
Report to Michigan on Recommendations for Systems Transformation Related to Employment First

Prepared in support of the Employment First State
Leadership Mentoring Project(EFSLMP)

U.S. Department of Labor, Office of Disability
Employment Policy (ODEP)

September 30, 2015

employment^{1ST}



Table of Contents

U.S. Department of Labor, Office of Disability Employment Policy (ODEP) -
Prepared in Support of the Employment First State Leadership Mentoring Project
(EFSLMP) - Report to Michigan on Recommendations for Systems Transformation

State of Michigan - A Vision for Transition for Youth with Disabilities..... 5

Introduction.....5
Overview of the Vision Document5
Transition in Michigan: Opportunities and Challenges7
 Opportunities7
 Challenges.....8
The Michigan Vision for Transition.....9
 Core Principles9
 Recommendations: Realizing the Michigan Vision for Transition to Employment10
Transition: Legislative and Policy Framework12
 Federal Laws.....12
 State Regulations16
Michigan Agency Roles in Transition.....17
Michigan Rehabilitation Services Statewide Efforts and Best Practices19
Application of Career Theory to Transition20
References and Resources21

State of Michigan - Provider Transformation - Landscape Report..... 23

Process23
Impressions of provider agency participation24
Systems barriers or concerns – impressions24
Summary26

**State of Michigan - Recommendations for Rate and Reimbursement
Strategies to Support Competitive Integrated Employment
Outcomes within Medicaid Managed Care 29**

Introduction and Overview.....29
Key Findings.....30
Recommendations.....31

Capacity Building Recommendations for Michigan..... 34

Observations based on staff development efforts in Michigan to date34
Recommendations.....35

Acronyms used in this Report..... 36

State of Michigan A Vision for Transition for Youth with Disabilities

This report has been developed by David Hoff, National EFSLMP SME, for the Office of Disability Employment Policy (ODEP) under the US Department of Labor.

Introduction and Overview

Introduction

It is generally agreed that the ability to have an adult life characterized by financial well being, self-direction, self-determination, and richness of experiences is highly dependent on an individual's ability to utilize his/her skills and talents to engage in a successful career path. Simply put, finding and maintaining successful employment is central in reaching these goals. The experiences of young people during their teenage years and transition from school to adulthood, will heavily influence and impact their success as adults in terms of employment, and in turn many other aspects of their lives. Working affects financial security, personal relationships, community engagement, and numerous other aspects of personal well-being.

It is difficult to argue against the notion that the ability to become employed and have a successful career path is central to success for most adults. Yet in Michigan, only 30% of adults with disabilities are employed (source: U.S. Census), and as a result, many Michigan residents with disabilities are unable to enjoy the financial stability and other benefits of stable employment. While this 30% employment rate is reflective of the national average, it is clear that in Michigan as in the nation as a whole, that there is considerable room for improvement. As recently stated by Governor Rick Snyder, "People with disabilities have much to offer our great state and should be provided the same opportunities for employment as everyone else."

For young people with disabilities, a key focus during their teenage years is on "transition" – i.e., the process

for preparing young people to go from school to adult life. Numerous federal and state laws and regulations provide the parameters for transition of young people with disabilities. In Michigan, there are many promising practices and pockets of excellence in terms of transition. However, the current low employment rate for adults with disabilities in Michigan, clearly points out the need for a much stronger emphasis on preparing young people with disabilities, including those with very significant disabilities, to become successfully employed as adults. If progress is going to be made to increase the percentage of Michigan's citizens fully participating in the workforce, then Michigan's entire transition system must better and more consistently prepare young people with disabilities for the world of work.

Overview

This document is intended as guidance for public agencies, educators, and policymakers. It lays out a vision for the ideal system of transition in Michigan, and proposes policy action items for the transition system that will result in better preparation of youth for employment success as adults. It was developed as a result of Michigan's participation in the Employment First State Mentoring Program, funded by the US Department of Labor, Office of Disability Employment Policy (ODEP). This program supports ODEP's goal to:

"invest in systems change efforts that result in increased community-based, integrated employment opportunities for individuals with significant disabilities. This priority reflects growing support for a national movement called **Employment First**, a framework for systems change that is centered on the premise that all citizens, including individuals with significant disabilities, are capable of full participation in integrated employment and community life. Under this approach, publicly-financed systems are urged to align policies, service delivery practices, and reimbursement structures to commit to integrated employment as the priority option with respect to the use of publicly-financed day and employment services for youth and adults with significant disabilities."

www.dol.gov/odep/topics/EmploymentFirst.htm

This guidance comes from nearly a year of work that included:

- A comprehensive, written analysis of the current policy landscape in Michigan (Employment First State Leadership Mentoring Program - Vision Quest 2015 – Landscape Assessment - Policy Analysis and Recommendations) that considers potential opportunities presented by the Workforce Innovation and Opportunity Act (WIOA) enacted in July 2014. The analysis places a particular focus on WIOA's impact on transition, and goes into a high level of data

regarding actions steps for implementation of WIOA, and the current status of employment of citizens with disabilities in Michigan.

- A daylong facilitated discussion involving a cross-section of stakeholders in May 2015, that examined the current status of transition in Michigan and identified areas of success, challenge, and opportunity, resulting in a framework for a vision of transition in Michigan. This was supplemented by interviews with a series of key stakeholders.
- Extensive review of a wide series of policy documents and information.

While there are many aspects of the transition system that prepares young people for adult life, this guidance document is focused on employment. The primary focus of the ODEP initiative under which this work has been accomplished supports increasing employment. However, as discussed at the beginning of this document, there is recognition that preparation for employment and a successful career must be the centerpiece of any successful transition process for any young person with or without a disability. Employment cannot and should not be viewed as an optional part of transition for students with disabilities, or a side issue that may or not be dealt with. Employment is the ultimate outcome of a successful transition system for any young person – including those with disabilities.

This document is intended as a roadmap for transition in Michigan: where it is currently, and where it needs to go. It includes:

- Background on the issues, challenges, and opportunities for transition in Michigan.
- A vision for transition in Michigan with key principles.
- Recommendations for guidance and policy within which to make this vision a reality.
- Information on the structure of transition in Michigan from a statutory/regulatory perspective, and the roles of various public agencies.
- A summary of Michigan Rehabilitation Services transition statewide efforts and best practices
- Background on career development theory and its application to students with disabilities.

The Workforce Innovation Act (WIOA), passed by Congress in July 2014, is currently in the process of being implemented in the State of Michigan. WIOA includes a number of new requirements focused on transition and services for youth that are intended to ensure that young

people with disabilities embark on successful career paths. Highlights of these requirements includes:

- A requirement that each state must use 15% of its Title I public Vocational Rehabilitation (VR) funding (\$90.5 million in Michigan in FY 2014), supplemented with other funding as necessary, for pre-employment transition students all students with disabilities in need of these services.
- A requirement that 50% each state's VR supported employment state funding (\$760,000 in Michigan in FY 2014) be used for youth (age 14 to 24) with the most significant disabilities, with an allowance for up to 4 years of extended post-placement supports funded by VR.
- Enhanced eligibility for individuals with disabilities for workforce development youth services (Title I of WIOA) available to young people up to age 24, with an enhanced menu of services for all eligible youth.
- A series of requirements to be undertaken by public VR, starting in July 2016, for young people age 24 and under, prior to placement in sub-minimum wage employment, including either an unsuccessful VR case closure or determination of ineligibility for VR services, and referral for additional services to assist the individual to achieve competitive integrated employment. This provision also prohibits schools, as of July 2016, to contract with service providers to pay individuals sub-minimum wage.

The passage and implementation of WIOA provides a wonderful opportunity and catalyst to make significant forward progress on a transition system where all young people with disabilities are well prepared for the world of work. The recent proposed regulations for WIOA implementation, stated “that individuals with disabilities, including those with the most significant disabilities, are capable of achieving high quality, competitive integrated employment when provided the necessary skills and supports”. In addition, the proposed regulations went on to state, “Congress makes clear that youth with significant disabilities must be given every opportunity to receive the services necessary to ensure the maximum potential to achieve competitive integrated employment.” This document is intended to serve as guidance for policymakers and administrators in ensuring that all young people are truly given “every opportunity”.

Transition in Michigan: Opportunities and Challenges

The following sections summarize the current opportunities and challenges in Michigan in terms of transition. This information was generated primarily via discussions and interviews with a broad range of stakeholders in Spring 2015

Transition in Michigan is in many ways reflective of the opportunities and challenges of transition nationally. These include:

- The locally driven nature of public education, which allows for a process that is reflective of the local community and culture, but which also provides significant challenges in terms of consistency.
- Student needs are very diverse, and the transition process should be tailored for each individual based on their needs, while balanced with the need to have clear guidance that applies to all students.
- The Federal special education law and regulations (IDEA) contain a series of requirements regarding transition services and planning, but are limited in specific requirements for career preparation and employment experiences, and provide limited guidance for the parameters of the roles schools and other public agencies in supporting employment.
- The rich diversity of the state, ranging from highly urban areas to remotely rural, includes a wide range of socio-economic conditions, cultures, and wide variations of resources, opportunities, culture of employment, and views of disability.

A unique aspect of transition in Michigan, is that students in special education are entitled to a public education until high school graduation or age 26, as compared to age 22 under federal law. (Most states use the federal standard, and Michigan has the highest maximum age.) This higher age limit can pose both opportunities and challenges: it extends the entitlement for services and supports, however it can also delay the actual process of transition into adulthood.

Opportunities

Stakeholders identified the following opportunities in terms of transition in Michigan:

- **Areas of strength:** Some areas of the state have an effective transition system in achieving employment outcomes, characterized by a clear focus on employment, clarity of roles, and strong local collaboration between schools and other partner agencies.
- **Local Transition Teams:** Michigan has a system of local Transition Teams including Transition Coordinators, Michigan Rehabilitation Services (MRS)

and Bureaus of Services for Blind Persons (BSBP) Counselors assigned to each of the Intermediate School Districts providing an infrastructure to build upon in terms of an employment focus.

