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PRESIDENT CLINTON AND VICE PRESIDENT GORE: ECONOMIC OPPORTUNITIES FOR ALL AMERICANS

January 13, 1999

"Increased access to health care; more assistance at home and in the workplace; remarkable new technologies: that is how we will make sure that all Americans, no matter what their abilities, can take their place in the workplace."

President Bill Clinton
January 13, 1999

Today, President Clinton will unveil a historic new initiative that will remove significant barriers to work for people with disabilities. This three-part budget initiative, which invests \$2 billion over five years, will help provide better health care options for people with disabilities who work, a \$1,000 tax credit for work-related expenses, and invest in technology that can enhance their ability to participate in the workplace.

REMOVING THE BARRIERS THAT STOP PEOPLE WITH DISABILITIES FROM GOING TO WORK. Since the President and Vice President took office, the American economy has added 17.7 million new jobs, and unemployment is at a 29-year low; however, the unemployment rate among working-age adults with disabilities is nearly 75 percent. People with disabilities often become ineligible for Medicaid or Medicare if they work, putting them in the difficult position of choosing between health care coverage and work. In addition, advances in technology and communications are often not accessible to people with disabilities.

A HISTORIC PLAN TO IMPROVE ECONOMIC OPPORTUNITY FOR AMERICANS WITH DISABILITIES. The President's budget proposal will include a three-part initiative to bring greater opportunity to Americans with disabilities:

- **Funding the Work Incentives Improvement Act.** Health care, particularly prescription drugs and personal assistance, is essential for people with disabilities who work. The President's budget fully funds the Work Incentive Improvement Act, that would:

Improve access to health care by:

- Expanding states' ability to provide a Medicaid buy-in to people with disabilities who return to work;
- Extend Medicare coverage, for the first time, for people with disabilities who return to work;
- Create a new Medicaid buy-in demonstration to help people with a specific physical or mental impairment that is not severe enough to qualify for health assistance, but is likely to lead to a severe disability in the absence of medical treatment;

Modernize the employment services system by creating a "ticket" that will enable SSI or SSDI beneficiaries to use a range of public or private providers for vocational rehabilitation. If the person goes back to work and achieves substantial earnings, providers would be paid a portion of the benefits saved;

Create a Work Incentive Grant program to provide benefits planning and assistance, facilitate access to information about work incentives, and better integrate services to people with disabilities working or returning to work.

- **Providing a \$1,000 Tax Credit For Work-Related Expenses For People With Disabilities.** Under the President's proposal, workers with significant disabilities would receive an annual \$1,000 tax credit to help cover the costs associated with employment, including, special transportation and technology;
- **Improving Access to Assistive Technology.** This new initiative will accelerate the development and adoption of information and communications technologies that can improve the quality of life for people with disabilities and enhance their ability to participate in the workplace.

PRESIDENT CLINTON AND VICE PRESIDENT GORE UNVEIL NEW INITIATIVE TO IMPROVE ECONOMIC OPPORTUNITIES FOR AMERICANS WITH DISABILITIES

BACKGROUND: January 13, 1999

Today, President Clinton will unveil an historic new initiative that will remove significant barriers to work for people with disabilities. This three-part budget initiative, which invests over \$2 billion over five years, includes: (1) full funding of the Work Incentives Improvement Act which will be introduced by Senators Jeffords, Kennedy, Roth, and Moynihan next week; (2) a new \$1,000 tax credit to cover work-related costs for people with disabilities; and (3) expanded access to information and communications technologies. With these new proposals, the Administration will have taken action on every recommendation made in the report of the President's Task Force on the Employment of Adults with Disabilities, which the Vice President accepted last month. Justin Dart, one of the foremost leaders of the disability communities, stated in response to today's proposals: "The Clinton-Gore Administration has a long history of supporting the disability community. This policy initiative is one of the boldest since the landmark passage of the ADA."

