



# Investing In America

The Public Vocational Rehabilitation Program -  
Stimulating the Employment of Americans with Disabilities

*"I'll fight to increase funding for vocational rehabilitation programs that provide the training and job support necessary for success in college and beyond... Because too many persons with disabilities still face barriers to employment due to discrimination, I'll strengthen anti-discrimination enforcement by increasing funding for our nation's civil rights and compliance agencies. And I will make the government a model employer, beginning with an Executive Order to hire 100,000 employees with disabilities into the federal workforce within five years."*

- Senator Barack Obama, July 26, 2008

THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 WAS SIGNED INTO LAW BY PRESIDENT BARACK OBAMA ON FEBRUARY 17, 2009, ALLOCATING \$540 MILLION FOR VOCATIONAL REHABILITATION.

2009



2010

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### Investing in America

*The Public Vocational Rehabilitation Program – Stimulating the Employment of Americans with Disabilities*

#### ★ Situation Analysis

People with disabilities have a history of low employment; estimates state as many as 70% of people with disabilities are not in the workforce and that a majority of these unemployed people want to be working. Many of those who are employed, are working in part-time positions or struggle to find ways to survive on low paying positions without benefits. A high percentage of the population lives below the poverty line. Individuals with disabilities who receive government support through programs such as Social Security and Medicare/Medicaid want to work but are not able to acquire positions that pay enough or provide the medical care they need. Though people with disabilities want to leave the rolls of government programs, their survival depends upon the medical support offered through those systems.

The Bureau of Labor Statistics (BLS) reported that in December 2008 the unemployment rate for people with a disability was 12.3% which rose to 13.2% in January 2009 (not seasonally adjusted). As a comparison, it was reported that the unemployment rate for people without a disability was 6.9% in December 2008 and 8.3% in January 2009. The percentage of people with a disability who are unemployed is nearly double that of individuals who do not have a disability. **However, what is most disconcerting within the new statistics is that the unemployment rate for people with disabilities is based on only 23% of the population of individuals being in the labor force, as opposed to nearly 71% of individuals without disabilities.**

The population of people with disabilities continues to increase as more individuals survive accident, illness and trauma. There is also a rise in prenatal conditions, and without sufficient health care in poor communities childhood illness and disease such as diabetes are on the rise. Autism, learning disabilities and attention deficit disorders are seen in increasingly high levels in the K-12 school system. Disability is also prevalent in veterans who are returning home from the conflicts in Iraq and Afghanistan as well as those at home who are living with disabilities that are service or non-service connected. With the aging population and the current economic conditions, many people are forced to work longer because they lack or have lost their retirement. The aging workforce is growing and predicted to continue to increase as people work well into their 70's and beyond. This workforce requires a unique approach to workplace accommodations as they and their employers work through issues related to physical limitations and sensory disabilities involving vision and hearing. All of these individuals are potential consumers of the Public Vocational Rehabilitation program.

#### ★ Public VR & The Rehabilitation Act

The Public Vocational Rehabilitation (Public VR) program was

established by Congress in 1920 as a state-federal partnership to assist eligible individuals with disabilities to achieve gainful employment and to live more productive lives in the community. Each year the VR program serves approximately one million consumers with disabilities in multi-year career plans.

The Rehabilitation Act of 1973 (the Act), as amended, authorizes and funds a comprehensive array of programs to assist individuals with physical and mental disabilities to maximize their employment and to achieve economic self-sufficiency, independence, inclusion and integration into society.

There are seven Titles in the Act. Each of these Titles addresses an area of need and establishes programs that Congress designated to provide comprehensive services to support the employment and independence of people with disabilities.

**Title I** authorizes the Public VR program which includes a consumer run State Rehabilitation Council, the Client Assistance Program and funding under VR services grants which incorporates the American Indian Rehabilitation program. **Titles II through VII** define the program's service delivery in terms of research and training; professional development and training of qualified staff; authorizes the National Council on Disability to advise the President, Congress and other leaders on the development of programs under the Act; access to services; programs to create employment opportunities and work in conjunction with the VR program; and, independent living services. Together these Titles address the various facets of individual need and the development of staff, programs and services that support the employment and independence of people with disabilities.

Public VR funded under Title I of the Act is the primary federal program assisting individuals with disabilities, including individuals with the most significant disabilities, in securing competitive employment. Congress designated the Public VR program as a mandatory partner in the One-Stop service delivery system created under the Workforce Investment Act of 1998 (WIA).

