IF YOU THINK THE SYSTEM IS WORKING, ASK SOMEONE WHO ISN'T

A REPORT TO THE WHITE HOUSE DOMESTIC POLICY COUNCIL
NATIONAL DISABILITY POLICY REVIEW PANEL

from

THE EMPLOYMENT OF WORKING AGE ADULTS WORKGROUP

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PREFACE

In October, 1994, Alice Rivlin, Director, Office of Management and Budget and Carol Rascoe, Director,? White House Domestic Policy Council, convened a White House meeting with Federal agency appointees to initiate the National Disability Policy Review. The purpose of this Review and the mission to its Panel was to analyze, review and develop a more coordinated approach to national disability policy, government-wide.

Four workgroups were formed from the National Disability Policy Review Panel to address specific issues which included: Accommodations, School to Work Transition, Children's Issues and Employment of Working Age Adults.

This workgroup, the Employment of Working Age Adults, was directed to focus on the problems associated with the chronic unemployment and underemployment of persons with disabilities and to review policy options and make recommendations for helping people with disabilities enter and remain in the workforce.

Members of the Employment of Working Age Adults Workgroup included:

Council of Economic Advisors, David Levine;
Domestic Policy Council, Diana Fortuna and Lynn Margherio;
Education, (OSERS), Judy Heumann and Howard Moses;
EEOC, Paul Miller and Andy Imparato;
HCFA, (OLIGA), Susan Hill;
HHS, Bob Williams and Ruth Katz;
DOL, Stephanie Powers, Bill Burrell;
Office of National AIDS Policy, Jeff Levi and Brenda Kunkel;
Office of Personnel Mgmt, Michael Grant, Marilyn Thornton and Armando Rodriguez;
SSA, Susan Daniels, Convener of Workgroup, Marie Strahan, April Waugh, and Jane West, Consultant to SSA;
Veterans Affairs, Dennis Duffy

The Workgroup met over a four month period and consulted with disability policy experts, researchers, and policy analysts from a wide range of Federal agencies and other organizations including the National Academy of Social Insurance, the National Institute on Disability and Rehabilitation Research, the AFL-CIO, and the departments and agencies who are members of the Review.

The Employment of Working Age Adults Workgroup also hosted a meeting of approximately 50 national advocacy organizations and individuals with disabilities to discuss the Review and to ask for their input and recommendations.

INTRODUCTION

By just about any measure, people with disabilities partake less of the American dream than the population as a whole. Despite progress in some areas, they remain less employed, less educated and poorer than other Americans. The number of people with disabilities on Federal income support programs (SSI and SSDI) has increased significantly in the last decade while, by most measures, the number working has remained about constant.

At the same time, many individuals with disabilities who currently are not working report that they would prefer to work. Those who work are less likely to be poor than those who do not work. Data show that many individuals who are determined by the Social Security Administration to have severe work disabilities, are, in fact, working at least some portion of time. Because of technological advancements, anti-discrimination efforts, rehabilitation and job placement initiatives, people with disabilities who were once considered incapable of employment, are working.

The problem is that too few people with disabilities are working and when they do work it is too often at low paying jobs with no benefits and little opportunity for promotion. With low-paying jobs, little access to benefits like health insurance and extra expenses required to meet disability-related needs (e.g. a blind person paying for a reader), it is understandable that many pursue Federal income support which brings with it a guarantee of health insurance. However, Federal expenditures for income support and health insurance for people with more severe disabilities are growing dramatically and are unlikely to be sustainable.

This report attempts to articulate the problems faced by people with disabilities in securing employment and the current Federal policies that influence the employment status of people with disabilities and recommends changes for improvement.

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REPORT

FINDING 1: People with disabilities are significantly less employed than people without disabilities and have been over many years.

Depending on the definitions used of "work" and of "disability," between 55% and 77% of people with disabilities are not working. One calculation indicates that of the 15.6 million people who have a work disability, 10.2 million, or 65.5% are not in the labor force while only 19.7% of working-age people without disabilities are not participating in the labor force (CPS 1993). A Louis Harris survey of 1000 people with disabilities administered in 1986 found that 66% of those surveyed were not employed. In 1994 the same survey found 68% not working.

When people with disabilities do work, it is often part time, at entry level, low-paying jobs and without benefits. One survey found that 60.8% of those with a work disability who were employed were working irregularly or part time compared to 36.7% without a work disability (CPS 1990). Of individuals with disabilities who were working, only 18.2% were working full time, while 60.6% of people without disabilities were working full time (CPS 1988). People with disabilities who work full time have a 12.3% poverty rate compared to a 2.65% poverty rate of those without disabilities who work full time (CPS 1993).

Poverty may be considered both a cause and a result of unemployment among individuals with disabilities. According to the Harris Poll, people with disabilities have lower incomes than people without disabilities. Fifty-nine percent of people with disabilities live in households with total incomes of less that $25,000 or less, compared to 37 percent of those without disabilities. Only 10 percent have household incomes of $50,000 compared to 22 percent of people without disabilities.

Factors such as type and severity of disability, sex, race and education level have an impact on employment prospects. The likelihood of a person with a disability not working is increased if the individual has a severe disability, is not well educated, is a woman and/or is an African American. One study found that while the employment rate for persons with no disability was 80.5%, the rate was 27.6% for those with a severe functional limitation (McNeil 1993).

FINDING 2: Many people with disabilities who are not working can work and want to work.

There is convincing evidence that people with disabilities want to work and pursue work. At any one time, approximately

55,000 people with disabilities receiving SSI benefits (those who have been determined to have severe work disabilities) report earnings from work. In 1993, approximately 300,000 SSDI recipients reported earnings from work (SSA 1994). Of the 1000 individuals interviewed in the 1994 Lou Harris survey of people with disabilities, 79% who were not working reported that they wanted to work.

FINDING 3: People with disabilities report the following major reasons as to why they are not employed: lack of health care; no support services; and loss of income from working.

A 1994 Louis Harris & Associates Survey of 1000 people with disabilities found that of those who were not working, but believed that they could work, 57 percent reported losing benefits, including health care coverage, as the most significant reason why they did not pursue full time work. A 1994 Bureau of the Census report confirms this concern about health insurance. The Bureau found that only 50 percent of individuals with severe disabilities have private health insurance; 36 percent are covered by Medicare or Medicaid and 15 percent lack any type of health insurance coverage. A 1993 series of conference calls with 1200 disability leaders across the country conducted by the President's Committee on Employment of People with disabilities also confirmed that lack of access to private health insurance is a major disincentive to employment and was reported as the number one reason for the high rate of unemployment of individuals with disabilities. Other major barriers reported by consumers in the Harris Poll include:

-lack of affordable, accessible and consumer-controlled personal assistance services and technology-related assistive devices,
-inadequate education, work-study programs and school to work transition programs,
-disincentives in Federal programs such as Social Security, Medicaid and Medicare, and other State or private assistance programs
-inadequate accessible transportation
-critical lack of affordable, accessible housing

Discrimination against people with disabilities caused by erroneous perceptions about their abilities is another cause of high unemployment. The Harris Poll found that 47 percent of respondents did not believe that others treat them as equals. Thirty-three percent of individuals with disabilities who do work report that they have encountered unfavorable attitudes in the workplace, primarily from supervisors and co-workers.

Finally, another factor that no doubt contributes to the

high unemployment rate of individuals with disabilities is that many remain uneducated about their civil rights and their rights to benefits and services. The 1994 Harris Poll found that only 40% of those surveyed were aware of their rights under the Americans With Disabilities Act.

FINDING 4: While employers report many positive experiences with their employees with disabilities, they continue to encounter significant barriers to employing people with disabilities.

A 1987 Lou Harris survey of employers found that 88% of employers gave employees with disabilities a good or excellent rating on their overall job performance. Nearly all were reported as performing their jobs as well or better than other employees in similar jobs. Most managers reported that employees with disabilities work as hard or harder than employees without disabilities and are as punctual and reliable. Eighty percent of department heads and line managers reported that disabled employees were no harder to supervise than employees without disabilities and three fourths of managers said that the average cost of employing a person with a disability is about the same as the cost of employing persons without a disability. Most managers said the cost of making accommodations for employees with disabilities is not expensive and it rarely drives the cost of employment above the average range of costs for all employees.

A recent case study of Sears, Roebuck and Co. (Blanck 199?) found that 97% of accommodations at Sears involved little or no cost. The average cost of 436 accommodations between 1978 and 1992 was $121.00. Even some accommodations which may be considered "expensive" must be considered in the context of the difference between working and not working. For an expenditure of $2974.00 in technology and alterations to the work space, Sears employee Tony Norris went from being an employee who could not perform his job to an employee who handles 4000 "help-desk" phone calls per month. Tony has been a tax-paying employee with Sears for almost 25 years.

In meetings with members of the workgroup, national business organizations reported little difficulty in working with the ADA and its requirements. They noted that having a "third party," such as a non-profit organization, available to provide support services to the employee with the disability and consultation services for the employer was particularly useful to them.

Despite positive experiences of employers with employees with disabilities, they are not hiring people with disabilities in significant numbers. In the 1986 Harris Survey, only 43% of EEO officers indicated that their company hired an employee with a disability in the past year. Large companies and companies

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with federal contracts were the companies most likely to hire people with disabilities according to the Survey.

Companies that had not hired people with disabilities noted lack of qualified applicants as the most important reason. Few companies noted that they had established a policy or program to hire people with disabilities. (It should be noted that this survey predates the ADA.) Managers generally displayed a low level of consciousness toward people with disabilities as a group and three-fourths of the managers reported feeling that people with disabilities often encountered discrimination from employers.

The workgroup has been informed of additional concerns by business groups including fear of increased costs for health insurance and accommodations, concern about liability for safety of the employee with a disability and co-workers, discomfort interacting with people with disabilities in the workplace by both employers and co-workers and confusion over overlap and conflict in Federal employment laws such as the Family Medical Leave Act, the ADA and OSHA.

FINDING 5: People with disabilities are a vastly diverse group with a myriad of employment related needs.

By most estimates over half of people with disabilities become disabled as adults. The circumstances under which they become disabled are most significant in determining the services they receive or the system of services they will access. For example, if an individual sustains a disability as a result of an injury at work, he/she may enter the workers compensation system. This system may be oriented toward "percentage compensation" or payoff more than return to work. In contrast, if an individual sustains an injury from an automobile accident, the individual will likely be entitled to compensation for medical care, which may or may not have a rehabilitation and return to work emphasis.

As a group, people with physical and mental disabilities have impairments that range from very mild to totally debilitating. Frequently people with severe disabilities experience multiple functional limitations. Thus, individuals who develop a mental impairment in mid-life as a result of a degenerative condition or accident are likely to have very different needs than an individual born with a significant mental impairment. Those born with a disability will typically access a complex system of clinical, early childhood, special education and hopefully transition services before work is considered whereas adult onset presents a drastic change in life functioning and a myriad of new medical, therapeutic and social systems to maneuver.

Other significant factors, such as education level, geographic location, and socio-economic status, play an important role in an individual's employment. For example, those with significant resources are likely to receive a better education and thus be better qualified for a good job than those with disabilities who are poor. Family configuration is also significant, as family members may provide essential support that would not otherwise be available, which could enable an individual to work.

The special circumstances of the disability itself combined with other very significant factors such as age, race, socio-economic status, education level, access to rehabilitation or employment services, prior work experience and geographic location presents a very diverse population that requires highly individualized and specialized employment services and supports.

FINDING 6: The excessive unemployment and underemployment status of people with disabilities is not considered a significant factor in the Nation's overall economic policy and resultant mainstream employment services programs.

Finding: The unemployment and employment status of people with disabilities has not been considered in the nation's overall employment policy and goals.

A review of existing (?) Federal (?) employment policies reveals that there has been no (or very little?) national attempt to reduce the unemployment rate of people with disabilities through mainstream economic, worker investment, or tax policies. Much of what has occurred over the years has been the earmarking of Federal dollars for social investments in this group, mostly focusing on medical treatment, basic education, and habilitation--typically occurring outside of mainstream labor market activities.

National employment policies in the past have proffered goals of "full employment", which have encouraged a perception that a certain percentage of unemployment is expected or acceptable. Consequently, in pursuit of national employment goals, the Federal government has traditionally provided a myriad of training, job placement, education, employment services, and unemployment benefits to unemployed, underemployed, and disadvantaged Americans. But it is questionable whether the population of people with disabilities has been regularly considered in large scale investment plans for training, education, and employment for the

general workforce.

It has been reported (where???) that over 50 percent of working age citizens with disabilities are not working. However, "not working" does not necessarily mean "unemployed."

According to the Department of Labor's Bureau of Labor Statistics, being unemployed means "not having a job and actively seeking work." It is unknown how many with disabilities are actually in this category. They are not specifically examined in the Current Population Survey (CPS) as other population cohorts are, i.e., according to gender, age, race, and education levels. The CDS provides the basis for calculation, the nation's monthly unemployment rate, and as currently structured, it is impossible to know how many people with disabilities are unemployed. This then makes any accurate comparison fo the rates of employment and unemployment impossible between the population of people with disability and the general population.

