M DEPARTMENT OF HUMAN SERVICES Legislative Report

Task Force on Eliminating Subminimum Wages

Disability Services Division

February 2023

For more information contact:

Minnesota Department of Human Services Disability Services Division P.O. Box 64967 St. Paul, MN 55164-0967

651-431-4300

651-431-4300 or 866-267-7655

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Contents

Contents	3	
ist of acronyms used in this report		
I. Executive summary	7	
Task force recommendations to address barriers and strengthen the system	9	
II. Introduction: The Legislative Task Force on Eliminating Subminimum Wages	13	
Task force charge and duties	13	
Task force membership	14	
III. Subminimum wages and their use in Minnesota	16	
Federal emphasis on jobs in the community at minimum wage, or higher	16	
How subminimum wages work	17	
Subminimum wages in Minnesota	18	
Data and facts about subminimum wages in Minnesota	18	
Other states have shifted away from subminimum wages	21	
IV. The path to task force recommendations	24	
How the task force developed and approved recommendations	24	
Recommendations match with themes from engagement activities and task force discussions	25	
Focus on equity	26	
V. Task force recommendations: A plan to eliminate subminimum wages	27	
Transition Plan for Ending Subminimum Wages	27	
Task force recommendations to address barriers and strengthen the system	33	
Task force continuation	44	
Task force meetings and topics	44	
VI. Task force engagement efforts	47	

Engagement purpose and values	47	
Finding the right people and getting feedback	47	
Common feedback topics by group	50	
Solutions from engagement activities	52	
/II. Benefits to eliminating subminimum wages in Minnesota		
VIII. Barriers addressed by task force recommendations		
Identify barriers	54	
Important barriers	54	
Broad challenges for people with and without disabilities	56	
IX. Costs for the important transition away from subminimum wages		
Considering costs	59	
No estimates for specific costs	59	
Potential funding sources and general information about likely costs	60	
XI. Task force duty No. 2, to consult and advise on limiting the payment of subminimum wages		
XII. Task force duty No. 3 for community education on subminimum wages 6		
Appendix A: The law for the Task Force on Eliminating Subminimum Wages		
Appendix B: Task force members		
Appendix C: Additional context for task force recommendations	71	
Appendix D: Task force public engagement efforts	81	
Engagement purpose and core values	81	
Finding the right people and getting feedback	83	
Feedback topics	86	
Solutions from feedback	97	
Conclusion	98	

A	ppendix E: Task force background papers on subminimum wages, approaches in other states	127
	1 (Full): Subminimum wage use, concerns, trends among states and resources	127
	2 (Full): Commonly cited potential benefits and challenges to eliminating subminimum wages	130
	3 (Full): Policies for state government operations to help the transition wages	133
	4 (Summary): Services and supports for workers shifting away from subminimum wages	137
	5 (Summary): Assistance, support for providers shifting away from jobs at subminimum wages	140
	6 (Summary): Funding and financial support for shifting away from jobs at subminimum wages	143
	7 (Summary): Measuring and monitoring for outcomes and an end to subminimum wages	145
	Resources used for the background briefs	149
A	ppendix F: Subminimum wage survey results	152
	Who took the survey	152
	Survey takers with disabilities	152
	Employment service provider staff	160
	Employment service provider staff—All survey takers	163
	Demographics all survey takers	167

List of acronyms used in this report

Full name	Acronym
Americans with Disabilities Act	ADA
Centers for independent living	CILs
[Minnesota] Department of Education	MDE
[Minnesota} Department of Employment and Economic Development	DEED
[Minnesota] Department of Employment and Economic Development Vocational	DEED
Rehabilitation Services	VRS/VRS
[Minnesota] Department of Human Services	DHS
[Minnesota] Department of Human Services Disability Services Division	DHS
	DSD/DSD
[Minnesota] Department of Labor and Industry	DLI
Home and community-based services	HCBS
Management Analysis and Development	MAD
Minnesota Council on Transportation Access	MCOTA
Minnesota Department of Transportation	MnDOT
Minnesota Management and Budget	MMB
[Minnesota] Olmstead Implementation Office	010
Public Sector Consultants	PSC
State Services for the Blind	SSB
US Department of Labor	US DOL
Vocational rehabilitation	VR
Workforce Innovation and Opportunity Act	WIOA

I. Executive summary

In the 2021 special legislative session, the Minnesota Legislature set up the Task Force on Eliminating Subminimum Wages. The Legislature passed a law telling the task force to "develop a plan and make recommendations to phase out payment of subminimum wages to people with disabilities on, or before, Aug. 1, 2025."¹ The task force did not choose the target date for subminimum wages to end in Minnesota. This report presents the recommendations for the Minnesota Legislature from the Task Force on Eliminating Subminimum Wages, as well as other findings and supporting information.

Both Minnesota and federal law let employers pay less than minimum wage to workers who have disabilities. Subminimum wages in Minnesota could end because of future changes in Minnesota law, federal law, federal policies for Medicaid or policies for the US Department of Labor (US DOL). This report focuses on recommendations on how to end subminimum wages.

The task force members joined with others in work groups to come up with the draft recommendations. The work groups included task force members and other people with knowledge about employment services and subminimum wages. The task force got help from experts on funding at several state agencies to roughly estimate how much the recommendations might cost and to identify potential sustainable funding sources. For its recommendations, the task force also used an administrative review committee that included the task force co-chairs and several officials from the DHS Disability Services Division (DSD). This committee reviewed recommendations to see if there was anything missing, and to make sure the recommendations were clear. The task force also shared its list of recommendations with outside experts who have worked on efforts to end or reduce subminimum wages in other states to find out if there was anything else the task force might need to recommend.

The task force divided recommendations into two categories. The first category is made up of recommendations that must be in place when subminimum wages end in Minnesota. This is the Transition Plan for Ending Subminimum Wages. The second category is made up of recommendations that address barriers and strengthen the system.

¹ Laws of Minnesota, 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 1

Transition plan for ending subminimum wages

1. The task force recommends that the Minnesota State Legislature take immediate action to end the use of subminimum wages by Aug. 1, 2025, to allow for a phased implementation period overseen by a statewide transition manager.

This recommendation repeals the law that allows paying subminimum wages to people with disabilities. This recommendation makes paying subminimum wages to people with disabilities illegal in Minnesota by Aug. 1, 2025, and makes any hiring after Aug. 1, 2023, be at minimum wage, or above.

Cost estimate: No cost.

2. Establish a data collection system and align administrative data to track employment outcomes and statewide progress on ending subminimum wages.

This recommendation creates a data plan to look at how people who are paid subminimum wages are doing as the state ends subminimum wages. It shares data and collects new data to look at employment for people with disabilities in Minnesota.

Cost estimate: \$1,000,000-\$5,000,000

3. Create a state-level transition team and technical assistance program.

This recommendation creates a manager for ending subminimum wages in Minnesota, with goals to reduce how many people get paid subminimum wages each year. It also gives help to service providers and case managers, as well as people with disabilities and their families, to change how they support people with disabilities.

Cost estimate: \$1,000,000-\$5,000,000 per biennium.

4. Engage, educate and support people who are considering working for or people who are already earning subminimum wages, during the transition.

This recommendation directs DHS to reach out to people paid subminimum wages to give them help to know what is changing, what supports they can get and plan their benefits.

Cost estimate: \$1,000,000-\$5,000,000

5. Establish an employment resource specialist grant program for lead agencies in Minnesota.

This recommendation gives grants to lead agencies so they can hire people to help them better support people with disabilities with thier employment.

Cost estimate: More than \$10,000,000.

Task force recommendations to address barriers and strengthen the system

Improve information and education about available supports

6. Strengthen core information about supports and services available to people with disabilities in Minnesota.

This recommendation provides information on services and supports to people with disabilities who are in school or who use waiver services.

Cost estimate: Less than \$500,000.

7. Embed benefits and work education throughout support programs.

This recommendation makes public programs give information about work and benefits to people with disabilities who get supports through those programs.

Cost estimate: Less than \$500,000.

8. Build the benefits planning competencies of support professionals.

This recommendation requires professionals who support people with disabilities in public programs to have skills and knowledge about benefits planning.

Cost estimate: Less than \$500,000.

Increase employment-related training for professionals

9. Invest in professionals' capacity to support employment outcomes.

This recommendation provides a set of directions to increase training opportunities and requirements for support professionals, as well as their leaders and managers, who work with people with disabilities.

Cost estimate: Not available.

Enhance services and supports

10. Strengthen day services to produce community life-engagement outcomes.

This recommendation makes improvements to HCBS waiver day support services.

Cost estimate: Not available.

11. Incentivize employment and community access in Minnesota Medical Assistance (Minnesota's Medicaid) HCBS waiver policy and fee structures, as well as county-funded services.

This recommendation changes the waiver service rates so that employment exploration services are higher than day services or center-based employment services. It also changes how day support services are billed.

Cost estimate: \$500,000-\$1,000,000

12. Strengthen access to transportation supports.

This recommendation improves transportation options for people with disabilities in Minnesota.

Cost estimate: \$500,000-\$1,000,000

13. Fully fund the competitive workforce factor and update inflationary data in rates systems.

This recommendation increases service rates for HCBS waiver services and changes the inflation information used to update them. It also updates the rate for Personal Care Assistant (PCA) services to include changes every other year based on inflation.

Cost estimate: More than \$10,000,000.

14. Assess and remove barriers to employment supports in personal care assistant (PCA) and Medicaid HCBS waiver services policy.

This recommendation allows personal care assistants to provide transportation and makes policy changes to allow people who live in group homes to get PCA support at work.

Cost estimate: More than \$10,000,000.

15. Improve training requirements, oversight and funding for case management services.

This recommendation makes changes to case management services rates and training requirements. It also sets caseload caps for case managers, allows DHS to change case management contracts and requires each person on a waiver to have an individual case manager.

Cost estimate: More than \$10,000,000.

Engage community businesses

16. Conduct a coordinated employer communications and engagement strategy.

This recommendation directs DEED to engage businesses about the value of employing people with disabilities at competitive wages.

Cost estimate: Less than \$500,000.

17. Develop an inclusive worksite training and certification program for Minnesota businesses.

This recommendation directs DEED to create a training and award certificates to businesses with inclusive worksites.

Cost estimate: \$500,000-\$1,000,000

Strengthen interagency coordination and service transitions

18. Conduct an interagency employment supports alignment study.

This recommendation directs DHS, MDE and DEED to research how to make employment supports work better together across programs.

Cost estimate: \$500,000 to \$1,000,000

19. Improve transitions between VRS/SSB and waiver services.

This recommendation directs DHS, MDE and DEED to clarify policy about how employment services work together between programs, improve transitions between programs and provide training to case managers.

Cost estimate: Less than \$500,000.

20. Ensure work experiences, opportunities for self-advocacy, collaboration and seamless referrals for services between school professionals and VRS/SSB.

This recommendation will improve the experience for people working with VRS, SSB and school professionals.

Cost estimate: Not available.

Task force continuation

The Legislature required the task force to include a recommendation about whether it should continue beyond March 31, 2024, which is when it is scheduled to expire. The task force voted to continue past the scheduled expiration and through the transition period, if Minnesota takes legislative action to phase out subminimum wages. During the phase-out period, the task force can monitor, assist and educate, until subminimum wages have ended. The task force would conclude its duties and expire once subminimum wages end in Minnesota. If the Legislature does not take action to end subminimum wages, the task force will expire on March 31, 2024.

II. Introduction: The Legislative Task Force on Eliminating Subminimum Wages

This report presents the findings and recommendations for the Minnesota Legislature from the Task Force on Eliminating Subminimum Wages. State and federal law lets employers pay less than minimum wage to workers who have disabilities that affect the work they do. The Legislature set up this task force to plan ahead for an end to subminimum wages in Minnesota.

Subminimum wages in Minnesota could end because of future changes in Minnesota law, federal law, federal policies for Medicaid or policies for the US DOL. Several states—including Oregon and Rhode Island—ended subminimum wages after the Department of Justice took action to oppose some state policies for employing people with disabilities.²

Task force charge and duties

The Minnesota Legislature created the Task Force on Eliminating Subminimum Wages during a special session in 2021. The Legislature passed a law to have the task force "develop a plan and make recommendations to phase out payment of subminimum wages to people with disabilities on, or before, Aug. 1, 2025." ³ The task force did not choose the date to end subminimum wages in Minnesota. (Go to Appendix A on Page 66 to review the law about the task force.)

This report focuses on recommendations to end subminimum wages. Those recommendations make up the task force plan. The Legislature gave the task force a range of duties. The task force addresses most of the other duties in this report. The task force covered some of these duties through its work on this report, and it will address others outside of this report. The duties for the task force from the Legislature include the following:

- Develop a plan to phase out the payment of subminimum wages to people with disabilities by Aug. 1, 2025.
- Consult with and advise the commissioner of human services on statewide plans for limiting subminimum wages. (While this will be done outside of this report, the task force has discussed ideas for limiting subminimum wages as it developed recommendations.)

² "<u>Subminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, p. 20–21.

³ Laws of Minnesota, 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 1.