#### ★ Evolution of The Rehabilitation Act

Since the inception of the the Rehabilitation Act in 1920 (known originally as the Smith-Fess Act), the public perception of disability has changed significantly. We have much greater expectations for people with disabilities, and understand that most of these individuals have the capacity to be, and want to be, important contributors to our workforce.

In response to these changing perceptions, Congress has made the Act viable and expandable by amending it to include not only those with physical disabilities, but also the following individuals: those with intellectual disabilities (mental retardation), mental illness and blindness; people with the most significant disabilities; and, American Indians and Migrant and Seasonal Farm workers.

Over time, additional requirements were added to the Act to provide supported employment to people with the most significant disabili-



ties, require state agencies to focus on competitive employment as the primary outcome of the VR program, serve students with disabilities who are transitioning from school to work, enhance partnerships between state VR agencies and their workforce partners, and ensure that VR agencies employed qualified staff.

### ★ VR: Challenges and Opportunities

- *Cost of Living Adjustment (COLA) has not kept pace with the increased demand for VR services, as well as the faster growing costs of health care and education.*
- *Despite the successes of the VR program, it faces an increased demand for services during the daunting challenges of the current economic downturn.*
- *Funding shortfalls have resulted in states having to implement an Order of Selection (OOS), meaning individuals with the most significant disabilities must be selected first for the provision of VR services.*
- *With the already high unemployment rate for people with disabilities expected to grow even faster in today's difficult economy, the demand for VR services will grow proportionately.*
- *VR's outcomes must be different; taking into account the characteristics of the population VR serves who require longer-term and more supportive services.*
- *A significant majority of one-stop centers lack the adaptive technology necessary for consumers with significant disabilities such as blindness and cerebral palsy to access the resources of the one-stop self service centers.*
- *The federal government spends approximately \$200 billion a year on various types of assistance for individuals with disabilities. Of that, less than \$3 billion is appropriated to address the employment and training needs of individuals with significant disabilities.*
- *Ninety percent of Ticket to Work tickets were deposited with VR agencies, taxing VR resources. Further, the initial Ticket to Work regulations provided too little financial incentive for employment programs, known in the law as Employment Networks, to participate, and worse, made it impossible for VR agencies and those Employment Networks to function cooperatively.*

### ★ The American Recovery and Reinvestment Act of 2009 & Public VR

The American Recovery and Reinvestment Act of 2009, which was passed by the Congress and signed by President Barack Obama, has targeted \$540 million of valuable federal monies to enhance the Public Vocational Rehabilitation program which, with present monies, assists more than 200,000 people with disabilities to go to work each year. These individuals with disabilities who join the workforce earn, in their first year of employment, more than \$3

billion. This \$3 billion in earnings, when spent in the economy, creates 30,000 new jobs. The significance of this action by the federal government and the Congress cannot be understated.

*It is the first time in the history of the Public VR program as defined in the Federal Rehabilitation Act of 1973 that national policy clearly recognizes that this program, not only puts people with disabilities to work, but has the potential to create jobs in significant numbers at the same time.*

This significant achievement was made possible only through the advocacy and diligence of many people, including many members of the Senate and House of Representatives and their staffs, governors across the country, disability advocates, VR state directors and Council of State Administrators of Vocational Rehabilitation (CSAVR) staff.

As one example of the changing tide with regard to support for Public VR, it is interesting to note that the Legislature in **Massachusetts** added \$500,000 to the Massachusetts State Vocational Rehabilitation Program in 2006 as part of its economic stimulus package, and recently voted to add \$2.8 million in a supplemental budget to further enhance the program as administered by the Massachusetts Rehabilitation Commission (MRC). This action by the state demonstrates that Massachusetts has taken the lead, both at the Executive and Legislative level, to support the employment of people with disabilities for purely economic reasons.

In **California**, local education and county mental health agencies have supported the California Department of Rehabilitation (CA DOR) by pledging an additional \$4.8 million annually to expand vocational services to youth and adults with disabilities, resulting in 170 jointly funded cooperative programs. The federal VR stimulus funds will enable CA DOR to expand such partnerships to further address the needs of underserved populations in local communities with a particular emphasis on serving foster care youth, youth receiving SSI/SSDI benefits, and youth with severe and persistent mental illness.

Thus, governmental planning to encourage economic growth at both the state and federal levels have not ignored the largely untapped human resource, that being people with disabilities who want to work. The rates of poverty and unemployment of people with disabilities are among the highest of any demographic group measured by the government; yet most states have a lengthy waiting list for talented, trained and enthusiastic people with disabilities waiting to go to work. The cost to government, in cash and transfer payments to individuals with disabilities (upwards of \$20,000/year for each unemployed person with a disability), could be eliminated by their employment and contributions as tax paying citizens. Moreover, people with an income spend those earnings thus creating jobs for others.