BARRIERS TO WORK FOR PEOPLE WITH DISABILITIES

- **Millions of working-age adults have disabilities.** About 1.6 million working-age adults have a disability that leads to functional limitations (i.e., needs help with at least one activity of daily living). About 14 million working-age adults are disabled using a broader definition (e.g., uses a wheelchair, or walker; has a developmental disability).
- **The unemployment rate among people with disabilities is staggering.** Nearly 75 percent of people with disabilities are unemployed. Not only is it more difficult for people with disabilities to work; when they do work, their earnings are lower. According to one study, the average earnings for men with disabilities are 15 to 30 percent below those of men without disabilities. These disparities are greater for those needing help with daily activities.
- **Multiple barriers to work.** People with disabilities face a number of challenges, including:
 - **Lack of adequate health insurance.** In most places in the U.S., people with health problems can be charged high premiums by private insurance companies or denied coverage altogether. Those who are insured may not be covered for some of their needs, such as personal assistance. Medicaid covers these services, but eligibility is generally restricted to people who cannot work. Thus, there is little incentive to return to work.
 - **Higher costs of work.** People with disabilities not only face lower than average wages, but typically pay more to get to and from work and to function at work. Thus, for some, returning to work may decrease rather than increase their savings.
 - **Disconnected employment service system:** A variety of vocational rehabilitation, educational, training and health programs exist to facilitate work for people with disabilities, but they rarely work together in a coordinated way.
 - **Inaccessible or unavailable technology:** Technological advances facilitate work, improve productivity and reduce the costs of such technology. Yet, people with disabilities often lack information on what exists, how to use it, and how to afford it.

ADMINISTRATION COMMITMENT TO IMPROVING OPPORTUNITIES

The President has made expanding economic opportunities to all Americans -- particularly people with disabilities -- a priority. His accomplishments include:

- **Most diverse Administration in history** by appointing a large number of people with disabilities to senior positions. The Federal government now employs about 127,000 employees with some type of disability.
- **Strong efforts to end job discrimination.** In July 1998, the President directed key federal civil rights agencies (Department of Justice, Equal Employment Opportunity Commission and the Small Business Administration) to increase outreach and implementation efforts.
- **New Medicaid buy-in option for workers with disabilities.** The Balanced Budget Act of 1997 created an optional program whereby states could allow people with disabilities who were earning up to 250 percent of poverty to purchase Medicaid coverage.
- **Improving employment services.** On August 7, the President signed the Workforce Investment Act (WIA), including the Rehabilitation Act Amendments of 1998. It establishes better links between the vocational rehabilitation and the workforce development systems.
- **Expanding accessible transportation.** In September 1998, the Department of Transportation issued the final regulation implementing the Americans with Disabilities Act (ADA) provisions for over-the-road bus (OTRB) accessibility.
- **Reauthorizing and expanding the Assistive Technology Act.** In October, 1998, the President signed the "Tech Act" which provides assistive technology to low-income people with disabilities and encourages small businesses to design and market innovative ideas.
- **TASK FORCE ON EMPLOYMENT OF ADULTS WITH DISABILITIES.** One of the most important actions taken by President Clinton was the signing of the executive order establishing the Presidential Task Force on Employment of Adults with Disabilities on March 13, 1998. Led by Alexis Herman, Secretary of Labor, and Tony Coelho, this Task Force is charged with coordinating an aggressive national policy to bring adults with disabilities into gainful employment. It produced a set of interim recommendations in December, 1998, summarized below:

RECOMMENDATION

1. Work to pass the Work Incentive Improvement Act
2. Work to pass the Patients' Bill of Rights
3. Examine tax options to assist with expenses of work
4. Foster interdisciplinary consortia for employment services
5. Accelerate development/adoption of assistive technology
6. Direct Small Business Administration to start outreach
7. Remove Federal hiring barriers for people w/ mental illness
8. Develop a model plan for Federal hiring of people w/ disabilities

ACTION

President includes in budget
High Presidential priority
President includes in budget
President includes in budget
Vice President announced 12/98
Mrs. Gore announced tomorrow
Vice President announced 12/98