The Administration's view is that the strong economic activity witnessed in the 1994 expansion will continue through 1995. The 3.5 million new jobs in the private sector in 1994 caused the unemployment rate to decrease from 6.7 percent to 5.4 percent over the course of the year. Further, the rate of capacity utilization in manufacturing climbed to 85 percent in December 1994, the highest level in 6 years. The current economic surge is expected to yield a leveling of the annual unemployment rate at around 5.8 percent into the year 2000. Up to 8 million jobs are expected to e created over that 4-year period. In light of the projected growth and job demand trends, the Administration and the Department of Labor are emphasizing increases in investment in human capital to improve skills and overall education levels of the workforce to meet the anticipated labor demand.

The Clinton Administration's workforce development has articulated a commitment to invest in America's most valuable resource, its people, recognizing that while all should have equal access to opportunities, all cannot be guaranteed equal experiences and successes. Much of an individual's success in the labor market of the new global economy will depend on his/her ability to be competitive and have marketable skills. This premise has major implications for people with disabilities regarding their paths to labor market. Opportunities and quality of education and training which they typically receive.

Problems of the existing employment and training system for the general workforce may be more acute for people with disabilities and actually tend to create more barriers than opportunity for productive employment. The January 1994 Dept of Labor's explanation of the President's Middle Class Bill of Rights suggest that:

- There are scores of training and education programs across the Federal Government which are fragmented and overlapping. With disability services usually on a separate Federal track, never does the "town" meet rarely putting people with disabilities in touch with these mainstreams services, as fragmented as they might be.

- For the general population, there are weak strategies for developing Federal resources associated with workforce development. This makes mainstream opportunities even less likely for people who need more supports for successful penetration of the labor market.

- In most programs, bureaucrats make choices about jobs and training, a familiar encounter for people with disabilities who receive Federal and State support and none doing much to empower the individual to exert control over his/her own work life.

- The current employment system does not provide reliable data about what jobs are available. People with disabilities need good data like everyone else in order to have maximum opportunities.

- The quality of training and related services is highly uneven, with performance not tied to funding. This exacerbates he difficulty people with disabilities already have in finding high quality employability development services which can lead to access and opportunity in the mainstream economy.

As the economy moves ahead, participation in a lifelong learning agenda and skill improvement will make a difference in whether American workers are left behind or will be able to succeed in any economy where skills will pay off. Retooling the current Federal employment and training system will also be a critical factor in helping Americans to succeed. But it remains to be seen how people with disabilities will be included in this workforce development agenda, as most Federal disability policy and programs do not reflect these priorities nor do they intertwine with mainstream workforce preparation.

FINDING 7: The federal government has played and continues to play a crucial role in the lives of people with disabilities.

Over the course of the last 50 years, the federal government has enacted and administered legislation that now serves as a policy and program infrastructure for people with disabilities. The Federal role has evolved to include multiple programs and services such as rehabilitation and special education, income maintenance and health insurance, protection and advocacy, independent living, professional training and research and demonstration. Since the 1970's the federal government has played an increasingly vigorous role in assuring civil rights and access to all aspects of society for people with disabilities. In many instances, the federal government has stepped in to provide a voice for people who, because of their institutionalization and/or the severity of their disabilities, were unable to make their voices heard. Considered all together, these programs and policies have established both a floor of opportunity for people with disabilities and a critical safety net for survival of those who are most vulnerable.

With the enactment of the landmark Americans with Disabilities Act (ADA) in 1990, federal disability policy moved into a bold new era, setting a standard for inclusion and participation of people with disabilities the mainstream of American life. The ground-breaking assumption of the ADA, reflecting the evolution of disability rights thinking as well as medical and technological breakthroughs, is that people with disabilities should be empowered, rather than "cared for."

One can only wonder what the status of people with disabilities might be in 1995 had there not been such a forceful and proactive federal presence in the last 5 decades. Would people with disabilities still be routinely warehoused in institutions? Would they still be denied access to public education? Would they routinely go without access to health care? Would they have gone without the liberating benefits of assistive technology and rehabilitation engineering?

FINDING 8: Employment-related disability programs assume economic incapacity of people with disabilities.

The majority of Federal spending for people with disabilities (over 90%) is in the areas of SSI, SSDI, Veterans benefits, Medicaid and Medicare. Spending on special education, vocational rehabilitation, job placement, training and research, independent living, and protection and advocacy constitute the remaining 10%.

While the income maintenance and health insurance expenditures provide a critical safety net without which many people with disabilities would be completely destitute, they also present complex obstacles to maximizing employment. Two examples

are illustrative. First, in order to receive cash payments, an individual must prove, through medical examinations and extensive assessment, that she/he is virtually incapable of employment because of the disability. This process of application and eligibility determination may take as long as a year, or longer. The individual, interested in survival at this point, focuses on his/her limitations and incapacities in order to be eligible for cash. This prevents an examination of capacities or capabilities or consideration of maximizing work potential and may convince the individual that she/he in fact has no employment potential. Second, if the individual is deemed eligible for cash, she/he automatically becomes eligible for health insurance -- Medicaid or Medicare.

One can only gain access to public health insurance through the circuitous route of becoming eligible for cash benefits first. There are many reports of applicants and families refraining from work and working to prove the inability to work in order to gain access to critical health insurance. Because of pre-existing condition exclusions and medical underwriting practices in the provision of private health insurance, many individuals with disabilities find that the only access to secure and affordable health care is through this route of proving inability to work

FINDING 9: Expenditures for income maintenance (SSI and SSDI) for people with disabilities have doubled in the last 10 years and are likely to more than double again in the next 10 years.

Between 1990 and 1995, federal expenditures for SSI and SSDI increased from $35.2 billion to $63.4 billion. During the same period the number of beneficiaries grew from 7.1 million to 10.2 million. Social Security Administration projections indicate that, if no changes are made in the current programs, expenditures will reach $142 billion and beneficiaries will be 14.9 million by 2005. The reasons for the growth in the roles are multiple, including changing demographic trends, changing economic conditions and changes in program rules and administration. As the baby boomer cohorts continue to age, a further bulge in the rolls is projected. (Appendix III, Social Security and Medicaid/Medicare Information)

FINDING 10: Mainstream employment and training programs do not recognize their obligation to serve people with disabilities.

In view of the large numbers of individuals with disabilities who are not employed and dependent on income maintenance programs, mainstream programs are serving comparatively few individuals with disabilities and appear to

place little emphasis on job placement and employment outcomes for this chronically unemployed and very expensive population.

The Jobs Training Partnership Act (JTPA) training and employment program operated by the Department of Labor reported serving approximately 158,000 youth and adults with disabilities (10 - 15% of the total served) in fiscal year 1994. Unfortunately, information on employment outcomes for this group is unavailable. The same holds true for the U.S. Employment Services who report serving 468,136 individuals with disabilities. Other Department of Labor mainstream programs such as the Veterans Employment Programs and Unemployment Compensation do not track numbers served nor track outcomes for this population.

There are similar situations in Vocational Education and School to Work programs in the Department of Education. Vocational Education programs are designed to assist high school and post-secondary students to acquire job skills and become employed. The National Longitudinal Transition Study Reports that 22.5% of students with disabilities enroll in post secondary education programs compared to 55.7% of students without disabilities. Vocational Education programs do not track services to young people with disabilities nor do they track employment outcome for this population.

Arguably all mainstream programs would be justified in establishing priority services to this high need and high cost population. Until mainstream programs are required to track outcomes for students and workers disabilities, it is impossible to conclude that these programs are serving this population equitably or effectively.

(See Appendix II, Chart # Mainstream Programs)

FINDING 11: Targeted education, vocational training and rehabilitation/return to work services for people with disabilities operate result in service gaps, waiting lists, and a non-system of duplicative programs that the consumer must maneuver in order to obtain minimal assistance.

As described earlier, the Federal government has responded to the unique needs of people with disabilities by creating specific programs designed to address very specific areas of need such as education, employment, health, housing, advocacy, income support, rehabilitation, veterans, etc. One of the oldest segregated systems is the State Vocational Rehabilitation Program which began in 1919(date?) as a return to work program primarily for veterans with disabilities. Currently, the government administers over 50 Federal acts and programs for individuals with disabilities each with a definition of disability and

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program eligibility requirements, with some overlap. (Conwal, Inc. February 1995) (See Appendix V, Program Eligibility-Definitions)

Despite the best of intentions, the continuation of specialized disability programs has had a perverse effect on services to individuals with disabilities in mainstream programs. It has somehow promoted the view that all individuals with disabilities require highly specialized services thus they become the specialized program's total responsibility. At the same time, specialized disability programs such as Vocational Rehabilitation or Supported Employment are typically funded at levels adequate to serve only those individuals with the most significant (or severe) disabilities. Because of the large number of referrals from mainstream programs and current funding levels, special programs have been required to implement strict service priorities and to establish waiting lists.

Specialized disability programs argue that mainstream programs are required by Section 504 and the ADA to provide services to all individuals with disabilities and that integration is the over-arching public policy goal. Mainstream programs argue that individuals with disabilities require specialized services and supports and that their staff are not trained, nor is the program equipped, to work with this population. It is reasonable to assume that a vast number of those 10 to 15 million citizens who report a work disability and seek employment services fall into a huge gap between mainstream programs and the specialized service programs. Specialized (or targeted) employment services programs for working age adults with disabilities are funded at under $3.0 billion and are equipped to serve approximately 800,000 to one million persons a year with employment outcomes reported at about 200,000 a year.

The State Vocational Rehabilitation Program (VR) is the primary employment services program for adults with severe disabilities. The operation of the State VR program and coordination among the various Federal employment services programs, job training programs, and entitlement programs raises a number of public policy questions in terms of the overall effectiveness of all Federal employment programs for this population. individuals with disabilities. Even though interagency coordination is mandated, there is little to suggest that it is occurring. The State VR program is mandated to serve individuals with the most severe disabilities first yet VR field staff report that mainstream programs refer persons who have less severe disabilities to State VR thus creating waiting lists for evaluation and eligibility determination for all applicants. Field counselors also admit that in many cases they assist those with more severe disabilities who apply for rehabilitation services to obtain cash benefits and the accompanying medical benefits from SSI and SSDI because it is less expensive and in

many cases, it appears to be in the client's best interest in the long run.

Despite the mandate, it appears that a significant amount of the State VR caseload is individuals who do not have severe disabilities (approximately 25%). There are a number of possible reasons for this phenomenon; success is easier to achieve with a less severe population, rehabilitation for individuals with severe disabilities is much more expensive and is very time consuming so counselors help fewer people, job placement for people with more severe disabilities may jeopardize their critical health care under medicaid and medicare and thus harm the client in the long run, and people with more severe disabilities require higher incomes to cover disability related costs and long term supports, etc.

*MARKER -- SSA 2 DAY SURVEY SHOWING THAT PEOPLE WHO APPLY AND ARE DENIED GET WORSE BECAUSE OF LACK OF HEALTH CARE AND DO NOT GO BACK TO WORK SO THAT LATER THEY ARE ALLOWED ANYWAY. PRESENTS A CASE FOR EARLY INTERVENTION/PREVENTATIVE HEALTH CARE.

In an environment where resources are scarce, joblessness is high and the Federal expense for income maintenance and health care for people with severe disabilities is skyrocketing, the Federal VR program for people with severe disabilities reports that over 25% of the 209,000 individuals rehabilitated in 1994 were not severely disabled individuals. At the same time, the Social Security Administration refers over 150,000 persons on SSI/SSDI to State VR for services every year with very poor outcomes (about 6,500 become employed and leave the rolls). This situation presents some serious public policy questions about national policy goals for people with disabilities. Should SSI/SSDI recipient receive priority services from State VR? Should mainstream programs be required to serve people who do not qualify for SSI/SSDI or State VR? Should the Federal government target some funding for early intervention and prevention in rehabilitation and employment services programs?

Another example is transition programs for youth. There are eight Federal policy units, spread over several different Federal agencies or departments, affecting the "Transition from School to The Workplace" initiative that was first developed within the Office of Special Education and Rehabilitative Services of the Department of Education. Despite mandated interagency coordination and a recent effort establishing an interagency multi-year technical assistance project, coordination continues to exist primarily on paper and not in the actual implementation of programs.

Similarly, supported employment programs are currently funded in three federal entities (Rehabilitation Services

Administration, Administration on Developmental Disabilities, and Social Security Administration). Each defines supported employment differently, follows different policies, and sets different goals. Again interagency coordination is mandated, but there is little evidence of it in practice.

Problems of interagency coordination and collaboration, confusion of policies and goals, programs that work at cross purposes with the same population, service gaps and overlapping or duplicitous services certainly are situations not limited to Federal disability programs. They are problems of large scale government in general. Nevertheless, in the area of employment national policy for people with disabilities, these problems are seriously impeding the operation of an effective system of service delivery for a chronically unemployed and underemployed population.

(See Appendix II, Charts # , Mainstream Programs and Targeted Employment Programs)

FINDING 12: In disability-related programs the decision-makers are bureaucrats, not customers.

Historically, people with disabilities have been viewed as having no ability and thus were treated as persons who could be excluded from mainstream society and certainly from the national policy debate. Many lived lives of isolation and segregation from all aspects of American life while others were warehoused in institutions or viewed as someone that society needed to "take care of." Unfortunately, many of these views still exist today.

