaining communication; describe how services in each organization are accessed and delivered; address payments and fees for services; discuss provision of technical assistance and training; and, describe methods for identifying and resolving problems.

B. Specialized Programs

The **Long Term Mentally Ill (LTMI) Program** has been operational since 1986 as a cooperative effort between DRS and DMHMRSAS. The LTMI Program, financed with $722,000 in FY 1997 state general funds, enhances consumer community and vocational successes by providing vocational development, placement, and job retention services in 12 participating CSB-operated clubhouses located in Roanoke, Charlottesville, Hampton/Newport News, Henrico, Loudoun, Richmond City, Harrisonburg, Planning District 2 (Buchanan, Tazewell and Russell Counties), Danville, Chesapeake, Fredericksburg and Williamsburg.

This specialized program places a DRS counselor within psychosocial rehabilitation programs (clubhouses) and provides each CSB with $20,000 to provide vocationally related

services. Individuals with a serious mental illness who are referred to the program are active participants in the psychosocial rehabilitation program who have typically experienced some successes in the programs' pre-vocational activities. Pre-vocational activities in psychosocial rehabilitation programs typically include work skills development in clerical, kitchen, housekeeping and maintenance units. People who are members of clubhouses can easily access these specialized programs since the DRS counselors are located there. Accessibility is limited for people who are not clubhouse members.

The following table compares participants of the LTMI program with mental health consumers of DRS general employment services:

Table 5. A Comparison of Participants in the LTMI Program with Mental Health Consumers on General DRS Caseloads

Mental Health Consumers	LTMI Participants	General Participants
Number of Consumers	839	6,584
Severe Disability Rate	93%	79%
Employment Rate	39%	32%
In Competitive Jobs	89%	85%
Average Weekly Earnings	$155 ($5.96/hr)	$231 ($7/hr)
Average Weekly Hours	26	33
Average Months Served	17	24
Average Cost per Case	$1,459	$1,211

The LTMI program resulted in higher employment rates and a greater proportion of competitive job placements even though a much higher percentage of participants in the LTMI program had severe disabilities. These placements, however, tend to be in lower paying jobs with fewer hours per week. Although the general mental health participants receive, on average, seven months more services, the average cost is approximately $36 per month more in the LTMI program ($86) than in the general employment services ($50).

The joint **Contract Substance Abuse VR Program** for [illegible] substance abuse problems provides funding and monitoring of five DRS caseload [illegible] caseload positions are funded by DMHMRSAS and are housed with [illegible] Region Ten (Charlottesville) and Northwestern CSB (Winchester) substance [illegible] programs.

In early 1988, the Department of Mental Health, Mental Retardation and Substance Abuse (DMHMRSAS) and the Department of Rehabilitative Services (DRS) joined forces to address mutual concerns about the health and vocational status of Virginians in recovery from addiction

to alcohol and other drugs. The agencies observed that consumers with substance abuse backgrounds encounter more problems in maintaining health (sobriety) and gainful employment than other Virginians with disabilities. This related to evidence that consumers who were unemployed or not involved in a structured vocational program from the early phase of their recovery tended to revert to abuse. The cooperating departments wanted to address this deficit by providing local cooperative programs which stressed vocational development, skills, work habits, job readiness, and employment follow-along services in addition to the clinically-oriented services of the Community Services Board in order to bring about greater consumer community integration and vocational successes.

On July 1, 1988 a cooperative agreement between DMHMRSAS and DRS was initiated to address these issues. This agreement: transferred three (3) staff positions and funding from DMHMRSAS to DRS so that specialty vocational rehabilitation (VR) counselors could be hired; provided case service funds from both state agencies; provided for the assignment of DRS counselors to local participating Community Services Boards (CSBs) substance abuse clinics; provided a commitment from DRS to allow program-associated VR counselors to work more intensively with fewer clients; and established the project counselors as fully integrated members of the CSB substance abuse program teams. Within the first year, contract programs were established with the Portsmouth, Winchester and Charlottesville CSB substance abuse programs. This program operating in these three locations came to be known by DRS as the "Contract SAS Program."

The 1997 Contract SAS Program budget from DMHMRSAS was $170,493. Of that figure, $106,166 went to staff salaries and fringes for the three full-time VR counselors and $59,165 went to purchase consumer case services. The remainder went for staff travel, insurance coverage and equipment. Three other positions are funded by DRS to serve substance abuse consumers on a more general caseload.

The following table compares participants of the Contract SAS program with substance abuse consumers of DRS general employment services:

Table 6. A Comparison of Contract SAS Participants with Substance Abuse Consumers on General DRS Caseloads

Substance Abuse Consumers	Contract SAS Participants	General Participants
Number of Consumers	214	1,350
Severe Disablity Rate	83%	68%
Employment Rate	49%	27%
In Competitive Jobs	100%	91%
Average Weekly Earnings	$253 ($6.84/hr)	$294 ($9.48/hr)
Average Weekly Hours	37	31
Average Months Served	14	23
Average Cost per Case	$1,079	$945

The Contract SAS Program also produces better outcomes for its participants despite their higher level of severe disability, however their hourly earnings are significantly lower than the general employment services participants. Although the general substance abuse participants receive, on average, nine months more services, the average cost is approximately $36 per month more in the Contract SAS program ($77) than in the general employment services ($41).

Clearly, DRS-DMHMRSAS-CSB coordinated ongoing employment supports including clincial and social supports, especially for adults with a serious mental illness and those with substance abuse problems appear to result in greater employability for these populations when compared to similar populations not enrolled in these specialized services.

C. Statewide Studies on Employment Services

DMHMRSAS and DRS are currently collaborating with the Virginia Commonwealth University/Rehabilitation Research and Training Center to study and produce a final report by the end of December, 1998 on important aspects of employment services. The purpose of the study is to conduct a needs assessment and Employment Services Organizations (ESO) Inventory and to determine the unmet need in the Commonwealth for long term employment services. Some study objectives are:

- to estimate the number of individuals requiring long-term employment services through community rehabilitation programs;

- to conduct a mail/phone inventory of employment services organizations to provide a picture of current capacity and unmet needs; and

- to calculate costs based on unmet need according to DRS average rate data.

Another study is being conducted by the Virginia Commonwealth University, Rehabilitation Research and Training Center, DMHMRSAS, DRS, and Virginia Board for People with Disabilities to examine outcomes, funding streams and policy for all current employment options. An overview of the objectives of this study are as follows:

- to identify the various employment options utilized by persons with mental disabilities in Virginia;
- to identify the outcomes achieved by participants in these employment options;
- to identify the funding streams utilized to assist persons with mental disabilities to achieve employment;
- to identify and analyze the regulations, policies and procedures that control use of these funding streams.

D. DRS/DMHMRSAS Cross Training

In FY 1999 DRS will provide a training program for vocational rehabilitation staff focused specifically on vocational rehabilitation for individuals with mental health problems. CSB mental health professionals will participate and provide expertise to enhance program effectiveness and communication.