- **Improving economy:** While Michigan has areas that are experiencing significant economic challenges, in general the overall improving economic conditions present greater opportunities for young people with disabilities to enter and gain experience in the labor market.
- **WIOA Mandates:** The implementation of the Workforce Innovation and Opportunity Act (WIOA) and the new responsibilities and opportunities for public Vocational Rehabilitation agencies (MRS and BSBP) under WIOA in terms of transition, along with increased roles for the workforce development system, can be a catalyst for improving transition efforts.
- **Common performance measures under WIOA:** New performance objectives in WIOA will necessitate tracking new data elements across the core programs creating increased collaboration and a new emphasis on obtaining information regarding educational attainment, post-secondary credentialing and long term employment outcomes.
- **Revamping of data system:** Michigan is in the process of undertaking a major revamping of its data system that will result in stronger tracking of performance and outcomes in terms of transition and employment.
- **Increased VR presence in business:** MRS and BSBP have been working with numerous entities on the development of a strong VR presence with businesses.
- **Improvement in getting federal VR funds:** MRS does not currently draw down its full allotment of federal fund due to a lack of a full state match (states must provide \$1 for every \$4 in federal Title I Vocational Rehabilitation funds); however, MRS has recently made significant progress on this issue recently, garnering funds from local sources as well.
- **National efforts:** The emphasis on employment of people with disabilities at the national level through a variety of actions is creating a context and catalyst for increased emphasis on employment within transition. Beyond WIOA, these actions include: the National Governor's Association "Better Bottom Line Initiative"; the Centers for Medicare and Medicaid Services (CMS) emphasis on use of Medicaid funding to support

integrated employment; new requirements for federal contractors to employ individuals with disabilities; and, the U.S. Department of Justice emphasis on the need for states to support individuals in integrated employment in compliance with the U.S. Supreme Court's Olmstead decision.

Challenges

Stakeholders identified the following as challenges to transition in Michigan.

- **Inconsistency:** While there are pockets of excellence, transition is often inconsistent, particularly in terms of its focus on employment. Transition programs and services vary from community to community, in part based upon availability and skill level of service providers, transportation, employment opportunities, etc.
 - **Fragmentation:** The system is often fragmented, partners are not aligned, and funding and services are often in silos. This includes confusion and lack of clarity regarding the allowable roles of various public agencies.
 - **Lack of clarity on agency roles:** The specific roles of public agencies (e.g., MRS, BSBP, Community Mental Health, education, etc.) in terms of transition are often unclear, and there is a need for consistent guidance in that regard.
 - **Challenge of Transition Coordinator role:** The role of transition coordinator varies from district-to-district, and the wide variety of roles transition coordinators undertake makes it challenging to have a necessary focus on employment issues.
 - **Lack of accurate outcome data:** A lack of accurate data, particularly in terms of the outcome data required under IDEA (Indicator 14), prevents a clear understanding Michigan's transition performance .
 - **Lack of knowledge of best practices in employment:** There is a lack of consistent knowledge and understanding of best practices in employment among school staff, including transition coordinators.
 - **Limited public resources:** As with many public systems, resources are an ongoing challenge as staff supporting transition, Intermediate School District -ISD Transition Coordinators, VR Counselors, Community Mental Health Case Workers, etc.) are often spread thin
 - **WIOA mandates with no new funding:** WIOA requires that all students in need of Pre-Employment Transition services receive them, but provides no additional funding.
 - **Lack of appropriate work experience while in school:** A lack of work experience, particularly paid work experience, while still in school is a major issue. In addition, for those students who are getting employment experiences while in school, these experiences are often not person-centered in nature (i.e., not based on the specific interests and abilities of the student), and may consist of inappropriate types of experiences (i.e., work experience in a facility-based segregated disability program, working for no pay in a non-volunteer position, etc.).
- **Lack of emphasis on employment within transition process:** Transition encompasses a wide array of issues to prepare young people for adult life, and as a result there can be a lack of consideration of employment. Too often young people with disabilities, particularly those with the most significant disabilities, reach the end of high school with little, if any focus on preparation for employment and careers.
 - **Emphasis on employment readiness:** There is too often an emphasis on students needing to be "ready" for employment prior to pursuing actual employment experiences.
 - **Lack of information for families:** The ability of families to get consistent information that is user-friendly and helps them understand the complex systems with which they and their child will be interacting so they may plan appropriately.
 - **Need for earlier engagement:** Systems need to develop strategies early in the transition process to engage families and students in pursuing and receiving transition services and navigating these complex systems.
 - **Benefit issues:** The myths and realities of public benefits are often a disincentive to employment for students and families.
 - **Limited expectations:** A culture within schools, public systems, and families often does not promote the belief that youth can become employed, particularly for young people with more significant disabilities, creating an atmosphere of limited expectations.
 - **Lack of consideration of employment from an early age:** Even at an early age, it is typical to ask a child, "What do you want to be when you grow up?". There is a need for a similar mindset for students with disabilities, including those with the most significant disabilities.

The Michigan Vision for Transition to Employment

To address the existing opportunities and challenges for transition, the following outlines the vision for transition to employment for young people with disabilities in Michigan. As a vision document, the intent is to provide a benchmark for what the transition system in Michigan aspires to become, to ensure that youth with significant disabilities have every opportunity to achieve competitive integrated employment

Vision:

Every student with a disability in Michigan will leave school prepared to succeed in competitive integrated employment.

Core Principles:

1. As with other students, students with disabilities will begin school and grow up with an expectation of employment success as an adult.
2. All transition-age youth will have an integrated, post-secondary employment outcome identified in their Individualized Education Plan (IEP) and a coordinated set of services to help achieve that outcome.
3. Career development and employment will be addressed annually within the IEP for every student starting no later than age 14. In instances where it has been decided not to address career development and employment, the rationale will be fully documented, with specific barriers identified and a plan developed to address those barriers and develop alternatives.
4. Students with disabilities will engage in standard adolescent and young adult career exploration and employment experiences, such as job tours, job shadowing, informational interviews, volunteer work, internships, apprenticeships, and paid employment, within a context of presumed readiness for employment.
5. Transition activities related to employment will be reflective of the development stages of career development, and promising and best practices in career development for all adolescents and young adults.
6. Career exploration and employment experiences while in school will be based on individual student preferences and interests, aligned with appropriate Transition Assessments to support planning for post-secondary life.
7. Every student with a disability will leave school having had a successful paid individualized competitive integrated employment experience.
8. Experiential work-based learning activities in competitive employment settings that are fully integrated within the community will be the primary avenue for career exploration and development.
9. Students with disabilities will be fully included in career exploration and development activities/services that are available to all students, with accommodations provided as necessary to ensure full inclusion; career exploration and development activities/services specifically for students with disabilities will be considered a supplement not a replacement for generally available activities/services.
10. Transition services will assist students in providing initial experience and guidance on a career pathway.
11. As with all students, the goal of transition will be to maximize the young person's economic and personal self-sufficiency as an adult.
12. Connecting with community resources and natural supports will be a core aspect of transition, with the goal of developing skills in maximizing the use of these supports as an adult, supplemented as necessary by paid supports.
13. Information on transition services, that includes encouragement and promotion of competitive integrated employment, will be provided to students and families in a user-friendly way to ensure informed choice and easy access to effective transition services.
14. As with all other students, full consideration of post-secondary education and training options will be incorporated within the transition process.
15. Services related to transition and employment will be reflective and respectful of the cultural context of the student and their family.
16. Information and assistance on management of public benefits will be readily available for all students and families, within a context that encourages maximizing earnings and employment, while maintaining necessary public benefits.
17. Transition will be tracked via a data system that accurately reflects transition activities and outcomes in terms of employment experiences, wages, retention, etc.
18. Quality transition activities and services reflective of this vision and principles will be consistently available throughout the state of Michigan.
19. Transition activities and services throughout Michigan will be provided within a context of continuous quality improvement, based on this vision and principles.

Recommendations: Realizing the Michigan Vision for Transition to Employment

Realizing the vision for transition requires a multi-tier approach that comprehensively addresses issues at a state, regional, and local level. Such an effort must be built on a core of clear policies that support and are aligned with this vision. The following outlines areas of policy development and guidance for consideration in support of the implementation of this vision, within the context of WIOA implementation. In no way is this listing considered absolutely comprehensive. In addition, any policy development and directives must occur within the context of overall and ongoing systems change efforts that address the full range of policy, procedure, and practice issues that will make the vision of transition a reality.

1. Policy directive on vision from State

Education Agency: Develop a policy directive from the state education agency that outlines the vision for transition, within the overall context of Employment First (i.e., individual integrated employment is the first and preferred outcome for individuals with disabilities, regardless of level or type of disability), with an expectation and presumption that all students with disabilities can become successfully employed. This would include a policy directive that specifies all transition-age youth will have an integrated, post-secondary employment outcome, or outcomes identified in their Individualized Education Plan (IEP) and a coordinated set of services to help achieve that outcome.

2. Awareness of LEAs regarding Expanded VR

Role in Transition: Develop a joint issuance from MRS/BSPP and the State Education Agency to Local Education Agencies regarding the expanded role of MRS/BSBP in transition, and specifically pre-employment transition services, that includes guidelines for determination of students in need of pre-employment transition services, and aligns with the vision of transition.

3. SEA Policy on Implementation of 511 of WIOA:

Develop a policy issuance from state education agency regarding Section 511 of WIOA, including the responsibilities of local education agencies to ensure all required steps have been undertaken prior to placement of a youth with a disability into sub-minimum wage employment, and the prohibition on schools contracting with organizations to pay individuals sub-minimum wage.

- Changes in Competency Requirements for Transition Coordinators:** Consider changing the policy regarding competency requirements for Transition Coordinators to include competencies related to assisting young people to succeed in competitive integrated employment.
- MOU between SEA and VR:** Develop an MOU between state education agency and VR agencies (MRS, BSBP) that specifically addresses the overall parameters of the roles of each agency within the transition process, incorporates the various inter-agency requirements of WIOA, including the respective roles of each entity in the delivery of pre-employment transition services, to be used as a model for local agreements.
- MOU Between SEA and BHDDA:** Develop a MOU between the state education agency and Behavioral Health and Developmental Disabilities Administration (BHDDA), in terms of the role of Community Mental Health Service Programs (CMHSPs), that outlines the parameters of CMHSPs in terms of engagement in transition services and support for employment, and the specific role of CMHSPs that compliments the role of education agencies and MRS/BSBP.
- MOU Between WDA and VR:** Develop a MOU between the Workforce Development Agency and MRS/BSBP regarding cooperative role of Workforce Development Agency and Michigan Works! in support of transition, that includes parameters mutual cooperation and support in access to the services for youth from each respective agency, which can serve as a template for agreements at the local level.
- WDA Guidance on Transition:** Develop a policy issuance/guidance from the Workforce Development Agency regarding the role of workforce development in supporting transition of youth with disabilities, including youth services for younger and older youth, and the role of Michigan Works! Service Centers, in support of the new requirements for transition under WIOA. This would include clear policies regarding identification of accommodations and support needs for young people with significant disabilities participating in these youth programs, and

the opportunity to partner with disability entities for assistance and support.

9. **Full State Match for VR Funds:** Ensure sufficient allocation of funds in order for MRS to consistently receive its full allocation of federal Title IVR funds.