Limited involvement of people with disabilities in national policy development has adversely affected national disability policy. People who will be affected by a policy, or who share common experience and identify with the population that will be affected, sometimes have more realistic ideas than do other policy makers about what is needed and what will work. This valuable insight based upon commonality of experience and aspirations must not be ignored. Often, it is accompanied by an extraordinary/uncommon sense of responsibility for the results of policies and programs.

People react positively when they are given the power to create significant change in their own lives. Although federal policy development rarely offers the opportunity for such a direct personal involvement of people with disabilities, if offered, we believe it will ground policy in experience and close many gaps between programs and needs.

Thus, in keeping with the 1993 amendments to the Rehabilitation Act, the ADA and with the President's Middle Class Bill of Rights and Responsibilities, it is vital that new policy

initiatives promote choice and empower individuals with disabilities to maximize their employment and independence and to take responsibility for their lives and their future.

FINDING 13: The structure, regulations and administration of Federal employment programs for people with disabilities focus on process, not outcomes.

Over $120 billion Federal dollars are spent on disability related programs each year, and those expenditures are rising very rapidly. As was stated earlier, the vast majority of Federal expenditures are for programs that maintain people with disabilities in a dependent posture, unemployed and underemployed with minimal financial resources and minimal health care. Only about 3.0 billion is devoted to rehabilitation and employment-related services producing only 200,000 job placements annually.

One striking fact about Federal expenditures for working age adults with disabilities is that many important questions about the results of these programs have not been answered. Indeed, many of the questions about what kinds of results the nation might want have not even been asked. Very serious public policy questions relating to disability programs and expenditures stem from this lack of attention to basic questions about what the over-arching goal of Federal disability expenditures for working age adults with disabilities should be and about how to measure the attainment of those goals.

FINDING 14: For millions of Americans with disabilities, pursuing employment is an irrational act. The policy goals of Federal income maintenance programs are in direct conflict with employment and training programs. Work does not pay because of the threat of loss of health care and the economic disadvantage of going to work as opposed to remaining on income maintenance.

Ed and Monroe Berkowitz state this finding very succinctly in their 1989 publication:

> "(T)he American disability system consists of a social security track, complete with medical care and limited rehabilitation services, a public assistance track, also with medical care and rehabilitation services, a work injury track, special tracks for veterans and a private sector track. In addition, laws that alter minimum standards of employment, that set aside money or jobs, and that attempt to guarantee employment also characterize the American disability system. One cannot help but note that part of the system subsidizes retirement and encourages withdrawal

from the labor force; while another part explicitly seeks to encourage the entry of the handicapped into the labor force." (Berkowitz & Berkowitz, 1989, p.1227)

Discordant employment related Federal systems have fostered contradictory and overlapping practices and policies in disability programs. As public perceptions of the responsibility of government to "take care of" people with disabilities grew during the last few decades, and as the resultant government programs were developed and expanded by many different planners and agencies, confusion, contradiction, and even chaos are the outcomes.

Good intentions prompted decisions by legislators, agency officials and program planners that appeared to meet exemplary program needs but unknowingly set program against program, duplicated efforts, and otherwise created policies and goals that confuse even astute students of disability policy. It is not surprising, then, that many current practices work at cross purposes with the stated goals of Congress, or that most advocates or reformers are content to work quietly to fix the particular programs that most concerns them.

The most striking conflict is the contradictions between Federal policies in programs that encourage people with disabilities to work and those which require them to prove that they cannot work. As noted earlier, people with disabilities who want to receive Social Security Disability Insurance benefits and accompanying essential health security, must demonstrate that they are <u>not</u> capable of gainful employment. And yet, many of these same individuals are later referred by Social Security to the State VR system after they have established eligibility for cash benefits. This occurs even though the medical condition which made them eligible for SSI or SSDI benefits has not changed.

It is also perplexing that the same individual with a severe disability could simultaneously apply for State VR services and SSI disability benefits and be determined eligible for both. and on the one hand be told that with the appropriate services and supports, they have employment potential are eligible for vocational rehabilitation; on the other hand be told by Social Security that because of the presence of that particular disability it is assumed that they are unable to work and eligible for cash benefits.

The message is contradictory and confusing to beneficiaries, family members, service providers, and Federal agency officials. Even more damaging is the effect of SSA policies that suggest to SSI and SSDI beneficiaries that they should be careful about demonstrating a capacity for gainful employment because it will disqualify themselves for cash benefits. Potential loss of

benefits and medical care remain the greatest disincentives to employment. Many people with disabilities are unable to access adequate health insurance through employment because of high risk factors and pre-existing condition rules. This situation combined with access to health insurance upon receipt of cash benefits based on an inability to work, creates a strong disincentive to work and an incentive to seek eligibility for cash benefits. In 1994, the Bureau of the Census reported that only 50 percent of individuals with severe disabilities have private health insurance, 36 percent are covered by Medicare or Medicaid and 15 percent lack any type of health insurance coverage.

*MARKER -- SSA Cost and Effect of work incentives?

Recognizing that people with disabilities also face substantial discrimination in employment, as well as discriminatory physical, sensory, and transportation barriers, perhaps it is not surprising that only .1 % of SSI and SSDI recipients returns to the workforce. Those who do return to work must overcome daily accommodations and access obstacles that would defeat most individuals.

One cannot help but see the conflicting message of the VR and SSA programs. Alone both have positive public policy goals but operating with the same individual, a person with a severe disability, they send very incoherent, illogical and conflicting message. The government seems to be sending a number of confusing messages to individuals with disabilities;

> "You are a part of the mainstream and mainstream programs must help you, but many do not. So we have a special program for you whose goal it is to put you to work, but if you go to work, we will take away everything that enables you to work -- health care, survival cash, attendant care, housing, etc."

In our current Federal programs, an individual with a disability is faced with a choice of survival in an all or nothing system. Either you enter a life of welfare, poverty and underachievement, or your give up health coverage, housing, and income support in the hopes of securing a job with adequate health insurance and pay to enable you to meet your needs for housing, assistive technology, personal assistance, and other disability related supports and services. Even if you do find such a job, you face the same uncertainty that other workers face of being laid off, or losing benefits as the company seeks to cut costs in order to remain competitive, except for an individual with a disability it could be life threatening. However, for the individual with a disability, that loss is more devastating and the eligibility determination process regain benefits can take up to two years.

FINDING 15: Despite federal efforts to enforce anti-discrimination statutes, people with disabilities continue to face discrimination in employment and related areas such as housing, education and transportation.

At the time the Americans With Disabilities Act was enacted in 1990, Congress found that people with disabilities had experienced systemic discrimination in such areas as employment, education, job training, housing, transportation, communications, public accommodations and government services.

The ADA alone has resulted in private sector discrimination charges being filed with the Equal Employment Opportunity Commission (EEOC) of approximately 15,274 in FY 1993 and 18,859 in FY 1994. The EEOC has found that discrimination against people with disabilities in the workplace continues to be widespread.

Since the effective date of the ADA, the Department of Justice has received over 6,000 complaints relating to discrimination by government entities and public accommodations. The Department of Justice reports that the vast majority of these complaints are valid.

FINDING 16: Data collection, reporting, and analysis of statistics about people with disabilities is inadequate in major population-based surveys as well as mainstream employment and training programs.

The Department of Labor regularly collects information about the nation's employment rate. Findings are routinely reported as headlines in major newspapers, e.g. "Unemployment Rate Dips to 5.4%." Articles proceed to analyze the employment level of subgoups of the population -- women, African Americans, inner city teenagers etc. The employment rate of people with disabilities is virtually never reported in such articles, presumably because it is not considered either as part of the data collection or the analysis.

Department of Labor, Vocational Education, and School to Work training and employment programs report on the numbers of people with disabilities served but they keep no record of the numbers employed (outcomes) nor do they report on the numbers of persons with severe disabilities served. There is also no information provided on quality or length of employment.

For instance, in the Department of Labor's Unemployment Services Program, staff report that the program does not collect statistics on workers with disabilities. The programmatic assumption is that if you report a disability, you are unavailable for work. (Ck with DOL, here.)

RELEVANT STATISTICS

APPENDIX I

People with Disabilities and Employment[1]
Relevant Statistics

People with disabilities are significantly less employed than people without disabilities and have been over many years.[2]

Depending upon the definitions used of "work" and of "disability," the 1992 and 1993 Current Population Surveys reveal that between 55% and 77% of people with disabilities are not working. [3] One calculation indicates that of the 15.6 million people who have a work disabilty, 10.2 million, or 65.5% are not in the labor force while only 19.7% of working-age people without disabilities are participating in the labor force (CPS 1992, 1993).

The unemployment rate (defined as those who are currently not working but actively seeking employment) of people with disabilities is x compared to y for people without disablities.

In 1986, 66% of 1000 people with disabilities who were surveyed were not employed; in 1994 68% of those surveyed were not employed (Lou Harris and Associates 1986, 1994).

Many people with disabilities who are not working can and want to work.

At any one time, approximately 55,000 people with disabilities receiving SSI benefits (those who have been determined to have severe work disabilities) report earnings from work (SSA 1994).

In 1993, approximately 300,000 SSDI recipients report earnings from work (SSA 1994).

79% of people with disabilities surveyed who were not working wanted to work (Lou Harris 1994).

When people with disabilities do work, it is often part time, at entry level low-paying jobs and without benefits.

60.8% of those with a work disability who were employed were working irregularly or part time compared to 36.7% without a work disability (CPS 1990; NIDRR May 1992).

18.2% of people with a work disability were working full time in 1988, compared to 60.6% of people without work disabilities. (CPS 1988).

People with disabilities who work full time have a 12.3% poverty rate compared to a 2.65% poverty rate of those without disabilities who work full time (CPS 1993).

People with disabilities are a notably diverse group in terms of age of onset of the disability, type of disability, race and ethnicity, and geographic location.

African Americans have a higher rate of work disability [4] than whites or Hispanics and are more likely to have a severe work limitation.

About 14.2% of working-age blacks have work disabilities with 73.9% considered severe. The comparable rate for whites is 9.0% (with 55% severe) and for Hispanics 9.4% (with 69.7% severe).

People with disabilities are significantly poorer than people without disabilities.

About 28.9% of people with work disabilities have incomes below the poverty level compared to 10.1% of the working-age population without work disabilities (CPS 1993).

Since 1984, the number of working age adults on Federal disability income support programs increased dramatically from 4.2 million to 6.2 million more than doubling the cash outlay from $21.7 billion per year to over $48.3 billion in 1994.

People with disabilities who work are less likely to be poor than those who don't work.

15.6% of those who work are poor, while 37.6% of those who do not are poor (CPS 1993).

Despite recent increases, people with disabilities remain less educated than people without disabilities.

41% of students with disabilities exited secondary school by dropping out compared with 20.9% of students without disabilities (NLTS 1993)

Despite recent increases, young people with disabilities participate less in post-secondary training and education and are less likely to secure good jobs than their peers without disabilities.

Up to 3 years after leaving school, 57% of students with disabilities are competitively employed, compared to 69% of youth in the general population. Jobs tend to be low-skill and low-paying (Wagner 1993).

22.5 % of students with disabilities enroll in post secondary education programs compared to 55.7% of students without disabilities (NLTS 1993).

The number of SSI and SSDI beneficiaries under age 30 increased by 43% between 1989 and 1993 (SSA 1994).

People with disabilities experience widespread discrimination both in and outside the workplace due in part to myths, fears and stereotypes that make it more difficult for them to prepare for work and pursue meaningful careers than it is for people without disabilities.

At the time the ADA was enacted, Congress found that people with disabilities had experienced systemic discrimination in such areas as employment, education, job training, housing, transportation, communications, public accommodations and government services.

As of Dec. 31, 1994, the EEOC had received almost 40,000 ADA complaints alleging discrimination against private sector employees. 19,000 of those were received in FY '94 alone.

Since January 1992, The Department of Justice has received over 6000 ADA complaints alleging discrimination by government entities and public accommodations.

1. Major data sources for determining the employment status of people with disabilities are the Current Population Survey (particularly the annual March Income Supplement), Bureau of the Census; the Survey of Income and Program Participation, Bureau of the Census; and the Health Interview Survey, National Center for Health Statistics, Centers for Disease Control. These surveys ask different questions to determine the presence of a disability and to determine the employment status of respondents, thus yielding different results. According to these surveys, the number of working age people with a disability ranges from 9.4% to 17.9% of the working age populations. Examples from different surveys include:

Current Population Survey, March Supplement (1993) -- 15.6 million people aged 16-64 have disabilities (x% of the population of people aged 16-64) (LaPlante 1994)

Current Population Survey, March Supplement (1992) -- 14.5 million people aged 18-64 have a work disability (9.4% of the population aged 18 - 64)

Survey of Income and Program Participation (combined sample from 1990 and 1991 panel) -- 29.5 million people aged 15-64 have a disability (17.9% of the population of people aged 15-64)

National Health Interview Survey (1983-85 averaged data) -- 17.4 million people aged 18-69 have a work disability (11.5% of the working age population) (LaPlante Sept. 1991)

2. Even though different surveys provide different estimates of the number of people with disabilities who are and are not working, all data confirm a notable discrepancy between the level of employment of those with and without disabilities.