E. Joint Planning

DRS actively participates on Virginia's Mental Health Planning Council. Public Law 102-321 requires that states develop and implement comprehensive mental health plans for adults with serious mental illness and children with serious emotional disturbances. The Council serves as the primary, on-going forum for articulating and building consensus among consumers, families and other advocates, state agencies and mental health providers and planners around the needed values, priorities, and goals that will insure a system of services and supports of the highest quality.

F. Joint Pursuit of Grant Opportunities to Increase Employment Options

DMHMRSAS and DRS recently assisted in applying for federal Department of Labor funds for a joint venture between a CSB and Community College to replicate a successful employment supports model developed in Denver, Colorado. The proposed program would train higher functioning adults with serious mental illness to become assistant case managers in community mental health programs and other social service settings. Unfortunately, the application was not funded but the two agencies plan to pursue alternative funding for this program as a pilot project designed to create meaningful, career oriented jobs for consumers who wish to offer their unique contributions to the helping professions.

VI. BEST PRACTICES IN EMPLOYMENT SERVICES AND SUPPORTS FOR PEOPLE WITH MENTAL DISABILITIES

A. Best Practices in Mental Health

The organizing principles and delivery approaches to achieve positive employment outcomes for individuals with a serious mental illness are presented here as they were recently summarized in a report entitled: *The Active Ingredients in Achieving Competitive Employment for People with Psychiatric Disabilities: A Research Synthesis.*

A Summary of What Works in Vocational Services for Adults with a Serious Mental Illness[2]

Organizing Principles/Critical Ingredients

- **Organizational Climate and Culture that Supports Work**–normalizing work, creating an atmosphere where anyone can work if they choose, stating the benefits of work and encouraging success; focusing on work as a program goal and outcome.

- **Facilitation of Employment**–practical assistance, job leads and active job development; making employment an integral part of rehabilitation and mental health services–the same workers, same team and same agency are helping the person to succeed at work.

- **Emphasis on Consumer Preferences and Strengths**–providing rapid assistance when someone says he or she wants to work; looking at people's personal interests along with the stated desire to work; trying to achieve a job and workplace environment that matches preferences; creating jobs that match people's preferences.

- **On-Going Flexible, Individualized Support**–ongoing, flexible personally tailored supports like workplace accommodations, job coaching, supportive counseling, off-site assistance, on-site assistance, support groups linked to other community supports like medication monitoring, case management and housing; on-going assessment of support needs conducted after the person is in a job; on-going assessment of the workplace environment and modification of the environment to improve person-environment fit.

- **Job Replacement Assistance**–assisting the consumer to learn more about what he or she wants and does not want by working in real jobs; building toward a better match between the person's strengths and desires and job characteristics; assisting people to plan moves to better, more fulfilling jobs.

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[2]Priscilla Ridgway, MSW and Charles Rapp, Ph. D., "*The Active Ingredients in Achieving Competitive Employment for People with Psychiatric Disabilities: A Research Synthesis*, University of Kansas, Lawrence, Kansas, May 1998

Supported Employment–Model Approach

In their review of the research, Ridgway and Rapp found that:

- Supported employment achieved better outcomes than job clubs or transitional employment.
- Employment rates ranged from 23%-90% with most reaching 40-50% ever employed
- Stabilized employment rates ranged from 11%-56%, with most programs exceeding a 40% rate.
- Long-term job tenure continues to be a problem - most people leave their jobs within 6-10 months.

The common ingredients of the supported employment programs included the following:

–agency type did not matter;
–vocational and community support services were integrated;
–attention was paid to consumer strengths, motivation and preferences;
–employment was competitive, mainstream and permanent;
–direct assistance was provided for job-finding;
–rapid access to jobs was possible without lengthy prevocational programming;
–individualized on the job training and supports were provided on and off the job site;
–there were no time limits to the provision of on-going follow-along supports;
–people had multiple opportunities to work;
–job replacement assistance was available.,

Existing programs in Virginia which incorporate many of these organizing principles and utilize supported employment as a model include the Projects of Assertive Community Treatment (PACT) programs and the joint DRS/DMHMRSAS LTMI programs; although the time limit for follow-along for people in the joint LTMI program is an unresolved concern discussed elsewhere.

Employment services needed by adults with a serious mental illness include: career planning; job goal selection; job placement; assistance with negotiating reasonable accommodations; acquisition of specific job skills; obtaining transportation and clothing appropriate to the setting; estimating how earnings will impact entitlements such as SSI, SSDI, Medicaid and Medicare; education in using existing social security work incentive programs to the greatest advantage; establishing positive relationships with co-workers and supervisors; assistance in changing jobs; assistance in keeping a job; supported education; and, consumer run enterprises.[3]

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[3]National Association of State Mental Health Program Directors Position Statement on Employment and Rehabilitation for Persons with Severe Psychiatric Disabilities, 1996

Supported Education

Supported education is an approach to promoting educational opportunities in integrated settings. It is an option for individuals for whom post-secondary education has not occurred or for whom it was interrupted and sporadic because of the nature of mental illnesses. Supported education helps people to choose, enter and stay in higher education settings and is similar to supported employment in that ongoing supports are available for as long as the person needs them to attain her or her chosen goal(s). There are at least three models of supported education - the self-contained classroom, on-site support, and mobile support.

These three models are defined in a document, *So You Want To Go To College: A Guide for Individuals Diagnosed with Severe Mental Illness Who Are Thinking About College,* by Fishbein and Holland, State Of New Jersey, Division of Mental Health and Hospitals. In the self-contained classroom, individuals who have special needs attend classes together. The focus of study within the classroom may be on remedial academic work, the development of classroom skills, career development, or, how to survive on a campus.

In the on-site model, individuals are enrolled in classes in an integrated setting with other students. If needed and requested, they obtain the same supports offered to all students with disabilities at the college or academic setting.

In the mobile support model, supports are made available through a local mental health provider. Mental health staff are available to offer services and supports on campus or off-site.

Consumer-Run Enterprises

While supported employment assists individuals with mental illness to obtain a job in the existing job market, another approach to integrated employment assists individuals and organization to create and sustain new business enterprises. Thus, new job opportunities are created for individuals through an economic development approach.