10. **Develop Benefits Assistance Infrastructure:** Develop policies and infrastructure regarding benefits assistance that ensures that benefits assistance that encourages employment and maximizing wages from employment, while maintaining necessary public benefits, is readily available on an ongoing basis to youth with disabilities and their families.

11. **Policy/Guidance on Unpaid Work and Volunteering:** Given the issues identified regarding potential inappropriate use of unpaid work experiences, develop a policy Issuance from the state education agency, MRS/BSBP, and Workforce Development Agency, with guidelines and directives regarding paid and unpaid work experiences, reinforcing federal and state regulations, and the appropriate role of volunteer work and unpaid work experiences as part of career development.

Transition: Legislative and Policy Framework

Underpinning transition services are a series of federal and state policies. The following outlines the major policies and the specific requirements of each in terms of employment. This information is being provided: a) as a reference for understanding the requirements of federal and state policies in terms of transition and employment; b) to assist in understanding both the opportunities and challenges within these policies, and for consideration of potential changes in policies to improve employment outcomes from transition.

Federal Laws

Individuals with Disabilities Education Act

(Applies to students with Individual Education Programs – IEPs)

Transition Services include improving the academic and functional achievement of the student to facilitate their movement to post-school activities, including integrated employment

The term “transition services” means a coordinated set of activities for a child with a disability that:

- Is designed to be within a results-oriented process, that is focused on improving the academic and functional achievement of the child with a disability to facilitate the child’s movement from school to post-school activities, including postsecondary education, vocational education, integrated employment (including supported employment); continuing and adult education, adult services, independent living, or community participation;
- Is based on the individual child’s needs, taking into account the child’s strengths, preferences, and interests; and
- Includes instruction, related services, community experiences, the development of employment and other post-school adult living objectives, and, if appropriate, acquisition of daily living skills and functional vocational evaluation.

[34 CFR 300.43 (a)] [20 U.S.C. 1401(34)]

IEP (Individual Education Program) must address transition no later than age 16, and must include goals related to employment, and the services needed to reach those goals

Beginning not later than the first IEP to be in effect when the child turns 16, or younger if determined appropriate by the IEP Team, and updated annually thereafter, the IEP must include:

- Appropriate measurable postsecondary goals based upon age-appropriate transition assessments related to training, education, *employment* and, where appropriate, independent living skills;
- The transition services (including courses of study) needed to assist the child in reaching those goals; and
- Beginning not later than one year before the child reaches the age of majority under State law, a statement that the child has been informed of the child’s rights under Part B, if any, that will transfer to the child on reaching the age of majority under §300.520 [see 20 U.S.C. 1415(m)].

[34 CFR 300.320(b) and (c)] [20 U.S.C. 1414 (d)(1)(A)(i) (VIII)]

Student must be invited to an IEP meeting where transition will be addressed

The LEA must invite a child with a disability to attend the child’s IEP Team meeting if a purpose of the meeting will be the consideration of the postsecondary goals for the child and the transition services needed to assist the child in reaching those goals under §300.320(b).

[34 CFR 300.321(b)] [20 U.S.C. 1414(d)(1)(B)]

State level funds may be used for transition

States may use state level funds reserved under §300.704(b) (1) for the development and implementation of transition programs, including coordination of services with agencies involved in supporting the transition of students with disabilities to postsecondary activities.

[34 CFR 300.704(b)(4)(vi)] [20 U.S.C. 1411(e)(2)(C)(vi)]

Other agencies likely to be responsible for providing or paying for transition services must be Invited to the IEP team meeting

If a purpose of a child's IEP Team meeting will be the consideration of postsecondary goals for the child and the transition services needed to assist the child in reaching those goals, the LEA, to the extent appropriate, and with consent, must invite a representative of any participating agency that is likely to be responsible for providing or paying for transition services to attend the child's IEP Team meeting. However, if the participating agency does not attend the meeting, the LEA is no longer required to take other steps to obtain participation of an agency in the planning of any transition services.

[34 CFR 300.321(b)(1) and (3)] [20 U.S.C. 1414(d)(1)]

Failure to meet transition objectives

If a participating agency, other than the school, fails to provide the transition services described in the IEP, the school must reconvene the IEP Team to identify alternative strategies to meet the transition objectives for the child set out in the IEP.

Responsibilities of other agencies

Nothing in this part relieves any participating agency, including a State vocational rehabilitation agency, of the responsibility to provide or pay for any transition service that the agency would otherwise provide to children with disabilities who meet the eligibility criteria of that agency.

Vocational Rehabilitation Services

Workforce Innovation and Opportunity Act

Title IV - Rehabilitation Act: Section 113

(Applies to students with IEPs and those Covered Under Section 504)

Definition of a Student with a Disability

The term student with a disability means an individual with a disability who

1. Is not younger than the earliest age for the provision of transition services under IDEA (age 16); or if the State involved elects to use a lower minimum age or receipt of pre-employment transition services under this Act, is not younger than that minimum age; and
2. Is not older than 21 years of age; or If the State law for the State provides for a higher maximum age for receipt of services under the Individuals With Disabilities Education Act (20 U.S.C. 1400 et seq.), is not older than that maximum age (in Michigan, age 26); and
3. Is eligible for, and receiving, special education or related services under part B of the Individuals With Disabilities Education Act (20 U.S.C. 1411 et seq.) or is an individual with a disability, for purposes of section 504.

Pre-Employment Transition Services

Each state must ensure that the state VR agency, in cooperation with the local educational agencies involved, will provide, or arrange for the provision of, pre-employment transition services for all students with disabilities in need of such services who are eligible or potentially eligible for services under this title, via 15% of each state's Title I Vocational Rehabilitation funding and any funds made available from States, local, or private funding services,.

Required Activities: Pre-Employment Transition Services

1. Job exploration counseling
2. Work-based learning experiences, which may include in-school or after school opportunities or experience outside the traditional school setting (including internships) that is provided in an integrated environment to the maximum extent possible;
3. Counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs at institutions of higher education;
4. Workplace readiness training to develop social skills and independent living; and
5. Instruction in self-advocacy, which may include peer mentoring.

Additional Allowable Activities: Pre-Employment Transition Services

Funds available after the provision of the required activities may be used for the following activities:

1. Implementing effective strategies to increase the likelihood of independent living and inclusion in communities and competitive integrated workplaces;
2. Developing and improving strategies for individuals with intellectual disabilities and individuals with significant disabilities to live independently, participate in postsecondary educational experiences, and obtain and retain competitive integrated employment;
3. Providing instruction to vocational rehabilitation counselors, school transition personnel, and other persons supporting students with disabilities;
4. Disseminating information about innovative, effective, and efficient approaches to achieve the goals of this section;
5. Coordinating activities with transition services provided by local educational agencies under the Individuals With Disabilities Education Act (20 U.S.C. 1400 et seq.);

6. Applying evidence-based findings to improve policy, procedure, practice, and the preparation of personnel, in order to better achieve the goals of this section;
7. Developing model transition demonstration projects;
8. Establishing or supporting multistate or regional partnerships involving states, local educational agencies, designated state units, developmental disabilities agencies, private businesses, or other participants to achieve the goal of this section; and
9. Disseminating information and strategies to improve the transition to postsecondary activities of individuals who are members of traditionally un-served populations.

Pre-Employment Transition Coordination

Each local VR office must carry out the following responsibilities:

1. Attending individualized education program meetings for students with disabilities, when invited.
2. Working with the local workforce development boards, one-stop centers, and employers to develop work opportunities for students with disabilities, including internships, summer employment and other employment opportunities available throughout the year, and apprenticeships.
3. Work with schools, including those carrying out activities under section 614(d)(1)(A)(i)(VIII) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)(1)(A)(i)(VIII)), to coordinate and ensure the provision of pre-employment transition services under this section.
4. When invited, attend person-centered planning meetings for individuals receiving services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

Coordination with Education Officials

The State plan must contain plans, policies, and procedures for coordination between the public VR agency and education officials responsible for the public education of students with disabilities, that are designed to facilitate the transition of the students with disabilities from school to the receipt of vocational rehabilitation services, including pre-employment transition services. This portion of the state plan must include information on a formal interagency agreement with the State educational agency that, at a minimum, provides for

1. Consultation and technical assistance to assist educational agencies in planning for the transition of students with disabilities from school to postschool activities, including vocational rehabilitation services;
2. Transition planning by personnel of the designated

State agency and educational agency personnel for students with disabilities that facilitates the development and implementation of their IEP;

3. The roles and responsibilities, including financial responsibilities, of each agency, including provisions for determining State lead agencies and qualified personnel responsible for transition services; and
4. Procedures for outreach to and identification of students with disabilities who need transition services.

Obligations of other agencies

Nothing in the Rehabilitation Act is to be construed to reduce the obligation under the Individuals with Disabilities Education Act (20 U.S.C 1400 et seq.) of a local education agency or any other agency to provide or pay for any transition services that are also considered special education or related services and that are necessary for ensuring a free appropriate public education to children with disabilities within the State involved.

Workforce Development Services

Workforce Innovation and Opportunity Act - Chapter 2, Sec. 126

(Applies to all out-of-school youth with disabilities ages 16 to 24, and eligible students with disabilities ages 16 to 26)

Eligibility criteria for out-of school youth services

- A. Age 16 to 24 and not attending school
- B. Fall within one or more of the following categories:
 1. Individual with a disability
 2. School dropout
 3. Not attended school for at least the most recent complete school year calendar quarter.
 4. A high school graduate who is: basic skills deficient; or an English language learner.
 5. Offender
 6. Homeless, runaway, or foster child
 7. Pregnant or parenting
 8. A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment

Eligibility criteria for in-school youth services

- A. Not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21; (In Michigan, an individual with a disability would be up to age 26)
- B. Low-income individual*
- C. Fall within one or more of the following categories:

1. Individual with a disability
2. Basic schools deficient
3. English language learner
4. Offender
5. Homeless, runaway, or foster child
6. Pregnant or parenting
7. An individual who requires additional complete an educational program or to secure or hold employment

* For an individual with a disability to be considered low-income, the individual's own income cannot exceed the higher of—

- (I) the poverty line; or
- (II) 70 percent of the lower living standard income level.

For individual's with disabilities, the family's income does not need to meet the requirement for low-income.

Additional eligibility criteria relevant to youth with disabilities

- Any youth who meets the income eligibility criteria for receiving cash payments under any Federal, State or local public assistance program (such as SSI benefits from Social Security), is eligible for youth services.