3. Definitions of "not working" include not working in the week prior to the time this question was asked and working less than 52 hours in the previous year. Definitions of "disability" include responding "yes" to the question "Do you have a health problem or disability which prevents you from working or which limits the kind or amount of work you can do?" and answering "yes" to the questions "Do you receive any of the following: SSDI, SSI, Railroad Retirement Disability, company or union disability, accident or disability insurance, state or local government; or list their main reason for not working last year as "ill or disabled" or list their current activity/reason for not looking for work as "ill or disabled" or list "own illness" as the reason for working/usually working less than 35 hours per week."

4. Work disability is defined as a self-reported limitation in the type or amount of work a person is able to perform due to chronic illness or impairment.

FEDERAL BUDGET AND SERVICES CHARTS

APPENDIX II

Programs for people with Disabilities

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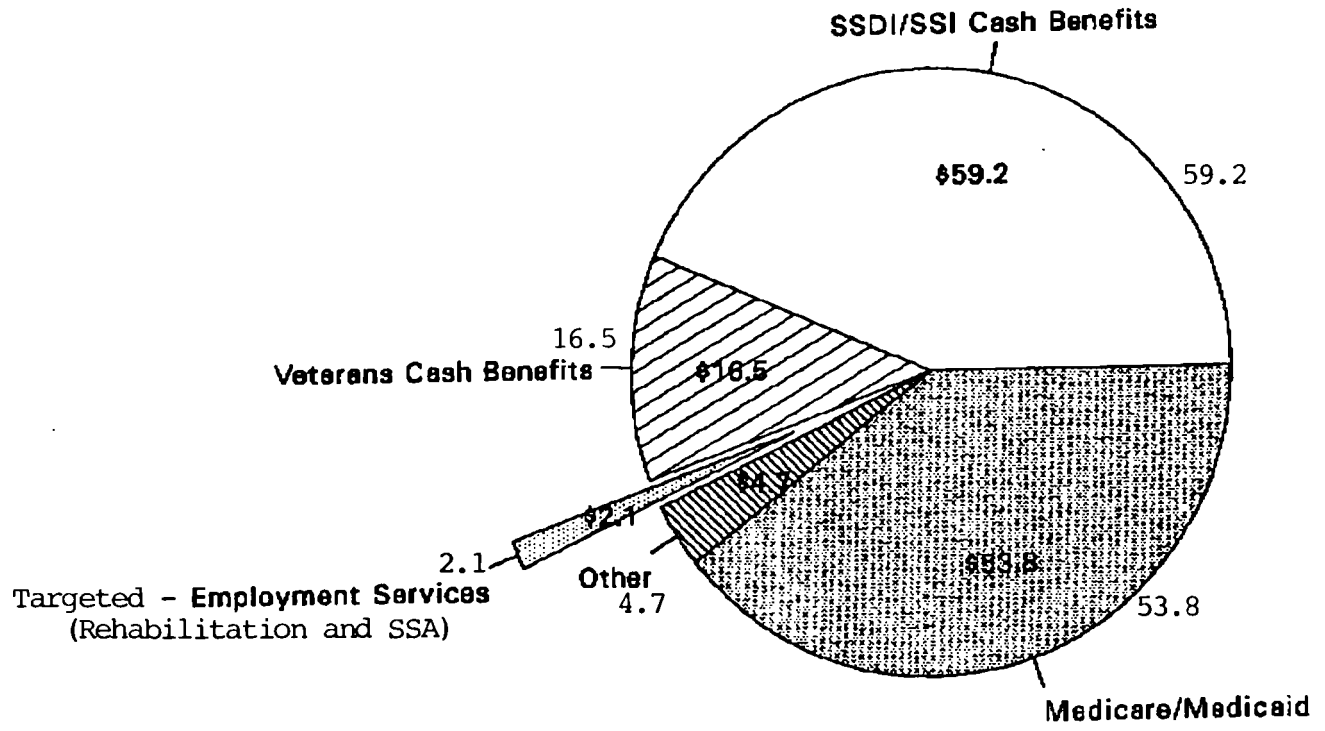
In Billions of Dollars



Other includes Special Education, PCEPD, NCOD, ADD, etc.
Medicare/Medicaid, SSI/SSDI, and Veterans Cash benefits are 1993 actualsexpenditures.
Other and Employment Services are 1994 figures.

FEDERAL EMPLOYMENT PROGRAMS PROVIDING DIRECT SERVICES TO PEOPLE WITH DISABILITIES

DRAFT

(in billions)

List of Programs	1994 Actual		1995 Appropriation	President's 1996 Budget	PWD served	Employment in 1994	Outcome
DEPARTMENT of LABOR							
Job Training Partnership Act State Grants							
Adults total	1.0		1.0	1.0		25,000(10%)	not
Youth total	.6		.5	.3		37,000(15%)	available
Summer Youth total	.9		.9	.8		96,000(15%)	
Pilots and Demonstrations	.4		.4	.4 ?		6,800	"
U.S. Employment Service						468,136	"
Veterans Employment Programs							
Sub-Minimum Wage Certificates - workshops) for 175,000 workers with disabilities.	In 1993, DOL issued approximately 8,000 certificates to employers						(sheltered
DEPARTMENT OF EDUCATION							
Carl D. Perkins Vocational & Applied Technology Education Act	1.1	1.1	1.1	?	?		
Vocational Rehabilitation (VR)	1.9		2.0	2.1		*1,193,448	*202,949
Supported Employment	.03		.03	.04		*26,000	*7,450
Projects with Industry	.02		.02	.02		*17,644	*11,232
					(severe)*13,647		*8,632
Demonstration Projects	.03		.03	.02	?	?	

Fine numbers served in the VR program includes eligible individuals not served and waiting lists. All supported employment and SSA placements are reflected in the Title I Vocational Rehabilitation program statistics. The majority of PWI cases are also included in the Title I counts.

SOCIAL SECURITY ADMINISTRATION

SSA VR Reimbursement Program	.06		.08	.08		*172,000	10,297
SSA Work Incentive Provisions (PASS, IWRE, 1619 A&B, TWP, etc.)							

*SSA referred approximately 172,000 persons in 1994. We cannot, at this time, determine how many people actually received services from the State VR programs.

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FEDERAL PROGRAMS PROVIDING CASH BENEFITS TO PEOPLE WITH DISABILTIIES

List of Programs			1994 Actual	1995 Appropriation	President's 1996 Request	#'s served in 1994	Employment Outcome
Social Security Disability Insurance-- Total Costs (Outlays)			38.0	42.0	46.0		none
*Supplemental Security Income Program-- Total Costs (Gross Budget Authority)	31.0	31.0	28.0				
Veterans Benefits							
Unemployment Compensation	NOTE:		We do not collect unemployment data on disability. DOL assumption is, if you have a disability you are not available for work.				

FEDERAL PROGRAMS PROVIDING IN-KIND BENEFITS TO PEOPLE WITH DISABILITIES

Medicare -- Total (Outlays)			41.0	42.0	68.0		none
*Medicaid -- Total (Budget Authority)	89.0		89.0	82.0		none	

* State match funding equals 50% to 75% of totals in theses programs.

3/17

OTHER FEDERAL PROGRAMS FOR PEOPLE WITH DISABILITIES
(in thousands)

		1994 Actual	1995 Appropriation	President's 1996 Request	#'s served in 1994
DEPARTMENT OF HEATH AND HUMAN SERVICES					
Developmental Disabilities Basic State Grant Program		69,343	70,438	70,438	
Developmental Disabilities Protection and Advocacy System		23,753	26,718	26,718	
Developmental Disabilities University Affiliated Programs					
Developmental Disabilities Projects of National Significance		3,723	5,715	5,715	
Maternal and Child Health Block Grant		687,034	683,950	680,866	
CDC Immunization Program					
CDC Immunization Program		528,143	465,497	478,818	
Vaccines for Children		--	376,800	365,400	
Lead Poisoning Prevention		34,683	36,409	36,391	
Disability Prevention		12,897	12,897	12,897	
Prevention Programs					
CDC Fetal Alcohol Syndrome Prevention		2,600	2,600	2,600	
CDC Spina Bifida & Anencephaly Prevention (Combined FY 1996 Folic Acid--Preventable)	2,312	2,312	2,512		
CDC Birth Defects Surveillance		2,600	3,100	3,100	
National Institute of Child Health & Human Development		554,881	512,852	526,177	
National Institute on Deafness & Other Communication Disorders		162,823	166,761	172,399	
National Institute of Neurological Disorders and Stroke		630,650	627,726	648,255	
National Institute of Mental Health Research and Research Training					
Children's Mental Health Services Program		35,000	60,000	58,000	
Protection and Advocacy for Individuals with Mental Illness		21,957	21,957	21,760	
Title XX Social Services Block Grant	3,800,000	2,800,000	2,800,000		
Head Start	3,325,605	3,534,429	3,934,728		
Temporary Child Care & Crisis Nurseries		11,912	11,835	11,835	

1/ NOTE: FY 96 Program figures are based on FY 95 Program structure. In many cases Performance Partnership Grantees will determine actual amounts dedicated to these activities

		1994 Actual	1995 Appropriation	President's 1996 Request	#'s served in 1994
DEPARTMENT of EDUCATION					
State & Local Grant Program (Part B of IDEA)	2,661,206	2,492,296	2/ --		
Preschool Grants		408,183	395,859		
Early Intervention Program (Part H of IDEA)					
Early Childhood Education		25,124	24,167	--	
Centers & Services for Deaf-Blind Children		12,715	12,832	--	
Secondary Education & Transitional Services		21,959	23,966	--	
Postsecondary Education Programs		8,778	8,839	--	
Special Education Personnel Development					
Parent Training Centers		12,734	13,535	--	
Special Education Technology					
Programs for Children with Severe Disabilities	9,295	10,030	--		
Special Studies Program		3,854	4,160	--	
Programs for Children & Youth with Serious Emotional Disturbance		4,141	4,147	--	
Chapter 1 State-Operated Programs (P.L. 89-313)		117,622	9,490		
Rehabilitation Training		39,614	39,629	39,629	
Independent Living Services--Part B		62,952	71,344	72,560	
Centers for Independent Living--Part C					
Independent Living Services for Older Individuals who are Blind					
Protection and Advocacy for Individual Rights		5,500	7,456	7,456	
Client Assistance Program		9,538	9,824	10,119	
Innovation and Expansion Grants					
National Institute on Disability and Rehabilitation Research		68,146	70,000	70,000	
Special Recreational Projects					
Special Demonstrations & Training Activities--Title VIII					
Technical Assistance for Community Rehabilitation Programs (Sec. 302g)					
Technology--Related Assistance Grants (P.L. 100-407)		37,742	39,249	40,426	

		1994 Actual	1995 Appropriation	President's 1996 Request	#'s served in 1994
DEPARTMENT of HOUSING & URBAN DEVELOPMENT					
Congregate Housing Services Program		25,000	25,000	--	
Supportive Housing Program		334,000	33,699	--	
Shelter Plus Care		123,747	--	--	
Community Development Block Grant (obligations)		4,877,319	5,224,457	100,000	
Section 8 - Incremental Rental Assistance					
DEPARTMENT of TRANSPORTATION					
Airport Improvement Program					
Rural and Small Community Transit Grants					
Grants					
RTAP					
Federal Transit Grants					
Vehicle Purchase					
Project ACTION					
DEPARTMENT of AGRICULTURE					
Special Supplemental Food Program for Women, Infants & Children (WIC)	3,210,000	3,470,000	3,820,000		
Expanded Service Project Assisting Farmers with Disabilities					
INDEPENDENT AGENCIES					
Architectural & Transportation Barriers Compliance Board		3,348	3,350	3,656	
Committee for the Purchase from People who are Blind or Severely Disabled		1,689	1,682	1,800	
National Council on Disability		1,690	1,793	1,830	
President's Committee on Employment for People with Disabilities					
Small Business Administration - Handicapped Assistance Loan Program					
The Corporation for National and Community Services		367,200	575,000	817,476	

DEPARTMENT of AGRICULTURE

Food Stamps -- Total	28,109,874	28,801,769	29,762,887	

INDEPENDENT AGENCIES

Architectural & Transportation Barriers Compliance Board		3,348	3,350	3,656
Committee for the Purchase from People who are Blind or Severely Disabled		1,689	1,682	1,800
National Council on Disability		1,690	1,793	1,830
President's Committee on Employment for People with Disabilities				
Small Business Administration - Handicapped Assistance Loan Program				
The Corporation for National and Community Services		367,200	575,000	817,476

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

	total	230,000		18,859 charges (20% of EEOC's charges
			are brought under the ADA)	

Office of Personnel Management

TOTALS:

FEDERAL MAINSTREAM PROGRAMS SERVING PEOPLE WITH DISABILITIES
(in thousands of dollars)