- Engage employees with disabilities who earn subminimum wages and conduct community education on the payment of subminimum wages. (Community education to be done mostly outside of this report, with some recommendations beginning to address this engagement and education.)
- Identify and collaborate with employees, employers, businesses, organizations, agencies and stakeholders impacted by an end to subminimum wages.
- Propose plans to measure progress toward eliminating subminimum wages and to monitor and track outcomes of employees with disabilities.
- Identify initiatives, investment, training and services designed to improve wages, reduce unemployment rates, and provide support and sustainable work opportunities for people with disabilities.
- Identify benefits to Minnesota in eliminating subminimum wages.
- Identify barriers to eliminating subminimum wages and make recommendations to overcome them.
- Identify and make recommendations for sustainable financial support, funding, and resources for eliminating subminimum wages.⁴

Task force membership

The law for the task force requires that it have 16 members:

- Three (3) members with disabilities—one who is neurodiverse and one with a significant physical disability.
- Two (2) members from organizations that pay subminimum wages.
- One (1) member from an organization that used to pay subminimum wages, but now does not.
- One (1) member from The Arc of Minnesota, which offers assistance and information to people with intellectual and developmental disabilities, and their families.
- One (1) member from the Minnesota Disability Law Center.
- One (1) member from the Minnesota Organization for Habilitation and Rehabilitation association of more than 100 organizations that provide day and employment services to people with intellectual and developmental disabilities.
- One (1) member from the Association of Residential Resources in MN (ARRM)—association for more than 200 organizations and advocates advancing home-based and community-based services to support people with disabilities.

⁴ Laws of Minnesota, 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 6.

- One (1) member from the State Rehabilitation Council—guides decisions about the VRS program for the state.
- One (1) member from DHS, the Department of Labor and Industry (DLI), MDE, DEED and VRS. (Five members, total)⁵

(For a list of task force members, go to Appendix B on Page 70.)

⁵ Laws of Minnesota, 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 3.

III. Subminimum wages and their use in Minnesota

Section 14(c) of the federal Fair Labor Standards Act lets employers pay less than the federal minimum wage to workers whose disabilities affect their productivity, meaning how fast and well they do their work.⁶ This practice started in 1938 and continues today. In recent years, the number of people earning subminimum wages has decreased nationwide. Some states no longer allow subminimum wages. Other states have passed laws that will phase them out.

Federal emphasis on jobs in the community at minimum wage, or higher

The federal government allows subminimum wages for people with disabilities. At the same time, federal policies and programs emphasize jobs in the community that pay minimum wage, or higher. These are jobs where people with intellectual and developmental disabilities work together with people who do not have those disabilities. Often, these jobs are called competitive integrated employment.

Here is an example of the federal government emphasizing competitive integrated employment: Governments and organizations must deliver federal Medicaid home- and community-based service in ways that help individuals be part of their communities under a federal rule, issued in 2014. This includes employment services under Medicaid.

As another example, the federal Workforce Innovation and Opportunity Act made it important for federal rehabilitation programs to give all people with disabilities the greatest chance to work at jobs in the community that pay minimum wage, or higher. In addition, the US Supreme Court ruled in 1999 that the Americans with Disabilities Act bans unfair segregation that keeps people with disabilities away from the community. That case is called the Olmstead decision. The Olmstead decision has been used to end jobs in segregated settings, including jobs that pay subminimum wages.⁷

⁶ For more information about wages, go to the <u>Fair Labor Standards Act</u>.

⁷ "Subminimum Wage Program: Factors Influencing the Transition of Individuals with Disabilities to Competitive Integrated Employment," US Government Accountability Office, March 2021, pp. 1–3, 8–

^{9.}

How subminimum wages work

Employers who want to pay subminimum wages have to apply for 14(c) certificates from the Wage and Hour Division at the US DOL. These employers must meet ongoing requirements to maintain their 14(c) certificates. Almost all 14(c) certificate holders are organizations that provide employment services and supports to people with disabilities. So, providers with 14(c) certificates employ people with disabilities at subminimum wages and also provide them with employment services and supports.

Funding for employment services and supports comes from Medicaid waiver services or from county governments. These services and supports should improve workers' skills and help them move into jobs in the community that pay minimum wage or more.

Provider organizations usually pay people subminimum wages for jobs that take place at their facilities. This is often called facility-based employment. The facilities are sometimes called sheltered workshops. The provider organizations sometimes form mobile work crews of people who earn subminimum wages and move around to do work at different businesses and work sites.

The federal government tells organizations that pay subminimum wages to set those wages based on how well workers do their jobs. The organizations must study each worker who earns subminimum wages to see how fast and how well the worker with disabilities does the job compared to how fast and how well someone without disabilities does the same job.

The organization that employs the person with disabilities then looks at what most people in the area earn for that job. This is the prevailing wage. The wage for the person with disabilities is based on the prevailing wage but is reduced to match how fast and how well they do their work, meaning their productivity. This is the commensurate wage, and it can be below the federal minimum wage.⁸ The organization must study and record each worker's productivity and commensurate wage every six months.

At its July meeting, the task force heard from two members whose organizations employ people with disabilities and pay them subminimum wages. Both of these task force members said that their organizations lose money paying subminimum wages for these jobs. Their costs for subminimum wage jobs are high because these organizations must maintain the 14(c) certificates that allow them to pay workers subminimum wage. Their costs include these regular studies of how fast and how well each worker does their job compared to the productivity of someone without disabilities so that they can set subminimum wages.

⁸ Detailed descriptions of <u>commensurate wages</u>, prevailing wages, and the employer process for <u>determining commensurate wages</u>.

Subminimum wages in Minnesota

Thousands of Minnesotans with intellectual and developmental disabilities work for subminimum wages in places that separate them from the community. This is true even though the state's goal is for people with intellectual and developmental disabilities to work at jobs in the community that pay at or above minimum wage. Minnesota has many more jobs that pay subminimum wages than all but a few other states. This is true even though Minnesota's state government follows an employment first approach that says jobs in the general workforce are the best outcome from publicly funded services for all people with disabilities. DHS spends much more to fund facility-based work for people with disabilities, usually at subminimum wages, than it spends to fund jobs in the community.

Minnesota employment first Policy

The Olmstead Subcabinet adopted the Minnesota Employment First Policy in September 2014⁹, and the Minnesota Legislature added language into state law in 2020 about the <u>Employment First</u> approach to jobs for all people with disabilities. State law now says, "It is the policy of this state that all working-age Minnesotans with disabilities can work, want to work, and can achieve competitive integrated employment, and that each working-age Minnesotan with a disability be offered the opportunity to work and earn a competitive wage before being offered other supports and services."¹⁰ DHS Services tracks progress. The agency has an <u>employment first dashboard</u> on its website with data and information.

Data and facts about subminimum wages in Minnesota

Here is useful information about Minnesota and subminimum wages:

Minnesota ranks third for its high number of workers earning subminimum wages: The US DOL collects data from 14(c) certificate holders in each state on the number of workers who earn subminimum wages. Minnesota ranks third highest for the number of people earning subminimum wages among the 42 states included in the US DOL count. Only in the big states of California and Pennsylvania were more people paid subminimum wages in October 2022. One useful way to compare data from states of different sizes is to look at totals based on the number of people living in each state. Minnesota ranked first among the 42 states for the number of persons being paid subminimum

⁹ "<u>Minnesota Employment First Policy</u>," Department of Human Services, accessed Dec. 2, 2022.

¹⁰ "Employment First," Department of Human Services, accessed Oct. 25, 2022.

wages as a share of each state's total population.¹¹ California has almost seven times the total number of people that Minnesota has, and Pennsylvania has more than twice the number of people that Minnesota has.

Between 4,000 and 4,800 Minnesotans earned subminimum wages in 2022: It is likely that between 4,000 and 4,800 workers in Minnesota with disabilities were earning subminimum wages in 2022. It is hard to know the exact number because of the way the information is collected.

This estimate of between 4,000 and 4,800 workers comes from two data sources. First, the eight CILs in Minnesota regularly interview people who earn subminimum wages.¹² DEED hires the centers to do this because Section 511 of the federal Workforce Innovation and Opportunity Act requires it. The CILs conducted 4,800 of these career counseling, information, and referral (CCIR) conversations with people who earned subminimum wages in Minnesota from July 2021 through June 2022.

Second, Management Analysis and Development (MAD) at Minnesota Management and Budget estimated that about 4,000 Minnesota workers were earning the subminimum wage as of October 2022. MAD based that estimate on helpful but incomplete data from US DOL for the number of people in Minnesota earning subminimum wages from organizations with active 14(c) certificates.¹³MAD also

¹¹ MAD used US DOL data for workers paid subminimum wages from the listing of 14(c) certificate holders as of October 2022 and divided those counts by overall state populations for July 2021 from the Census Bureau to calculate the state data on people paid subminimum wages as a proportion of each state's population. This adjustment for population allows for reasonable comparisons among states of different population sizes. The July 2021 estimates were the most recent available at the time of the calculations. Go to <u>US DOL data for 14(c) certificate holders</u> for more information.

¹² CCIR conversations must take place once a year with people who earn subminimum wages. Minnesota CILs depend on employment service providers to tell them who to interview. Individuals in their first year of earning subminimum wages are interviewed every six months. This means new workers may be included twice in the counts of CCIR conversations for any given year, but the duplicate counts of new workers will be relatively low compared to the number of workers overall. The Minnesota centers had 4,800 CCIR conversations with people with disabilities in 12 months, ending June 2022.

¹³ US DOL data on 14(c) certificate holders is limited and incomplete for several reasons. For example, the reporting periods for the employers varies, the data may be outdated, and data is not collected from employers that pay subminimum wages while their 14(c) applications are pending.

estimated the number of people earning subminimum wages from the one organization with a pending 14(c) certificate as of October 2022.¹⁴

Fewer jobs paid subminimum wages during the COVID-19 pandemic: The number of people paid subminimum wages fell during the COVID-19 pandemic, because people were worried about the virus. The steps put in place for safety limited day/employment services for people with disabilities, especially in a group setting.

This may explain part of why the number of CCIR conversations CILs had with workers earning subminimum wages dropped by more than 5,000 for the 12-month period, ending June 2019, compared to the 12-month period, ending June 2022. The count fell from 9,901 to 4,800. However, that downward trend started before the COVID-19 pandemic. The number of CCIR conversations dropped from 11,802 (2016–17), to 10,374 (2017–18) and to 9,901 (2018–19). US DOL data from 14(c) certificate holders show a trend downward nationwide, too.¹⁵

About 75 organizations in Minnesota are certified to pay subminimum wages, or will soon be able to:

US DOL data show about 75 Minnesota employers have certificates that allow them to pay subminimum wages to workers with disabilities, in October 2022. US DOL data on 14(c) certificate holders in Minnesota that month lists 72 organizations with active certificates and 1 organization that was in the process of renewing or applying for a certificate, so its certificate is pending. All but one of these employers are organizations that provide employment services to people with disabilities under Minnesota's federally approved home- and community-based Medicaid waivers program for people with disabilities. Several of the organizations with active certificates had no people earning subminimum wages on Oct. 1.

¹⁴ For this estimate of workers earning subminimum wages from the federal 14(c) certificate data, MAD took the number of workers earning subminimum wages as reported by the 72 Minnesota employers with active 14(c) certificates (3,929). MAD then used the median number of workers earning subminimum wages from these 72 employers (36) to approximate the number of workers earning subminimum wages at the one Minnesota employer with a pending 14(c) certificate. This is an imperfect but reasonable approach to estimating the workers missing from the 14(c) data. The total for the MAD estimate is 3,929 + 36 = 3,965. MAD rounded up to the nearest hundred, equaling 4,000.

¹⁵ For national data, refer to "<u>Trends and Current Status of 14(c)</u>," Association of People Supporting Employment First, October 2021, p. 2. The count of workers earning subminimum wages from US DOL 14(c) data for October 2022 was 35,020.

DHS spends more on facility-based work: In 2019, DHS spent almost six times as much to support jobs that put people with disabilities in their own, separate workplace than it spent on employment services that support people with disabilities at jobs in the community. That facility-based work mostly paid subminimum wages. A report from the Institute for Community Inclusion at the University of Massachusetts—Boston shows DHS spent \$216.9 million in available funding in 2019 on facility-based work, compared to \$37.0 million in funding for integrated employment in 2019. The \$37.0 million for integrated employment was 8.7% of all Human Services spending (\$424.8 million) for intellectual and developmental disability services in 2019.¹⁶ Human Services has increased its emphasis on integrated employment since 2019.

Interest from workers in community jobs that pay minimum wage, or higher: More than 500 workers with jobs that pay subminimum wages are interested in jobs in the community that pay minimum wage, or higher. Minnesota CILs ask about this during their career counseling, information and referral conversations. During conversations held from July 2021 through June 2022, 521 workers said they were interested in competitive integrated employment. The centers must record answers to the question about competitive integrated employment under section 511 of the federal Workforce Innovation and Opportunity Act, but Minnesota does not track what happens if someone says they are interested.