Required Program Elements

Youth programs are to provide program elements consisting of:

- A. Tutoring, study skills training, instruction, and evidence-based dropout prevention and recovery strategies that lead to completion of the requirements for a secondary school diploma or its recognized equivalent (including a recognized certificate of attendance or similar document for individuals with disabilities) or for a recognized postsecondary credential;
- B. Alternative secondary school services, or dropout recovery services, as appropriate;
- C. Paid and unpaid work experiences that have as a component academic and occupational education, which may include—
 - I. summer employment opportunities and other employment opportunities available throughout the school year;
 - II. pre-apprenticeship programs;
 - III. internships and job shadowing; and
 - IV. on-the-job training opportunities.
- D. Occupational skill training, which shall include priority consideration for training programs that

lead to recognized postsecondary credentials that are aligned with in-demand industry sectors or occupations in the local area involved, if the local board determines that the programs meet the quality criteria described in section 123;

- E. Education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;
- F. Leadership development opportunities, which may include community service and peer-centered activities encouraging responsibility and other positive social and civic behaviors, as appropriate;
- G. Supportive services;
- H. Adult mentoring for the period of participation and a subsequent period, for a total of not less than 12 months;
- I. Follow-up services for not less than 12 months after the completion of participation, as appropriate;
- J. Comprehensive guidance and counseling, which may include drug and alcohol abuse counseling and referral, as appropriate;
- K. Financial literacy education;
- L. Entrepreneurial skills training;
- M. Services that provide labor market and employment information about in-demand industry sectors or occupations available in the local area, such as career awareness, career counseling, and career exploration services; and
- N. Activities that help youth prepare for and transition to postsecondary education and training.

Definition of Individual with a Disability for Youth Services

The term "individual with a disability" means an individual with a disability as defined in section 3 of the Americans with Disabilities Act of 1990: an individual with a physical or mental impairment that substantially limits one or more major life activities; a record of such an impairment; or regarded as having an impairment.

State Regulations

Michigan Administrative Rules for Special Education

Transition Services

School districts must provide or contract for the provision of transition services, which must be supervised by a special education teacher. Professional special education personnel, a transition coordinator, or both, will coordinate transition services.

Worksite-Based Learning

For worksite-based learning, a written agreement/plan is required, to be signed by the student, parent, school, and worksite representative. The agreement is to include:

1. Expectations and standards of attainment
2. Job activities
3. Time and duration of the program.
4. Wages to be paid to the student, if applicable.
5. Related instruction, if applicable.

The superintendent of the school district will designate a staff member to visit the student's worksite at least once every 30-calendar days for the duration of the program to check attendance and student progress and assess the placement in terms of health, safety, and welfare of the student.

Teachers of Students with Disabilities Requirements

- Among the 10 endorsement requirements is the following: the requisite knowledge, understanding, skills, and dispositions for effective practice related to preparing students with disabilities for transitions consisting of preschool to elementary through post-secondary environments and employment.
- Teacher of students with disabilities education requirements include developing individualized goals for students transitions to careers and employment.

Transition Coordinator Competencies

Michigan's requirements for Transition Coordinator include the following competencies:

- Knowledge of transition foundations to develop transition education, activities, and services for students, families, and service providers
- Effective facilitation, coaching, and leadership skills at a group and individual level;

- Ability to engage in collaborative transition service delivery, and utilize interagency agreements
- Facilitate/teach pertinent transition practices (issues) to support special education and agency staff including: Federal/Michigan Law Curriculum/Best Practice Delivery of Transition Services Interagency Collaboration
- Understand outcome measurement and evaluation of transition services.

Michigan Community Mental Health Code

330.1227 School-to-community transition services

Sec. 227. Each community mental health services program shall participate in the development of school-to-community transition services for individuals with serious mental illness, serious emotional disturbance, or developmental disability. This planning and development shall be done in conjunction with the individual's local school district or intermediate school district as appropriate and shall begin not later than the school year in which the individual student reaches 16 years of age. These services shall be individualized. This section is not intended to increase or decrease the fiscal responsibility of school districts, community mental health services programs, or any other agency or organization with respect to individuals described in this section.

Michigan Agency Roles in Transition

There are many agencies in Michigan that assist and support young people with disabilities with transition from school to adulthood. The following outlines the roles of the primary entities providing this assistance and support:

- local education agencies (schools)
- public Vocational Rehabilitation (Michigan Rehabilitation Services and Bureau of Services for Blind Persons)
- Workforce Development Agency – Michigan Works!
- Behavioral Health and Developmental Disability Administration

Agency: Local Education Agency (School)

Services provided to: All students with an IEP

Requirements: Conduct transition planning beginning no later than age 16. Incorporate transition services within transition plan. Incorporate employment goals within IEP and services to meet employment goal. Directly provide or contract for transition services. Invite to IEP meeting representative of any participating agency that is likely to be responsible for providing or paying for transition services. Provide services and supports until age 26 or high school graduation, whichever comes first.

Agency: Public Vocational Rehabilitation: Michigan Rehabilitation Services, Bureau of Services for Blind Persons

Services provided to: All students with disabilities with IEP, and covered under Section 504 in need of pre-employment transition services.

Requirements: Provide or arrange for provision of pre-employment services to students with disabilities in need of such services. Required activities include: job exploration counseling, work-based learning experiences, counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs, workplace readiness training, instruction in self-advocacy. Each local office must carry out the following responsibilities: attending IEP meetings when invited; work to develop work opportunities for students; coordinate with schools the provision of pre-employment transition services; when invited attend person-centered planning meetings for individuals receiving services under Medicaid.

How to access: MRS or BSPB area office

MRS

www.michigan.gov/dhs/0,4562,7-124-5453_25392---,00.html

BSPB

www.michigan.gov/lara/0,4601,7-154-28313---,00.html

Agency: Public Vocational Rehabilitation: Michigan Rehabilitation Services and Bureau of Services for Blind Persons

Services provided to: Students determined eligible for vocational rehabilitation services (needing MRS or BSPB services to become employed)

Services available: Provision of vocational rehabilitation services to eligible students as required to meet the employment goal identified in the Individual Plan for Employment (IPE). These services include:

- Complete an IPE before student exits school.
- Coordinate the IPE with the IEP or Section 504 plan.
- Plan for a seamless transition to post-school employment outcomes.
- Arrange or conduct assessments and evaluations related to MRS/BSPB eligibility and employment plan development.
- Provide vocational counseling to establish appropriate work goals.
- Identify individualized rehabilitation services necessary to reach job goals.
- Provide expertise regarding workplace adjustment and accommodations.

How to access: Area MRS or BSPB office

MRS

www.michigan.gov/dhs/0,4562,7-124-5453_25392---,00.html

BSPB

www.michigan.gov/lara/0,4601,7-154-28313---,00.html

Agency: Workforce Development Agency - Michigan Works!

Services provided to: All out-of-school youth (16 to 24) with disabilities accepted for services; all in-school youth (age 14 to 21), determined eligible, and accepted for services.

Services available:

1. Tutoring, study skills training, and instruction leading to secondary school completion, including dropout prevention strategies

-
2. Alternative secondary school offerings or dropout recovery services
 3. Paid and unpaid work experiences with an academic and occupational education component
 4. Occupational skill training, with a focus on recognized postsecondary credentials and in-demand occupations
 5. Leadership development activities (e.g., community service, peer-centered activities)
 6. Supportive services
 7. Adult mentoring
 8. Follow-up services for at least 12 months after program completion
 9. Comprehensive guidance and counseling, including drug and alcohol abuse counseling
 10. Integrated education and training for a specific occupation or cluster
 11. Financial literacy education
 12. Entrepreneurial skills training
 13. Services that provide LMI about in-demand industry sectors & occupations
 14. Postsecondary preparation and transition activities

How to access: Regional Michigan Works! Agency

www.michigan.gov/wda/0,5303,7-304-64362-303042--,00.html

www.michiganworks.org

Agency: Behavioral Health and Developmental Disability Administration

Services provided to: Individuals who have a serious mental illness, serious emotional disturbance, or developmental disability

Services available: Participating in the development of school-to-community transition services in conjunction with the individual's local school district or intermediate school district as appropriate, to begin no later than the school year in which the student reaches 16 years of age. As youth complete their education, provide employment supports and assistance for individuals who need them. All services must be based on a person-centered plan.

How to access: Community Mental Health Services Program (CMHSP)

<https://macmhb.org/membership/cmhsp-directory>

Michigan Rehabilitation Services Transition Statewide Efforts and Best Practices

MRS has a number of initiatives focused on assisting students to successfully transition from school to careers, including the following:

Department of Natural Resources and MRS

Summer Project – Going into the fourth year of implementation this project allows for approximately 150 students with disabilities per year to participate in an eight week paid work experience during the summer months to gain employability skills and work experience.

Project Search – Michigan currently has 13 Project Search sites impacting approximately 156 Students with Disabilities per year. Project Search is a business led model allowing students with disabilities in their last year of secondary education to attend school in a business in their community and participate in three unpaid internships. As a result of the Mental Health and Wellness Commission 2013 Report recommending expansion of Project Search, a minimum of 3 new sites will be added each year.

Michigan Rehabilitation Services and Michigan Transition Services Association Collaborative

Project – MTSA generously donates \$40,000 per year to MRS which allows MRS to draw down \$108,148 in federal matching funds resulting in a total budget of \$148,148. Five projects are funded per year, one in each MTSA region, to provide Pre-Employment Transition Services to Students with Disabilities.

PERT Program – The Postsecondary Education Rehabilitation and Transition (PERT) Program is a one week comprehensive vocational and independent living assessment in a semi-structured residential environment at Michigan Career and Technical Institute on Pine Lake in Plainwell, Michigan that serves approximately 135 students with disabilities per year from all over the state. The campus of MCTI offers a variety of amenities, all encompassed in one building for easy accessibility. Students reside in dormitories while participating in the program. After completion of the program, students return to their local school districts where information that they have learned from PERT is integrated into their IEP.

Pathways to Potential – P2P is a human services business model which focuses on three critical elements: 1) going into the community to where the individual is located; 2) working one on one with families to identify and remove barriers and then serve as connectors to a

network of services; and 3) engaging community partners and school personnel in efforts to help families find their pathway to success. MRS partners with P2P to connect students with disabilities and their family members with disabilities to vocational rehabilitation services leading to competitive integrated employment.

MRS and School Interagency Cash Transfer

Agreements – MRS has 94 local ICTA agreements with ISDs and schools that are utilized to provide vocational rehabilitation services to students with disabilities leading to competitive integrated employment. The average agreement is approximately \$90,000. Many MRS counselors are co-located in education or spend at least part of their week rotating into the schools where the students with disabilities attend classes. A few additional ICTAs include education, MRS and the local community mental health provider working in partnership.