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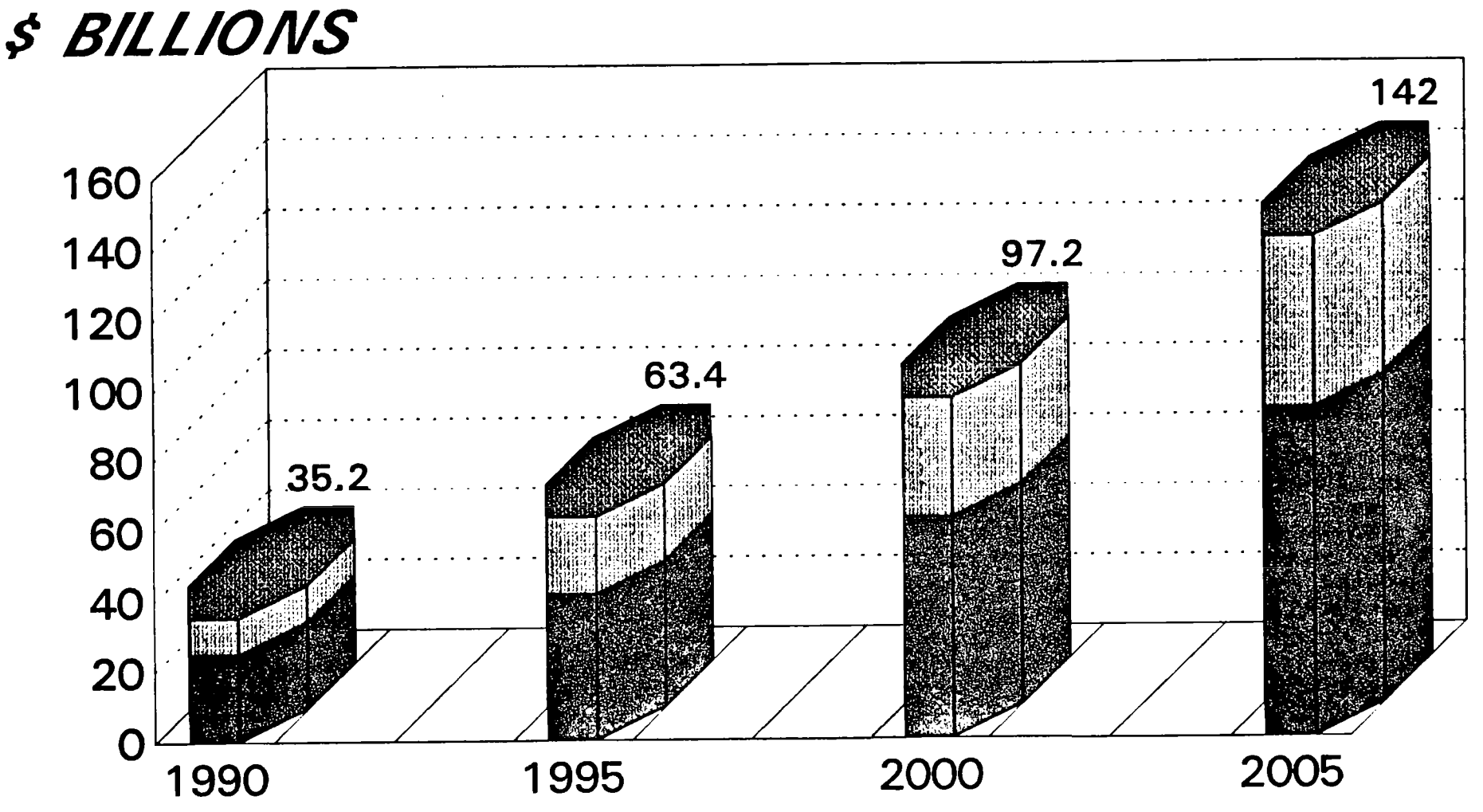
	1994 Actual	1995 Appropriation	President's 1996 Request	#'s served in 1994	Employment Outcome
DEPARTMENT of LABOR					
*Job Training Partnership Act--					
Grants to State					
Adults	988,021	1,054,813	1,054,813	25,000(10%)	not
Youth	658,682	548,682	288,979	37,000(15%)	available
Summer Youth	876,674	867,070	871,540	96,000(15%)	
Job Training Partnership Act--					
Pilots & Demonstrations Account					
DEPARTMENT of HEALTH and HUMAN SERVICES 1/					
Aid to Families with Dependant Children	15,880,732	16,242,561			
Maternal and Child Health Block Grant	687,034	683,950	680,866		
CDC Immunization Program					
CDC Immunization Program	528,143	465,497	478,818		
Vaccines for Children	--	376,800	365,400		
CDC Lead Poisoning Prevention	34,683	36,409	36,391		
CDC Disability Prevention	12,897	12,897	12,897		
Title XX Social Services Block Grant	3,800,000	2,800,000	2,800,000		
Head Start	3,325,605	3,534,429	3,934,728		
DEPARTMENT of EDUCATION					
Carl D. Perkins Vocational & Applied Technology Education Act	1,183	1,178	1,178		
DEPARTMENT of HOUSING & URBAN DEVELOPMENT					
Section 8 - Incremental Rental Assistance	4,877,319	5,224,457			
DEPARTMENT of AGRICULTURE					
Special Supplemental Food Program for Women, Infants & Children (WIC)	3,210,000	3,470,000	3,820,000		
Food Stamps -- Total	28,109,874	28,801,769	29,762,887		
INDEPENDENT AGENCIES					
The Corporation for National and Community Services	367,200	575,000	817,476		

1/ NOTE: **FY 96 Program figures are based on FY 95 Program structure. In many cases Performance Partnership Grantees will determine actual amounts dedicated to these activities**

SOCIAL SECURITY AND MEDICARE/MEDICAID PROJECTIONS

APPENDIX III

SSDI AND SSI DISABILITY EXPENDITURES



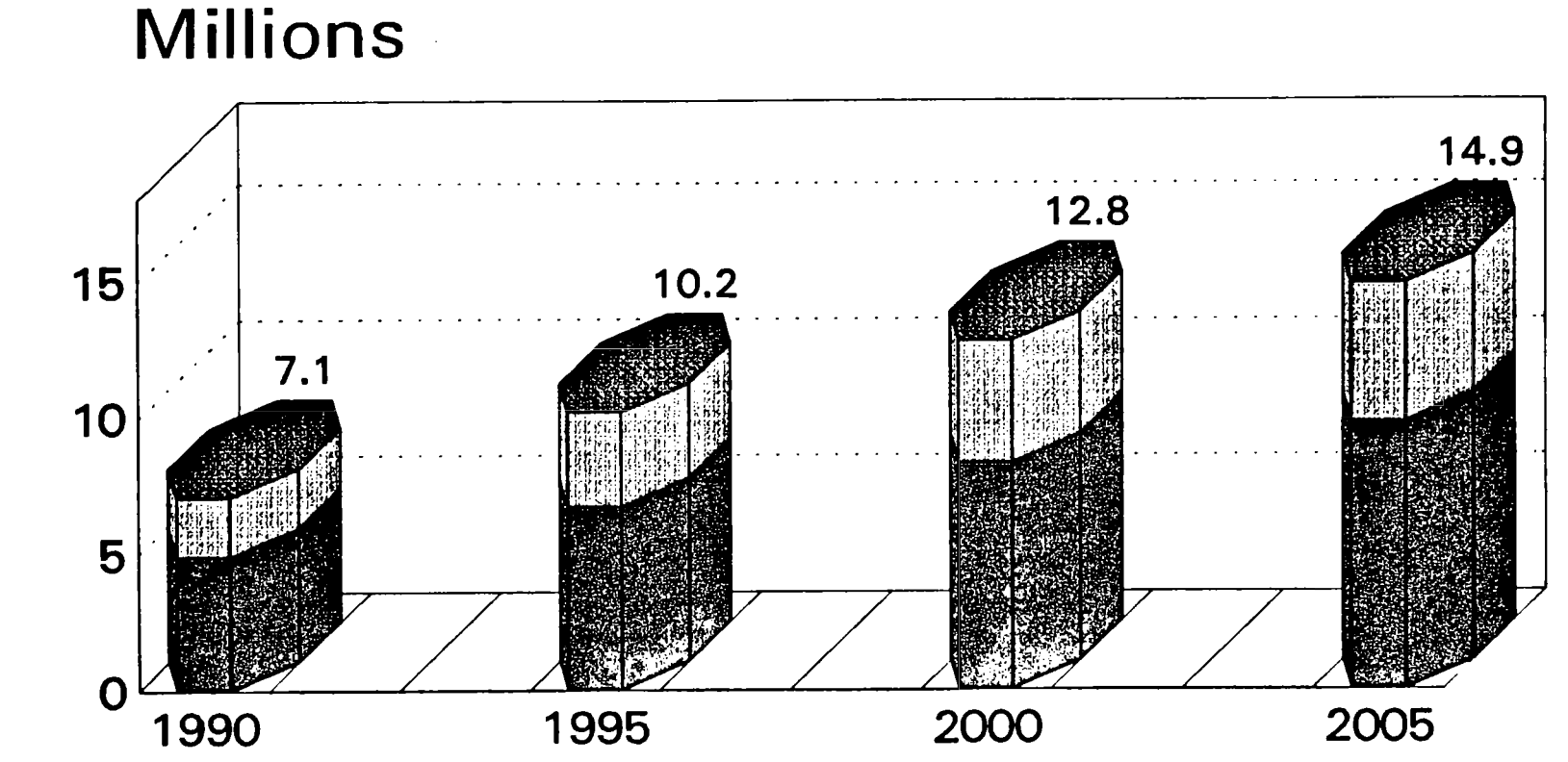
SSI	10.4			22			34.4			48.5
SSDI	24.8			41.4			62.8			93.5

