KTER Center Technical Brief -- #2 Benefits of Supported Employment for Workers with Intellectual Disabilities March 2012

ome researchers in the 1980s suggested that individuals with intellectual disabilities do not benefit eco-Inomically from being competitively employed (Brickey & Campbell, 1981; Lam, 1986). One concern that still is held today by many individuals with disabilities is that working will result in reduced financial resources due to loss of government benefits. In 2010, Cimera examined the employment outcomes for individuals with intellectual disabilities to determine if there are greater monetary benefits than costs associated with their employment. This brief will present an overview of Cimera's research, The National Cost-Efficiency of Supported Employees with Intellectual Disabilities: The Worker's Perspective. The study updates the literature and offers a national, longitudinal perspective. He identified a number of problems in the cost-efficiency literature from the 1990s.

- Studies had small sample sizes that may not be representative of the population of employees with intellectual disabilities.
- Studies were localized and may not be predictive of the outcomes achieved in other states.
- Studies were out-of-date.

-----Scope of the Study

Cimera's research examined the monetary costs and benefits achieved by 104,213 individuals with intellectual disabilities throughout the entire United States and territories. Specifically, he looked at cost-efficiency from the worker's perspective related to the outcomes achieved by individuals served by state vocational rehabilitation (VR) agencies through supported employment. Cost-efficiency compares the benefits (wages earned) to costs including taxes, reduced governmental subsidies, and other lost wages such as those from sheltered employment. When gross benefits minus gross costs yields a net benefit, the result is cost-efficient. When the benefit-cost ratio (gross benefits divided by gross costs) yields a ratio greater than 1.00, the result is cost-efficient.

-----Study Ouestions

- 1. Is supported employment cost-efficient from the worker's perspective?
- 2. Did employment outcomes achieved by the employees with intellectual disabilities improve from 2002 to 2007?
- 3. Did employment outcomes differ between individuals with and without secondary conditions?
- 4. Did employment outcomes vary from state to state?

Study Characteristics

- Data came from the Rehabilitation Services Agency (RSA) 911 database (individual demographics, VR services received, and employment outcomes).
- Participants included people with intellectual disabilities who had supported employment as their vocational goal in their Individual Plans for Employment.
- Data were provided by state VR agencies across the U.S., including programs that provide services to individuals with vision impairments.
- Outcome at the time of VR closure was documented as "successfully employed" if competitively employed in the community as measured by number of hours per week and gross wages earned per month.
- Benefit to the workers was considered through wages earned.
- Costs to the workers were forgone wages (e.g., sheltered workshop wages), taxes paid, reduction in subsidies (e.g., Supplemental Security Income, Social Security Disability Insurance).
- The study also considered the changes in the value of a dollar from 2002 to 2007, and conversions were made using the Consumer Price Index.



- Results and Discussion

Supported employment was cost-efficient for workers who became successfully employed. This was found for individuals with intellectual disabilities regardless of the number of their disabling conditions. The average net benefit for employees with intellectual disabilities without secondary conditions was \$475.35 per month, a cost-benefit ratio of 4.20. Outcomes were similar for individuals with and without secondary conditions. The study also found that workers in sheltered settings earned an average of \$1.36 per hour.

Supported employment was found to be cost-efficient regardless of the state in which the worker resided. However, wide variation was seen when comparing results across states. The highest rate of employment was 96% in Wisconsin as compared to 37% in Oklahoma for example. Workers in Washington reported a monthly net benefit of \$561.04 and an average benefit-cost ratio of 13.54; in Wisconsin the monthly net benefit was \$217.92 with an average benefit-cost ratio of 1.86. More research is needed to identify the reasons for these differences among states.

Findings from this research support the inclusion of people with intellectual disabilities in the competitive workforce. Supported employment is a positive option for individuals with intellectual disabilities from a cost-efficiency perspective. Workers earn more in the community than they would in sheltered workshops regardless of multiple disabilities. However, these outcomes vary from state to state with less than half of the participants from some states becoming competitively employed.

Overall, the average wage of workers with intellectual disabilities is below the poverty threshold for a single person under 65 (U. S. Census Bureau, 2009). Workers in supported employment will need jobs paying more than minimum wage and to work more than 21.8 hours per week as found in this study. Future research needs to investigate methods for job development and support strategies that will increase the economic outcomes achieved by workers with intellectual disabilities.

Source

Cimera, R. E. (2010). The national cost-efficiency of supported employees with intellectual disabilities: The worker's perspective. *Journal of Vocational Rehabilitation, 33(2*), 123–131.

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