Other states have shifted away from subminimum wages

Employers no longer pay subminimum wages in eight states and Washington, D.C., and another six states have passed laws to end subminimum wages in the next few years. Several other states have placed limits on jobs that pay subminimum wages.¹⁷ New Hampshire, in 2015, was the first state to pass a law to eliminate subminimum wages. Table 1, below, lists states that do not allow subminimum wages or are phasing out subminimum wages. Many other states, including Minnesota, have policies and approaches for people with disabilities that favor jobs in the community at minimum wage, or higher.

¹⁶ "<u>StateData: The National Report on Employment Services and Outcomes through 2019</u>," Jean Winsor and others, Institute for Community Inclusion, University of Massachusetts Boston, p. 95.

¹⁷ Examples of states that limit use of subminimum wages include Texas, which eliminated subminimum wages in most cases but allows the state's workforce commission to grant exemptions. Illinois does not allow subminimum wages for work carried out under state contracts.

Table 1: Places with no subminimum wages or with laws to phase out subminimum wages, as of October202218

States with that ended subminimum wages (7)	Places without subminimum wage jobs (2)	States with laws that phase out subminimum wages (6)
Alaska (ended 2018)	Vermont	California (ending 2023)
Hawaii (ended 2022)	Washington, D.C.	Colorado (ending 2025)
Maine (ended 2019)		Delaware (ending 2024)
Maryland (ended 2016)		Oregon (ending 2023)
New Hampshire (ended 2015)		South Carolina (ending 2024)
Rhode Island (ended 2022)		Washington (ending 2023)
Tennessee (ended 2022)		

States have shifted away from subminimum wages for several reasons. Federal policies and programs call for jobs in the community to pay a minimum wages or higher. These are jobs where people with intellectual and developmental disabilities work together with people who do not have those disabilities. In addition, many advocates say jobs that pay subminimum wages separate and isolate workers, pay them too little money and keep workers in poor-quality jobs instead of competitive integrated employment.¹⁹

Generally, states that end subminimum wages, or cut back on the payment of subminimum wages, take action to support jobs in the community at minimum wage, or higher. For example, those states often increase employment services that allow people with disabilities to explore, plan for, find and succeed in competitive integrated employment. This may involve a job coach for a person with disabilities and ongoing support when on the job. It may also mean more work to explore job options and find jobs for people. Task force research found that Minnesota has services and supports like those in other states that no longer allow subminimum wages or have reduced their use. The challenge in

¹⁸ Current information, as of Oct. 1, 2022. For more on the status of subminimum wages in the states, refer to "<u>State Legislative Watch</u>" from the Association of People Supporting Employment First.

¹⁹ "<u>Subminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, p. vii-xv.

Minnesota may have less to do with missing services and more to do with increasing access to existing services. (For more, go to the services and supports for workers section on Page 137, in Appendix E.)

IV. The path to task force recommendations

How the task force developed and approved recommendations

Task force members joined with others in workgroups to come up with draft recommendations. The workgroups included task force members and other people with knowledge about employment services and subminimum wages. Task force members looked at these recommendations in draft form, discussed them and suggested changes, as needed. Members used an online tool during several task force meetings to show their level of support for each of the draft recommendations.

For its recommendations on sustainable financial support, funding and resources, the task force got help from experts on funding at DHS, DEED, DLI and MDE. When they were able, those same experts estimated roughly how much each recommendation might cost. They used a scale that ranged from low costs of less than \$500,000 to high costs of more than \$10 million. These estimates are included with the recommendations below.

For its recommendations, the task force also used an administrative review committee that included the task force co-chairs and several officials from DSD. This committee read all the draft recommendations. When necessary, the committee asked task force members and state government experts to help with final language. The administrative review committee also grouped the recommendations by those that need to be in place to end subminimum wages (the transition plan for ending subminimum wages) and those recommendations that address barriers and strengthen systems. The administrative review committee looked for gaps and suggested changes for the recommendations to address those gaps.

The task force also shared its list of recommendations with outside experts who have worked on efforts to reduce or end subminimum wages in other states. Those experts looked at the recommendations to see what else the task force might need to recommend. The administrative review committee used this feedback to suggest changes to task force recommendations as needed.

As a last step, the task force voted on the final version of each recommendation included below. The task force agreed to present to the Legislature all recommendations that won approval from a super majority (75%, or more) of task force members. This means that at least 12 of 16 task force members had to vote to approve any recommendation in this report. All proposed recommendations from the task force won approval from 75%, or more, of the members.

Task force members unanimously approved all but one recommendation in November 2022.

• One member voted against recommendation 16 at the November meeting, "Improve training requirements, oversight, and funding for case management services."

During the voting process, task force members suggested additional changes to some recommendations and suggested combining other recommendations. In these cases, task force members volunteered to rework the recommendations. Task force members voted on eight revised versions and new recommendations at their December 2022 meeting. Task force members unanimously voted to approve seven of the eight recommendations.

• Two task force members voted against Recommendation 1 at the December 2022 meeting, "The task force recommends that the Minnesota Legislature take immediate action to end the use of subminimum wages by Aug. 1, 2025, to allow for a phased implementation period overseen by a statewide transition manager."

Recommendations match with themes from engagement activities and task force discussions

The task force came up with its recommendations based on many experiences, ideas, concerns and examples. The task force members, themselves, know a lot about jobs that pay subminimum wages and employment services for people with disabilities. They used what they know to come up with their recommendations. Several task force members had worked in jobs that paid subminimum wages and now work in jobs that pay more. Those experiences guided their work on the task force. Likewise, the volunteers who joined workgroups with task force members used their knowledge and experiences to help draft recommendation ideas. In addition, task force members looked at approaches in model states for reducing and ending payment of subminimum wages. The task force looked, too, at what services and supports Minnesota has now to help people find jobs in the community at minimum wage, or higher, and succeed in those jobs.

Task force engagement efforts shaped the recommendations. The task force looked at common ideas and concerns that came up from its broad and inclusive engagement efforts. Hundreds of people shared ideas and feedback about ending subminimum wages and about employment for people with intellectual and developmental disabilities. These ideas and feedback shaped the task force recommendations. Task force members also looked at information about the benefits and barriers to eliminating subminimum wages. They paid attention to challenges when drafting and revising their recommendations. The themes below came from these different sources, especially public engagement sessions:

- Case management
- Information and education
- Employer engagement
- Service enhancements
- Benefits education
- Expansion of training for support professionals
- Interagency coordination.

Focus on equity

The recommendations that make up the transition plan needed to end subminimum wages and the recommendations to address barriers and strengthen the system must both focus on equity. This means that they must give people what they need to succeed. Minnesotans with intellectual and developmental disabilities are a diverse community. Minnesota must be sure people get the services and supports they need, no matter their race/ethnicity, gender, age, where they live, religion, economic situation, sexual orientation, level of disability and other features/factors.

Black people, indigenous people, people of color and people whose first language is something other than English all face extra barriers when it comes to getting services and supports. The state needs to reach out to people in these groups, especially, and engage with them. Minnesota must pursue the task force recommendations and put them into place in ways that increase equity in services for the diverse community of people with disabilities.

V. Task force recommendations: A plan to eliminate subminimum wages

This section of the report lists 20 recommendations from the Task Force on Eliminating Subminimum Wages. The recommendations form the task force plan "to phase out payment of subminimum wages to people with disabilities on or before Aug. 1, 2025."²⁰ Additional information and context for some recommendations is available in Appendix C on Page 71. More information on cost and sustainable funding, where that information is available, is in the section on potential funding sources and likely costs on Page 60. The task force developed two types of recommendations:

- The first section of recommendations makes up the task force's transition plan for ending subminimum wages. These recommendations are necessary to eliminate subminimum wages or need to be in place when subminimum wages are eliminated.
- The second section consists of recommendations to address barriers and strengthen the system. The task force thinks these recommendations will improve the system and advance competitive integrated employment for people with disabilities. These recommendations include some broad ideas that the task force hopes for, in the long run.

The Minnesota Legislature directed the task force to plan for an end to subminimum wages. For this reason, this report lists the recommendations that make up the transition plan for ending subminimum wages. The Legislature also directed the task force to address barriers to eliminating subminimum wages. Many of its second section of recommendations for improving the system focus on those barriers, so those recommendations are included here in the report, too.

Transition Plan for Ending Subminimum Wages

- 1. The task force recommends that the Minnesota Legislature take immediate action to end the use of subminimum wages by August 1, 2025, to allow for a phased implementation period overseen by a statewide transition manager. To do this, the Legislature should:
 - Repeal Minnesota Statute §177.28, Subdivision 5, effective Aug. 1, 2025
 - Amend Minnesota Statute 177.24 to include: Subd. 6: On and after Aug. 1, 2025, an employer shall not pay an employee with a disability less than the highest applicable minimum wage regardless of whether the employer holds a special certificate from the United States Department of Labor under section 14(c) of the federal Fair Labor Standards Act. On and after Aug. 1, 2023, employers shall not hire any new employee at a

²⁰ Laws of Minnesota, 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 1.

wage that is less than the highest applicable minimum wage. By Jan. 1, 2024, organizations in Minnesota holding a special certificate from the United States Department of Labor under section 14(c) of the federal Fair Labor Standards Act shall submit a transition plan to the commissioner of labor and industry and the commissioner of human services for ending payment of subminimum wages to people with disabilities in Minnesota, by Aug. 1, 2025.

Plain language: This recommendation makes paying subminimum wages to people with disabilities illegal in Minnesota by Aug. 1, 2025, and makes any hiring after Aug. 1, 2023, must be paid at minimum wage, or higher. For more information on this recommendation, including a discussion of the timeline, see Appendix C on Page 71.

Cost estimate: No cost.

2. Establish a data collection system and align administrative data to track employment outcomes and statewide progress on ending subminimum wages.

The task force recommends Minnesota evaluate progress to phase out subminimum wages, as well as monitor employment and community-life engagement outcomes for people with disabilities by 1) establishing an ongoing statewide data collection system and 2) improving administrative data alignment.

Establish a data collection system for monitoring phase-out of subminimum wages: Minnesota will evaluate progress to phase out subminimum wages and monitor outcomes for people with disabilities by establishing an ongoing statewide data collection system, administered by the commissioner of human services. Every organization holding a 14(c) certificate in Minnesota, as of Aug. 1, 2023, must use the system to report annually on each individual who was paid subminimum wages through their organization as of that date. The system will include employment status, work activities, and other key community-inclusion measures. Information will be collected by age, county, race and disability type. To the extent possible, the commissioner will collect baseline information on employment status and hours worked prior to a statewide phase-out of subminimum wages.

This data collection system will be piloted during the statewide phase-out of subminimum wages. During this trial phase, the commissioner will identify resource needs and administrative considerations to expand the data collection system to more broadly track employment outcomes of people with disabilities who receive publicly funded employment supports through programs that include: waiver and county-funded employment services, vocational rehabilitation services, school supports and personal care assistant supports.

Use administrative data alignment for ongoing performance evaluation: DEED, MDE and DHS shall use state-level administrative data to track employment outcomes of people with disabilities and pursue needed changes to improve state-level data. MDE, DHS and DEED will

share any data needed with DLI in order to ensure compliance with state minimum wage laws. As part of this work, DEED, MDE and DHS shall enter into an interagency data sharing agreement and recommend any needed changes to match people receiving services from identified Medicaid-funded programs, including Medicaid home and community-based waivers, with unemployment insurance (UI) wage detail records, and school data records to verify employment status of individuals served. This data sharing will allow agencies to track employment outcomes in a timely manner for people, including those receiving school transition programming. DEED, MDE and DHS should explore strategies to match data for people with disabilities who are receiving county-funded disability services to UI wage detail records and school data records to track employment outcomes. On an annual basis, the agencies shall make aggregate employment outcome information publicly available.

Plain language: This recommendation creates a data plan to look at how people who are paid subminimum wages are doing as the state ends subminimum wages. It shares data and collects new data to look at employment for people with disabilities, in Minnesota.

Cost estimate: \$1,000,000-\$5,000,000

3. Create a state-level transition team and technical assistance program.

The task force recommends that Minnesota establish transition resources and supports as well as identify a manager to oversee the statewide move to competitive wages. This includes:

• Establishing a state-level transition team to oversee the phase-out of subminimum wages and reporting to the Legislature. A transition manager shall assess statewide progress in phasing out the use of subminimum wages against the following milestones based on an Aug. 1, 2023, baseline.

Date	Milestone reduction from Aug. 1, 2023, baseline
Aug. 1, 2023	No additional hiring at subminimum wages, establish baseline
Dec. 31, 2023	5% reduction
March 31, 2024	10% reduction
June 30, 2024	20% reduction
Sept. 30, 2024	40% reduction
Dec. 31, 2024	60% reduction
March 31, 2025	80% reduction
June 30, 2025	95% reduction
Aug. 1, 2025	100% reduction—subminimum wages are no longer legal under Minnesota state law

Establishing a state technical assistance center through the end of 2028 to:

1) Support the transition of provider organizations to transform business models and funding supports, such as training and ongoing coaching, to incentivize competitive integrated employment.

2) Provide technical assistance support to lead agencies in Minnesota.

3) Administer a transition grant program for 14(c) holders modeled after the provider reinvention grant program.