Expenditures in Current Dollars
Source: Social Security Administration

YEAR

Chart 1

NUMBER OF SSDI AND SSI BENEFICIARIES

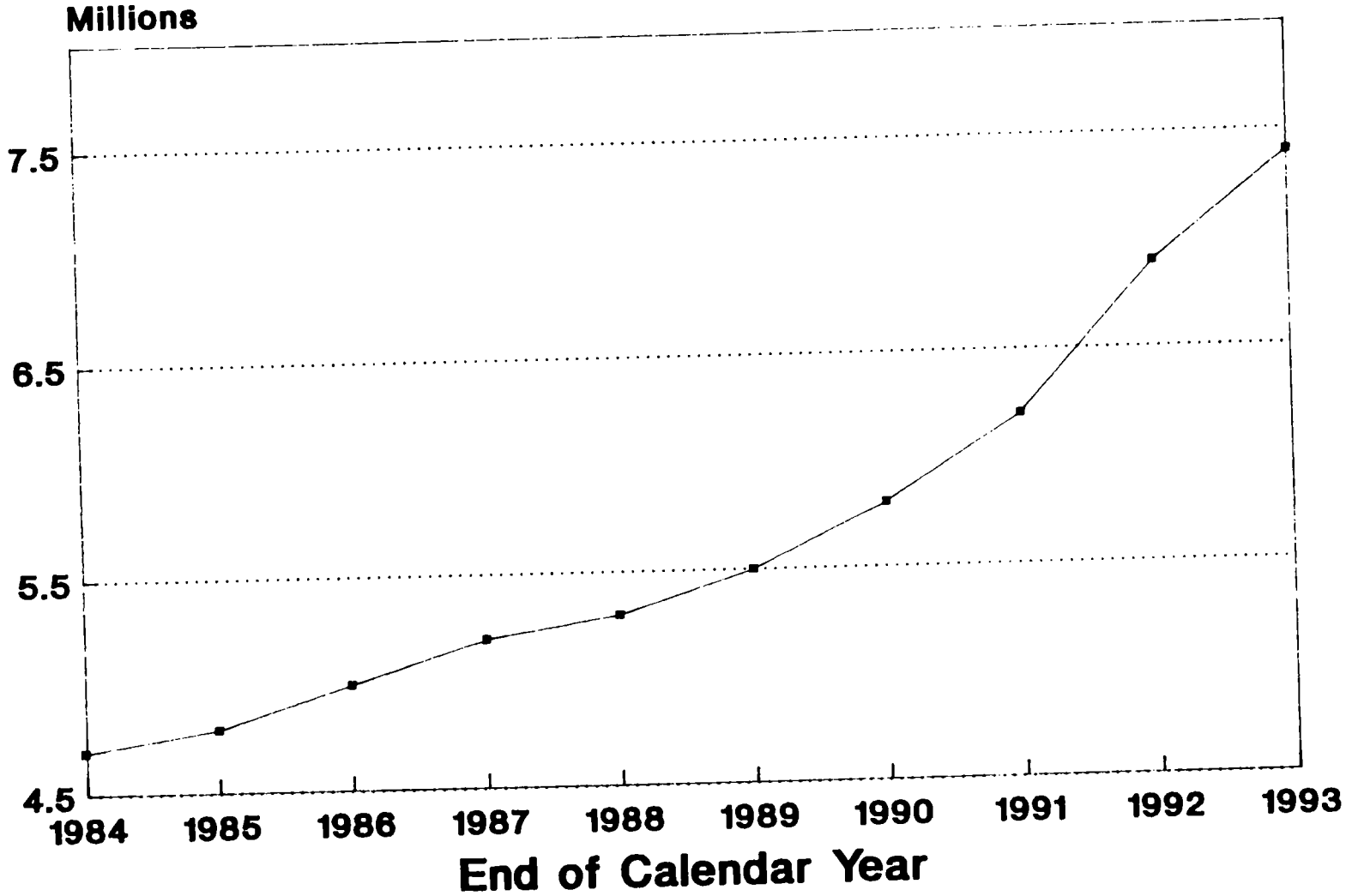


SSI	2.2			3.5			4.5			5.1
SSDI	4.9			6.7			8.3			9.8

Source: Social Security Administration

Chart 2

Number of Persons Receiving DI or SSI Benefits Based on Disability 1984 - 1993

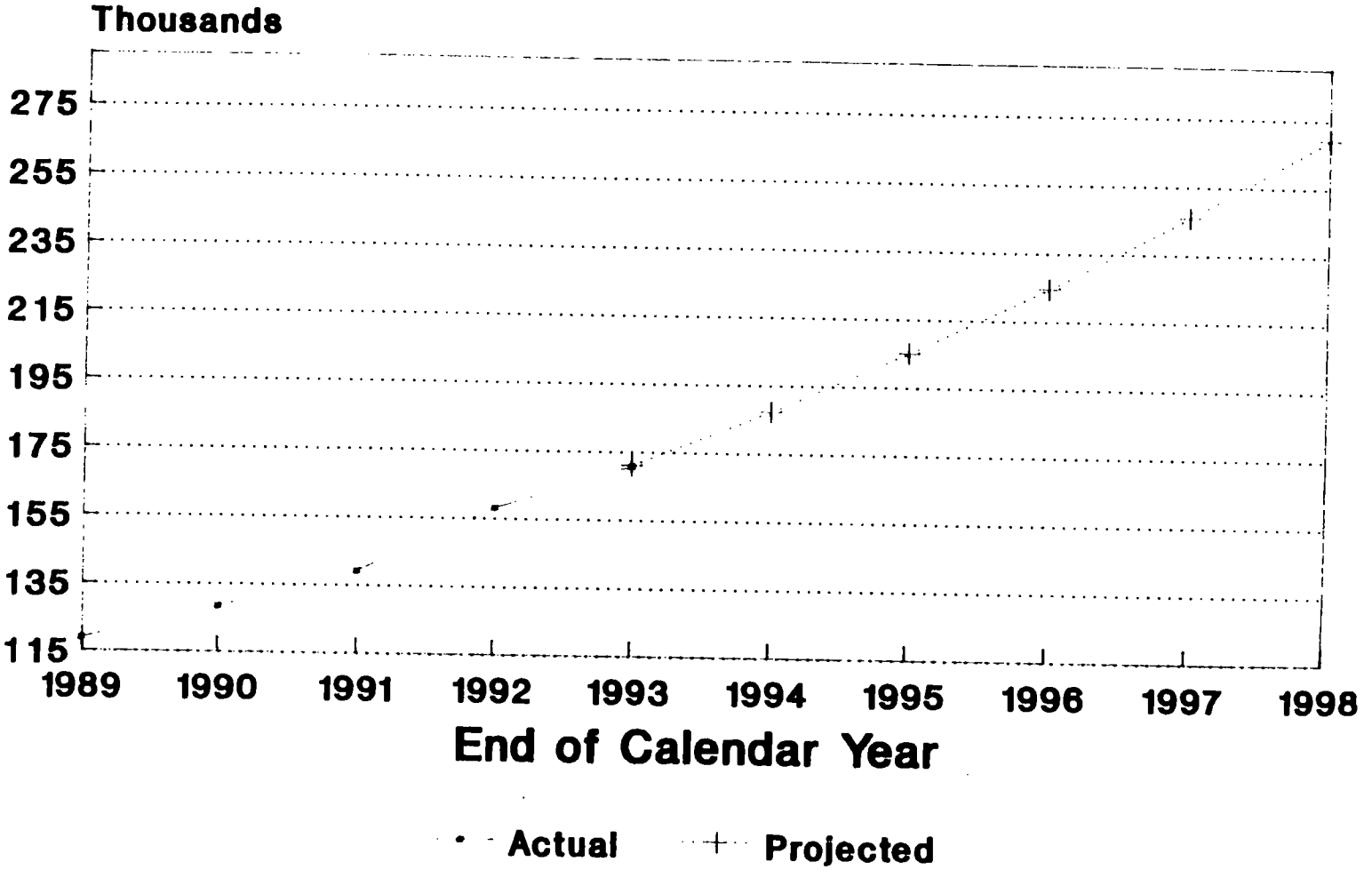


Includes persons receiving OASDI, SSI or both.

Social Security Bulletin-Annual Statistical Supplement

Chart 1

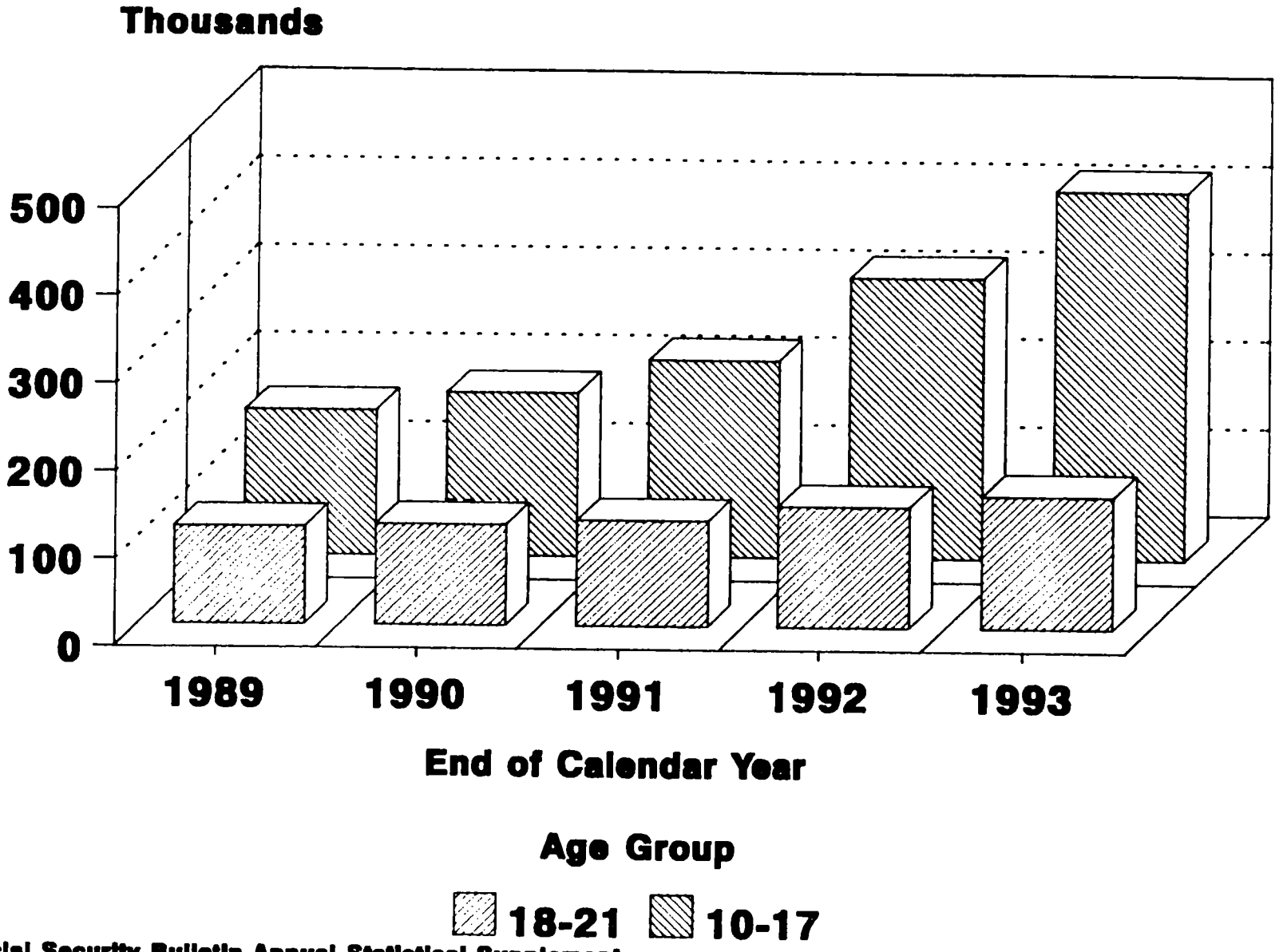
Number of Disabled Worker Beneficiaries Under Age 30
CYs 1989-1993 and Projected Increases -- CYs 1994-1998



Social Security Bulletin-Annual Statistical Supplement

Chart 3

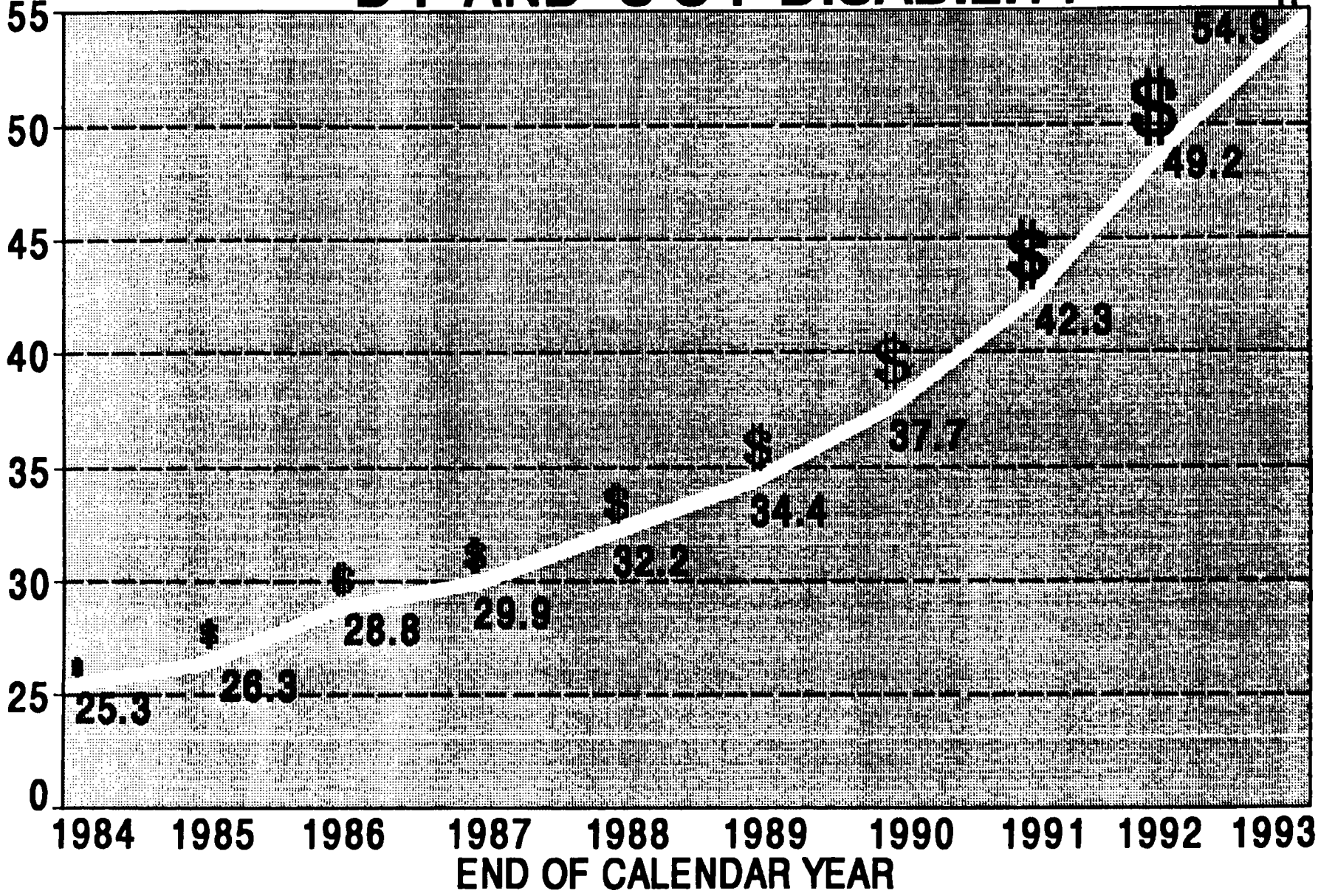
Number of Peop e w th D sab lt es n Age Groups 10-17 and 18-21 Receiving SSI



Social Security Bulletin-Annual Statistical Supplement

Chart 4

TOTAL ANNUAL BENEFITS PAID D I AND S S I DISABILITY



SOCIAL SECURITY BULLETIN--ANNUAL STATISTICAL SUPPLEMENT

Chart 2

APPENDIX

up to Date ?

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Blind Work Expense Exclusion:
(Public Law 92-603, effective January 1974)-Permits the exclusion of any earned income of a blind person which is used to meet any expenses reasonably attributable to earning the income.

Earned Income Exclusion:
(Public Law 92-603, effective January 1974)-The first $65 of a recipient's monthly earnings and one-half of the earnings in excess of $65 are excluded in computing the SSI benefit payable.

Impairment Related Work Expenses:
(Public Law 96-265, effective December 1980)-Provides for the exclusion from earnings of the costs of items and services which are needed in order to work and are paid for by the individual. These impairment-related work expenses (IRWE's) are excluded from earnings used in the determination of SGA and earned income used to compute ongoing SSI monthly payments. Beginning December 1990, the IRWE exclusions are also applied in the determination of income for purposes of initial SSI eligibility.