Employing Consumers in the Mental Health Workforce

The Report of the Joint Subcommittee Studying the Future Delivery of Publicly Funded Mental Health, Mental Retardation and Substance Abuse Services recommended, among many other things, that "The Department of Mental Health, Mental Retardation and Substance Abuse Services, Community Services Boards, and state facilities should increase the involvement and participation of consumers and family members in policy and decision-making; service development, operation, and evaluation....." It further recommended that "DMHMRSAS should work with the CSBs to expand the pool of service providers through incentives to private providers and by creating opportunities for consumers and family members to provide services." (Emphasis added)

In addition to operating their own programs such as the Laurie Mitchell Employment Center, another opportunity for consumers to participate in the operation of and to provide services is via their employment in the mental health workforce. The benefits of mental health

agencies hiring consumers as summarized in a report, *The Successful Employment of Consumers in the Public Mental Health Workforce*, A Report from the California Institute for Mental Health, by Laura Mancuso, June 1997, include:

–mental health consumers may be uniquely effective in engaging some hard-to-reach clients;
–the agencies effectiveness and credibility is increased when asking local businesses to provide jobs for consumers;
–mental health consumers may raise the consciousness of other mental health staff;
–mental health consumers may provide an invaluable conduit for quality improvement;
–mental health consumers will serve as role models; and,
–mental health consumers may be some of the best mental health workers.

The employment of mental health workers in mental health agencies offers a unique strategy to increase employment options for adults with a serious mental illness.

Model Financing

The development of funding mechanisms to support an individualized placement and supports model are beginning to emerge. One mechanism, piloted in Rhode Island with close collaboration between the state Medicaid authority and the state mental health office, was to design a Medicaid reimbursable service under the Title XIX Rehabilitation Option.

Rhode Island's Medicaid funded community psychiatric supportive treatment includes the following reimbursable services: assisting in the development and implementation of a plan for ensuring client income maintenance, including the provision of both supportive counseling and problem-focused interventions in whatever setting is require to enable the clients to manage the symptoms of their illness and affect their performance at a work site. These interventions will fall primarily in the areas of achieving required levels of concentration and task orientation and facilitating the establishment and maintenance of effective communications with employers, supervisors and co-workers.[4]

In addition to providing a Medicaid reimbursable service as a financial incentive to providers, anecdotal information suggests that approximately 50% of the states which are moving to managed care for mental health services plan to include a vocational component.[5] Clearly, one of the best ways for states to emphasize employment programs is to build into managed care contracts (or, in Virginia, the CSB Performance Contracts), an expectation that agencies provide vocational services and to measure their outcomes.

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[4] **Planning A Statewide Project to Convert Day Treatment to Supported Employment,** *Psychiatric Rehabilitation Journal*, McCarthy, Thompson and Olson, Volume 22, Number 1, Summer 1998, page 31.

[5] **Supported Employment and Managed Care, Can They Coexist?,** *Psychiatric Rehabilitation Journal*, Robin E. Clark, Volume 22, Number 1, Summer 1998, page 68.

B. Best Practices in Mental Retardation

Many projects are going on in other states that have demonstrated cost-effective integration of employment for individuals with Mental Retardation/Developmental Disabilities. Some of these include those 5-10 states funded by SSA (1998, SSA-OD-98-1) for demonstration projects over the next five years for increasing employment and self-sufficiency. Another program entitled "Project Inclusion" is a national project with the National AmeriCorps that develops and implements best practices of effective recruitment and inclusion of people with disabilities. "Choice Access" (Detroit, New Orleans, Pittsburgh are sites) one of seven national grants NIDDR (set up under the 1992 Reauthorization of Rehab Act) which ensures customer choice of integrated employment positions.

There is a variety of research that shows that "supported employment" programs are very successful with many individuals with Mental Retardation. Vermont and Oklahoma have been successful in defining quality of service, resolving conflicting rates, and other issues in Vocational Rehab and the Home and Community-based MR Waiver employment programs.

VII. SYSTEMIC ISSUES IMPACTING EMPLOYMENT SERVICES

A. Mental Health

Federal Regulations and Work Incentives/Impact on Benefits

The Federal Social Security and Rehabilitation Services Administrations each have complex sets of regulations governing the provision of employment supports and vocational services for people with disabilities. The DMHMRSAS 1995 Continuum of Care Study of consumers enrolled in services at CSBs found that almost three quarters (74.9%) of CSB mental health consumers received either Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI), as did virtually all of the mental retardation consumers, and a small proportion (7.8%) of substance abuse clients.

The federally regulated work incentives for these two programs are different and complex, and are summarized in Appendix B (A Desktop Guide to Social Security and SSI Work Incentives). Two of the often cited work incentive programs, Impairment-Related Work Expenses (IRWE) and the Plan for Achieving Self-Support (PASS), require professionals to manage. The PASS rules also recently eliminated transportation as an eligible expense.

Since these regulations are applicable to a significant proportion of people with mental illness or mental retardation, they are important factors to be considered in the process of improving employment outcomes for these populations. Many professional staff, consumers and families anecdotally report that insufficient information on how to use and individualize existing social security administration work incentives and on estimating how earnings will impact their entitlements such as SSI, SSDI, Medicaid and Medicare impede the effective provision of

employment services.

Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) beneficiaries risk losing the Medicare or Medicaid coverage that is linked to their cash benefits, a risk that is perhaps an even greater disincentive than the loss of cash benefits due to working. In fact, for individuals with disabilities, the fear of losing health care and related services may be one of the greatest barriers keeping individuals from maximizing their employment and earning potential.

Time-Limited Follow-Up for Supported Employment Services

Federal regulations govern the eligibility and other program criteria for DRS sponsored supported employment services. Of these, one regulation, which specifies that DRS must close the case after the person has been trained, placed and is stable in a job for 90 days, is directly contradictory to the best practices for adults with a serious mental illness. As noted earlier currently available research and data clearly suggest that individuals with a long term mental illness will achieve better outcomes if individual supports are available over time. If these supports are not available, these individuals ultimately are at high risk for losing their jobs.

While specific DRS criteria for the utilization of supported employment services does include the requirement that a provider of follow-along services be identified in advance, there appear to be very few CSB mental health staff trained to provide this service. The CSB FY 1997 data indicated that there were only 19 FTE mental health consumer services staff statewide who were providing supported employment services and another 5 FTE staff providing different types of employment services.

Lack of Financial Incentives for Providers of Vocational/Employment Support Activities

At the current time, neither DMHMRSAS nor DRS have integrated a financial incentive for positive employment outcomes in their service provision contracts with providers. DRS is presently investigating a new method of payment for the purchase of supported employment services. The new approach is a contract management method based on incentive payments for results. The system would pay provider agencies for results when consumers pass predetermined milestones along the way to the desired outcome of employment. DMHMRSAS is planning to include data on employment related measures in its Performance Outcome and Measurement System (POMS).

No Medicaid Reimbursement for Vocational Mental Health Services

The current Virginia Department of Medical Assistance Services (DMAS) regulations for the mental health state plan option psychosocial rehabilitation (clubhouse) service specifically exclude reimbursement for vocational and employment services provided to adults with a serious long term mental illness. Consequently, to the extent that some CSB's are placing increasing emphasis on Medicaid reimbursement, there is a financial disincentive for CSB clubhouses to provide individualized supported employment placements and supports to adults with a serious mental illness.