Plain language: This recommendation creates a team for ending subminimum wages in Minnesota with goals to reduce how many people are paid subminimum wages each year. The recommendation also provides help to service providers and case managers to change how they support people with disabilities.

Cost estimate: \$1,000,000-\$5,000,000, per biennium.

4. Engage, educate and support people who are considering working for or people who are already earning subminimum wages, during the transition.

The task force recommends DHS, in collaboration with DEED, carry out a comprehensive communication and engagement campaign to reach every person who is currently receiving subminimum wages and their families to 1) educate and address common concerns on a statewide phase-out of subminimum wages 2) affirm options and supports available to help, and 3) provide work and benefits education. This campaign should occur within the first 18 months of phase-out. It will include:

- 1. Educate on statewide phase-out of subminimum wages and address common concerns: This engagement campaign should address common concerns, including:
 - a) Transportation
 - b) Safety and social inclusion in the community
 - c) Willingness of businesses to hire people with disabilities
 - d) Job security and retention.
- 2. Affirm options and supports available: Every person who is currently interested in or earning subminimum wages and is on a waiver will be offered support to make an informed choice through waiver employment exploration or other services. They will be informed of all services and supports available to them, including:
 - a) Customized employment and other employment supports
 - b) Work incentives
 - c) Supports for a meaningful day
 - d) Other supports to meet their needs.
- 3. Provide work and benefits education: Every person who is currently interested in or earning subminimum wages and is on a waiver will be offered education and supports about work and benefits, referred to as "benefits planning." This is a person-centered process that identifies and addresses concerns, provides tailored information based on the individual's benefits, includes stories to teach core concepts about work and benefits and offers education about key supports (resources, tools, and services) to help the person along the way. During career counseling, information and referral conversations in Minnesota done for the federal Workforce Innovation and Opportunity Act, people and their guardians will be asked about concerns with their benefits as they consider work. If so, they will receive core information and resources and offered follow-up by Disability Hub MN for a deeper conversation. The engagement campaign will be informed and tested by the intended audience and offered in multiple formats and languages to meet individual preferences and needs. The campaign will build off the work started by the task force and efforts through the Provider Reinvention Grant

Program, including advancing self-advocacy, training of peer mentors who have successfully transitioned to competitive wages, development and sharing of success stories, and equipping community partners to help families address questions and concerns.

As part of this campaign, all providers holding a 14(c) certificate should be required to work with a state-appointed technical assistance organization to support their communication with families during the transition from subminimum wages.

Plain language: This recommendation directs DHS to reach out to people paid subminimum wages to give them help to know what is changing, what supports they can get and plan their benefits.

Cost estimate: \$1,000,000-\$5,000,000

5. Establish an Employment Resource Specialist Grant Program for lead agencies in Minnesota

The task force recommends Minnesota establish a five-year Employment Resource Specialist Grant Program for lead agencies in Minnesota to build capacity in supporting competitive integrated employment through creating designated employment resource specialists at lead agencies or regional collaborations of lead agencies in Minnesota, and to align across vocational habilitation and vocational rehabilitation programs. The positions will carry out the following duties:

- Employment planning with transition-age youth, people receiving subminimum wages, and their families/guardians to proactively support a path to competitive employment.
- Create person-centered and individualized employment plans with people.
- Help people and their families understand available supports, both formal and informal, as well as resources available to succeed in competitive employment.
- Coordinate and communicate across a person's support team, including case managers, school staff, providers and VRS.
- Support counties in aligning their services with VRS.
- Address benefits concerns and assist the person and their families/guardians with applying for needed benefits.
- Follow a person during their employment path and provide ad-hoc assistance to address barriers or needs that arise.
- Build lead agency and regional capacity to support people with disabilities in competitive employment through:
 - Championing employment.
 - Leading organizational employment-first collaboration between VRS, schools, service providers and lead agencies.
 - Monitoring outcomes and evaluating lead agency employment efforts.
 - Providing case-specific consultation and support to case managers.
 - Monitoring service authorizations and providing employment training to lead agency case managers.

The commissioner of human services will administer this program and set up an allocation structure to lead agencies based upon 1) the number of people receiving subminimum wages or who are receiving waiver prevocational services for whom the lead agency is the county of financial responsibility, 2) the number of students receiving waiver services who will be transitioning out of school services in 2023, and 3) other factors identified by the commissioner. Lead agencies may work together regionally and pool funding to establish regional positions or they can use funding to create a position specific for their lead agency.

This time-limited grant funding will build lead agency capacity to support people in transitioning from subminimum wages to competitive employment as well as support youth who are graduating from school to move to competitive employment. During administration of the program, the commissioner of human services shall develop a recommendation for sustainable funding for positions and evaluate the impact of the Employment Resource Specialist Grant Program on employment outcomes.

Plain language: This recommendation gives grants to lead agencies so they can hire people to help them better support people with disabilities in employment.

Cost estimate: More than \$10,000,000.

Task force recommendations to address barriers and strengthen the system

Improve information and education about available supports

1. Strengthen core information on supports and services available to people with disabilities in Minnesota.

The task force recommends the E1MN interagency partnership ensure all youth in transition and people on HCBS waivers and county-funded services receive core information that is addressed in common language across state programs, which are grounded in storytelling and informed by feedback from end users. This core information will:

- Help people understand and prepare for the assessment and support planning process so they are controlling their own plans.
- Educate people on HCBS service options.
- Share stories of how past recipients used those services to reach their goals.
- Offer key resources that can help them manage their benefits and services and plan for the future.
- Affirm a person's rights and show them how to assert their rights.

To help develop this work, E1MN will establish an advisory group and design deeper engagement with the target audiences as well as inform and test the information and distribution strategies. People will receive information at key points in the planning process, including request for disability services, MnCHOICES Assessments, service initiations, youth in transition planning meetings (starting at age 14 and annually during transition) and any other key points of interaction with social services. The information provided will be available in multiple formats and languages to meet individual preferences and needs.

Plain language: This recommendation provides information on services and supports to people with disabilities who are in school or who get waiver services.

Cost estimate: Less than \$500,000.

2. Embed benefits and work education throughout support programs.

The task force recommends Minnesota create a broad-reaching work and benefits campaign that will help people see how work and benefits can go together, develop financial well-being, and create a vision for their life and goals. This campaign will promote existing benefits planning resources, tools and services available as well as create core materials to embed in ongoing DHS-, DEED- and MDE-funded programs. As part of this campaign:

- DHS, DEED and MDE must ensure each year that people on their programs who use or plan to access SSA benefits receive and understand core information around benefits and work.
 - DHS will put together core benefit information to share with people who are in their programs who get SSA or who plan to access SSA benefits. Specific instances where this must happen shall include:
 - a) At the time of MnCHOICES assessments
 - b) One year prior to entering transition services
 - c) Individualized education plan (IEP) planning meetings during transition services
 - d) At service initiation with DEED.
 - DHS should also address strategies for those who are on county-funded supports to receive benefit and work information.

The task force also recommends adding language to the informed choice statute, <u>found here</u>. Under Subd. 4a., add the following element: "4) will be given benefits planning assistance and supports to understand available work incentive programs as well as the impact of work on benefits."

Plain language: This recommendation makes public programs give information on work and benefits to people with disabilities who get supports through those programs.

Cost estimate: Less than \$500,000.

3. Build the benefits planning competencies of support professionals.

The task force recommends all professionals using public funds to support people with disabilities in exploring, finding or keeping employment must demonstrate core work and benefits competencies. Competencies will include skills to talk about benefits and work, dispel myths, address fears and use online resources to educate program participants and get answers. Professionals shall be educated on the availability of benefits planning, and the different resources available, including DB101.org.mn, Disability Hub MN, HB101 and the agencies they can utilize to get benefits planning when they need support professionals to have access to benefits planning training and a robust system of resources through the Disability Hub MN benefits planning toolkit.

Plain language: This recommendation requires professionals who support people with disabilities in public programs to have skills and knowledge about benefits planning.

Cost estimate: Less than \$500,000.

Increase employment-related training for professionals

4. Invest in professionals' capacity to support employment outcomes.

The task force recommends Minnesota expand training for employment support professionals, and their leaders and managers, and school staff:

Employment support professional training: DHS, in collaboration with DEED, provides certified training opportunities for employment support professionals, as well as their managers and leaders. This could include expanding customized employment, certified employment support professional (CESP), and Association of Community Rehabilitation Educators (ACRE) training, as well as other options, such as coaching and communities of practice. Training may include both inperson and on-demand, online training opportunities. See Appendix C on Page 71 for additional context and information, including considerations DHS and DEED shall make in expanding training opportunities.

School staff training: Improve training and professional development requirements for school staff through the following:

- **Comprehensive work-based learning experiences training**: MDE, DHS, and DEED will provide a comprehensive training series to school district personnel on best practices for providing supports to students in work-based learning experiences while still in high school. Participants will learn about customized employment, natural supports, scheduling, staffing plans and funding sources. As part of the series, participants will develop an implementation plan for their school district. Participants who engage in the full training series could also earn graduate credit and compensated for their time. The agencies should provide funding for substitute teachers and paraprofessionals so school district teachers and staff can attend training during the school year and provide stipends when needed to attend training in the summer.
- **State-level training series**: The state of Minnesota should develop consistent state-level training for school staff on:
 - Youth in transition toolkit (for all)
 - Benefits planning resources (for all)
 - Job placement 101 (for work-based learning experiences—work coordinators, etc.)
 - Job coaching 101 (for work coordinators, paras, etc.)
 - Student discovery and customized employment. (for school staff)
- Professional Development: The task force recommends changes to annual professional development for special education teachers, secondary teacher preparation training, reporting by schools to MDE and state-level education goals that will support employment supports for transition-age students with disabilities. These changes include:
 - Schools shall require that special education teachers complete annual professional development training about best practices to partner with DEED VRS and/or SSB and waiver services for transition-aged youth during opening/workshop week at the beginning of each school year.
 - Students preparing to be secondary teachers must complete coursework or demonstrate competency about best practices to partner with DEED VRS and/or SSB and waiver services for transition-aged youth. As part of secondary special education teacher re-licensure, teachers must complete CEUs that document professional development training about best practices to partner with DEED VRS and/or SSB and waiver services for transition-aged youth.
 - MDE and DEED shall provide CEU opportunities for school staff (including special education directors and case managers) about DEED services and provide relationshipbuilding opportunities to connect school staff and transition-age students with VRS and SSB.

Plain language: This recommendation provides direction to increase training opportunities and requirements for support professionals, and their leaders and managers, working with people with disabilities.

Cost estimate: Not available.

Enhance services and supports

5. Strengthen day services to produce community life engagement outcomes.

The task force recommends DHS develop statewide promising practices and key service outcome measures for the delivery of meaningful, community-based day support services and provide technical assistance to service providers to implement these practices.

In developing these practices and measures, DHS shall consider these points:

- Day support services help people develop and maintain essential and personally enriching life skills to access and participate in activities in their community.
- Day support services can "wrap around" a person's employment—providing skill development outside of the time a person is working at a job.
- For people who choose not to pursue employment, it is especially important to have meaningful day supports available that lead to increased engagement in community life.
- For people who have primarily participated in employment or day supports in a service provider facility setting, community-based day support services can help people build skills and confidence and have experiences that support and inform their employment journey.

Plain language: This recommendation makes improvements to HCBS waiver day support services.

Cost estimate: Not available.

6. Incentivize employment and community access in Minnesota's Medicaid HCBS waiver policy and fee structures, and county-funded services.

The task force recommends changes to fee schedules and allowable reimbursements under Medicaid waiver plans and county-funded services to incentivize employment and community access, including:

- Update the Disability Waiver Rate System (DWRS) Bureau of Labor Statistics (BLS) codes for employment exploration services to ensure person-centered, informed-choice employment supports are adequately reimbursed and incentivized (regardless of staffing ratio) to be more desirable than day or facility-based employment services.
- Allow separate procedure codes to be used for day support services, based on the service provided. (**Example**: One procedure code for a group service and another for a one-on-one service)

Counties in Minnesota should review their county-funded services to ensure services rates incentivize employment and community access.

Plain language: This recommendation changes the waiver service rates so that employment exploration services are more highly incentivized than day services or center-based employment services. It also changes how day support services are billed.

Cost estimate: \$500,000-\$1,000,000

7. Strengthen access to transportation supports.

The task force recommends prioritizing interagency coordination on equitable transportation and changes to HCBS waiver services transportation guidance and fees to expand access to transportation supports for people with disabilities. These include:

- Ensure payment rates incentivize access to the community for people who access transportation during day support services.
- Ensure coordination between DHS, MnDOT, MCOTA and other stakeholders, to expand equitable transportation statewide.
- Update the transportation language in the Community-Based Services Manual (CBSM) to clearly state that rideshare programs, such as Lyft, Uber and other rideshares/carpool programs, are allowable reimbursements under waiver programs.

Plain language: This recommendation improves transportation options for people with disabilities in Minnesota.

