

Virginia Disability Commission

Meeting Summary

October 11, 2006

Call to Order

Delegate McQuigg called the meeting to order in Room 1 of the Patrick Henry Building. Most of the Commission members were in attendance, including Sen. Miller, Sen. Puller, and Delegate Toscano.

Introduction and Overview of Statistics Regarding the Employment Trends of Virginians with Disabilities

DRS Commissioner, Jim Rothrock, provided an introduction to the meeting on employment matters for Virginians with disabilities. He announced that October is National Disability Employment Awareness Month and cited figures on employment such as only just over half of disabled citizens have jobs, while over 1,280,000 people in Virginia have a disability. Harry Weinstock, DRS Program Coordinator, further cited many statistics to demonstrate that employers have been extremely satisfied with disabled employees and the costs of accommodations for them, if any, are minimal. He observed that the employment figures for those with severe disabilities (25%) or for those who are also African-American are far lower (15%). He explained that employment represents more than just income to disabled persons. The opportunity to belong and to be part of a social network is equally important.

DRS Employment Services Overview

Mr. Rothrock described the DRS Field Rehabilitation Services Division, the counseling staff, its funding, and the vocational services purchased, including supported employment, academic training, transportation, and adaptive technology. He noted that the earnings of disabled persons served and supported by DRS in 2005 totaled over \$62 million dollars. He further discussed business development ventures to promote employment of disabled persons and tax incentives for the private sector. He commented on advertising campaigns that incorporate DRS services and placement success with major corporations in Virginia such as Busch Gardens.

Supported Employment Services

Jack Hayek, DRS Program Manager, explained that federal Social Services Title XX funding had covered long-term supported employment in the past, but now appropriations from the General Assembly are the primary source. He described Employment Services Organizations (ESOs) that also have been called sheltered workshops or community rehabilitation programs for the disabled. In Virginia, there are 87 ESOs that are set up to provide facility-based employment and community services for disabled persons. The Commission on Accreditation of Rehabilitation Facilities (CARF) accredits the ESOs.

Federal Employment Opportunities

Debbie Ignatz, the Manager of State Relations and Governmental Affairs for NISH (formerly the National Industries for the Severely Handicapped), appeared from

Atlanta to address the Commission on the Javits-Wagner-O'Day Program (JWOD) under federal law. She explained that the law creates employment opportunities for people with severe disabilities and allows them to provide services to the federal government. Since 1971, the JWOD program has been governed by the President's Committee for Purchase from People Who are Blind or Severely Disabled. Ms. Ignatz described examples of JWOD contracts and products made by disabled NISH persons such as the white plastic U.S. Postal totes and the American flags for the interred military dead.

Nationally, in 2005, over 44,000 people with severe disabilities worked under JWOD contracts and received over \$371 million in wages. Ms. Ignatz reported that the average wage under the program was \$9.46 per hour and the jobs include full benefits. She indicated that 2,544 individuals with severe disabilities currently are employed under the JWOD program in Virginia, although with nearly 300,000 disabled persons reporting unemployment in Virginia, this number should expand.

Ms. Ignatz explained that 45 states have implemented state use laws modeled after the JWOD program to provide a market for the products and services produced by disabled individuals to state governments, agencies, departments, municipalities, and universities. The state of New York has the oldest and largest program that creates sales of \$120 million. Some states have just passed a state use law, others generate millions in sales figures. Ms. Ignatz asserts that Virginia could reach \$25-40 million in sales, too. She explained that state use is good for business because it supplies totally reliable employees and then provides them with skills to advance. State use programs also save the state money on public assistance expenditures.

Consumers' Perspectives: Eggleston Services, Inc. of Norfolk

CEO Paul Atkinson, spoke on behalf of his company, Eggleston Services, Inc., a well regarded ESO in the Hampton Roads area that has a JWOD contract with NISH. He explained that in August of 2006, he employed about 600 disabled persons. The majority had Medicaid or DRS support. In compliance with the federal contract, the jobs offer health benefits, insurance, and retirement plans for the disabled employees. Moreover, a mail clerk position pays as much as \$ 13.75 per hour.

Mr. Atkinson presented a DVD of workers at Eggleston and their perspectives. The workers interviewed on the DVD expressed great appreciation and enjoyment of their work at Eggleston. Mr. Atkinson described how one model employee, named Linwood, had been institutionalized in Virginia as profoundly retarded, but they learned during employment that he actually suffered from a hearing impairment, rather than retardation. The workers said that they loved to work! The joyous comments by the workers were inspiring and members remarked on how impressed they were with the program and the high wages offered.

Current Procurement and Production Trends in Virginia and DRS Recommendations

Harry Weinstock and Commissioner Rothrock conveyed the status of current state law, the state use laws in other states by comparison, and specific recommendations to improve state use in Virginia. They referred to Sections 2.2-1111 and 2.2-1118 as in need of amendments to expand their effectiveness. They noted that state use programs that reduced the need for government entitlements while increasing tax revenues earned

on income resulted in an annual saving of \$2,200 per worker employed through a state use program.

To improve state use in Virginia, DRS proposes drafting statutory language to allow for production of a wider array of goods and services under the program. Secondly, DRS proposes an administrative option to create a central non-profit agency (CAN) with \$350 million in funding based on the federal JWOD model. The state could either completely run the CNA, or it could be a stand-alone model with start-up funding, or the CNA could fall under a statewide association. Mr. Rothrock contends that the CNAs eventually would become self-supporting and argued that these options are very compelling opportunities to solve problems for the Commonwealth.

Medicaid Buy-In Update

Jack Quigley, Manager of the Medicaid Infrastructure Grant Project of the Department of Medical Assistance Services, provided an update to the Commission on the status of the Medicaid buy-in program. He indicated that 1999 Medicaid grants had authorized the program and the income limit was \$654 per month to participate. Mr. Quigley explained that individuals must meet several qualifications regarding employment, income and assets, residency in Virginia and United States, but not living in a public facility. He said that after paying first to buy-in, the state would disregard over half of income resources up to the SSI threshold in determining benefits. He acknowledged that implementation of the buy-in program was a tedious process and still faced additional regulations and amendments. They expected a final program by January 1, 2007. The members showed a keen interest in the outcome. Mr. Quigley answered questions on the number of slots (statewide, no limits), the budget (largely set at \$600,000), the possibility of participation without employment (statement from an employer will suffice). He offered to return to give a final update on the program.

Public Comment

Michael Cooper, a representative of Northern Virginia CILs, remarked that he is glad the Commission is looking at ESOs and urged that the focus on employment continue across a broad continuum. He noted the book, Moving Violations, in which the award-winning disabled broadcast journalist, John Hawkenbury, did not appreciate being evaluated for repetitive work at an ESO. He further noted that while the wages at Eggleston are good, the Commission should consider wages in terms of whether they permit affordable housing.

The Chair of the Commission proceeded to introduce other representatives and directors of CILs in Manassas, Lynchburg, and Danville, respectively, who were present at the meeting. The meeting then adjourned.