This issue is further complicated by the fact that the clubhouse model itself emphasizes transitional employment rather than individualized placement and supports while, as previously noted, current research indicates the individualized placement and supports model is more effective than the transitional employment model practiced by many clubhouses in Virginia. The failure to provide Medicaid reimbursement for employment support services and the lack of emphasis on employment outcomes suggests recommending against locating DRS counselors only within psychosocial rehabilitation programs.

Finally, DRS financial incentives are limited to private businesses. DRS is able to provide targeted jobs credit for $2,400 per person only to private employers. This incentive is not available to public employers, but unpaid work experiences can be arranged with state agencies.

Stigma About People with Mental Illnesses and Work

Prevalent biases against people with mental illness hamper their opportunities for gainful competitive employment. These biases are reflected locally by the *Richmond Times Dispatch* which has achieved national notoriety for its sharply biased editorials against people with mental disabilities living and working in the community.

In response to the Equal Employment Opportunity Commission's guidance on applying the Americans with Disabilities Act (ADA) requirements for "reasonable accommodations" in the workplace for employees with mental illness, the *Times* published a series of cartoons and editorials which portrayed such employees as dangerous and stupid. It its May 15, 1997 editorial, for example, a fictitious memo read in part:

"Please be advised the following 1998 Amendments to the ADA have been made to update the list of federally recognized disabilities...

Part I: Addenda. Paranoid psychosis; dementia; criminal insanity; catatonia (persistent vegetative state); morbidity (death).

Part II: Definitions. (1) Reasonable accommodation: A "reasonable accommodation" is now deemed to be one enabling the disabled employee to perform up to the level of an abled employee. For instance, in the case of an employee with carpal tunnel syndrome, this might require the provision of an ergonomic keyboard; in the case of an employee suffering from schizophrenic delusions and withdrawal from reality, the employer may wish to lock all other employees in a reinforced steel cage to guarantee their safety."

A more recent example is its editorial of August 10, 1998, which stated in part:

"Disability pay ought to be reserved for those who are physically disabled – not those whose mental instability merely limits their employment options. Individuals truly disabled by mental illness should be in institutions – where they can't play gun games in the Capitol."

Contrary to this perspective, a recently completed research report on the ADA in the

workplace, entitled *The Facts About Mental Illness and Work,*[6] included the following:

- A diagnosis of serious mental illness is not a reliable indicator that someone cannot work: indeed, many people are able to work successfully despite their symptoms.

- On-the-job accommodations that make it possible for people with serious mental illness to succeed at work are proving relatively straightforward and inexpensive to provide: most job accommodations involve flexible scheduling and job description modifications.

- The great majority of people with a serious mental illness want to work: recent surveys report that approximately 70% of those with significant psychiatric problems rank work as an important goal for themselves.

- Successful careers for people with serious mental illness – which depend in part upon a good match between an individual's work skills and the specific requirements of his or her job – also reduce the use of costly mental health services and hospitalizations.

- Employers who have hired persons with serious mental illness in the past are generally very positive about their experiences.

B. <u>Systemic Issues in Mental Retardation</u>

The history of employment and community rehabilitation programs supporting individuals with mental retardation clearly has demonstrated that long term supports will keep people employed. Within this system are two main funding sources which have federal eligibility requirements that drive the program of employment services. Individuals may be eligible for one or the other, or neither of these funding sources. The overarching philosophies of these two programs is different. The following chart illustrates these differences:

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[6] *The Facts About Mental Illness and Work, the Research and Training Center on Mental Illness and Work,* Matrix Research Institute and the University of Pennsylvania

Table 7. MR Funding Source Philosophies

MR WAIVER FUNDING	DRS FUNDING
-Goal is long term supports with a broad range of support outcomes	-Goal is time-limited with gainful employment (minimum wage or above) as the outcome
- Long term funding provided	- Minimum long term funds (LTESS)
- No funding for vocational supports except supported employment however, work preparation skill developmentcan be pending	- Funds vocational service
- Funds long term supported employment at $16.00 per hour (FY 97 = $42 per hour)	-Funds Supported Employment services at $30.00 to $ 50.00 per hour

Other Systemic Issues

- People with Mental Retardation are competing for the same jobs as nondisabled peers.
- Not all individuals who need long term work supports are eligible for the MR Home and Community-based Waiver.
- In Virginia, many localities or private programs have not yet utilized Waiver funding for services. In fact, only about 15% of individuals with Mental Retardation receive day support services under the MR Waiver; therefore, funding for services comes from state general funds, local funding, private agency fund raising and limited DRS EES, & LTESS funds. Better maximization of Medicaid Waiver funds is possible and is being planned with the Waiver Renewal (1999).
- There has been a 60% growth in waiting lists for integrated employment options in MR/DD from 1988 to 1993 (Kiernan & Schalock, 1997), but funding has not kept up.
- Nationally, 70% of people with developmental disabilities are in facility based work and non-work programs with no integration in the community (McGaughey, Kiernan, McNally, Gilmore & Keith, 1994).
- Nationally, the1997 unemployment rate was 4.9 %, Virginia's 1997 unemployment rate was 4.0 %, yet the Harris Survey (1996) shows a national rate of 73% unemployment for people with disabilities.
- 65% of Community Rehab Programs nationally, indicate that changes in funding policies would increase their provision of integrated employment services (McGaughey, Kiernan, McNally, Gilmore & Keith, 1994).

- State Medicaid income limits, and required "patient pays" for the MR Waiver are disincentives to gainful employment. The more an individual earns, the more they have to pay towards the waiver service costs

- Using typical natural supports as opposed to specialized approaches to employment results in higher wages and a greater level of integration (Mank, 1996).

- Private /Public Partnerships are seriously lacking in Virginia. Other states and international programs have shown an increase in the employability of individuals with Mental Retardation when they institute private/public partnerships.

- Disability myths and public perceptions of individuals with Mental Retardation hinder employment in the community. (National ARC, 1997)

- Statistical tracking of the unemployment rate of people with Mental Retardation and Developmental Disabilities, on a recurring basis, is the *only* way to determine if progress is being made (President's Committee on Employment of People with Disabilities, 1998).

- Public funds often run out and providers are left with the choice of discontinuing service, directing efforts to fundraising to the distraction of employment goals, or alter services to nonintegrated large groups.

VIII. PENDING FEDERAL LEGISLATION

Both the United States House of Representatives and the Senate have pending legislation that may significantly change the provision of employment services to individuals with disabilities. The House of Representatives passed H. R. 3433, "The Ticket-to-Work Self-Sufficiency Act of 1988", on June 3, 1998.