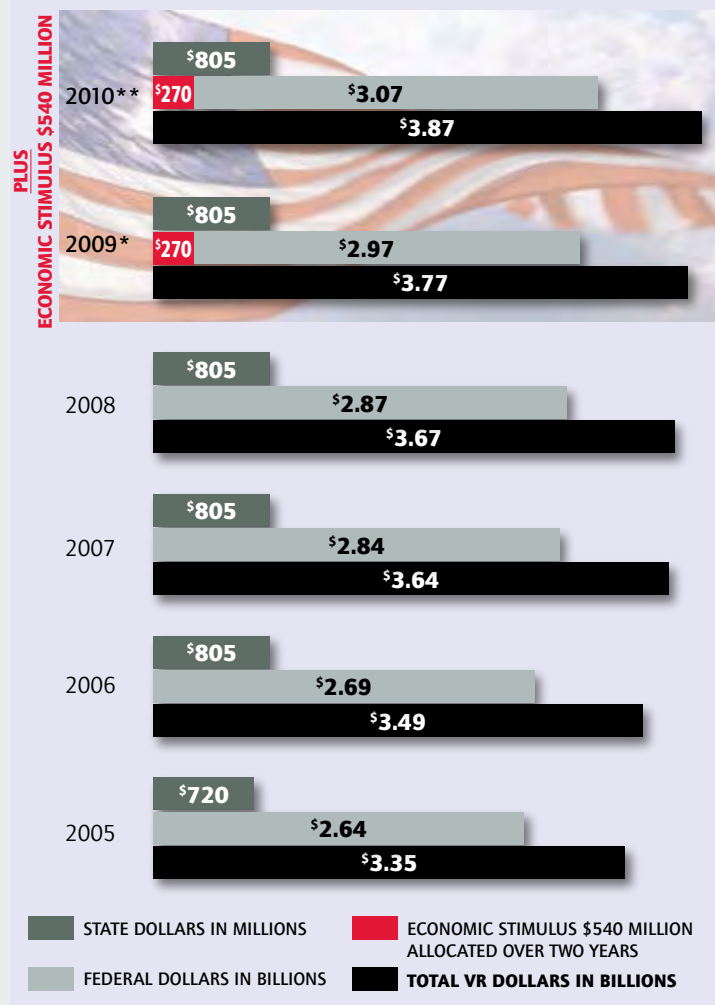
*The bottom line is, employing people with disabilities creates tax paying citizens. These individuals no longer require public assistance, and the economy is improved as a result.*



In 2007, the most recent year with available statistics, the national VR program assisted 205,414 people with disabilities to go to work with a budget of \$3.64 billion in federal and state dollars. The positive results and cost benefits demonstrated would seem to logically translate into sufficient federal and state funding of the VR program to assure those people with disabilities who want to go to work are able to do so. Yet, the funding history of the VR program at all levels has been to appropriate only enough money to meet the statutory COLA requirements of the federal law and the state matching requirements. As a result, two-thirds of the state VR agencies are restricting services to people with only the most significant disabilities in order to live within increasingly inadequate budgets.

This additional \$540 million appropriated nationally, over and above the funds presently available will result in approximately 30,000 additional people with disabilities finding careers and contributing to the economy nationally. Their projected lifetime earnings through employment would generate more than \$3 billion in state and federal taxes and about 30,000 new jobs in the economy.

### Federal / State Funding - Public VR • Economic Stimulus



### ★ VR – Employer Partnerships

Over the years, state VR agencies have worked hard to develop stronger relationships with the business community. Recently the CSAVR has created a National Employment Team (NET) that is a network of the 80 state VR agencies and their employer partners to focus on increasing the employment of VR consumers. The NET has working partnerships with major corporations such as Walgreens, Safeway, Convergys, Microsoft, and also with federal agencies such as the Internal Revenue Service (IRS) and the Department of Transportation (DOT), to name a few.

Through the coordinated national team, VR's relationship with business effectively meets their employment needs while it incorporates "real time" information from employers into VR's career planning and Individualized Plan of Employment (IPE) process with consumers. This upfront work with business opens the doors to national employment opportunities for VR consumers. In essence, VR is partnering with business to meet their employment needs by matching them with the goals of individuals and providing training and support services that result in the success of both the employee and the employer. This ties the two customers together.