Cost estimate: \$500,000-\$1,000,000

8. Fully fund the competitive workforce factor and update inflationary data in rates systems.

The task force recommends the Minnesota Legislature take the following actions in order to attract new support professionals and retain existing professionals:

- Fully fund the competitive workforce factor.
- Require that existing biennial inflationary adjustments are based on the most recent available data from BLS and the Consumer Price Index (CPI). Currently, these adjustments are made using data available 30 months and one day prior.
- Build in an inflationary adjustment that is automatically updated on a biennial basis to the current personal care assistant (PCA) services rate.

Plain language: This recommendation increases service rates for HCBS waiver services and changes the inflation information used to update them. It also updates the rate for PCA services to include changes every other year, based on inflation.

Cost estimate: More than \$10,000,000.

9. Assess and remove barriers to employment supports in PCA and Medicaid HCBS waiver services policy.

The task force recommends that DHS assess and remove any barriers in PCA policy that limits the ability of people to receive needed supports. DHS shall specifically address barriers to:

- The ability of PCAs to provide transportation to jobsites for the people they support.
- PCA supports at a jobsite for people who receive community residential services through Medicaid HCBS waiver services.
- Expanded access to PCA supports at a jobsite for people who receive HCBS waiver services outside community residential services.

Plain language: This recommendation allows PCAs to provide transportation and makes policy changes to allow people who live in group homes to get PCA support at work.

Cost estimate: More than \$10,000,000.

10. Improve training requirements, oversight, and funding for case management services.

The task force recommends the following changes to Medicaid HCBS waiver case management services in order to ensure equitable statewide access to high-quality, individualized case management supports for people with disabilities:

- Increase the rates paid for case management services.
- Require an additional four hours per year of training focused on benefits planning for case managers.
- Mandate reporting about completion of required annual case management training hours.
- Give authority to the commissioner of human services to review and remediate case management contracts.
- Appropriate funding for lead agencies to report case management workforce data annually.
- Require assignment of an individual case manager and give their contact information to each person open to the waiver.
- Establish caps for caseloads of case managers using a caseload rate factor.

For more information on each item in this recommendation, see Appendix C on Page 71.

Plain language: This recommendation makes changes to case management services rates and training. It also sets caseload caps for case managers, allows DHS to change case management contracts and requires each person on a waiver to have an individual case manager.

Cost estimate: More than \$10,000,000.

Engage community businesses

11. Conduct a coordinated employer communications and engagement strategy.

The task force recommends DEED, in consultation with existing workforce program structures and employment service providers, work with business leaders to develop a coordinated strategy and strengths-focused communication plan to engage employers across the state about the opportunity and value of employing people with disabilities in competitive, integrated employment. DEED shall leverage placement specialists/coordinators, business engagement networks, and other existing structures to carry out this work. Communication will focus on building employer awareness of current resources available, single point-of-contact coordination and disability inclusion training.

Plain language: This recommendation directs DEED to engage businesses about the value of employing people with disabilities at competitive wages.

Cost estimate: Less than \$500,000.

12. Develop an inclusive worksite training and certification program for Minnesota businesses.

The task force recommends DEED develop a training and certification program for Minnesota businesses about hiring people with disabilities, creating inclusive workplaces, providing accommodations and universal design best practices. This training shall expand and build from existing DEED resources like the "Disability inclusion: Bite-sized learning for employers" modules. Agencies shall consider connections to the Minnesota Department of Human Rights <u>workforce certificate</u>.

Plain language: This recommendation directs DEED to create a training program about worksite inclusivity and award certificates to businesses with inclusive worksites.

Cost estimate: \$500,000-\$1,000,000

Strengthen interagency coordination and service transitions

13. Conduct an interagency employment supports alignment study.

This task force recommendation explores opportunities to align rate structures, program requirements and administrative procedures across Minnesota's employment supports to strengthen the state's E1MN collaboration and create a seamless and timely employment support system. The task force recommends DHS, MDE and DEED contract with an entity to research and propose needed investments to 1) align rate structures between employment supports, 2) align administrative procedures to support seamless and efficient transitions between programs and 3) align provider enrollment competency and monitoring standards across employment supports administered by the agencies.

Plain language: This recommendation directs DHS, MDE and DEED to research how to make employment supports work better together, across programs.

Cost estimate: \$500,000-\$1,000,000

14. Improve transitions between VRS/SSB and waiver services.

The task force recommends E1MN improve transitions between DEED-VRS/SSB services and waiver employment services to ensure people with disabilities do not experience gaps in employment supports that hinder progress toward their employment goals. In order to achieve this, DHS, DEED and MDE shall:

- Discover barriers in seamless transitions between job placement supports and ongoing supports to maintain employment.
- Clarify policy about how career advancements supports are provided to people receiving waiver services.
- Clarify policy about what service authorizations can be held open when a person is receiving employment supports through a dually enrolled provider.
- Develop a list of frequently asked questions (FAQ) shared between the departments.
- Provide training to waiver case managers about VRS by DEED, referral processes by DEED, school transition program supports and E1MN.
- Support counties to align their services to vocational rehabilitation services.
- Continue to support local collaboration through regional meetings between VRS offices, schools, lead agencies and their local community organizations. Review strategies to support local collaboration on a regular basis.

Plain language: This recommendation directs DHS, MDE and DEED to clarify policy about how employment services work together, improve transitions between programs and provide training to case managers.

Cost estimate: Less than \$500,000.

15. Ensure work experiences, opportunities for self-advocacy, collaboration and seamless referrals for services between school professionals and VRS/SSB.

The task force recommends the following improvements to VRS/SSB referrals and the IEP processes in order to ensure seamless collaboration and referrals for services:

- Amend state statute to require, in accordance with state (Minn. Stat. § 13.32) and federal law (20 U.S.C.A. § 1232g (5)(A)), schools provide DEED Vocational Rehabilitation Services (VRS) and/or State Services for the Blind (SSB) "directory information," including the names and contact information of transition-aged students with disabilities, and their parents/guardians, to ensure they receive information from VRS and/or SSB about available services.
- When a student eligible for special education services turns 14 years old, their school district and IEP team must consider whether a student might be eligible for VRS, SSB, waiver services and/or other disability support services. If so, they should make a referral to VRS, SSB, DHS or

the appropriate agency or service provider (see Minn. Stat. 125A.08(b)(1) and Minn. R. 3525.2900).

- Transition-aged students eligible for VRS, SSB and waiver services must have relevant representatives from these entities included as required IEP team members.
- MDE and DEED shall provide CEU opportunities for school staff, including special education directors and case managers, about DEED services and provide relationship-building opportunities to connect school staff and transition-age students with VRS and SSB further.
- MDE needs the appropriate funding to hire regional transition specialists, consistent with DEED
 regional transition coordinators, to collaborate on training school case managers on proper
 planning and coordination for IEP meetings. This includes scheduling and coordinating meetings
 at least 30 days prior to the IEP meeting and using other practices highlighted in "Ten
 suggestions for adding person-centered features in individualized education programs."
- Starting in grade nine, require school districts to report the percentage of students eligible for special education services and who participated (as part of a school program) in paid work experience and unpaid work experience in the community annually, to MDE.
- Establish a state goal for all students who are eligible for special education services to have paid competitive, integrated work experience prior to graduation from high school (see Minn. Stat. §125A.08(b)(1) and Minn. R. 3525.2900).
- VRS staff, SSB staff, case managers, special education teachers and other disability services professionals will help youth upload plans to "My vault" on Disability Hub MN to share with their support team to ensure youth who have disabilities, age 14 through 21, leave school with a concrete plan, resources and contacts for future education, training and/or employment.

Plain language: This recommendation will improve the experience for people working with VRS, SSB and school professionals.

Cost estimate: Not available.

Task force continuation

The Legislature said the task force "must include in the report a recommendation concerning continuing the task force beyond its scheduled expiration," which is March 31, 2024. The task force unanimously approved the recommendation below during its December meeting:

If Minnesota takes legislative action to phase out subminimum wages, we recommend that the Task Force on Eliminating Subminimum Wages continue beyond its scheduled expiration date of March 31, 2024, and through the transition period in order to monitor, assist and educate during the phase-out. The task force would then conclude its duties and expire once subminimum wages have ended in the state, currently identified as Aug. 1, 2025.

If Minnesota does not take legislative action, we recommend that the Task Force on Eliminating Subminimum Wages end at its current expiration date of March 31, 2024.

Task force meetings and topics

The task force met online for the first time in February 2022, as required by law. Task force members met monthly after that. Starting in July, the task force used its meetings mostly to review and consider recommendations for its plan to eliminate subminimum wages by Aug. 1, 2025. (Go to the recommendations section of this report for the recommendations on Page 24, and go to Appendix C on Page 71 for information and ideas about the recommendations from task force members and others who gave their input and feedback.)

In addition, members got updates at the meetings about task force engagement efforts with workers who have disabilities, their families, service providers and other interested parties. Task force members considered findings from that engagement effort as they developed their recommendations. Public Sector Consultants (PSC), an independent research firm, supported the engagement work for the task force. They engaged hundreds of people on the issue of subminimum wages and a plan to end them. They used a listening session, nine small group discussions, 10 interviews, a survey and three discussion sessions about draft task force recommendations. (For more about task force engagement efforts, go to the section below on Page 47, and go to Appendix D on Page 81.)

At its meetings, task force members also learned what other states have done to cut back or end the payment of subminimum wages. (Task force background papers about other states are found in Appendix E on Page 127.) At its meetings, members identified benefits and challenges (or barriers) to eliminating subminimum wages.

During task force meetings, members heard about subminimum wages in Minnesota and about services and supports for people in Minnesota with disabilities who work. The task force listened to presentations from members representing service provider organizations that pay subminimum wages,

provider organizations that do not pay subminimum wages and a provider organization that used to pay subminimum wages, but stopped. A task force member with a disability talked at one meeting about his jobs, the supports that make his work possible and the need to have more employers in the community hire people with disabilities. (For agendas, summaries and presentation slides from the task force meetings, visit <u>the task force website</u> and select the meetings tab.)

At their November and December 2022 meetings, task force members voted to approve the recommendations in this report. They voted to approve this report to the Legislature at their January 2023 meeting. A state government team from MAD (part of MMB) supported the task force during its meetings, as well as working on the recommendations and this report. DSD (part of DHS) edited the report to make the language easier to understand.

Table 2: 2022 task force meeting topics and presentations

Month	Meeting Topic(s)	Presentations	
February	Introductions of support staff and task force members.	 Legislative charge and task force objections Key task force dates Provider reinvention grants 	
March	 Task force path and meeting topics. Community engagement overview. 		
April	Identification of benefits and challenges to eliminating subminimum wages.	Lifework's exit from subminimum wages	
Мау	Identification of policy options.	 Benefits, challenges, and draft task force strategies to address challenges/barriers Policies for state government operations in states that shift away from subminimum wage jobs State of Minnesota laws, rules, and policies for state government operations 	
June	Services and supports to help workers with disabilities shift away from subminimum wages and toward jobs in the community that pay minimum wage or higher.	 Review of current services and supports in Minnesota Feedback from task force listening sessions Perspectives and experiences with services and supports Successes and challenges with services and supports (national perspective) 	

Month	Meeting Topic(s)	Presentations	
July	Assistance and support to help providers shift away from jobs that pay subminimum wages.	 Existing/current assistance and support for providers Perspectives from other states on assistance and supports for providers Perspectives from current providers—Hubbard County Developmental Achievement Center Perspectives from current providers—Opportunity Partners 	
August	Work group updates, background information on funding and services and supports.	 Perspectives from other states on funding Perspectives from engagement work and update Additional perspectives on supports and services Disability Law Center presentation 	
September	Vet ideas from the task force workgroups on possible recommendations, with discussion and reaction from task force members. PSC also presented on findings from the engagement survey.	N/A	
October	Task force reactions to draft recommendations, plus questions and discussions about some of those recommendations.	Engagement themes	
November	Review and vote on recommendations.	DHS presented on several key topics related to task force duty No. 2	
December	Review revised recommendations, new recommendations and vote.	N/A	

VI. Task force engagement efforts

Engagement purpose and values

The Legislature directed the task force to engage with people who will experience changes if Minnesota ends subminimum wages. The independent research firm of PSC managed this work for the task force. They used engagement sessions, interviews, and a survey to gather information to help the task force make decisions as it developed the recommendations for its plan to the Legislature. (Go to Appendix D on Page 81 for a more detailed description about PSC engagement work.)

Through this broad, inclusive outreach, the Task Force on Eliminating Subminimum Wages heard from hundreds of people about what they would need if subminimum wages went away. All the ideas and feedback was reviewed and organized by PSC and shared in task force meetings and emails to task force members. As they developed their recommendations, task force members and members of the task force workgroups considered ideas and concerns that came up regularly through the engagement activities. In this way, the task force recommendations and plan are informed by people across the state who will be affected if payment of subminimum wages ends.

Finding the right people and getting feedback

PSC made sure to ask many different people from around the state to share ideas and feedback to help the task force come up with recommendations for its plan. They worked with task force members and others on how to do this. PSC also learned about ways to engage people from other states that have ended or are moving away from subminimum wages. They came up with an engagement plan for the task force. (Appendix D on Page 81 includes the engagement plan.)

