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Vocational Rehabilitation & Self Employment

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Overview of Webcast

- Extent of Use of Self Employment within the Vocational Rehabilitation (VR) System
- VR Policies and Practices that Promote or Inhibit Use of Self Employment
- Positive State Specific Examples of Proactive Policies and Practices

**Status 26 Closure Rates:
 Self Employment - FY 03-07**

% by Fiscal Year: General & Combined VR Agn.	# Status 26 Closures: SE & Total
2003: 1.97%	2003: 4,067 in SE of 206,764
2005: 1.72%	2005: 3,388 in SE of 196,733
2007: 1.66%	2007: 3,246 in SE of 195,805

**Closures in Self Employment:
 FY 2003 -2007**

- Number of Status 26 Closures in Self Employment in General and Combined Agencies dropped 20% from 4,067 in FY 03 to 3,246 in FY 07
- Overall number of Status 26 Closures dropped 5% from 206,764 in FY 03 to 195,805 in FY 07

**Closures in Self Employment:
FY 2008**

- Preliminary Review:
Self Employment Outcomes in
2008 Consistent with 2007
- Approximately 1.7% of Closures in Employment
were in Self Employment

**VR Agencies with Highest % of
Status 26 Closures in SE: FY 2007**

State VR Agency:	
<u>General (G); Combined (C)</u>	<u>% of Status 26 Closures in SE</u>
• Mississippi (C)	• 12.6%
• Wyoming (C)	• 7.9%
• Alaska (C)	• 6.6%
• Maine (G)	• 6.0%
• New Mexico (G)	• 4.3%
• Vermont (G)	• 4.3%
• National Summary	• 1.66%

**VR Agencies with Highest % of
Status 26 Closures in SE: FY 2007**

State VR Agency:	
<u>General (G); Combined (C)</u>	<u>% of Status 26 Closures in SE</u>
• Idaho (G)	• 4.1%
• North Dakota (C)	• 4.0%
• Iowa (C)	• 3.6%
• Ohio (C)	• 3.2%
• Montana (C)	• 3.1%
• National Summary	• 1.66%

**Longitudinal Comparison: Status
26 Closures in SE Selected States**

State VR Agn.	FY 07	FY 03
Alaska	6.6%	6.1%
Wyoming	7.9%	4.0%
Iowa	3.6%	7.7%
Ohio	3.2%	1.6%
Montana	3.1%	6.7%
Nat. Avg.	1.66%	1.97%

**National Average Weekly
Earnings in Self Employment**

	FY 07	FY 05	FY 03
Self Employ Earnings:	\$396	\$329	\$315
All Status 26 Earnings:	\$350	\$324	\$308

**Comparison – FY 07 Earnings Per
Week: VR Agencies with Highest %
Closed in SE**

State	Earnings: SE	Earnings: All Cls.
WY	\$346	\$366
AK	\$390	\$458
VT	\$384	\$297
OH	\$468	\$402
ALL	\$396	\$350

National Average Hourly Earnings in Self Employment

	FY 07	FY 05	FY 03
Self Employ Earnings:	\$12.97	\$11.73	\$10.94
All Status 26 Earnings	\$10.52	\$9.76	\$9.36

Primary Disability of Persons Closed in SE: % by Disability Category in 07

Primary Disability	% Closed in SE
Visual	4.9%
Hearing	2.0%
Orthopedic	3.0%
Intellectual Disability	0.3%
Mental Illness	1.1%
Traumatic Brain Injury	1.1%
All Disability Categories	1.66%

Persons Closed in SE with a Primary Intellectual Disability

- Twenty four of the 51 General/Combined VR agencies did not close anyone in self employment with a primary disability of mental retardation/intellectual disability

Persons Closed in SE with a Primary Intellectual Disability

- States of Mississippi (4.6%), Vermont (1.9%), Wyoming (1.7%) and Alabama (1.2%) had the highest % of persons closed in this disability category

Amer. Indian/Native Amer. Status 26 Closure Rates: Self Employment - FY 03-07

% by Fiscal Year	# Status 26 Closures: Self Employ & Total
2003: 3.6%	82 in SE of 2,291
2005: 3.0%	72 in SE of 2,408
2007: 2.2%	62 in SE of 2,827

Comparison of Weekly Earnings: Native Am / Am Indians

FY	Earnings: SE Nat Am / Am Ind	Earnings: All Nat Am/Am Ind
2003	\$283	\$299
2005	\$245	\$312
2007	\$292	\$336

VR and Self Employment

- Completion of a Feasibility Study
- Completion of a Business Plan
- Exploring Potential Use of Training to Develop Needed Skills
- Networking with Partners/Resources
- Identifying Needed Ongoing Supports

VR and Self Employment: Building Blocks

- Proactive Policies / Practices Directed to:
 - Individual/Family
 - Service Coordinator/Manager
 - Interagency/Community Partnerships