*Referring to Walgreens' request for support from VR, Randy Lewis, Senior Vice President, Logistics and Operations said, "You know what their (VR) reaction was? Go baby, go. Go baby, go. Complete support!"*

*"We appreciate the recognition and are proud of our longstanding partnership with the vocational rehabilitation agencies, which continue to be a valuable hiring resource," said Safeway Chairman, President and Chief Executive Officer, Steve Burd. "These are among our most productive employees, and we intend to build on this important program as a way of raising awareness and supporting people with disabilities."*

*"Our partnership with CSAVR/NET is such a win for Convergys because diversity is one of our corporate values. More companies are realizing that expanding the diversity of their workforce by hiring employees with disabilities is not just the right thing to do – it's also the smart thing to do." Carol Irwin, Regional Senior Manager, Recruiting.*





### ★ Public VR Success Stories

#### VR Pharmaceutical Employee: Iowa

Penny Ledbeter never thought she would be among those honored recently by the Iowa Vocational Rehabilitation Services, Mason City, Iowa office. The Charles City woman came to IVRS in August 2007 because she needed assistance after being fired from numerous jobs. Penny has a reading disability and problems with short-term memory.



"I went through job after job," she said. "I'd tell employers I have a disability and they'd tell me it's OK and would work with me. But then when my disability showed itself a few times, I'd be out the door. They didn't take the time to help me work through things. Bosses don't like it when you can't remember what they told you five minutes ago."

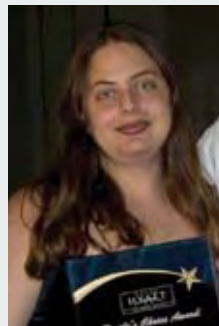
Being fired left Penny with very little confidence and self-esteem – her biggest problem, said Mary Ott, her IVRS counselor. They worked together and figured out what her needs were and what type of job Penny would like to do. Penny was trained as a medical assistant, but found the job very challenging although she still wanted to pursue something medical-related.

With the help of IVRS, Penny applied at Hy-Vee and got a job working in the pharmacy where she has been ever since. Her job involves being a cashier and pulling drugs for the pharmacists. It took her a while and a lot of repetition to catch onto the job, but now she excels at it.

"I love it," Penny said. "Anything having to do with the medical field I love."

#### VR Transition Student: Florida

In June of 2002, Tara Gilio was an 18-year-old exceptional education student graduating with a special diploma. Tara lived in Hudson, Florida - a small town about an hour north of Tampa. She participated in classes for students with specific learning disabilities due to severe processing deficits that limited her reading and writing to 4th grade levels. Although she was an outgoing young lady, she knew that she would not qualify for traditional post-secondary programs - such as a vocational/technical school or community college.



During her senior year in high school, Tara met her vocational rehabilitation counselor who specialized in Transition and School to Work students. Her VR counselor quickly identified Tara's interest in foodservice and referred her to a short-term alternative culinary training program for persons with disabilities, located at

the Grand Hyatt Tampa Bay, a program developed in collaboration with Florida's VR program.

The VR counselor included the training in Tara's Individual Plan for Employment and agreed to pay the tuition for the program. The Executive Chef saw Tara's potential and offered her a job.

Since then, Tara has been promoted twice and she enjoys all of the benefits of working for a major employer. This includes medical insurance, free meals, free uniform cleaning and free rooms. She also enjoys training and inspiring new students as they enter the training program. Tara married in 2005 and is the proud mother of a two-year-old daughter. She and her husband recently purchased their first home and Tara continues her employment at the Grand Hyatt Tampa Bay.

#### VR and Veterans: Alabama

Marine Lance Corporal Corey Webb had been in Iraq for two weeks when he was injured after his unit came under enemy fire. The Springville, Alabama man sustained a broken collarbone and a leg injury that would later require amputation. When he returned home, Corey tackled his recovery with the "can do" attitude that he had learned as a Marine. He was a bit lost, though, when it came to returning to the workplace. Prior to his deployment, the young man was preparing to begin work as a lineman for Alabama Power Co., but after his injury it was clear he wouldn't be able to perform the duties of that job.



Despite that, he was determined to work with the company. Alabama Power referred Corey to Alabama VR for assistance in finding a place with the company. Peggy Anderson, the statewide coordinator for employer development, and Kristie Grammer, a rehabilitation counselor and the department's V.A. liaison in the Birmingham area, worked diligently with Alabama Power to find Corey a position. He eventually was hired as a dispatcher in the company's appliance sales division. Within a few months, he departed for the Anniston Army Depot, where he is a property management specialist.

Today, with VRS' support, the 25-year-old is pursuing a bachelor's degree at Jacksonville State University. He's grateful for the assistance he has received through VRS, which he praises for being a "single point of contact." "It's so much simpler," he said. "If I need anything, I know I can call VRS."



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