One of the goals of this legislation is to provide Social Security recipients better access to vocational rehabilitation services and to improve the way the Social Security Administration provides vocational rehabilitation services. This bill directs the Commissioner of Social Security to establish a "Ticket-to-Work and Self Sufficiency Program," key elements of which include:

providing Social Security Disability Insurance (SSDI) beneficiaries and Supplemental Security Income (SSI) disability recipients with a ticket they may use to obtain vocational rehabilitation services, employment services, or other support services from an employment network of their choice;

allowing the Social Security Administration to directly reimburse private providers for successful rehabilitation efforts;

replacing the current "lump-sum payment" with a milestone payment system that will benefit individuals with more serious disabilities and help smaller providers like psychosocial rehabilitation programs.

H.R. 3433 also extends reimbursements to providers for sixty months to encourage rehabilitation agencies to provide long-term employment supports, extends Medicare for two additional years, and suspends Continuing Disability Reviews for as long as the consumer's ticket is in use.

The U.S. Senate has introduced S.1858, its version of work incentive legislation. The purposes of S.1858 are to:

(1) provide health care services to individuals with disabilities that will enable those individuals to cease to receive social security disability insurance benefits and become employed and independent;

(2) provide States with the option of allowing individuals with disabilities to purchase, through Medicaid and subject to a co-payment requirement, the personal assistance services and prescription drugs that the private insurance available to such individuals does not provide, and

(3) to provide individuals with disabilities with the option of purchasing and maintaining Medicare coverage after returning to work.

The bill also ends the policy of work being used as evidence that a disability has necessarily ceased, automatically triggering an automatic Continuing Disability Review, and the list of items deductible as Impairment Related Work Expenses (IRWEs) would be expanded. At the time of this report, it appears likely that a substitute bill combining provisions of the House and Senate versions will be introduced this fall.

IX. SUMMARY OF REPORT FINDINGS AND RECOMMENDATIONS

Senate Joint Resolution 151: *The Employability Needs of Persons with Serious Mental Illness, Mental Retardation and Substance Abuse Problems* directed the Department of Mental Health, Mental Retardation and Substance Abuse Services and the Department of Rehabilitative Services to work together to address employment needs of people with mental disabilities. The report emanated from presentations and testimony by constituents to the Joint Subcommittee Studying the Future Delivery of Publicly Funded Mental Health, Mental Retardation and Substance Abuse Services (HJR 240).

Representatives from DMHMRSAS, DRS, the Social Security Administration and Community Services Boards formed a workgroup which: examined the need for employment

services and supports for people with mental disabilities; analyzed data on existing employment services provided both independently and jointly by each department; reviewed current literature on state of the art approaches to employment services for these target populations; described current joint efforts by these departments to address employment needs of people with mental disabilities; identified systemic issues which effect vocational and employment programs for these target populations; and, provided a synopsis of pending federal legislation in this area. Several conclusions are suggested.

A. Mental Health Findings

1. A significant proportion of Virginians with mental disabilities need, want and can be competitively employed. People with mental disabilities have excessively high unemployment rates. National data on employment outcomes suggests over 40% of individuals with a serious mental illness obtain stabilized employment when appropriate employment services and supports are available. Two joint specialized programs piloted in Virginia by DMHMRSAS and DRS exhibit similar outcomes.

2. The DMHMRSAS, via Community Services Boards, currently provides minimal resources for discrete employment services which assist individuals with a serious mental illness to obtain and keep competitive work. The analysis of data indicates that fewer than 2% of adults with serious mental illness served by Community Services Boards receive employment services and only 1% of total costs and direct care staff are devoted to these services. The 1995 DMHMRSAS Continuum of Care study identified employment services as one of the largest gaps in service for adults with a serious mental illness. The successful joint specialized program has been implemented in only twelve sites. Data regarding vocational services, supports and their effectiveness as provided by psychosocial rehabilitation programs across Virginia is not available.

3. The DMHMRSAS and DRS are engaged in collaborative initiatives to address the employability needs of Virginians with mental disabilities. Current joint activities include: on-going studies; cross training of staff; requirements for CSBs to have cooperative agreements with regional DRS offices; planning; and grant applications to implement creative employment programs.

4. The best practices in employment services and supports for adults with a serious mental illness incorporate a model of individualized placements and supports with on-going follow along. A literature review of various employment program models and their associated outcomes clearly demonstrates that an individualized supported employment approach results in the best competitive employment rates for adults with a serious mental illness.

5. A variety of innovative programs which incorporate best practices can be implemented to enhance employment opportunities for adults with a serious mental illness. Programs for Assertive Community Treatment (PACT), initiatives to employ consumers in the mental health workforce, supported education programs, consumer run enterprises and employment services

operated by and for consumers with a mental illness are examples of innovative ways to address employment needs of people with mental disabilities.

6. There are significant issues which need to be addressed to maximize employment opportunities for people with mental disabilities. Federal regulations governing individual work incentives and health care benefits; time-limitations on follow-up for supported employment services; financing, including existing Medicaid regulations which specifically exclude reimbursement for vocational services for adults with a mental illness; a community services system oriented toward transitional rather than supported employment; and, stigma about people with mental illness are factors which impede the development and expansion of employment options for these individuals.

7. DMHMRSAS and DRS can implement administrative changes to promote the expansion of effective employment services for people with mental disabilities. The inclusion of financial incentives for positive employment outcomes in contracts with community service providers and the incorporation of vocational services and supports in a mental health Medicaid carve-out offer important mechanisms for increasing the provision of cost effective employment services.

8. Pending federal legislation, if passed, may significantly alter the provision of employment services to people with mental disabilities who are also the recipients of Social Security benefits. Pending federal legislation as proposed will impact, among other things, work incentives, health care benefits, contracts with employment providers, and existing regulations governing time limits imposed on the follow up of individuals who receive supported employment services.

B. <u>Mental Health Recommendations</u>

1. *DMHMRSAS and DRS should continue to work together to address the employability needs of adults with a serious mental illness by enhancing and expanding upon current joint activities.*

a. The joint DRS/DMHMRSAS LTMI program for adults should be implemented statewide and be available and accessible to all adults with a serious mental illness who are consumers of community support mental health services.

b. DMHMRSAS and DRS should jointly develop and implement activities to educate the public and employers about the potential of persons with a mental illness to be valuable workers.

c. DMHMRSAS and DRS should jointly initiate, develop and implement a statewide plan to successfully employ consumers in the public mental health system.

d. DMHMRSAS, DRS and the Department of Education should establish a work group which specifically addresses the vocational and employment needs of young adults.

e. DMHMRSAS and DRS should develop and implement a knowledge, skills and training initiative in state of the art practices for professionals of both agencies.

2. *DMHMRSAS and DRS should adopt and implement financial incentives and funding strategies which promote the expansion of cost effective employment options for people with mental disabilities.*

a. DMHMRSAS should incorporate financial incentives for positive employment outcomes in its performance contract with Community Services Boards.

b. DRS should incorporate financial incentives for positive employment outcomes in its performance contracts with providers of vocational services.

c. DMHMRSAS should collaborate with the Department of Medical Assistance Services to integrate the provision and cost of individual employment placements and supports in the mental health Medicaid carve out that is currently under development.