Adjudicated Youth Project – This project is designed to deliver an evidenced-based service delivery model resulting in lower rates of recidivism and increased education and employment outcomes for adjudicate youth returning to the community. DHS contributes non-federal share to secure federal matching funds through an Interagency Cash Transfer Agreement. The resulting funds support the provision of allowable vocational rehabilitation (VR) services as elements in a broader program design. The general framework consists of three phases: In-Reach (6 months pre-release); Release (1 month pre/post release); Out-Reach (2-12 months post-release). Central to this framework is the role of a Community Connections Navigator (CCN). The CCN guides and supports the continuity of services and AYD engagement.

Application of Career Theory To Transition

Too often, students with disabilities have limited, if any work experiences while in school. In addition, those work experiences that students do undertake can be characterized by the following:

- All students perform the same or similar employment with limited choice in terms of those experiences.
- Employment experiences that do not evolve beyond exploration (career exploration, job tours, etc.).
- Employment experiences that are not individualized and based on individual student interests and preferences.
- Employment experiences that are not fully integrated within the general workforce and viewed as “disability” employment programs and experiences.
- Employment experiences which are not characteristic of typical teenage and young adult experiences (individual after-school jobs, summer jobs, etc.) – e.g., a group of 6 students with disabilities in an enclave.

For adolescents and young adults with disabilities, the limited career experiences they experience typically leave them with significantly less information about themselves and careers. Not only does this lack of relevant experiences limit the information from which decisions are made and decreased self-efficacy (sense of competence), it also results in limited early decision-making opportunities, which are critical to avoid an ongoing sense of learned helplessness and dependency. For young people with disabilities, the lack of appropriate career development experiences during the developmental stages of adolescence and young adulthood can have a negative impact on their long-term career prospects, resulting in career indecisiveness, vocational immaturity, low self-concept and fewer perceived career options. In addition, individuals with disabilities may experience segregation, stereotyping, and low expectations in career development experiences, resulting in both a lack of viewing themselves as competent workers but also limiting the information that they incorporate (Beveridge et al., 2002).

To counter these issues, in Michigan, successful transition for a youth a disability should give consideration to and apply basic theories of career development, as would be done with a young person without a disability. These include:

- Choice of occupation is an expression of an individual's personality, and occupational achievement, stability and satisfaction depends on alignment between an individual's personality and the job environment (Holland).

- Every person has a unique pattern of traits made up of their interests, values, abilities and personality characteristics, and every occupation is made up of factors required for the successful performance of that occupation. It is possible to identify a fit or match between a person's individual traits and job factors (Parsons & Williamson).
- A sense of personal capabilities plays a central role in the career-decision making process, with people moving towards occupations requiring capabilities they think they either have or can develop, and moving away from occupations requiring capabilities they think they do not possess or can't develop. As a result, it is important to provide opportunities, experiences, and adult role models to impact this positive sense of self (Bandura).

Donald Super's stages of vocational development provide a framework from which to consider career exploration and employment experiences within transition. Per Super, vocational development is the process of developing and implementing a self-concept that evolves through stages over time. In particular, the mid-teens through early twenties are a time of developing a realistic self-concept and implementing a vocational preference through role tryouts and exploration with a gradual narrowing of choices leading to implementation of a preference. Stages include the following:

- Interest (11-12 years old) – Individual identifies likes and dislikes as basis for career choices
- Capacity (13-14 years old) – More reality is incorporated and the student can relate their own skills to specific requirements of jobs.
- Tentative (15-17 years old) – Tentative choices incorporating needs, interests, and abilities are tried out in coursework, part time work, volunteering, job shadowing; it is possible that the field and level of work may be identified at this stage. The student may not know how to weigh their interests, capacities, and values, but they have the necessary building blocks for choice.
- Crystallization of Preference (18-21 years old) – General preferences are converted into specific choices regarding jobs and careers; reality dominates as the individual enters the job market or training after high school.
- Specifying a Vocational Preference (early 20's) – This is a period of trial and little commitment. The first post-education job is tried out as life's work but the choice is provisional and the person may cycle back through crystallizing and specifying if the job is not appropriate.

References and Resources

- Trial and Stabilization (25–30 years old) - The process of settling down. If a job is unsatisfactory, the individual may make 1 to 2 more changes before the right job is found.

The implications of the application of career development theory in terms of transition in Michigan are as follows:

- The critical need for young people to become self-aware of their personalities, interests, values, and abilities, and the types of occupations for which these are a good match.
 - A recognition that each young person in transition is unique, and that career exploration activities and employment opportunities should be based on individual preferences and interests – i.e., one size does not fit all.
 - The importance of work experiences providing the young person a positive sense of their capabilities.
 - Career exploration and work experiences that reflect the various stages of career development at different ages.
 - A high degree of emphasis on an array of experiences in real work settings, resulting in paid employment and initial career choices which may be revisited.
1. Employment First in Michigan. Michigan Protection and Advocacy Services, Developmental Disabilities Institute – Wayne State University, Michigan Developmental Disabilities Council – September 2014
https://www.michigan.gov/documents/mdch/Employment+First+in+Michigan_469682_7.pdf
 2. Income: A Framework for Conceptualizing the Career Development of Persons with Disabilities, Beveride, S., Craddock, S., Liesener, J., Mary Stapleton, M., Hershenson, D., Rehabilitation Counseling Bulletin, 45(4), Summer 2002
 3. Landscape Assessment – State of Michigan – Policy Analysis and Recommendations; U.S. Department of Labor Office of Disability Employment Policy, Employment First State Leadership Mentoring Program – Vision Quest 2015
 4. Michigan Administrative Rules for Special Education
www.michigan.gov/mde/0,1607,7-140-6530_6598_7376-132157--,00.html
 5. Rehabilitation Services Administration – Information on WIOA
www2.ed.gov/about/offices/list/osers/rsa/wioa-reauthorization.html
 6. Gov. Rick Snyder: State government must lead by example in efforts to hire people with disabilities. State of Michigan – Office of the Governor
www.michigan.gov/snyder/0,4668,7-277-57577-340170--,00.html
 7. U.S. Department of Labor, Employment and Training Administration – Information on WIOA
www.doleta.gov/wioa/
 8. U.S. Department of Labor, Office of Disability Employment Policy – Information on Employment First
www.dol.gov/odep/topics/EmploymentFirst.htm
 9. Workforce Innovation Act of 2014, U.S. Congress
www.gpo.gov/fdsys/pkg/PLAW-113publ128/pdf/PLAW-113publ128.pdf
 10. Workforce Innovation Act of 2014 – Department of Education – Proposed rules for implementation of Title IV – State Vocational Rehabilitation Services Program; State Supported Employment Services Program; Limitations on Use of Subminimum Wage – Federal Register – Federal Register, April 16, 2015; pp. 21065 – 21146

State of Michigan Provider Transformation - Landscape Report

This report has been developed by Genni Sasnett, National EFSLMP SME, for the Office of Disability Employment Policy (ODEP) under the US Department of Labor.

Ms. Sasnett was engaged by ODEP to work with the state of Michigan as a part of the Employment First State Leadership Mentoring Program (EFSLMP). Ms. Sasnett's job was to work with identified provider agencies to assist them in their efforts to improve outcomes in competitive integrated employment (CIE) and other meaningful community engagement for the people with disabilities that they serve. She was assigned to work with the following agencies, each of which volunteered through MARO for participation in the project:

- MRC Industries, Kalamazoo, MI.
Christine Zeigler, President
- Goodwill Industries of West Michigan, Muskegon, MI.
Richard Carlson, President and CEO
- ROOC, Roscommon, MI.
Cherie Johnson, Executive Director
- Do-All Inc., Bay City, MI.
Christopher Girard, President and CEO

Process

Ms. Sasnett's process included analysis of the agencies and their operations, provision of recommendations to facilitate improved outcomes in CIE and meaningful community engagement, collaborative development of plans to address the recommendations and finally, provision of technical support to begin implementation of those plans. The specific steps of the process are outlined below.

Introductory meeting

Ms. Sasnett and the agency teams, headed by the President/CEO or Executive Director of each agency, met initially via conference call. These calls were designed to allow the SME and the staff of each agency to get to know each other and begin the relationship building process. During these meetings, the SME introduced a self-analysis tool to the agency staff and established a due date for completion of the self-analysis.

Self-analysis – The self-analysis tool was developed by the SME to guide agency staff in a self-assessment process. The tool prompted agencies to review a wide array of internal agency conditions and processes, all of which have impact upon and are impacted by agency change. The use of a self-analysis was favored by the SME based on her own experience as a long-term provider of services. This tool and process have proven very effective in helping agencies discover for themselves where they are strong and where they can improve their operations in support of CIE and meaningful community engagement.

Off-site reviews

While the agencies were engaged in conducting their self-analyses, the SME conducted research on each agency. The research generally included a review of 990s, websites, marketing and promotional information, strategic plans, organizational charts, google earth reviews of facility locations in communities and other pertinent information. The objective of the research was to help the SME to learn the maximum information about an agency prior to the next step, the site visits.

Site visits

The SME made site visits with the agencies in April of 2015. She spent 6–8 hours at each agency. During her visits she first met with the agency management team to discuss the events of the day and continue relationship development. She then toured the agency with staff. During the tours she spoke privately with staff and individuals served. The SME also met privately with members of the board of directors at each agency. She usually met with local representatives of funding agencies and in some cases with school district leadership. She met with parents of people served in most locations as well. The objectives of the site visits were many fold. The first was relationship development, an essential in effective consulting. The second was to gain a better understanding of the agency and the environment in which they operate. The final objective was to validate the information in the self-assessment. Information from all of these activities was brought together by the SME to create an overall assessment of the status of each agency.

Reports with recommendations

Once the research and site visits had been completed, the SME wrote draft reports for each agency. The reports included an overview of the agency's operations, including some of the strengths and challenges each faced. Each agency was also provided with a number of individualized recommendations to assist them in meeting the goals of the project. The reports and recommendations were provided to the agency for their review, correction and negotiation before they were finalized.

Plans with priorities for Year II

Each agency developed an implementation plan addressing the recommendations made by the SME and agreed upon with the agency. The plans are being finalized at this writing. Each agency has been asked to select 3-6 top priority items that they will focus on for the next year of the project. They have also been asked to indicate what particular technical assistance they may need in order to achieve the priority outcomes they have identified.