Finding the right people to participate

Hundreds of people in metro and rural areas of Minnesota gave their feedback and ideas. Some people reached out to PSC on their own to share their ideas, other people were invited to join in engagement activities and some took the engagement survey. To make it easier for people to share their ideas, PSC held engagement activities in the daytime and in the evening. PSC offered accommodations to people who needed them.

It was most important to hear from:

- People with disabilities who were paid subminimum wages—now or in the past
- Families and guardians of people with disabilities
- Employment service providers paying subminimum wage.

Task force members, staff from the Disability Services Division and others helped PSC figure out who had experience with subminimum wages and could share ideas and feedback. Here is a list of organizations that PSC interviewed and organizations that helped with engagement by inviting people in their community to share ideas and feedback:

- The ARC Minnesota
- The A-Team
- Autism Society of Minnesota (AuSM)
- Centers for Independent Living
- MDE
- DHS
- Family Voices of Minnesota
- Lifeworks Services
- Minnesota Disability Law Center
- Minnesota Governor's Council on Developmental Disabilities
- Minnesota Organization for Habilitation and Rehabilitation (MOHR)
- Olmstead Implementation Office
- PACER Center
- Self-Advocates MN (SAM)
- Disability Hub MN Virtual Insight Panel
- VRS.

Getting feedback

There were five primary ways PSC heard from people:

- Listening session: PSC held a meeting where everyone could share their experiences.
- **Small group discussions**: PSC held discussions with groups of two to 24 people, usually grouping people together based on their experiences with subminimum wages.
- **Interviews**: PSC had one-on-one conversations with people who know a lot about subminimum wages and employment for people with disabilities.
- **Survey**: PSC used an online survey that was open to anyone and promoted the survey broadly. The survey had different questions for people based on their experiences with subminimum wages.
- **Solution sessions**: PSC held small group discussions and asked people to react to draft recommendations the task force was considering.

The Table below lists task force engagement activities, including who joined the activities and when they happened.

Month	Activity	Number of participants	Groups
June 2022	One (1) listening session	120	 People with disabilities Families or guardians of people with disabilities Local, state and federal agency workers Advocacy organizations Employment service providers.
June to September 2022	Nine (9) small group discussions	75	 People with disabilities Families or guardians of people with disabilities Case managers in metro and rural areas of Minnesota Advocacy organizations.
May to September 2022	10 interviews	10	 Families or guardians of people with disabilities Local, state and federal agency workers Advocacy organizations Employment service providers.
July to August 2022	One (1) survey	373	 People with disabilities Families or guardians of people with disabilities Local, state and federal agency workers Advocacy organizations Employment service providers.

Table 3: Timing and participation of different task force engagement activities

Month	Activity	Number of participants	Groups
September to October2022	Three (3) solution sessions on task force recommendations	34	 People with disabilities Families or guardians of people with disabilities Employment service providers.

Go to Appendix D on Page 81 for more information about the engagement effort, including the discussion guides and the survey wording.

Common feedback topics by group

People shared similar ideas about their experiences with subminimum wages no matter how they joined the task force engagement effort. The following summarizes common ideas from the three most important groups of people who participated in the task force engagement activities:

People with disabilities who were paid subminimum wages—now or in the past

- Do not like the work options that are often presented to people with disabilities, like janitorial work.
- Want to earn more money.
- Want to learn more about a broader range of occupations that youth in the transition ages (from 14 to 24 years old) could consider.
- Appreciate the opportunities that they have to work and want to be good employees.
- Cannot get to and from work reliably if they do not have a family member or someone else who provides transportation. Some face challenges over Medicaid payments for transportation.
- Frustrated by turnover of case managers because they must repeat their interests, skills and desires to each new case manager. These transitions can slow down job placement.
- Experience confusion and frustration when different agencies don't give them the same information about benefits or employment options. Also, when agencies give information in ways they can't understand and keep for later.

Families and guardians of people with disabilities

- Have done a lot of work advocating for the people they support and solving their problems. These experiences shape what they expect from changes to the payment of subminimum wages.
- Want to make sure their person is safe at work and has people they can trust.
- Do not believe their loved ones can work.
- Have sometimes, or often, received different information from waiver case managers, educators and service providers.
- Want to make sure that people with complex disabilities who currently work for subminimum wages can have meaningful days and feel a sense of purpose like they feel now in their jobs.
- Have concerns that not all employers know how to hire and support people with disabilities.
- Have had times when their person didn't receive services because of challenges bigger than the disability employment system, like reliable transportation to and from jobs, the shortage of direct care professionals and uncertainty about benefits.
- Are unfamiliar with important resources like Disability Hub MN.
- Are unfamiliar with customized employment or other integrated options for people with disabilities because they haven't seen them in their everyday life.

Employment service providers paying subminimum wage

- Want to give valuable services to the people they support.
- Must handle competing factors when managing their programs, resources and client relationships. Many of these factors are harder to deal with because of the COVID-19 pandemic and the economy.
- Do not have the proper staff right now if the state changes its approach and eliminates subminimum wages.
- Offer people with disabilities different levels of involvement and integration in the community.
- Believe they won't be able to renegotiate existing contracts with local businesses for jobs that pay subminimum wages so those jobs will pay the minimum wage, or higher, for the same work.
- Do not necessarily understand Minnesota's employment first policy.
- Experience challenges in the locations they serve, such as transportation, billing and staffing.

Solutions from engagement activities

Some people who shared their feedback also had specific ideas for the task force to think about as it developed its recommendations, including these common ones:

- Find ways to help shift attitudes so that more people believe everyone who wants to work can work.
- Encourage community businesses to hire people with disabilities.
- Support self-advocacy, build skills, and educate employers so that the needs of people with disabilities are met in community settings instead of separate places or facilities.
- Make more people aware of ways people can manage their benefits and earn more money while working.
- Show real-life examples of people working for minimum wages, or higher, including people with complex disabilities. Share the perspectives of the caregivers, people with disabilities and employers who are involved.
- Make sure all the important service providers in the lives of people with disabilities are working together toward their employment goals, including residential service providers.
- Support people currently earning subminimum wages to make sure they do not become isolated when the payment of subminimum wages goes away.
- Change government fee structures so that people with disabilities get the job supports they need for as long as they need them, no matter who is paying for the services.
- Work with employers to develop customized, on-the-job safety plans for people who have concerns about safety in the workplace.
- Make caseloads smaller so waiver case managers can spend more time centered on planning and support for each person with disabilities.
- Build on what exists already and improve Disability Hub MN—the one electronic reference tool about benefits, programs and job openings. Inform people about this tool so that all agencies and the people they serve have the same information.
- Make the transition from school to work the same no matter where a person lives in the state.
- Prepare waiver case managers and employment service providers to talk to people with disabilities and their families or guardians about changes to employment that pay subminimum wages.
- Train waiver case managers and providers to focus on strengths and shift conversations away from things that people with disabilities "cannot do." Understand which jobs might not be a good fit for someone and what other jobs could be.

VII. Benefits to eliminating subminimum wages in Minnesota

The task force identified benefits to ending subminimum wages in Minnesota. The task force requested background information from MAD. Then, task force members talked at their April meeting about what they saw as benefits. They had different insights because the Legislature required that the task force include members from different backgrounds.

The Minnesota Legislature instructed the task force to identify the benefits to Minnesota from ending subminimum wages. Below is a list of themes from task force work on benefits:

- People with disabilities
 - Improvements in job skills and job satisfaction.
 - Increased independence, autonomy and self-esteem.
 - Increased income for people with disabilities.
 - Better engagement and belonging, inclusion.
 - Positive changes for the systems that support people with disabilities.
 - Positive impacts on how the community views people with disabilities.
 - Positive impacts on civil rights and legal issues for people with disabilities.
- Employers and service providers
 - Better awareness, understanding and diversity for other employees and employers
 - Better situations for employers and employment service providers.
 - Lower costs without the paperwork and requirements of the 14(c) certificate program.
 - More workers for the labor force.
 - More flexibility and creativity than with subminimum wage jobs.
- Family and supports
 - Increased income for people with disabilities and less need for outside financial support.
 - Less worry for families when their loved ones with disabilities have good support and meaningful jobs.
 - More positive situation for their loved ones with disabilities.
 - Raised expectations and career paths for people with disabilities.
- Community
 - Positive economic impacts.
 - Improved awareness of people with disabilities and fewer stereotypes.
 - Stronger communities through diversity and integration.

VIII. Barriers addressed by task force recommendations

Identify barriers

The task force identified barriers to ending subminimum wages in Minnesota when it carried out its work for the Legislature. The task force recommendations (included in the section above on Page 27) address many of the key barriers. To identify barriers, the task force used the following:

- Background research (for research findings on barriers, go to the section about challenges on Page 131 in Appendix E).
- Ideas and feedback from hundreds of workers who have disabilities, their families, service providers and other stakeholders from throughout Minnesota who joined in task force engagement activities.
- Discussions among task force members at their April meeting, based on their experiences and what they know.
- Input from experts in Minnesota and nationally.
- Ideas from members of the task force and members of the task force workgroups who talked about barriers when they worked on draft recommendations.

The task force engagement activities were especially important for identifying barriers to eliminating subminimum wages by Aug. 1, 2025. Task force engagement helped identify specific concerns and themes for different groups who will be affected by a change in subminimum wages for Minnesota.

Important barriers

Below is a list based on the sources listed above for the most important barriers to eliminating subminimum wages in Minnesota and for moving to jobs in the community that pay minimum wage or more. These barriers are organized by the groups of people or organizations who will be most affected by a change in the payment of subminimum wages.

- People with disabilities
 - Fears related to:
 - Not knowing what comes after subminimum wages.
 - The impact of higher wages on benefits or the loss of income, altogether.
 - Losing valued services and not being able to get needed supports in the future.
 - Lack of experience in competitive employment.
 - Pressure from families and guardians to continue in existing services.

- Lack of information about available resources and supports, as well as a lack of trusted and reliable sources to talk to about the move to competitive wages.
- Families
 - Adapting to variable work schedules and moving away from "full day" services. Includes concerns that increased care responsibilities will fall on families and concerns about loved ones having meaningful activities outside of work hours.
 - Fears related to:
 - Availability of needed employment supports.
 - What a move to competitive employment will mean for the person.
 - Ability of the person to succeed in employment.
 - If community businesses are willing to hire the person.
 - Safety and inclusion of the person at the workplace.
 - Loss of benefits or valued services.
 - Lack of information about resources and supports available, as well as trusted and reliable sources to talk to about the move to competitive wages.
 - Not learning about examples of people with high support needs succeeding in competitive employment.
- Service providers currently using subminimum wages
 - Workforce challenges in having enough direct support professionals, especially when providing specific supports for different individuals.
 - Covering costs associated with transitioning their businesses models and moving to supports for competitive employment.
 - Lack of belief in people's ability to succeed in employment and low expectations when it comes to employment for the people they support.
 - The difficulty in transitioning their business models and having the expertise to carry out the changes they will need to make.
 - Lack of vision for how their organizations can succeed with a new model that uses competitive wage jobs. Lack of knowledge about competitive employment.
 - Pressure from families to keep jobs that pay subminimum wages as an option.
- Broader society
 - Presence of ableism and negative narratives about people with disabilities, including not expecting people with disabilities to be in jobs in the community at minimum wages, or higher.
 - Lack of understanding of how the community can support people with disabilities. (We all support each other.)

- Services and system
 - Adequate and available transportation, especially in greater Minnesota, with waiver rates for transportation reimbursement not covering all costs.
 - Adequate and available employment supports statewide for jobs in the community at minimum wages, or higher, like customized employment and other supports people will need to keep their jobs.
 - Adequate and available day supports that are meaningful and inclusive, statewide.
 - Reimbursement rates for employment services and funding structures that create incentives for supporting jobs in the community at competitive wages, instead of supporting day services or jobs that pay subminimum wages.
 - Coordination of employment and day supports with other services people receive.
 (Example: Residential providers expect people to be outside of their homes for long and regular periods of time during the day, and hours for jobs in the community at minimum wages, or higher, may vary more than hours for jobs that pay subminimum wages.)
- Case managers
 - Difficult to navigate more complex and individualized services as people move into competitive employment.
 - Lack of belief in a person's ability to succeed in employment and low expectations when it comes to employment for the people they support.
 - Limited capacity and ability of case managers to engage in planning that centers on each individual person.
 - High turnover of waiver case managers and the loss of knowledge that occurs when turnover happens.

Broad challenges for people with and without disabilities

The task force recommendations will overcome many barriers and move Minnesota away from jobs that pay subminimum wages. Members of the task force and its workgroups came up with 20 important recommendations to end subminimum wages and changes required to improve the system. The long list of task force recommendations may not take care of every challenge.

One example of a large challenge that affects many people is reliable, timely and affordable transportation to and from work. Improving transportation infrastructure and options across the state is important for people with disabilities that live and work in the community. Transportation is especially important for people who have jobs in the community. Access to transportation was commonly cited as a barrier in Minnesota and is also a theme in other states. Transportation is especially hard in Greater Minnesota, where there are fewer people and less transit service. Addressing this broad, system-wide need for more transportation around the state falls outside the scope of this task force.