3. *DMHMRSAS, DRS and a representative from the Social Security Administration should closely monitor the pending federal legislation and the results and recommendations of pending studies on employment services for people with mental disabilities in Virginia.* Utilizing additional information provided by these efforts, DMHMRSAS, DRS, public and private providers and employers, consumers, and family members should form one or more workgroups, as may be appropriate, to develop refined recommendations and action plans for employment services and supports in Virginia. DMHMRSAS and DRS should also develop model agreements for cooperation between Community Services Boards and regional DRS Offices which address any policy shifts.

4. *DMHMRSAS should evaluate the outcomes of consumer operated employment programs and determine the cost effectiveness of expanding the number of consumer operated employment centers in Virginia.*

5. *DMHMRSAS should study existing psychosocial rehabilitation programs in Virginia to determine the nature, extent and effectiveness of vocational services and supports provided within these programs.*

C. <u>Mental Retardation Findings</u>

Employability needs of individuals with Mental Retardation include:

1. **Increased resources/elimination of waiting lists for integrated employment**

2. **Better maximization of Medicaid funding for all day support/supported employment services to increase resources with federal participation.**

3. **Stronger programs that provided transition to work funding for all individuals**

graduating from special education.

4. **Transportation to and from the work site and/or employment programs.**

5. **Specialized case management from individuals who have a background in Mental Retardation services.**

6. **Continuity of service and program supports, which is NOT dictated by funding, streams.**

7. **Elimination of cost shifting to the private sector who have to resort to donations and fundraising.**

8. **Elimination of the extensive differential range in rates paid for supported employment and long term services through DRS and the MR Medicaid Waiver.** A one-stop service array in which all employment services can be accessed with consistent long term funding as opposed to the current "pockets" of funding.

9. **Inclusion of benefit packages for individuals who work 30 hours a week or more.**

10. **A priority established by the General Assembly for Virginians with Disabilities to receive employment services, and therefore an opportunity to give back responsibly through income taxes to their community.**

D. <u>Mental Retardation Recommendations</u>

1. ***Staff should follow the outcome of the Federal government (H.R.3433, Ticket to Self-Sufficiency Act) which is currently considering a bill that provides a "Ticket to Work" for individuals with disabilities.*** By next year we would also know more clearly what impact this might have on improved access to employment for individuals with disabilities. In addition, there is a state effort to stimulate interest in consolidating employment programs.

2. ***A funding request should be developed based on the Virginia state team of the President's Committee on Mental Retardation, to "make a job or vocational/day program available to every individual who wants one in Virginia."*** Intensive, initial training funds from the DRS and long term follow-up funds should be provided through the MR system to help individuals maintain a job or productive meaningful work in the community.

3. ***DRS and DMHMRSAS should be funded to implement a coordinated state wide database and outcome measures that would collect consistent information on: a) the number of individuals working in each disability area; b) the number of hours per week worked; c) hourly wages; d) benefits (if any); e) funding sources utilized for training/support and for how long utilized; and f) length of employment.*** An appropriate database will afford the

state the opportunity to assess current status and create an ability to forecast future needs based on history. (Both DRS and DMHMRSAS have systems which are now under consideration for expansion - these must be coordinated.)

4. ***A Private/Public interagency group made up of businesses, family members, individuals with Mental Retardation, state and local funding agencies, advocates and private providers of services should be formed and funded to examine employment systems change, public awareness, training and education, data system components, and funding streams for increasing access to integrated employment.***

5. ***Portions of state block grant funds could be redirected to prioritize employment for individuals with disabilities in a cost-effective program initiative.*** These funds would be free of Federal mandates that limit access to services.

6. ***The VCU Rehabilitation Research Training Center's recently submitted small grant from the Virginia Board for People with Disabilities to study over the next year all employment options, policies and funding streams currently available to Virginians with Developmental Disabilities should be reviewed upon completion and provide more detailed recommendations next year (12/99).***

E. Substance Abuse Findings

1. **Consumers with substance abuse backgrounds encounter more problems in maintaining health (sobriety) and gainful employment than other Virginians with disabilities.** This is related to evidence that consumers who were unemployed or not involved in a structured vocational program from the early phase of their recovery tended to revert to abuse.

2. **Consumers with substance abuse problems were more likely to be unemployed at discharge from substance abuse treatment programs and were more likely to subsist on public assistance such as General Relief and Aid to Dependent Children.**

3. **Relapse and its associated costs, were more probable for unemployed persons recovering from substance abuse than for those who had jobs or were in vocational training.**

4. **The cooperative agreement between DMHMRSAS and DRS which was initiated to address these issues transferred three (3) staff positions and funding from DMHMRSAS to DRS so that specialty vocational rehabilitation (VR) counselors could be hired.** This agreement allowed progrm-associated VR counselors to work more intensively with fewer clients; and established the project counselors as fully integrated members of the CSB substance program teams.

F. Substance Abuse Recommendations

DMHMRSAS and DRS should continue to work together to address the employment needs of persons recovering from substance abuse by expanding the model joint activities already in place.

1. ***DMHMRSAS and DRS should expand specialized vocational rehabilitation services for persons with substance abuse disabilities to the remaining 37 CSBs without such services.***

2. ***DMHMRSAS should provide training to DRS counselors on how to identify substance abuse disabilities in clients.***

3. ***CSB's should allow DRS counselors to participate as a full partner on the treatment teams at the CSB's and in all treatment facilites.***

4. ***DRS and CSB's should provide for onsite job seeking and job keeping skills training activities at treatment facilities.***

5. ***DRS and CSB's should provide for team building, cross training and education for DRS and CSB staff involved in substance abuse services.***

6. ***DRS and DMHMRSAS should enhance collaboration between program coordinators in order to improve technical assistance and quality assurance.***

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APPENDIX A

SENATE JOINT RESOLUTION NO. 151

Requesting the Department of Rehabilitative Services and the Department of Mental Health, Mental Retardation and Substance Abuse Services to work together to address the employability needs of persons with serious mental illness, mental retardation and substance abuse problems.

Agreed to by the Senate, February 13, 1998
Agreed to by the House of Delegates, March 12, 1998

WHEREAS, a large number of Virginians with mental illness, mental retardation and substance abuse problems seek help each year from state facilities and community programs; and

WHEREAS, the goal of Virginia's publicly funded mental health, mental retardation and substance abuse system is to assure that consumers have access to adequate, continuing supports and to services in those settings that promote the highest quality of life and that complement natural family and community resources; and

WHEREAS, the provision of the least intrusive levels of support will increase opportunities for people to build upon natural abilities and to take more control over their lives by making their own decisions about the services they want and need; and

WHEREAS, new and effective community programs have enabled numerous individuals to leave institutions and return to the community, family and jobs, and there is hope that many more will benefit similarly in the future; and

WHEREAS, job skills and employment opportunities enable consumers to gain some independence and contribute to their families' financial well-being; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Department of Rehabilitative Services and the Department of Mental Health, Mental Retardation and Substance Abuse Services be requested to work together to address the employability needs of persons with serious mental illness, mental retardation and substance abuse problems.