Impressions of provider agency participation

Initially, the SME was somewhat concerned that it appeared that some circumstances in the state had led the provider community to feel underappreciated, defensive, somewhat under attack and therefore less open to change and to the technical support being offered. However, in a short time it became clear that though they are very keen to clarify that in their view industrial work can and should be a part of the array of work options for people with disabilities, they were indeed quite open to learn about new strategies and different ways of thinking and operating. They have begun to change. Their thinking is altering. They are gaining new perspectives and they are proud of what they are accomplishing. It has been a pleasure for the SME to work with them.

Additional work still lies ahead in the quest to achieve full competitive integrated work for all people with disabilities supported by the state of Michigan. Providers have to continue to move forward with understanding that the landscape has indeed changed, not just in MI, but nationally. The drive toward competitive integrated employment is unlikely to turn back. The pressure to get people in the community, working in competitive, integrated jobs along-side non-disabled peers and at least making the minimum wage will continue. The provision of services to people with disabilities in segregated settings, meaning those settings in which the majority of people present are those with disabilities, will likely become less and less acceptable both philosophically and legally. It is imperative that the provider community have the support they require to continue to move forward. Correspondingly it is incumbent upon the provider community to embrace the changes that are not just coming, but already here, so that they may be the drivers of change themselves rather than being driven by others forces.

There are significant issues to be discussed and grappled with regarding what is considered “employment” in the state of MI. Though for the time being the discussion of affirmative businesses, meaning businesses established and operated by community rehabilitation providers, as an appropriate alternative for the employment of people with disabilities has been somewhat suspended, it will continue

to surface. Ultimately the state and the providers within it will have to come to terms with the role of the providers in the employment of people with disabilities. Is it the role of the provider to create work for people with disabilities or to connect them with employment that is available or can be developed using customized approaches in the community? Can a provider of service to an individual also be the employer of that individual without an inherent conflict of interest? Is it prudent to invest limited resources in developing businesses for the employment of people with disabilities or should those precious resources be directed toward the training and compensation of highly trained job development and placement staff? These are some of the questions that should be addressed in the very near term.

Systems barriers or concerns - impressions

The SME observed a number of issues that appear to be impeding the growth of competitive integrated employment and other meaningful community involvement in MI. It should be noted that the primary focus of this SME’s work was on provider agency transformation. While that work inherently involves issues of rules, reimbursement and relationships between government and providers, other SMEs in the state took a far more detailed look at funding, regulatory and systems alignment issues. The issues below are ones that surfaced consistently in discussions with provider agencies and others with whom the SME interacted during visits or telephone conversations. The items of concern listed should be taken into consideration along with the work of the other SMEs and may require additional examination to validate.

1. Impact of reorganization of regions

The recent realignment and consolidation of regions in the state appears to have impacted some areas financially much more severely than others. The reorganization appears to have resulted in significant rate differences between regions. It has also caused some uncertainty and lack of trust between providers and government agencies as each tries to figure out how to best organize, operate and survive in the changing environment. Continued dialogue between CMHSP, MRS, BSBP, the school systems, provider agencies and other parties, including people served and their families, should occur in an effort to allow for improved expectation, communication and cooperation.

2. Lack of consistency between regions

It appears that there is considerable inconsistency in operations and expectations across the regions. This makes it difficult for both the provider community and the

government agencies to collaborate among themselves, develop common operating procedures and identify efficiencies. An example of this is the vending of job development and placement services. As referenced elsewhere in this document, it appears that some CMHSPs provide these services directly and in others these services are contracted out to providers. Another example is the acceptance of referrals for service by MRS. It appears that the lack of local match impacts the ability of individuals to receive MRS services from location to location. These inconsistencies may result in uneven access to services for some people in the system. Ultimately efforts should be made to minimize these inconsistencies and to bring increased uniformity in procedures, practice and reimbursement.

3. Rates structures do not appear to support the outcome of competitive integrated employment as the first and most favored option for employment

Rate structures should be studied to ensure the following:

- Adequacy to achieve the outcomes of competitive integrated employment and other meaningful community involvement
- Equity in access to service across the state
- Incentives to encourage agencies to provide competitive integrated employment

4. Lack of common understanding, expectation, agreement and cooperation among public and private agencies

There appears to be some disconnects between the direction that providers are being encouraged to take and the facilitation of that at the local level. While competitive integrated employment is touted as the optimal outcomes for people, it was reported that case management staff often do not encourage or make referral for services with this intended outcome. It was reported that often when recommendations for referral to community employment were made by providers, case managers did not carry through with those referrals, instead continuing services in facility based services settings. This could be in deference to family preference in some cases. While this is understood, it should not be accepted without documented effort to encourage individuals to at least try community services. This may vary greatly from jurisdiction to jurisdiction and could be at least partially remedied by increased and improved training and clear expectations for public agency staff.

A bit of good news is that when it was suggested that provider agencies meet with their local CHMSP and MRS staff to iron out process, they were met with some

success. Often it appeared that a simple lack of common understanding of who had what responsibility or how referral documents should be presented was causing some of the problems. Efforts should be made state-wide to ensure that all staff in government and those in provider agencies have a common vision for the outcomes that they are mutually striving to achieve and what processes work effectively to those ends.

5. Lack of participation with providers from MRS apparent lack of understanding by MRS counselors of eligibility of candidates for service

In some areas, MRS does not appear to provide much service to people with ID/DD or serious mental health concerns. There were reports of individuals being rejected by MRS as “not job ready”. This is not consistent with the law, which states, “An individual, who has a disability, as determined by the Social Security Administration, is presumed to be eligible for vocational rehabilitation services, provided that the individual intends to achieve an employment outcome consistent with their unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. These individuals will be considered to be eligible unless there is clear and convincing evidence that the individual cannot achieve employment due to the severity of their disability”. In supported and customized employment, job seekers are not expected to be “job ready” before work is sought for them. In these models there is an expectation of on the job training by job coaches and natural supports at the business.

6. Impact of local match to MRS funds

It was noted by several people that the lack of ability of localities to provide match dollars for MRS services has negatively impacted access to services for people with disabilities. It was reported that some communities that are unable to provide match dollars at former levels do not receive the amount of services that they did formerly. If this is correct, then access to service has to be uneven across the state. This creates inequities for people seeking services, which is not a preferred outcome. The issue of how the match is made and how the program is administered based on the ability of localities to make their match should be studied and addressed.

7. Lack of participation with providers from CMHSP potential conflict of interest

In some jurisdictions private providers are not contracted to provide job development and placement services for individuals they serve. When these individuals are referred for these services they are served by CMHSP staff. Once they stabilize in employment they transition back to the providers for job coaching. This can be highly problematic

as it could serve as a disincentive for the provider to make the referral in the first place. Second, it can be difficult to provide follow-along services to someone placed by another agency. Third, it deprives the provider agencies from the opportunity to achieve some of the important milestones under the Ticket to Work program, an additional funding stream that can offset some of the financial impact of transformation. Finally, it appears possible that there could be some conflict of interest in this arrangement in which the case management and service providers are in the same agency.

8. Possible problems with referrals made by provider agencies (representation of individuals)

In some discussions with MRS management it was suggested that the referral information provided to MRS counselors is not helpful in assisting them to see the potential in the person referred. Specifically, some referral information is purported to include assessment that are largely oriented toward performance in industrial settings (workshops). That information focuses on production rates as one important measure. While that information may have some relevance, many community jobs are not industrially based and do not depend on production rates in the manner that industrial jobs do. If a person is being presented to counselors as having a 20% production rate, for example, they may not be able to see how that person could be hired in a community job. While in fact we know that in many types of jobs it is not the production rate that is the most important variable or production is measured much differently than in industry. It also provides for no consideration of the customization of jobs. There is a great need for community based vocational evaluations as a far superior method of assessing the interests, skills (present and emerging), environmental impacts and longer term support needs of people with disabilities. As will be discussed later in this document, training and technical support may be required to assist providers in the skill to conduct quality community based evaluations if this has not been a common practice in the state.

9. ISDs referring transitioning youths to facility based work for pre-vocational preparation

It appears that there continues to be widespread use of facility based industrial work in contracted pre-vocational training for transitioning youth. When this option is offered exclusive of community based work experience and it may unduly influence choice-making. It should also be noted that Section 511 of WIOA will not permit these practices to continue.

As with community based vocational assessment, if the agreed upon optimal outcome is competitive integrated employment, best practice clearly centers on community-

based preparation. Only when preparation is made available predominately in community settings and not exclusively in facility based settings, can true choice about future employment in any setting be made.

10. Lack of access to professional benefits counseling

There appears to be a lack of access to professional benefits counseling for individuals considering community employment. This may be in part a product of the lack of access to MRS services. Without this counseling, provided by highly qualified professionals, many individuals and their families will not even consider community employment for fear of the impact on their benefits. While some agencies may have staff with basic training in benefits, given the increasing complexity of benefits counseling, it would be prudent to ensure clear access to this service by highly trained staff.

11. Lack of support for capacity building

There is a great need for readily available and cost efficient training for both provider agency and government staff. It is laudable that MARO has developed and made accessible training in supported employment to its membership. However, that training is not continuously available and cannot be depended upon to ensure that training in strategies such as community based vocational assessment and supported and customized employment is readily available in communities across the state. It is imperative that needed training resources be made available as soon as possible as it can take some time for the training to become effective through practice.

Customized employment training in particular is most effective when it includes a field-based component. Consideration should be given to developing a state-wide network of providers of this training. This can be done through train-the-trainer training provided to provider and government agency staff. Consideration should also be given to compensation for agencies that achieve competence in providing this training when they train staff in agencies other than their own.

Summary

While progress is being made towards the implementation of Employment First in Michigan there are still a number of systems and provider issues that must be addressed. Providers must come to terms with the new landscape for service provision that is oriented towards competitive integrated work in jobs available to anyone in the marketplace, away from services provided in separate settings and based on true individual choice. It must also be accepted that true choice about employment is only achievable when individuals are expected to work, receive

preparation that includes community based pre-vocational training, are provided opportunities for work in the community with job customization as indicated, and are afforded the support needed to sustain them in their jobs.

On the government's side, there is a need for systems alignment and consistency in access to and administration of services aimed at getting people with disabilities into competitive integrated employment. People with disabilities should have access to service through a system that maximizes federal and state funding, appropriately blends and braids funds to gain the best outcomes for the individual and ensures conflict free case management and employment.

If the provider community and government continue to work together toward a unified system that ensures access to quality competitive integrated employment services, though challenges will continue, there is no doubt that the desired outcomes of employment first can be achieved in Michigan.

State of Michigan Recommendations for Rate and Reimbursement Strategies to Support Competitive Integrated Employment Outcomes within Medicaid Managed Care

September 2015

Introduction and Overview

This report has been developed by Lisa A. Mills, PhD, Subject Matter Expert (SME) for the Employment First State Leadership Mentoring Project funded and coordinated by the US Department of Labor's Office of Disability Employment Policy (ODEP).