Plan for Achieving Self-support:
(Public Law 92-603, effective January 1974)-Permits a disabled or blind SSI recipient who has an approved plan for achieving self-support (PASS) to set aside earned or unearned income and resources for a work goal. The income or resources set aside are used to pay for goods or services needed to reach the goal, such as education, vocational training, starting a business, or purchasing work related equipment. Income and resources set aside under a PASS are excluded from SSI income and resources tests but do not influence the determination of ability to engage in SGA.

Continuation of Payments:
(Public Law 96-265, effective December 1980)-Provides for the continuation of SSI (also SSDI) payments to disabled individuals after their disability ceased, due to medical recovery, if they are participating in approved vocational rehabilitation plans and SSA determines that completion of the program will increase the chances of permanent removal from the disability rolls. The provision assists individuals whose medical improvement occurs before completion of vocational training. This provision was extended to SSI recipients whose eligibility was based on blindness by Public Law 106-203, effective April 1988.

Treatment of Sheltered Workshop Earnings:
(Public Law 96-265, effective September 1980)-Provides that remuneration for services performed in sheltered workshops or activities centers would be treated as earned income. This change made it possible to apply the earned income exclusion to earnings that previously were subject to the general income exclusion i.e., the first $20 and a dollar-for-dollar offset thereafter.

Section 1619(a):

(Public Law 96-265, effective January 1981; made permanent by Public Law 99-643, effective July 1987)-Provides special SSI cash benefits to disabled individuals who lose eligibility for SSI payments under the regular rules because they have earnings at the level that is ordinarily considered to represent substantial gainful activity.

Section 1619(b):

(Public Law 96-265, effective January 1981; made permanent by Public Law 99-643, effective July 1987)-Provides special SSI recipient status for Medicaid purposes to working disabled or blind individuals when their earnings make them ineligible for cash payments.

Substantial Gainful Activity (SGA):

(Public Law 92-603, effective January 1974)-Is the performance of significant physical and/or mental activities in work for pay or profit, or in work of a type generally performed for pay or profit. Because earnings provide an objective and feasible measure of work, an employee's earnings and a self-employed individual's earnings and/or activity are used as the measure of SGA. The current SGA level is $500.

An individual may benefit from more than one of the work incentive provisions. For example, he or she may receive special cash payments under Section 1619 and have income excluded under a PASS. Other combinations are also possible, but it is not possible to have both IRWE and BWE.

DRAFT

EMPLOYMENT WORKGROUP CHARTER

APPENDIX IV

NATIONAL DISABILITY POLICY REVIEW

WORKGROUP ON EMPLOYMENT OF WORKING-AGE ADULTS

CHARTER

The workgroup's purpose must be consistent with the charter and guiding principles of the National Disability Policy Review.

Specifically, the workgroup will:

- Review and analyze the current employment status of adults with disabilities;
- Review and analyze current Federal policy and programs with employment-related responsibilities;
- Review the concordance of disability employment policy with overall Federal employment policy;
- Make recommendations for improving and enhancing the Federal approach toward creating opportunity for employment of people with disabilities. These recommendations should address:
    - * Work disincentives;
    - * Income support policy;
    - * Consistency of overall approach;
    - * Pre-employment and employment programs;
    - * Enforcement of anti-discrimination laws;
    - * Education and re-employment programs.

PROGRAM ELIGIBILITY - DEFINITIONS

APPENDIX V

DRAFT

Figure 3
Definition of Disability
For Cash Benefits

Program	Purpose of Definition	Definition
Cash Benefits		
Disability Insurance (OASDI)	Entitlement to benefits to partially replace past earnings.	INABILITY TO WORK. Inability to engage in SGA by reason of a medically determinable physical or mental impairment that is expected to last 12 months or result in death. The impairment must be of such severity that the individual cannot, after taking account of his age, education and work experience, do his previous work or any other work that exists in the national economy.
Private long-term disability insurance	Contractual entitlement to benefits to partially replace past earnings.	OWN OCCUPATION/ANY OCCUPATION. Often, for first 2 years, inability to do own occupation. Then inability to do any suitable occupation.
Private short-term disability insurance	Contractual entitlement to benefits to temporarily replace earnings.	OWN JOB. Inability to perform own job.
U.S. Civil Service disability	Federal employees' entitlement to disability pension.	OCCUPATIONAL. Because of disease or injury, unable to render useful and efficient service in the employee's current position or in a vacant position in the same agency at the same pay level for which the individual is qualified for reassignment.
Railroad retirement disability annuity	Railroad workers' entitlement to monthly annuity based on disability.	TOTAL AND PERMANENT DISABILITY (same as OASDI). OCCUPATIONAL disability (for workers with 20 years' service and current connection with RR job) is inability to perform the workers' regular railroad job.
Veterans' Compensation	Veterans' entitlement to compensation for disability caused during military service -- ranging from 10 to 100% disability.	A rating board of the Department of Veterans' Affairs looks into a black box to determine each individual's disability rating. We have found no expert at the DVA who can explain the main idea underlying what constitutes any particular rating.
Veterans' Pensions	Veterans' entitlement to means-tested pensions, for those with specified wartime service.	TOTAL DISABILITY. Injury or disease sustained outside of military service rendering the veteran totally impaired, based on veteran's ability to function at work or at home.
Supplemental Security Income (adults)	Entitlement to means-tested cash assistance.	INABILITY TO WORK. (same as disability insurance -- OASDI)
Supplemental Security Income (children)	Entitlement to means-tested cash assistance.	Comparable to INABILITY TO WORK. (same as disability insurance -- OASDI) Modified with individualized functional assessment based on age-appropriate functioning.

Figure 4
Definitions of Disability
for Civil Rights and Service Delivery

Program (law)	Purpose of Definition	Definition
Civil Rights Protection		
Americans with Disabilities Act	To determine who is protected by the non-discrimination and public accommodation provisions of ADA.	BROAD. Individual with a physical or mental impairment that substantially limits one or more major life activity; a record of such an impairment; or being regarded as having such an impairment.
Eligibility for Services		
Vocational Rehabilitation (Federal/State program)	To determine who is eligible to receive VR services.	SERVICE NEED. Individual with a physical or mental disability that is a significant impediment to employment, and requires VR services to prepare for, enter, engage in or retain gainful employment. SERVICE DELIVERY. If accepted for services, individualized written rehabilitation plan (IWRP) lists goals and individual services to be provided.
VR - Private employment based disability insurance	To determine who might be offered employer-financed VR services (which are not part of contractual employee benefit agreement).	COST/BENEFIT. Employer- or insurer-financed VR services are at the discretion of the employer/insurer and are provided based on cost recovery potential of the employee to return to work. SERVICE DELIVERY. At the discretion of the employer/insurer, subject to agreement of the worker.
Medicaid -- institutional care	Eligibility for Medicaid-financed institutional care, or community-based alternative	ADL LIMITATION. Needs assistance with Activities of Daily Living (ADLs) or medical assessment of need for institutional care. Depends on the State plan.
Clinton Health Care Reform Plan	Eligibility for home and community based care under the proposal.	ADL LIMITATION. Requires assistance to perform three of five ADLs: eating, bathing, dressing, toileting and transferring; or sever cognitive or mental impairment, or severely disabled child under 6 years of age.
Special Education -- Part B	Eligibility of children age 3-21 for special education services.	TYPES OF DISABILITIES. Categories include mental retardation, hearing, speech or vision impairment, serious emotional disturbance, orthopedic or other health impairment, deaf-blind, multi-handicapped, or severe learning disability. SERVICE DELIVERY. Individualized education plan (IEP) describes services the school system is obligated to provide the student.

SOCIAL SECURITY ADMINISTRATION
OFFICE OF ASSOCIATE COMMISSIONER
OFFICE OF DISABILITY
BALTIMORE, MARYLAND
FAX NUMBER: 410-965-6503

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LOCATION/ORGANIZATION:	LOCATION/ORGANIZATION:
TELEPHONE NUMBER:	TELEPHONE NUMBER:
FAX NUMBER: 202-456-7028	TOTAL NUMBER OF PAGES: 5 (COVER + 4)

IF RETRANSMISSION IS NECESSARY, PLEASE CALL IMMEDIATELY:

DATE: 3/4/95

MESSAGE/COMMENTS

As requested. This is still a work-in-progress. A new draft will be circulated @ Wednesday's meeting.

See you then.

P.S. Susan will be giving our "mini-meeting" afterwards.

DRAFT 2/22/95

People with Disabilities and Employment[1]

Current Status

People with disabilities are significantly less employed than people without disabilities and have been over many years.[2]

Two-thirds of working age people with disabilities are not working. Of the 15.6 million people who have a work disability, 10.2 million, or 65.5%, are not in the labor force. Only 19.7% of working-age people without work disabilities do not participate in the labor force (CPS 1993).

In 1986, 66% of people with disabilities who were surveyed were not employed; in 1994 68% of those surveyed were not employed (Lou Harris and Associates 1986, 1994).

African Americans have a higher rate of work disability[3] than whites or Hispanics and are more likely to have a severe work limitation.

About 14.2% of working-age blacks have work disabilities with 73.9% considered severe. The comparable rate for whites is 9.0% (with 55% severe) and for Hispanics 9.4% (with 69.7% severe).

Many people with disabilities who are not working can and want to work.

At any one time, approximately 55,000 people with disabilities receiving SSI benefits (those who have been determined to have severe work disabilities) report earnings from work (SSA 1994).

In 1993, approximately 300,000 SSDI recipients report earnings from work (SSA 1994).

79% of people with disabilities surveyed who were not working wanted to work (Lou Harris 1994).

When people with disabilities do work, it is often part time, at entry level low-paying jobs and without benefits.

60.8% of those with a work disability who were employed were working irregularly or part time compared to 36.7% without a work disability (CPS 1990; NIDRR May 1992).

18.2% of people with a work disability were working full time in 1988, compared to 60.6% of people without work disabilities. (CPS 1988).

People with disabilities who work full time have a 12.3% poverty rate compared to a 2.65 poverty rate of those without disabilities who work full time (CPS 1993).

People with disabilities are significantly poorer than people without disabilities.

About 28.9% of people with work disabilities have incomes below the poverty level compared to 10.1% of the working-age population without work disabilities (CPS 1993).

Since 1984, the number of working age people on Federal disability income support programs has doubled (??) (xx million to yy million), doubling (??) the cash outlay from $xx billion per year to over $yy billion per year in 1994.

People with disabilities who work are less likely to be poor than those who don't work.

15.6% of those who work are poor, while 37.6% of those who do not are poor (CPS 1993).

Despite recent increases, people with disabilities remain less educated than people without disabilities.

41% of students with disabilities exited secondary school by dropping out compared with 20.9% of students without disabilities (NLTS 1993)

Despite recent increases, young people with disabilities participate less in post-secondary training and education and are less likely to secure good jobs than their peers without disabilities.

Up to 3 years after leaving school, 57% of students with disabilities are competitively employed, compared to 69% of youth in the general population. Jobs tend to be low-skill and low-paying (Wagner 1993).

22.5 % of students with disabilities enroll in post secondary education programs compared to 55.7% of students without disabilities (NLTS 1993).

The number of SSI and SSDI beneficiaries under age 30 increased by 43% between 1989 and 1993 (SSA 1994).

People with disabilities experience widespread discrimination both in and outside the workplace due in part to myths, fears and stereotypes that make it more difficult for them to prepare for work and pursue meaningful careers than it is for people without disabilities.

At the time the ADA was enacted, Congress found that people with disabilities had experienced systemic discrimination in such areas as employment, education, job training, housing, transportation, communications, public accommodations and government services.

As of Dec. 31, 1994, the EEOC had received almost 40,000 ADA complaints alleging discrimination against private sector employees. 19,000 of those were received in FY '94 alone.

Since January 1992, The Department of Justice has received over 6000 ADA complaints alleging discrimination by government entities and public accommodations.

1. Major data sources for determining the employment status of people with disabilities are the Current Population Survey (particularly the annual March Income Supplement), Bureau of the Census; the Survey of Income and Program Participation, Bureau of the Census; and the Health Interview Survey, National Center for Health Statistics, Centers for Disease Control. These surveys ask different questions to determine the presence of a disability and thus yield somewhat different results. According to these surveys, the number of working age people with a disability ranges from x million (x percent of the working age population) to y million (y percent of the working age population).

2. Even though different surveys provide different estimates of the number of people with disabilities who are and are not working, all data confirm a notable discrepancy between the level of employment of those with and without disabilities. Other estimates include the following:

> The employment rate of people with disabilities was 52% in 1992 and 80.5% for people without disabilities (McNeil 1993 SIPP)
>
> HIS estimate....

3. Work disability is defined by the Bureau of the Census as a self-reported limitation in the type or amount of work a person is able to perform due to chronic illness or impairment.

Causes of the Problem

Reasons why people with disabilities do not fully participate in the labor force include the following.

People with disabilities experience:

societal beliefs that they are not expected to work

architectural, communication and attitudinal barriers

limited accessible housing and transportation

limited access to work-study programs, vocational training and transition services

limited rehabilitation services

limited support services, such as personal assistance services and assistive technology

worry about potential episodes of poor health that would require job termination

relative security of public benefits compared to work

lack of access to adequate health insurance except via public benefits

lack of knowledge about rights and limited skill in self-advocacy

Employers report the following concerns:

increased costs for accommodations, health insurance

liability for safety of all employees

discomfort in interacting with people with disabilities in the workplace

confusion resulting from conflicting laws and requirements

dearth of available people with disabilities who are qualified to fill their vacancies

AUTOMATIC COVER SHEET

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Copy to Lynn Margherio
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Diana Fortuna

NATIONAL DISABILITY POLICY REVIEW
Work Group on Employment of Working Age Adults

Meeting -- January 11, 1995
1:00 - 2:00 p.m.