Another example of a large challenge that affects many people is the shortage of job developers, personal care assistants, job coaches and other direct support workers. This workforce challenge is hard on people with disabilities. It is also difficult for other people, including older people and working adults who need care and education for their young children. The lack of support workers is especially difficult because there are many job openings in Minnesota, and nationwide, with few people looking for work.

For challenges that affect many people, the task force looked at manageable recommendations that focus on issues directly related to employment for people with disabilities. For example, the task force made recommendations about transportation and the workforce that focus on reimbursement rates for services to people with disabilities. The task force recommends increasing reimbursement rates for personal care assistants and other direct support workers. The task force also recommended ways to strengthen access to transportation supports, including suggestions for payments, coordination and rideshare arrangements. In this way, the suggestions from the task force could have immediate and positive impacts for people with disabilities.

IX. Costs for the important transition away from subminimum wages

The transition away from subminimum wages will have upfront costs, but Minnesota needs to make this transition. The state follows an employment first approach that says jobs in the general workforce are the best outcome from publicly funded services for all people with disabilities. The goal is for people with intellectual and developmental disabilities to have jobs in the community that pay minimum wage, or higher. These are jobs held by individual people with employers in the community where they work with people who do not have the same disabilities.

The Legislature told the task force to identify barriers to eliminating subminimum wages, "including the cost of implementing and providing ongoing employment services, training and support for employees with disabilities and the cost of paying minimum wage to employees with disabilities...."²¹ To address this, the task force asked finance experts at several state agencies to estimate how much each recommendation might cost. The section above on task force recommendations, starting on Page 27, includes cost estimates when the experts at the state agencies were able to provide them.

With an end to subminimum wages, costs will likely shift from services offered at facilities where people work for subminimum wages to employment services supporting people as they find jobs in the community that pay minimum wage, or higher, and to succeed in those jobs. This means government will spend more on the services, training and supports that different people with disabilities need to work in the community. In 2019, DHS spent \$216.9 million on facility-based work, compared to \$37.0 million on integrated employment, according to a report from the Institute for Community Inclusion at the University of Massachusetts Boston.²² With an end to subminimum wages, dollars would shift toward integrated employment.

²¹ Laws of Minnesota 2021, 1st Special Session, chapter 7, article 17, section 14.

²² "<u>StateData: The National Report on Employment Services and Outcomes through 2019</u>," Jean Winsor and others, Institute for Community Inclusion, University of Massachusetts Boston, p. 95.

Considering costs

The task force considered costs as it carried out its work. Costs came up during small group discussions at the April task force meeting about challenges for ending subminimum wages. At that meeting, some task force members talked about the costs for services and supports and the costs of moving away from subminimum wages. Costs did not come up as a theme from the public engagement sessions, interviews and survey.

It is difficult to estimate the costs of ongoing employment services, support and training for people with disabilities. It is also difficult to estimate the costs to businesses and organizations that employ people with disabilities. As background research for the task force, MAD interviewed officials in four model states that either ended subminimum wages or greatly reduced the number of people who earn subminimum wages.²³ MAD asked officials in those states to estimate how much the move away from subminimum wages might have cost their state governments and employment service providers who paid subminimum wages. The officials in other states said there were costs for the transition, but they did not know the dollar amounts.

"It's not an easy transition, and it doesn't come for free," said a state official from Oregon. She said any estimates for Minnesota will need to start with solid metrics, including data on the number of individuals earning subminimum wages, what services and supports they will need to move away from jobs at subminimum wages, how long they will need assistance and how many of the individuals are ready now to shift to competitive employment.

No estimates for specific costs

It is hard to estimate how an end to subminimum wages will change costs for state and county governments. The task force cannot estimate the exact specific costs and savings from a shift away from jobs that pay subminimum wages to jobs in the community that pay minimum wage, or higher. The task force consulted funding experts from DHS, DEED, MDE and DLI who reviewed the recommendations and provided cost estimates for some recommendations. Each applicable recommendation includes those estimates.

Background research for the task force did not show evidence that a move to competitive integrated employment causes higher ongoing costs for government beyond the transition period. That same background research did not offer clear evidence that such a move would not lead to higher costs, either.

²³ MAD interviewed officials in Iowa, Maryland, Ohio and Oregon.

Service providers will likely face costs during the transition as they change their business model from a focus on jobs where they pay subminimum wages to people with disabilities for work done in their facilities to employment supports for jobs in the community. But, many providers in Minnesota have already transitioned away from paying subminimum wages and are financially sound providing employment services and supports for jobs in the community that pay minimum wages, or higher. During the April meeting of the task force, one member talked about how her organization eliminated subminimum wages as part of its employment services for people with disabilities. She said her organization's revenue went up in the three years after the change, before the start of the COVID-19 pandemic.

Other states, too, have had a hard time estimating the costs of the shift away from subminimum wages. Some states have worked with the State Employment Leadership Network and researchers at the Institute for Community Inclusion at the University of Massachusetts Boston for help figuring out costs and savings from a move away from jobs that pay subminimum wages.

Potential funding sources and general information about likely costs

Funding experts from DHS, DEED, MDE and DLI suggested some possible sources of funding for some of the task force's recommendations. They also shared information about likely costs stemming from some of the recommendations.

Recommendation 2: Establish a data collection system and align administrative data to track employment outcomes and statewide progress on ending subminimum wages.

Options for sustainable financial support: Sustained funding from DHS, alone, or shared by DEED and DHS.

New costs would come from internal development of a surveying tool, use of staff time to administer the survey and analyze the findings, and (possibly) build a system to host the survey and store the collected data. If choosing an external management option, new costs would come from hiring a vendor to develop, administer and analyze the findings from the survey. This option would also require one internal staff person to manage the contract.

Recommendation 3: Create a state-level transition team and technical assistance program.

Options for sustainable financial support: A state grant allocation.

Recommendation 4: Engage, educate and support people who are considering working for or people who are already earning subminimum wages, during the transition.

Options for sustainable financial support: State grant and administrative allocation.

New costs would include funding the employment campaign, as well as resources and materials.

Recommendation 9: Invest in professionals' capacity to support employment outcomes.

Options for sustainable financial support:

- DEED currently collaborates with DHS to provide customized employment training. Participants pay \$725 for each full training cohort. If provided at no cost, DEED would absorb the payroll and fringe benefits costs paid with federal funds for staff who conduct customized employment training and mentoring services.
- The training of school staff would come from existing program areas. If the staff has a special
 education license, and the training is in related to special education work-based learning, that time
 would be eligible for reimbursement. This kind of training and funding has been, and is currently,
 available.
- Requiring school/teacher training on DEED/VRS/SSB requirements is something MDE could help provide by presenting this information during combined trainings. This is something MDE currently does with DHS.

Recommendation 11: Incentivize employment and community access in Minnesota's Medicaid HCBS waiver policy and fee structures, as well as county-funded services.

Options for sustainable financial support: Increased federal funding through Medicaid.

New costs would require increased Medical Assistance expenditure to pay for the increased rates for employment exploration services under the disability waiver programs. There would also be costs for required systems updates to reflect new health care procedure code modifiers to distinguish between services for groups and services for individuals.

Recommendation 12: Strengthen access to transportation supports.

Options for sustainable financial support: Sustained funding for MnDOT, MCOTA, DHS and increased federal funding through Medicaid.

New costs would likely involve a service rate increase for day support service under the disability waiver programs, which would require increased Medical Assistance expenditures.

Recommendation 13: Fully fund the competitive workforce factor and update inflationary data in rates systems.

Options for sustainable financial support: Increased federal funding through Medicaid.

New costs would include increased rates for all DWRS services (including systems costs for updated rate frameworks) and higher rates for PCA services.

Recommendation 14: Assess and remove barriers to employment supports in PCA and Medicaid HCBS waiver services policy.

Options for sustainable financial support: Increased federal funding through Medicaid.

New costs would include more billable time under PCA services and increasing PCA service expenditures. It would also allow a new population to access PCA services and would make those services billable during time that is currently not possible. This would increase expenditures for PCA services. DHS may also require increased staffing resources to ensure non-duplication of payment.

Recommendation 15: Improve training requirements, oversight and funding for case management services.

Options for sustainable financial support: State grant funding appropriation; use existing funds for a DEED position to work with MDE to conduct trainings.

Recommendation 16: Conduct a coordinated employer communications and engagement strategy.

Options for sustainable financial support: DEED could use existing federal funds to pay for VRS staff who would most likely work with a DEED communications team to create an engagement/communications strategy. There may be non-personnel costs as part of this initiative.

Recommendation 17: Develop an inclusive worksite training and certification program for Minnesota businesses.

Options for sustainable financial support: DEED indicated that new state funding is required to implement this initiative.

Recommendation 18: Conduct an interagency employment supports alignment study.

Options for sustainable financial support: State grant allocation; new state appropriation to fund the contract initiative.

New costs would include funding a feasibility study and administrative costs.

Recommendation 19: Improve transitions between VRS/SSB and waiver services.

Options for sustainable financial support: DEED could use existing federal funding to pay for staff time needed to develop an FAQ and provide training to case managers.

Recommendation 20: Ensure work experiences, opportunities for self-advocacy, collaboration and seamless referrals for services between school professionals and VRS/SSB.

Options for sustainable financial support: This would be a DEED/SSB funding request, due to the data request from local education agencies. The ongoing training could be provided during the special education directors forum, if it is not currently happening.

XI. Task force duty No. 2, to consult and advise on limiting the payment of subminimum wages

The Legislature told task force members to develop a plan to phase out payment of subminimum wages and directed the task force to submit this report to the Legislature with its recommendations. The Legislature also directed the task force to "consult with and advise the commissioner of human services on statewide plans for limiting subminimum wages in medical assistance HCBS waivers, under Minnesota Statutes, sections 256B.092 and 256B.49."²⁴ Task force consultation and advice will help DHS cut back the number of jobs that pay subminimum wages. This is true if the state decides to end the payment of subminimum wages or if the state continues to allow subminimum wages.

As part of duty No. 2, staff from DSD asked all task force members, in November 2022, for ideas and input into possible changes to Minnesota's waiver plans and changes to monitoring and enforcement of several waiver plan requirements. For as long as it is operating, the task force plans to offer more consultation and advice to the DSD and DHS on ways to limit the payment of subminimum wage jobs.

²⁴ Laws of Minnesota, 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 6.

XII. Task force duty No. 3 for community education on subminimum wages

The Legislature also directed the task force to "conduct community education on the payment of subminimum wages to people with disabilities in Minnesota." For its first year (2022), the task force focused on this report and engaged the public to get input, ideas and feedback about its recommendations. The task force will continue to work on community education in the coming year (2023). (For more about task force public engagement work so far, go to the report section above on Page 47 and Appendix C on Page 71.)

In 2022, task force co-chair Andrea Zuber and DSD staff person Ryan Merz presented at lunch-andlearn events sponsored by the OIO. These events were for people with disabilities and their families, as well as other interested parties.

- June 8 What Is the Task Force on Eliminating Subminimum Wages? This event was about the task force's purpose, who serves on it and the work they are doing. (65 attendees)
- July 6: What Does the Work of the Task Force on Eliminating Subminimum Wages Mean for Me? (63 attendees)
- Aug. 3 What Has the Task Force on Eliminating Subminimum Wages Accomplished? At this event, task force members shared the processes the task force has used and the progress they have made, so far. (57 attendees)
- Sept. 28 Panel Discussion: What Employment Looks Like for Me: A panel discussion was held to highlight the experiences of people in Minnesota with disabilities who moved from subminimum wage employment to competitive employment in the community. The panel included people with disabilities from across Minnesota who work competitive-wage jobs. (66 attendees)

Recordings and additional information on the OIO events can be found on the OIO website.

Other community education efforts from task force members in 2022:

- Task force co-chairs Andrea Zuber and Jillian Nelson wrote a letter to the editor of Access Press on the task force's work in September 2022, "<u>Movement to eliminate subminimum wages is</u> <u>sometimes misunderstood</u>."
- Co-chair Jillian Nelson appeared on the Minnesota Association of People Supporting Employment First (MN APSE) podcast "<u>If you believe, it you can achieve it</u>," in November 2022.

Co-chair Andrea Zuber wrote a blog post for The Arc Minnesota in July 2022, "<u>Beyond equity, towards</u> justice — The Task Force on Eliminating Subminimum Wage."

Appendix A: The law for the Task Force on Eliminating Subminimum Wages

To review the Minnesota law, go to <u>Laws of Minnesota</u>, 2021, 1st Special Session, chapter 7, article 17, section 14.

Sec. 14. TASK FORCE ON ELIMINATING SUBMINIMUM WAGES.

Subdivision 1. Establishment; purpose. The Task Force on Eliminating Subminimum Wages is established to develop a plan and make recommendations to phase out payment of subminimum wages to people with disabilities on or before August 1, 2025.

Subd. 2. **Definitions.** For the purposes of this section, "subminimum wage" means wages authorized under section 14(c) of the federal Fair Labor Standards Act, Minnesota Statutes, section 177.28, subdivision 5, or Minnesota Rules, parts 5200.0030 and 5200.0040.