Dr. Mills was engaged by ODEP to work with the state of Michigan as a part of the Employment First State Leadership Mentoring Program (EFSLMP). Michigan utilizes a managed care framework to implement long-term services and supports for individuals with intellectual/developmental disabilities and behavioral health disabilities. Regional Pre-Paid Inpatient Health Plans (PIHPs) contract with the state to manage the Medicaid resources for behavioral health and intellectual/developmental disabilities services for Medicaid and Healthy Michigan enrollees. PIHPs sub-contract with Community Mental Health Services Programs (CMHSPs) for services including Medicaid-funded supported employment services, day habilitation, prevocational services, and skill building services. Each CMHSP typically serves one to several counties in their catchment area (there are 46 CMHSPs and 83 counties in Michigan.)

Through review of the most recently available state data on CMHSPs, Dr. Mills and Michigan EFSLMP key contacts agreed on a short list of CMHSPs to focus upon. CMHSPs selected had one or more of the following attributes:

- Comparatively high performing, as compared to other CMHSPs in terms of the percentage of people with intellectual/developmental disabilities and behavioral health disabilities in Supported Employment Services;

- Comparatively high percentage of funding invested in Supported Employment services;
- Serve an area with very high percentage of the state's overall population of individuals with intellectual/developmental disabilities and behavioral health disabilities;
- Had one or more of their Supported Employment providers receiving technical assistance through other SMEs associated with EFSLMP;
- Had previous interest or experience in utilizing non-traditional approaches to purchasing Supported Employment services in order to incentivize increased and improved competitive integrated employment outcomes for individuals with intellectual/developmental disabilities and behavioral health disabilities.

A total of thirteen CMHSPs were interviewed to explore how they currently contract and purchase Supported Employment services, what policies or practices have contributed to improved competitive integrated employment participation among enrolled individuals with intellectual/developmental disabilities and behavioral health disabilities, and what barriers or challenges still remain which stand in the way of significantly increasing competitive integrated employment participation. In addition to the thirteen CHMSPs interviewed, the four Supported Employment providers receiving technical assistance through another SME associated with EFSLMP were also interviewed, as were the seven Managers of Managed Comprehensive Provider Networks (MCPNs) used by the Detroit-Wayne and Oakland CMHSPs.

Following this research endeavor, the CMHSPs and the MCPNs were invited to one of two training sessions conducted by Dr. Mills on May 26 (Detroit-Wayne) and May 27, 2015 (Lansing). During these sessions, Dr. Mills provided an overview of Employment First, including the growth of support for Employment First at both the state and federal levels. Dr. Mills also reflected on her learning as a result of the interviews she conducted in Michigan, and she presented a range of possible contracting and rate/reimbursement strategies that can be used within a managed care framework to advance competitive integrated employment outcomes for individuals with disabilities.

This report summarizes Dr. Mills' findings and recommendations to the State of Michigan with regard to increasing and improving competitive integrated employment outcomes among individuals with intellectual/developmental disabilities and behavioral health disabilities enrolled in Medicaid managed care. While there are many diverse strategies for achieving improved outcomes, the recommendations in this report are mainly focused on contracting and purchasing strategies.

Key Findings

1. While Michigan is a state that has one of the longest histories of implementing Medicaid managed care in the country, Michigan does not appear to have taken full advantage of the flexibility to implement innovative contracting and purchasing strategies, focused on outcomes, that become available when states adopt managed care as an alternative to the traditional fee-for-service approach. Only one or two CMHSPs have used, or are currently using, any type of performance-based contracting and this is limited only to the use of a Pay for Performance strategy, not extending to any form of outcome-based reimbursement for services.
2. Fee-for-service rates paid for Supported Employment services, and services that are alternatives or workarounds to Supported Employment (e.g. day habilitation, skill building), vary quite significantly across the state and limitations on paying only for face-to-face service delivery appear to be hampering the utilization of best practice models of Supported Employment. There appears to be no formal guidance for PIHPs and CMHSPs regarding how to establish appropriate rates for Supported Employment services, how to ensure rates for alternative services do not inadvertently incentivize those services over Supported Employment, and how to ensure reimbursement rules and policies encourage and incentivize the use of best practice Supported Employment strategies.
3. There is a fairly limited “sense of urgency” about the need to improve competitive integrated employment outcomes. While few if any are opposed to this goal, many are accepting of the current level of success and identify other challenges as being higher priorities.
4. There is significant blurring in terms of how competitive integrated employment is defined, and there is a noticeable lack of direct hiring by mainstream businesses. Both CMHSPs and providers appear to be focused on developing employment opportunities where they are the employer of record, rather than educating and engaging businesses to stimulate direct hires of individuals with intellectual/developmental disabilities and behavioral health disabilities. As well, volunteering is sometimes thought of as a form of employment.¹
5. Employment outcome data being collected at the state level by the Behavioral Health and Developmental Disabilities Administration (BHDDA) does not appear to be linked to a contractual expectation of performance improvement for PIHPs and CMHSPs.
6. Some CMHSPs are providing Supported Employment services themselves, rather than contracting with providers which creates concerns with regard to conflict-free case management, ensuring choice of provider and ensuring adequate capacity to significantly expand Supported Employment services in order to improve competitive integrated employment outcomes. While in some areas of the state, and for some types of Supported Employment services (e.g. Individual Placement and Support) there may be justification for CMHSPs providing services themselves, there are issues with this continuing without meaningful efforts to also build a provider network independent of the CMHSP.
7. In many areas of the state, collaboration with Michigan Rehabilitation Services (MRS) does not appear adequate in relation to providing Supported Employment services to individuals with intellectual/developmental disabilities and behavioral health disabilities who are enrolled with CMHSPs. MRS currently plays surprisingly little role in collaboratively funding Individual Placement and Support (IPS) for individuals with behavioral health disabilities, despite the fact that IPS is widely considered to be an evidence based practice for individuals with behavioral health disabilities. There are a number of state examples of such collaborative funding involving Medicaid and Vocational Rehabilitation agencies. Additionally, MRS currently plays very little role in serving individuals with intellectual/developmental disabilities. Within MRS, there appears to be little knowledge and funding of Customized Employment strategies that are considered to be an evidence-based practice for individuals with intellectual/developmental disabilities. While cash match or cash transfer agreements still remain in place in some areas, the historical use of these seems to have inhibited or limited MRS access for individuals served by CMHSPs who are assumed to be eligible and have a “most significant disability” which should give them priority access to MRS Supported Employment services. There is a need for statewide consistency with regard to defining the role that MRS can and should be playing with regard to individuals with disabilities enrolled in Medicaid managed care.

¹ MARO's position is that who the employer of record is should not matter. Response: While it is typical for some businesses and organizations to use staffing agencies to employ certain members of their workforce, those staffing agencies are not paid providers of Medicaid services for the employees. Choice of provider is critical for both Medicaid and VR funding. This choice is often inadvertently compromised when the provider is also the employer of record.

The person may feel (and in some situations may be told by the provider) that s/he cannot keep the job if s/he chooses to change provider for employment supports. Therefore, we need to avoid these situations whenever we can and focus on building competencies and relationships with employers that result in direct hires (or use of generic staffing agencies if that is the employer's typical practice).

8. With regard to prevocational services (Skill Building), the state has made substantial investment in this service being delivered using integrated community-based models. Despite the fact that the state has many models that demonstrate how the service can be successfully provided outside of a facility-based setting, there are still some areas of the state where facility-based Skill Building predominates and incentives for providers to phase out this type of Skill Building are not in place or have not been effective up to this point.
9. With regard to group Supported Employment (enclaves/work crews), this model of service is sometimes being billed under Skill Building and sometimes being billed under Supported Employment. It appears the state has not yet adopted a separate Small Group Supported Employment service definition, despite guidance from CMS in September, 2011. However, Michigan has a stronger focus than most other states on ensuring group Supported Employment participants earn minimum wage or higher. While this helps the state prepare for the possibility of the elimination of the federal law enabling people with disabilities to be paid sub-minimum wage, without a distinct service definition, there is a lack of focus on ensuring group Supported Employment is a stepping stone to individualized competitive integrated employment. Consequently, there is a risk that PIHPs, CMHSPs, and providers conclude that group Supported Employment that pays at least minimum wage (and typically has the service provider functioning as the employer) is as desirable an outcome as individualized, competitive integrated employment.²

Recommendations

1. There is a need to increase access to MRS services for individuals with intellectual/developmental disabilities and behavioral health disabilities served by the CMHSPs. The passage of the Workforce Innovation and Opportunity Act (WIOA) provides an opportunity to establish a strong, state-level Memorandum of Understanding (MOU) between Michigan Rehabilitation Services (MRS) and the Behavioral Health and Developmental Disabilities Administration (BHDDA), addressing the provision
 2. The Michigan Department of Health and Human services (MDHHS) should issue guidance to PIHPs/CMHSPs on how to establish adequate and appropriate fee-for-service reimbursement rates for Supported Employment services (including evidence-based service models like IPS and Customized Employment) and ensure that statewide, the CMHSP rates are reasonably consistent (with any variations well justified). Evaluation of rates should involve comparisons with rates utilized by the CMHSPs that have achieved the highest integrated employment participation rates to date.
 3. MDHHS, and in turn each PHIP/CMHSP, should seek to eliminate the requirement that Supported Employment services can only be billed on a face-to-face basis and propose a new approach to rate setting that assumes a mix of face-to-face and non-face-to-face services will be typical when best practices are used. CMS currently allows services like “Telemedicine” which does not involve a requirement of face-to-face service. Limiting billable time only to face-to-face service provision has many unintended negative consequences for Supported Employment such as:
 - Inhibiting use of support strategies that ensure maximum cost-effectiveness, efficiency and economy;
 - Inhibiting fading of Supported Employment supports at the workplace, which can in turn inhibit the involvement of natural supports and cause the service to be viewed as obtrusive by the supported employee, the employer and co-workers;
 - Unintentionally inflating the per-unit cost of Supported Employment;

² MARO's position is that the state should not value more highly individual employment, where the employer has directly hired the individual, over small group employment where the individuals are on the payroll of the supported employment service provider.

Response: It is recommended that state policy acknowledge the distinction between these two types of supported employment and establish a preference for individual employment where the employer directly hires the individual. This is consistent with new (as of 2011) CMS guidance that states small group supported employment is expected to result in transition to individual supported employment. See also footnote 1.

- Inhibiting the use of technology in the effective delivery of Supported Employment services.