The Departments of Rehabilitative Services and of Mental Health, Mental Retardation and Substance Abuse Services shall complete their work in time to submit their findings and recommendations to the Governor and 1999 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

APPENDIX B

A Desktop Guide To Social Security And SSI Work Incentives

Special rules make it possible for people with disabilities receiving Social Security or Supplemental Security Income (SSI) to work and still receive monthly cash payments and Medicare or Medicaid. Social Security calls these rules "work incentives." Some work incentives are different for Social Security and SSI beneficiaries. Following are the rules that apply under each program. For more copies or additional materials on work incentives, contact any Social Security office.

Social Security

Trial Work Period—A period of nine months (not necessarily consecutive) during which the earnings of a Social Security beneficiary who is blind or disabled will not affect his or her benefit. (The nine months of work must occur within a 60-month period.)

Extended Period of Eligibility—For at least three years after a successful trial work period, a Social Security beneficiary who is blind or disabled may receive a disability check for any month that his/her earnings are below the substantial gainful activity level (in 1997, $500 for people who are disabled, $1,000 for people who are blind).

Continuation of Medicare—If Social Security disability payments stop because a person has earnings at or above the substantial gainful activity level, but the person is still disabled, Medicare can continue for at least 39 months after the trial work period. After that, the person can buy Medicare coverage by paying a monthly premium.

Impairment-Related Work Expenses—Certain expenses for things a person with a disability needs because of his/her impairment in order to work may be deducted when counting earnings to determine if the person is performing substantial gainful activity.

Recovery During Vocational Rehabilitation—If a person recovers while participating in a vocational rehabilitation program that is likely to lead to becoming self-supporting, benefits may continue until the program ends.

Special Rules For Persons Who Are Blind—Several special rules apply to working beneficiaries who are blind. For example, they can earn up to $1,000 before their benefits are affected. Ask at the Social Security office for details on work incentives for beneficiaries who are blind.

Social Security Administration
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Unit of Issue — Package of 50

Supplemental Security Income (SSI)

Continuation of SSI—Working SSI recipients who are blind or disabled may continue to receive payments until countable income exceeds SSI limits.

Continuation of Medicaid Eligibility—Medicaid may continue for SSI recipients who are blind or disabled and earn over the SSI limits if they cannot afford similar medical care and depend on Medicaid in order to work.

Plan For Achieving Self-Support—An SSI recipient who is blind or disabled may set aside income and resources toward an approved plan for achieving self-support (PASS).

Impairment-Related Work Expenses—Certain expenses for things a person with a disability needs because of his/her impairment in order to work may be deducted when counting earnings to determine if a person is eligible and to figure the payment amount. For working persons who are blind, the work expenses need not be related to the impairment.

Recovery During Vocational Rehabilitation—If a person recovers while participating in a vocational rehabilitation program that is likely to lead to becoming self-supporting, benefits may continue until the program ends.

Sheltered Workshop Payments—Pay received in a sheltered workshop is treated as earned income, regardless of whether it is considered wages for other purposes. This enables Social Security to exclude more of the sheltered workshop employee's earnings when computing his/her SSI payment.

Students With Disabilities—Tuition, books, and other expenses related to getting an education may not be counted as income for recipients who go to school or are in a training program.

*U.S. Government Printing Office: 1997 — 417-567/40025

Social Security's
Toll-Free Number
1-800-772-1213
Internet: http://www.ssa.gov

APPENDIX C

Richmond Times-Dispatch

VIRGINIA'S NEWS LEADER

EEOC: Political Asylum

The government told employers today that they may not discriminate against qualified workers with mental illness... and must take reasonable steps to accommodate employees with psychiatric or emotional problems. The guidance, issued by the Equal Employment Opportunity Commission... said [employers] may have to allow extra time off from work, alter work schedules or assignments, and make physical changes in the workplace as a 'reasonable accommodation' for employees with mental disabilities.... Such disabilities may include major depression, bipolar disorder (manic depression), schizophrenia, and personality disorders...

— THE NEW YORK TIMES.

MEMORANDUM

FROM: L.M. "Hugh" Morless, EEOC Director

TO: All employers

RE: Update of the 1997 Guidance Regarding Mentally Ill Employees

Dear Employer:

As a lawful employer registered with the Department of Labor, you are required by the 1990 Americans with Disabilities Act to make reasonable accommodations to employees with disabilities. Please be advised the following 1998 Amendments to the ADA have been made to update the list of federally recognized disabilities [Note — you are required by law to post these addenda in a prominent area of the workplace]:

Part I: Addenda. *Paranoid psychosis; dementia; criminal insanity; catatonia (persistent vegetative state); morbidity (death).*

Part II: Definitions. (1) Reasonable accommodation: A "reasonable accommodation" is now deemed to be one enabling the disabled employee to perform up to the level of an abled employee. For instance, in the case of an employee with carpal tunnel syndrome, this might require the provision of an ergonomic keyboard; in the case of an employee suffering from schizophrenic delusions and withdrawal from reality, the employer may wish to lock all other employees in a reinforced steel cage to guarantee their safety.

Part III: Frequently Asked Questions.

Q: *I own a small run-down hotel on a lonely stretch of highway. My front desk manager has stashed his dead mother in an upstairs room and taken to stabbing female guests with a kitchen knife when they're in the shower. Can I terminate this employee?*

A: No. Appropriate action in this situation would be to suggest counseling for the employee or, should the employee decline counseling, to suggest sensitivity training for guests who continue to stigmatize such behavior as somehow "wrong" or "disturbed."

Q: *As a regional branch manager for the U.S. Postal Service, I have a number of employees who have begun brandishing firearms and repeatedly muttering, "I see it — coming here — hell-wind — black wings — yog-Sothoth save me — the three-lobed burning eye — in the House of Cthulhu my father lies dreaming." Should I be concerned?*

A: No. Obsessive-compulsive fixation on the coming of the Elder Gods is recognized by the American Psychiatric Association's *Diagnostic and Statistical Manual* (Fourth Edition) as a chronic benign mental disorder; violence by Postal employees ("going postal") will be similarly recognized in the Fifth Edition. As such, employees exhibiting these traits are protected by federal law against discrimination.

Q: *One of my employees recently was hit by a bus and killed. Can she be replaced?*

A: Not without cause, and not until the EEOC has approved your Form 765(c)(31), Request for Approval of Termination of Terminal Employee. Refer to your state equal-employment office for further restrictions.