640H Hubert H. Humphrey Building
200 Independence Avenue, S.W.

Data
Problem

Welcome and Introductions
Susan M. Daniels, Convenor

Report on Guiding Principles
Paul Miller and Judy Heumann } Delay?

Individual Agency Reports
Highlights from Panel Members

Update on GAO and Other Activities — Cohen req'd Study
Susan M. Daniels

Def D - Im - SSI, SSDI
- outcomes
"Kathonly D"
Prep rpt in 2 wks

Presentation of NASI papers
Marie P. Strahan and Jane West

NASI - Empl. Programs
Kassebaum hrg today
ETA consol.

Next Steps and Assignments
Susan M. Daniels

Adjourn

*DOE/DOL/Admin pos on VR/VE/ETA — call Susan

* Fri WSJ ~ bad publicity - ADA D definition
- least serious D ⇒ most adv ADA
- back inj't.
EEOC coming out w/ guidance on def. → timing?
- filed vs find cause
What can e'ers ask
Use ADR? Task force?
EEOC/OPM - Rehab Act - Interagency TF
Peggy Mastroanni

Repeal Title I of Rehab Act
OMB ex.

Voclab
Tony's testimony

NATIONAL DISABILITY POLICY REVIEW

Work Group on Employment of Working-Age Adults

Workplan

First meeting **12/19/94**

First report to full Team **12/21/94**

Revision of the Principles due **01/06/95** Mashaw; wait for NPR guiding principles done

- **Gather input from other members**
- **Refine, rewrite**

Individual agency inputs due **01/06/95**

- **Data and discussion of current status** Data on disabled
- **Description of ongoing initiatives**
- **Options for incremental improvement**
- **Legislative and other strategies**

— **Second meeting** **01/11/95**

L Describe problem further added to OMB), then look at gap

Third meeting **01/25/95**

Fourth meeting **02/08/95**

NPR & again
- agencies now doing exercise
- look @ everyone

To be continued....

Andy - real stories

Lenne - Customer perspective - # forms/options Entry point - pick

GAO - prog to consolidate - study - broke out disab,

* * * * * *

FACTS AND FIGURES

THE PROBLEM

Sometimes, in order to better understand the problems and solutions associated with the employment of people with disabilities, it's a good idea to look at relevant data. Here are some facts and figures of interest.

EMPLOYMENT

According to the 1990 Census Survey, over 60% of all working age Americans with disabilities are NOT participating in the workforce either full or part-time. The 39.3% who are working either full or part-time earn 35% LESS than their co-workers without disabilities.

Other U.S. Census Bureau data tell us:

- Over 78% of African Americans with disabilities do NOT participate in the workforce either full or part-time.
- Over 77% of Hispanic Americans with disabilities do NOT participate in the workforce either full or part-time.

Comparison with prior Census data collected during the 1980 and 1970 surveys shows little progress in the labor force participation rates of people with disabilities over the last 20 years.

Category	1970	1980	1990
In the labor force	43.8%	38.1%	39.3%
Out of labor force	56.2%	61.9%	60.7%

EDUCATION

Only 56% of our nation's youth with disabilities ever graduate from high school. Almost 37% drop out of high school each year. Another 7% leave because of "age-out." Is it any wonder that only half of all the students with disabilities find employment? Of those employed, only 50% are employed full-time.

(Source: National Longitudinal Transition Study, U.S. Department of Education, Office of Special Education, 1993)

ECONOMIC COSTS

Each year, the federal government spends 40 times more money to support people with disabilities NOT working than it spends to assist them to prepare for or find employment. It has been estimated that the lack of labor force participation of people with disabilities costs our nation's economy more than $200 billion annually.

• *Workers Compensation*

Between 1980 and 1991, our nation's employers' premiums for workers compensation insurance have increased by close to 300%, from $22.3 billion to $62 billion. To place this in perspective, let's look at the impact of such numbers on one corporation.

According to McDonnell Douglas Corporation, workers compensation adds $600,000 to the cost of building a new airplane; and the company says that this figure will jump to $1.2 million per aircraft next year.

(Source: U.S. News and World Report, May 10, 1993)

• *Health Care*

Access to adequate health care coverage is a primary consideration for many people with disabilities in deciding whether to accept employment. Many more individuals with disabilities are deterred from changing employment due to the issue of health care coverage.

(Source: President's Committee on Employment of People with Disabilities' Health Insurance Task Force Paper, ADA Summit, 1993)

SOME ANSWERS

ATTITUDES

Even in the face of all these obstacles or challenges, a 1986 Harris Poll survey of people with disabilities found that 66% of non-working persons with disabilities said they wanted to work.

ACCOMMODATIONS

• *Personal Assistance Services (PAS)*

There are 9.6 million people with disabilities who need the assistance of another for personal maintenance, hygiene and household tasks.

While over 74% of the general population is employed on a full or part-time basis, only 21% of the population needing these personal assistant services (PAS) is employed.

(Source: World Institute on Disability and Rutgers University Report, 1989)

• *Assistive Technology*

A 1991 survey on assistive technology found that more than 2.5 million Americans with disabilities said they needed, but did not have, assistive technology devices because they could not afford them. More then 13 million persons with disabilities depend on assistive technology devices to accommodate physical impairments in work, independent living and recreation.

(Source: National Institute on Disability and Rehabilitation Research's National Health Interview survey on Assistive Technology)

• *Access/Universal Design*

Based upon many years of operating experience and after serving tens of thousands of actual accommodation cases, the President's Committee's Job Accommodation Network has discovered that:

- 88% cost less than $1,000
- 69% cost less than $500
- 50% cost less than $50
- 31% of accommodations cost nothing

When given a choice between steps and a ramp, 80% of people without disabilities choose to use the ramp.

AMERICANS WITH DISABILITIES ACT (ADA) IMPLEMENTATION

ADA offers the nation an exciting opportunity for dramatic improvements in the employment situation facing individuals with disabilities. Early experience with Title I (employment) of ADA offers us the following insight into the most common employment discrimination issues cited by people with disabilities.

ADA Violation Alleged	Number of Violations	% of Total
Discharge	4,811	48.4%
Failure to Provide Reasonable Accommodation	2,136	21.5%
Hiring	1,326	13.3%
Harassment	962	9.7%
Discipline	715	7.2%
Layoff	478	4.8%
Rehires	390	3.9%
Benefits	359	3.6%
Wages	356	3.6%
Promotion	344	3.5%

(Source: Equal Employment Opportunity Commission data as of May 30, 1993)

ADA won't solve all the problems. We need education and training opportunities, an accessible environment, state and national policies which support employment as every program's ultimate objective, and more—all designed to help create empowered citizens with disabilities.

October 1993
President's Committee on Employment of People with Disabilities
1331 F Street, NW, Washington, DC 20004

STATISTICAL REPORT: THE STATUS OF PEOPLE WITH DISABILITIES

The census report *Americans With Disabilities: 1991/1992*, published January 1994, gives us some in-depth data on the status of people with a disability who are not residing in an institution. The Bureau of the Census defined an individual with a disability as a person having difficulty in performing one or more functional or daily living activities, or one or more socially defined roles or tasks. Persons who are completely unable to perform an activity or task, or who must have personal assistance, were considered to have a severe disability.

In 1991-1992, 48.9 million Americans (or 19.4 percent of the total population of 251.8 million) reported on the U.S. Department of Commerce's survey that they had a disability. This survey sampled about 30,000 households between October 1991 and January 1992.

WHO ARE THE 48.9 MILLION PERSONS WITH DISABILITIES?

- under age 15: 6%
- between age 15-64: 60%
- between age 21-64: 56%
- 65 and over: 34%
- men: 22.9 million
- women: 26.0 million
- people with severe disabilities: 24.1 million
  - men: 9.9 million
  - women: 14.2 million

RACE AND ETHNIC GROUPS AGE 15-64

- Blacks: 4.1 million
- Asian and Pacific Islanders: 515,000
- Persons of Hispanic origin: 2.4 million
- Whites not of Hispanic origin: 22.6 million
- American Indian, Eskimo or Aleut: 285,000

WHAT IS THE EMPLOYMENT STATUS?

EMPLOYED PERSONS AGE 21 TO 64:

- total: 108.7 million
- people with disabilities: 14.3 million
  - men: 7.9 million
  - women: 6.4 million
- of 14.3 million people with disabilities, those with a severe disability: 2.9 million
  - men: 1.3 million
  - women: 1.6 million

WHAT ARE THE LEADING CAUSES OF DISABILITY AND THEIR IMPACT?

Over 27 million individuals age 15 and over reported having a limitation in a physical or daily living activity, causing a disability. Following are the leading causes:

- arthritis/rheumatism: 7.2 million
- back /spinal problems: 5.7 million
- heart trouble: 4.6 million
- lung/respiratory trouble: 2.8 million
- high blood pressure: 2.2 million
- stiffness or deformity of the foot, leg, arm, or hand: 2.0 million
- diabetes: 1.6 million

THOSE INDIVIDUALS AGE 15 AND OVER REPORTED THE FOLLOWING:

- used a wheelchair: 1.5 million
  - women: 919,000
  - men: 575,000
- used a cane, walker, or crutches for six months or longer: 4.0 million
- even when wearing corrective lenses, had difficulty seeing words or letters in ordinary newsprint: 8.1 million
- even when wearing corrective lenses, could not see the words or letters in newsprint at all: 1.6 million
- had difficulty hearing a normal conversation with another person: 10.0 million
- could not hear what is said in a normal conversation: 924,000

WHAT IS THE HEALTH CARE PICTURE?

The status of health care insurance coverage for 29.5 million Americans with disabilities between the age of 15 to 64 showed:

- people without a disability: 135.6 million
  - private insurance coverage: 80.0%
  - government plan coverage: 5.2%
  - no coverage: 14.8%
- people with a disability: 16.3 million
  - private insurance coverage: 74.1%
  - government plan coverage: 7.2%
  - no coverage: 18.7%
- people with a severe disability: 13.2 million
  - private insurance coverage: 48.1%
  - government plan coverage: 36.2%
  - no coverage: 15.7%

What Professions are Most Attractive to People with Disabilities?

Careers & the disABLED magazine's Third Annual Reader Survey reports that college students and professionals with disabilities indicated that the following are the top 10 professions in which they will be seeking employment:

- Counseling/Rehabilitation
- Teaching
- Health Care
- Human Resources
- Communications
- Computer Science
- Business Administration
- Law
- Accounting
- Engineering

October 1994
President's Committee on Employment of People with Disabilities
1331 F Street, NW, Washington, DC 20004

NATIONAL DISABILITY POLICY REVIEW

Work Group on Employment of Working Age Adults

Outline of Current Activities
Social Security Administration
January 10, 1995

Data and Discussion of Current Status

The Social Security Administration (SSA) administers 2 major disability income maintenance programs, viz., the disability insurance (DI) program and the means-tested Supplemental Security Income (SSI) program for persons who are blind or disabled. The DI program serves persons who meet a medical definition of disability have made the requisite number of payments to the DI trust fund via the FICA payroll tax based on their earnings. The SSI program serves persons who meet the same definition of disability but have not worked sufficiently in their lives to accumulate the necessary earnings credits for DI benefits and who meet specified low income tests.

The size of these programs, as of June 1994, were:

Program	All Worker Beneficiaries		Number of Beneficiaries	
	Number	Total Benefits	Under 30	w/ Mental Disorders
DI	3.8 million	$34.6 billion	167,000	1,145,000
SSI	4.7 million	$19.6 billion	1,380,700	2,664,900

Few DI beneficiaries leave the rolls each year because they have returned to work. Overall, only about 3 percent of beneficiaries ever leave the rolls and less than 0.5 percent of beneficiaries on the rolls in any year due to work. Although movement on and off the SSI rolls is at a much higher rate than for the DI program, a negligible number of SSI disabled and blind recipients leave and remain off the rolls as a result of work activity.

SSA also supports the provision of VR services on behalf of disability beneficiaries and recipients by State VRAs. State DDSs can refer applicants for disability benefits to the VRAs for evaluation and services, if accepted by the VRAs. When beneficiaries complete VR services and go to work, the VRAs can submit a claim to SSA for reimbursement of the total costs of services to those beneficiaries. A claim for reimbursement is considered successful if the beneficiary has worked for at least 9 months at earnings levels of $500 per month ($940/month for blind beneficiaries in 1995).

However, a relatively small percentage of applicants for disability benefits are referred for State VR services by the State DDSs. In FY 1994, approximately 172,000 persons (72,000 allowances; 100,000 denials) were referred to the State VRAs. During the same year, SSA received 10,297 claims for reimbursement of State VR expenditures on DI and SSI clients and made payments on 10,599 such successful claims for a total of $63.5 million. About one-half of the DI beneficiaries who are successfully rehabilitated (according to this definition of success) actually leave the cash benefit rolls.

UPDATED 2/7/95

NATIONAL DISABILITY POLICY REVIEW WORK GROUP

Employment of Working Age Adults

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