4. MDHHS should amend existing contracts with PIHPs (and in turn PIHPs should amend existing contracts with CMHSPs) or issue clear guidance if contracts already include adequate language necessary to:

- a. Clarify that sub-capitation, performance-based contracting and outcome-based reimbursement strategies are permitted in lieu of traditional fee-for-service models. MDHHS should issue guidance on best and promising practices in these areas and examples of how purchasing and contracting methodologies can be designed to:
 - i. Incentivize increased commitment, among contracted providers, to provide services to support competitive integrated employment;
 - ii. Reward providers for increased competitive integrated employment outcomes among members served;
 - iii. Support provider transition from facility-based to community-based service provision with integrated/supported employment as a priority community-based service

Note: It may be that current contract language does not specifically prohibit sub-capitation or the use of performance-based contracting and outcome-based reimbursement; but clear language stating these strategies are permitted and encouraged may be missing.

- b. Require case managers/supports coordinators to maintain core competence in the area of employment and to this end, require PIHPs/CMHSPs to provide competency-based training for case managers/supports coordinators that can address existing issues inhibiting the growth of participation, by individuals with intellectual/developmental and behavioral health disabilities, in competitive integrated employment with Supported Employment services, as needed to obtain and maintain this employment. Existing issues include but may not be limited to:
 - i. Lack of belief that members can successfully work in individualized competitive integrated employment with the benefit of evidence-based Supported Employment services;
 - ii. Lack of knowledge of Supported Employment evidence-based, best and promising practices that result in individualized competitive integrated employment;
 - iii. Lack of adequate knowledge and correct understanding of work incentives and Medicaid buy-in options that ensure members who obtain

competitive integrated employment will not be worse off financially and will not lose access to needed services/supports;

- iv. Lack of skills and knowledge of strategies that can be used to encourage reluctant or resistant members and/or legal guardians/families to make an informed choice to pursue competitive integrated employment;
- v. Lack of adequate knowledge and correct information about the role MRS should be expected to play in helping members with intellectual/developmental and behavioral health disabilities to pursue and obtain competitive integrated employment, and how case managers/service coordinators can play an effective role in assisting members to successfully access MRS services
- vi. Lack of adequate knowledge of reasonable and appropriate expectations of service providers in relation to effective and cost-effective practice in the delivery of Supported Employment and Skill Building services, and the appropriate role of the case manager/service coordinator in monitoring the quality and effectiveness of services being delivered.

5. Given the Department is committed to improving competitive integrated employment outcomes, MDHHS should consider designing and implementing a Pay for Performance initiative for PIHPs and/or a statewide Performance Improvement Project focused on increasing competitive integrated employment outcomes. Suggested performance measures include the following:

- i. Increasing #/percentage of working-age members with intellectual/developmental and behavioral health disabilities who are interested in pursuing competitive integrated employment and who therefore have this goal identified in their Individual Service Plan/Plan of Care.
- ii. Increasing the #/percentage of working-age members with intellectual/developmental and behavioral health disabilities who are actively pursuing competitive integrated employment and who therefore are receiving services/supports from MRS (first option) or the CMHSP (second option).
- iii. Increasing #/percentage of working-age members with intellectual/developmental and behavioral health disabilities who are working in competitive integrated employment at least 15 hours per week.

A Pay for Performance project that rewards PIHPs and CMHSPs on each of these measures creates an incremental, multi-tiered approach to improving outcomes where the state can effectively measure and reward performance on essential steps necessary to improve outcomes. Such an approach will provide an incentive for PHIPs and CMHSPs to focus on competitive integrated employment outcomes and will send a clear message from DHHS that improving competitive integrated employment outcomes is a priority for the Department.

6. MDHHS should clarify the definition of competitive integrated employment. The definition should expect that the provider of employment services is not the employer of record, except in specific limited circumstances which are anticipated to be temporary in most all cases.³
7. MDHHS should review its approach to ensuring PHIPs and CMHSPs have adequate capacity to deliver individualized Supported Employment services to an increasing number of members, including ensuring that choice of provider is consistently available in every CMHSP.
8. The employment outcome data collection being undertaken by the Behavioral Health and Developmental Disabilities Administration should be linked to a contractual expectation of performance improvement for PIHPs and CMHSPs and to initiatives like those described in recommendation #5 above.
9. The MDHHS Home and Community-Based Settings (HCBS) Statewide Transition Plan should:
 - a. Rigorously address the settings standard related to competitive integrated employment, ensuring that all HCBS settings (not just those where HCBS employment services are delivered) are expected to improve and enhance the extent to which they “provide opportunities to seek employment and work in competitive integrated settings.”
 - b. Utilize a non-residential provider self-assessment that can effectively and accurately determine which employment and non-work service settings currently isolate HCBS recipients from the broader community, and that generates a clear expectation for whether each setting that isolates can remedy that status, and if so, what types of remediation are essential for achieving full compliance with the new regulations.
 - c. Consider establishing that facility-based day service and Skill Building settings, currently in use as part of the state’s home and community-based services,

may continue as approved HCBS settings, if they meet the minimum standard set in the rule on or before the end of the transition period; but adopt policy that the state will suspend admission to these facility-based settings and suspend new provider approvals or authorizations for those settings. This will simultaneously allow the state to promote and further establish integrated, community-based models of day services and Skill Building services that more fully meet the state’s standards for home and community-based services. This policy would be established through the transition plan and continued beyond the transition period, thus creating a pathway ensuring fully integrated services without removing facility-based options for those currently receiving services in those types of settings.⁴

This document does not necessarily reflect the views or policies of the Office of Disability Employment Policy, U.S. Department of Labor, nor does the mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government.

³See footnotes 1 and 2 for information on MARO’s position and further explanation of why this recommendation is made.

⁴ MARO’s position is that the optimal goal should be competitive integrated employment; but that intermediate steps and services may be needed to assist people along their path to that desired outcome, including employment in a facility-based environment.

Response: It is important to note that there is no research demonstrating that working in a facility-based environment increases the likelihood that an individual achieves competitive integrated employment. In fact, there is research that suggests the opposite – with findings showing that people are less likely to achieve competitive integrated employment if they participate in employment in a facility-based environment and that people who do transition to competitive integrated employment from a facility-based environment have higher support needs and costs than those who went directly into competitive integrated employment. While other types of preparatory activities may contribute to success in competitive integrated employment, facility-based employment and services do not.

Capacity Building Recommendations for Michigan

ODEP, EFSLMP

September, 2015

This report has been developed by Dale Verstegen, Subject Matter Expert (SME) for the Employment First State Leadership Mentoring Project (EFSLMP) funded and coordinated by the US Department of Labor's Office of Disability Employment Policy (ODEP).

A 4 day Customized Employment Training was provided to 25 participants as part of the provider capacity initiative of the project. Customized Employment is an effective set of techniques to create a win-win for people with disabilities and employers and is considered best practice for people with intellectual and developmental disabilities. The four providers which participated in the provider transformation activities each sent participants to the customized employment training. Other providers who had already shown a commitment to enhancing their employment services were also invited to attend.

The capacity building efforts for achieving more and better employment outcomes related to Michigan's Employment First Initiative is based on the premise that when the provider organizations have more Employment Specialists who are comfortable, confident and competent engaging employers, developing long term working relationships and offering an array of employment services including customized employment, more consumers will transition from facility based to community based, integrated employment. The following are some assumptions and recommendations related to increasing staff development and employer engagement:

Observations based on staff development efforts in Michigan to date:

1. Many Employment Specialists who come to ACRE or Customized Employment training have little orientation and guidance from their organization or supervisor as it relates to working with employers.
2. Employment Specialists who receive this training have clear expectations of the number of placements they are responsible for but activity levels and quality of their relationships with employers is not tracked or monitored.
3. Based on discussions with trainees, there is little to

no institutional memory of the number and quality of working relationships with local employers based on the work of Employment Specialists that are no longer with the organization.

4. Supervisors of Employment Specialists who receive ACRE or Customized Employment training are not aware of and/or are not supporting skill acquisition based on the strategies and techniques Employment Specialists are learning in the training sessions.
5. New Employment Specialists who are expected to work with local employers have limited or no access to training on discovery/assessment, job development, job coaching and customized employment. These inexperienced Employment Specialists are, therefore, not sure how they can benefit these employers, are less effective in approaching and developing rapport with employers and, in some cases, leaving a negative impression on employers that is difficult to reverse.

Recommendations:

1. Provide train the trainer training for Supervisors or Managers of Employment Specialists. The training curriculum should be provided to supervisors in a way that teaches them to orient and instruct their Employment Specialists on an on-going basis.
2. Provide Supervisors and Managers on-going technical assistance on how to support skill acquisition by the Employment Specialists whom they supervise particularly as it relates to working with employers.
3. Provide Supervisors and Managers on-going technical assistance on how to track and support the activity levels of Employment Specialists so they can monitor performance improvement over time.
4. Provide Supervisors and Managers on-going technical assistance on how to track and support the quality of the working relationships with local employers.
5. Explore training models to achieve sustainable, on-going access to training curriculum on discovery/assessment, job development, job coaching and customized employment for employment providers in Michigan.

This document does not necessarily reflect the views or policies of the Office of Disability Employment Policy, U.S. Department of Labor, nor does the mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government.

Acronyms used in Report

BHDDA

Behavioral Health and Developmental Disabilities Administration

BSBP

Bureau of Services for Blind Persons

CMHSP

Community Mental Health Services Program

EFSLMP

Employment First State Leadership Mentoring Program

HCBS

Home and Community-Based Settings

MCPN

Managed Comprehensive Provider Networks

MDE

Michigan Department of Education

MDHHS

Michigan Department of Health and Human Services

MOU

Memorandum of Understanding

MRS

Michigan Rehabilitation Services

ODEP

US Department of Labor's Office of Disability Employment Policy

PIHP

Pre-Paid Inpatient Health Plan

SME

Subject Matter Expert

VR

Vocational Rehabilitation

WIOA

Workforce Innovation and Opportunity Act

The following organizations participated in the ODEP EMSLMP initiative in Michigan in 2015:

- Michigan Developmental Disabilities Council
- Michigan Department of Education – Office of Special Education
- Michigan Department of Human Services – Michigan Rehabilitation Services
- Michigan Department of Human Services – Behavioral Health and Developmental Disabilities Administration
- Michigan Department of Licensing and Regulatory Affairs - Bureau of Services for Blind Persons
- Workforce Development Administration
- Developmental Disabilities Institute – Wayne State University
- MARO
- Michigan Protection and Advocacy Services

For more information contact the State Point of Contact:

Address: Michigan Developmental Disabilities Council
201 Townsend
Lansing, MI 48913

Telephone: (517) 335-3158

E-mail: mdhhs-dd-council@michigan.gov