Richmond Times-Dispatch

Hired Guns

If Congress wants to do something meaningful in the wake of the Capitol shootings, it will abandon the largely symbolic gesture of building a $100 million visitors' center. All the herding pens and high-tech security in the world can't stop crazies. Instead, Congress will address the illogic of continuing to fund the lunatic lifestyle.

Rusty Weston, the Capitol gunman, is by all accounts stark mad. During a 90-day stay in a Montana state hospital, he was diagnosed as a paranoid schizophrenic. He believed his neighbors were watching him via their TV satellite dish. He claimed to be a son of President Kennedy, whom he insists was a clone. More recently, Weston occupied himself pestering the CIA and threatening the President. And how could he afford the luxury of being a full-time national nuisance? Like millions of other able-bodied Americans, Weston draws disability pay.

Social Security Disability Income, when it was established in 1950, was for workers who became physically disabled and no longer could perform their jobs. Families generally had one breadwinner then, whose job often involved manual labor. So if Pop developed multiple sclerosis and couldn't keep working at the mill, the idea was to let him draw benefits early — as long as he had paid into Social Security. But that was before public policy was driven by sentimentality — before the wail of "That's not fair!" trumped any assertion of reason. Now, the taxpayers send a portion of their earnings to Weston *et al.* every month, not because such individuals can't work but because it's nice to share. (And having paid into the system no longer is required: funds are drawn directly from the federal budget.)

Moreover, the *Diagnostic and Statistical Manual of Mental Disorders* (known affectionately in the industry as the DSM) has so expanded that nearly everyone qualifies as impaired. Does consuming three cups of coffee produce in you restlessness, nervousness, and insomnia? If so, you may be suffering from 305.90: caffeine intoxication. Or are you having trouble adjusting your sleep patterns after that recent flight from Paris? What laymen call "jet lag" is listing 307.45: Circadian Rhythm Sleep Disorder. Be careful, too, of hastily labeling a cheeky child a brat: "Often argues with adults" is a symptom of Oppositional Defiant Disorder.

And you thought the Lottery was a gold mine.

Yet ironically, as the DSM has been growing, the labor market has been changing. Today's jobs may be less physically demanding than at any time in history. How much exertion does it take to sit and type on a keyboard all day? Many (most?) psychotics are functional as long as they take medication. There is no reason they cannot mop floors or wash dishes to earn a living.

Disability pay ought to be reserved for those who are *physically* disabled — not those whose mental instability merely limits their employment options. Individuals truly disabled by mental illness should be in institutions — where they can't play gun games in the Capitol. The money for their care could be deducted from the $74 billion doled out annually for disability. Weston might never have been in Washington last month if he'd been locked away or obliged to work. The best tribute Congress could pay to his victims would be to stop enabling the lunatic lifestyle.

RICHMOND TIMES-DISPATCH

TUESDAY, MAY 20, 1997 A11

OP/ED

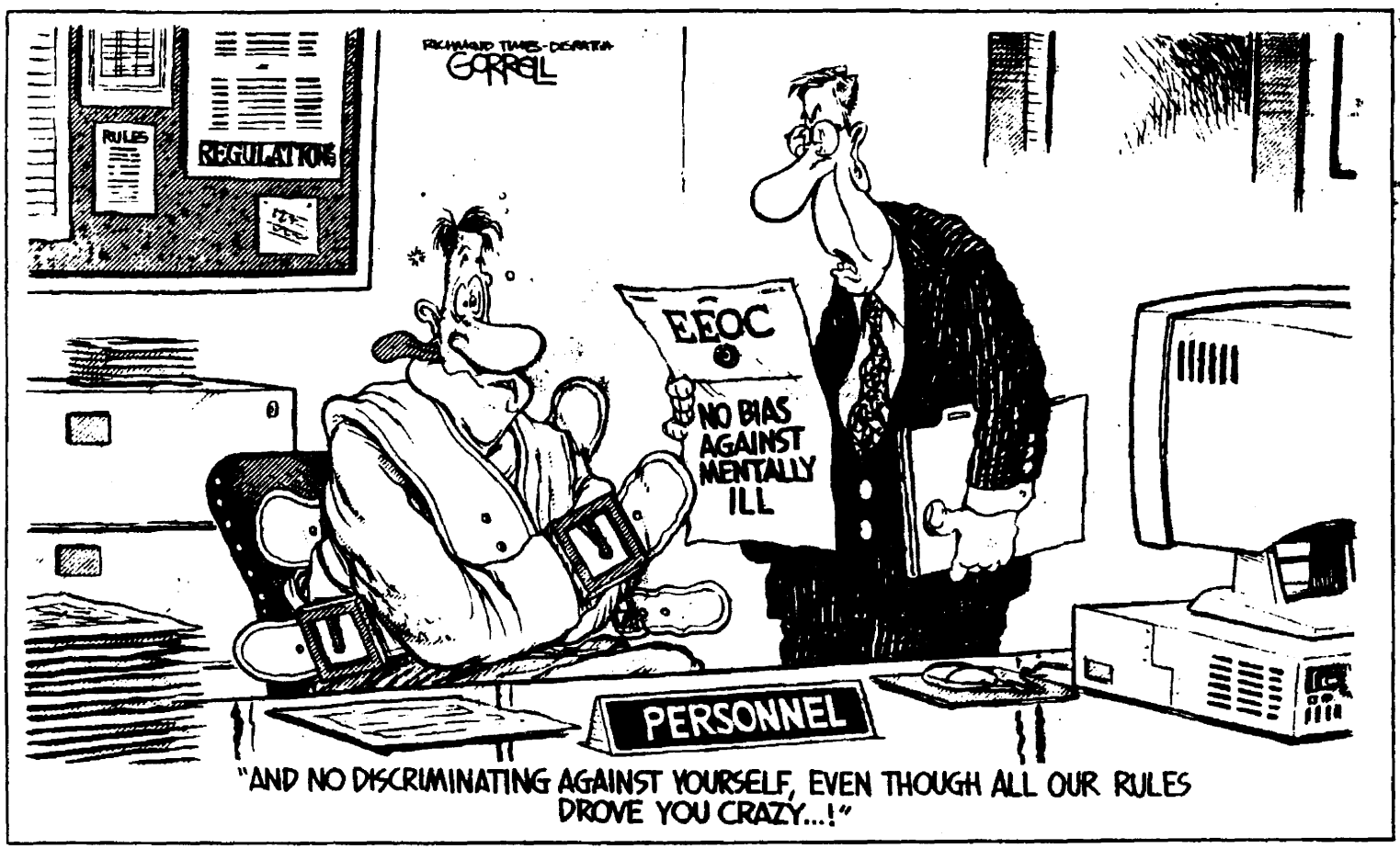
Muddle America / *Gorrell & Brookins*

"This man suffers from split-personality .... You're required to pay him twice!"

'TORIAL PAGE

5/4/97

RICHMOND TIMES-DISPATCH



LETTERS TO THE EDITOR