Resource #1

Catalogue of VR Policy/Practices that Support Self Employment

Individual/Family Directed Policies & Practices	VR Service Coordinator Directed Policies & Practices	Interagency/Partnership Directed Policies & Practices
Feasibility Guidelines for Self Employment (Explicit and Implicit Policy/Practices)	Proactive/Reactive Outcomes to Consumers on Self Employment	Relationships with Multiple Planning Resources (Importance of PASS Plans in Self Employment)
Business Planning	Some Self Employment Resource Personnel for TA to Consumers	One Stop Career Centers Individual Training Accounts
Support for Completion of Business Plan	Skills/Life Requirements Clearly Stated	Individual Development Accounts
Certification Training Requirements for Self Employment	Consumer as a Team Member for Self Employment	HR's Medicaid Waiver
Financial Support Guidelines for Self Employment	Consumer Directed Training Subsidy to Self Employment	Small Business Development Centers
Access to Proactive Success Stories	Web Based Resources	Certification of Community Rehabilitation Programs as Providers for Self Employment
Clearly Embodied Expectations for Funding from Business, Families for Independence	Supported Self Employment	Ongoing support partnerships for supported self employment

Policies/Practices Directed to Individual/Family

- Clear feasibility guidelines and support: ND - Exploring Feasibility
- Work Incentives Planning
- Support for Completion of Business Plan: MD Business Plan Development Course; ND Business Planning

Resource #2:

North Dakota VR Online Feasibility Study

<http://www.nd.gov/dhs/business/rehabconrule/docs/business.pdf>

The format for the feasibility study addresses areas such as:

1. A description of the business idea
2. A review of the individual's management skills
3. A summary of technical skills/work experience related to the self employment goal
4. A sense of an individual's commitment/desire/persistence in making the self employment venture a success
5. A review of the market demand for the desired business
6. The personal credit history and financial solvency of the individual.

The clarity and ease of access of the feasibility guidance in North Dakota assists both the applicant and the VR counselor in starting the exploration process in an organized, goal directed manner, and it quickly identifies areas that need further clarification and exploration. Resources then can be directed towards assisting with the feasibility exploration.

Resource #3

North Dakota VR Online Business Plan Format

<http://www.nd.gov/dhs/business/rehabconrule/docs/business.pdf>

The business plan online addresses areas such as:

- Goal for business,
- Products/services to be offered
- Type of business (e.g. Sole Proprietorship, Partnership, Corporation)
- Management plan for business and qualifications of manager,
- Experience, education, and background of applicant in business area or related fields,
- Planned location of business,
- Target market, marketing plan, and competition,
- Timeline for developing business,
- Financial plan for implementing, marketing and sustaining business,
- Financial resource support needed, and
- Short and long term goals for business.

Policies/Practices Directed to Individual/Family

- Certification/Training for Self Employment
- Clearly established guidelines for financial support; timelines for independence

Policies/Practices Directed to Service Coordinator/Manager

- Clear guidance for counselors on self employment
- State Self Employment T/A Resource:
 - MD: Rise, Inc;
 - FL: Center for Self E.

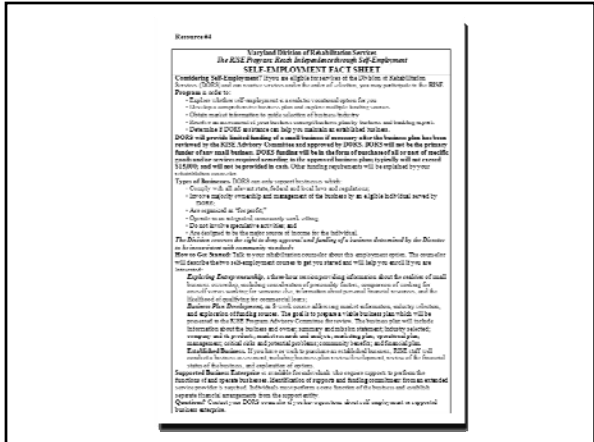
Policies/Practices Directed to Service Coordinator/Manager

- Counselor-directed training and support :
 - AL: Specially training S.E. liaison counselor in each office
- Clear Policies on Supported Self Employment:
 - MD example

Policies/Practices Directed to SE with Supports

Maryland VR Example

- Traditional SE: Regular profit & Independence
- SE with Supports: Business breaks even; person performs core functions of business; ongoing supports to assist.
- Frequent Case closure in Supported Employment not Self Employment
- Importance of a “facilitator”; ongoing spts.



Policies/Practices Directed to Interagency/Community Partners

- Link with Small Business Development Centers
- Certification of Community Rehab Programs as Providers for SE
- Link with One Stop Centers
- Importance of PASS Plans in SE
- Medicaid Waiver/other ongoing supports