Subd. 3. Membership.

(a) The task force consists of 16 members, appointed as follows:

(1) the commissioner of human services or a designee;

(2) the commissioner of labor and industry or a designee;

(3) the commissioner of education or a designee;

(4) the commissioner of employment and economic development or a designee;

(5) a representative of the Department of Employment and Economic Development's Vocational Rehabilitation Services Division appointed by the commissioner of employment and economic development;

(6) one member appointed by the Minnesota Disability Law Center;

(7) one member appointed by The Arc of Minnesota;

(8) three members who are persons with disabilities appointed by the commissioner of human services, at least one of whom must be neurodiverse, and at least one of whom must have a significant physical disability;

(9) two representatives of employers authorized to pay subminimum wage and one representative of an employer who successfully transitioned away from payment of

subminimum wages to people with disabilities, appointed by the commissioner of human services;

(10) one member appointed by the Minnesota Organization for Habilitation and Rehabilitation;

(11) one member appointed by ARRM; and

(12) one member appointed by the State Rehabilitation Council.

(b) To the extent possible, membership on the task force under paragraph (a) shall reflect geographic parity throughout the state and representation from Black, Indigenous, and communities of color.

Subd. 4. Appointment deadline; first meeting; chair. Appointing authorities must complete member selections by January 1, 2022. The commissioner of human services shall convene the first meeting of the task force by February 15, 2022. The task force shall select a chair from among its members at its first meeting.

Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.

Subd. 6. Duties; plan and recommendations. The task force shall:

(1) develop a plan to phase out the payment of subminimum wages to people with disabilities by August 1, 2025;

(2) consult with and advise the commissioner of human services on statewide plans for limiting subminimum wages in medical assistance home and community-based services waivers under Minnesota Statutes, sections 256B.092 and 256B.49;

(3) engage with employees with disabilities paid subminimum wages and conduct community education on the payment of subminimum wages to people with disabilities in Minnesota;

(4) identify and collaborate with employees, employers, businesses, organizations, agencies, and stakeholders impacted by the phase out of subminimum wage on how to implement the plan and create sustainable work opportunities for employees with disabilities;

(5) propose a plan to establish and evaluate benchmarks for measuring annual progress toward eliminating subminimum wages;

(6) propose a plan to monitor and track outcomes of employees with disabilities;

(7) identify initiatives, investment, training, and services designed to improve wages, reduce unemployment rates, and provide support and sustainable work opportunities for persons with disabilities;

(8) identify benefits to the state in eliminating subminimum wage by August 1, 2025;

(9) identify barriers to eliminating subminimum wage by August 1, 2025, including the cost of implementing and providing ongoing employment services, training, and support for employees with disabilities and the cost of paying minimum wage to employees with disabilities;

(10) make recommendations to eliminate the barriers identified in clause (9); and

(11) identify and make recommendations for sustainable financial support, funding, and resources for eliminating subminimum wage by August 1, 2025.

Subd. 7. Duties; provider reinvention grants. (a) The commissioner of human services shall establish a provider reinvention grant program to promote independence and increase opportunities for people with disabilities to earn competitive wages. The commissioner shall make the grants available to at least the following:

(1) providers of disability services under Minnesota Statutes, sections 256B.092 and 256B.49, for developing and implementing a business plan to shift the providers' business models away from paying waiver participants subminimum wages;

(2) organizations to develop peer-to-peer mentoring for people with disabilities who have successfully transitioned to earning competitive wages;

(3) organizations to facilitate provider-to-provider mentoring to promote shifting away from paying employees with disabilities a subminimum wage; and

(4) organizations to conduct family outreach and education on working with people with disabilities who are transitioning from subminimum wage employment to competitive employment.

(b) The provider reinvention grant program must be competitive. The commissioner of human services must develop criteria for evaluating responses to requests for proposals. Criteria for evaluating grant applications must be finalized no later than November 1, 2021. The commissioner of human services shall administer grants in compliance with Minnesota Statutes, sections 16B.97 and 16B.98, and related policies set forth by the Department of Administration's Office of Grants Management.

(c) Grantees must work with the commissioner to develop their business model and, as a condition of receiving grant funds, grantees must fully phase out the use of subminimum wage

by April 1, 2024, unless the grantee receives a waiver from the commissioner of human services for a demonstrated need.

(d) Of the total amount available for provider reinvention grants, the commissioner may award up to 25 percent of the grant funds to providers who have already successfully shifted their business model away from paying employees with disabilities subminimum wages to provide provider-to-provider mentoring to providers receiving a provider reinvention grant.

Subd. 8. **Report.** By February 15, 2023, the task force shall submit to the chairs and ranking minority members of the committees and divisions in the senate and house of representatives with jurisdiction over employment and wages and over health and human services a report with recommendations to eliminate by August 1, 2025, the payment of subminimum wage, and any changes to statutes, laws, or rules required to implement the recommendations of the task force. The task force must include in the report a recommendation concerning continuing the task force beyond its scheduled expiration.

Subd. 9. Administrative support. The commissioner of human services shall provide meeting space and administrative services to the task force.

Subd. 10. Expiration. The task force shall conclude their duties and expire on March 31, 2024.

Appendix B: Task force members

Members of Minnesota's Task Force on Eliminating Subminimum Wages are listed below. The list notes the role each member has based on the Legislature's requirements for the task force.

- Larissa Beck, a member appointed by ARRM.
- Sara Ellstra, a member representing DLI.
- Susan Fleurant, a member representing the Minnesota Disability Law Center.
- Heidi Hamilton, a member representing DHS.
- Brittanie Hernandez-Wilson, a member with a disability.
- Amanda Jensen-Stahl, a member representing VRS.
- Alex Junge, a member with a disability.
- Michelle Kamenov, a member representing MDE.
- Kirk Langsjoen, a member with a disability.
- Debbie Luther, a member from an employer authorized to pay subminimum wages.
- Heidi Maghan, a member from an employer authorized to pay subminimum wages.
- Chris McVey, a member representing DEED.
- Jillian Nelson, co-chair and a member appointed by the State Rehabilitation Council.
- Lori Schluttenhofer, a member representing the Minnesota Organization of Habilitation and Rehabilitation.
- Raquel Sidie-Wagner, a member from an employer who successfully transitioned away from paying subminimum wages.
- Andrea Zuber, co-chair and a member appointed by The Arc of Minnesota.

Others who served as members but then left the task force for personal or professional reasons:

- Val Barnes, a member with a disability.
- Natasha Merz, a member representing DHS
- Lisa Parteh, a member from an employer authorized to pay subminimum wages.
- Kristina Petronko, a member representing the Minnesota Disability Law Center.
- Dalaine Remes, a member representing the Minnesota Disability Law Center.

Appendix C: Additional context for task force recommendations

This appendix lists information and ideas for some of the task force recommendations. This additional context came from task force members, workgroup members, and task force public engagement sessions. While some of the points may help guide planning and implementation, they are suggestions only. Task force members did not discuss or vote on these ideas. There is additional context in this appendix for some of the task force recommendations but not for all of them.

Recommendation 1. Some task force members expressed interest in a longer timeline for ending subminimum wages than the Aug. 1, 2025, date included in the legislation. This came up in task force meetings and in workgroup sessions.

In the task force's report to the Legislature, recommend that a five-year transition plan be conducted (as opposed to current deadline of 2025).

- The Minnesota State Legislature take immediate action in the 2023 legislative session to establish a five-year phase-out of subminimum wage use in Minnesota, ultimately disallowing the practice by Jan. 1, 2028. DLI is responsible for ensuring 14(c) certificate holder compliance with phase-out and outcome tracking and reporting to the Legislature on annual progress. Phase-out dates are as follows:
 - June 15, 2023: Law enacted ending subminimum wages by Jan. 1, 2028, and establishing transition period.
 - Jan. 1, 2024: All organizations holding a 14(c) certificate in Minnesota required to submit a transition plan for ending their federal 14(c) certificate/use of subminimum wages in Minnesota to DLI.
 - Transition plans must include:
 - Baseline information on their payment of subminimum wages—including individual tracking of all people currently paid subminimum wages through 14(c) holder via state designating outcomes tracking system.
 - Policy "closing the front door" by Jan. 1, 2025.
 - Plan for avoiding disruption to people's employment and life goals.
 - Jan. 1, 2025: Organizations holding a 14(c) certificate must have reduced the number of people with disabilities they are paying subminimum wages to by 25%, compared to baseline.
 - Jan. 1, 2026: Organizations holding a 14(c) certificate must have reduced the number of people with disabilities they are paying subminimum wages to by 50%, compared to baseline.

- Jan. 1, 2027: Organizations holding a 14(c) certificate must have reduced the number of people with disabilities they are paying subminimum wages to by 75%, compared to baseline.
- Jan. 1, 2028: Organizations holding a 14(c) certificate must have ended all payment of subminimum wages.

Recommendation 2. The task force recommends Minnesota evaluate progress to phase out subminimum wages, as well as monitor employment and community life engagement outcomes for people with disabilities by 1) establishing an ongoing statewide data collection system and 2) improving administrative data alignment.

- Start date for data reporting: 14(c) certificate holders would start reporting data on Aug. 1, 2023, because Aug.1 is the date when laws usually take effect.
- **Meaningful activities**: Gather data about meaningful activities for people once they are no longer being paid subminimum wages.
- **Data privacy**: To collect data about how people are included in the community, state government will need to balance the benefits of that community inclusion data with concerns about the privacy of people with disabilities.
- **County data**: State government will ask about which county people live in so that the state can track progress and outcomes for people in rural areas compared to people in metropolitan areas.
- Data to consider: For the data system, important measures might include wages, hours worked, industry and type of employment (Examples: in the community, in a facility, paid by employer, or paid by the provider). It would be helpful to have data about people's progress toward their employment goals and about how happy they are with their workplace, their work, their day activities and their involvement in the community.
- Use existing data: Does DHS already have baseline information about who is working and how often, maybe from its rate management worksheets for providers (DHS-6790) or from the data used for Minnesota's employment first dashboards?
- **Do not identify the employer**: Do not collect data about where people are working because that should not be public information.
- Lessen the burden: To make data reporting easier for providers, think about these ideas:
 - Collect data on only five to seven items, so providers can manage the data request.
 - Maybe, let providers report data when they report data for renewals so that this new data collection will be part of their regular reporting. (But know that iHowever, if all providers report instead on everyone forat the same point in time, that data is better for understanding what is happening throughout the system.)
- Providers saw value in measuring weekly hours worked and weekly hours spent in day services or hours of unprogrammed time. They also said it would be helpful to know what work people

are doing compared to what work they want to be doing. They said it can be hard to measure progress and to know what the data means. For example, it is important that people like their activities and jobs, but it is hard to know that from the data about the number of people who have jobs.

- Family members and guardians wanted data that compares how many hours people spent at work when they worked for subminimum wages versus how many hours people spent at work after they stopped working for subminimum wages.
- Suggested actions by year:
 - For data collection in year one, research and determine whether to build or buy a data collection system. If buying one, select the data collection system. Start implementing the system. Start the required reporting.
 - For administrative data in year one, research and identify opportunities and limitations for administrative data alignment and use, structure a data sharing agreement and make changes as needed.
 - For both data collection and administrative data in year two, implement, collect and analyze data, as soon as possible.
 - For both data collection and administrative data in year three (through Aug. 1, 2025), continue to collect and analyze data through the end date of subminimum wages and beyond for ongoing tracking of employment outcomes.

Recommendation 3. The Minnesota State Legislature should allocate transition resources to support a phase-out of subminimum wages in Minnesota.

- State technical assistance center: The Legislature establishes a state technical assistance organization to continue the work of the Minnesota Transformation Initiative (MTI) or to build from it. The University of Minnesota's Institute on Community Integration currently leads the MTI. The technical assistance center should create peer-to-peer support for providers so they can learn about transitioning from each other and from providers who stopped offering jobs at subminimum wages.
- **Communications and engagement campaign**: The state technical assistance center should engage with people earning subminimum wages and with their families. The center should carry out a communication campaign about ending subminimum wages. For this campaign, the center should strengthen the peer mentorship network and share information about supports for people who take jobs in the community at minimum wage, or higher. The center should continue to find and share success stories about people who have moved from jobs that pay subminimum wages to jobs in the community at minimum wage, or higher.

Recommendation 4: Engage, educate and support people interested in or earning subminimum wages during transition.

Often, people with disabilities and their families are given competing, overwhelming, or completely contradictory information about the adult services available to them and the purpose for each. It is important that the individuals served, and their teams, know what is available to them according to their funding source, what is the right fit for them according to their wants and needs, and what they can and should expect from those services. The best way to deliver that information is from the people who have received services themselves, especially in terms of successfully accessing and maintaining competitive, integrated employment. For providers, it is difficult to manage expectations when people come into a service with incorrect information, and for individuals and families that can be deeply frustrating.

In reviewing the feedback that the Task Force on Eliminating Subminimum Wages gathered from its engagement of people with disabilities, families/guardians, service providers, case management professionals and others, they learned there is not a clear understanding of how people with disabilities can receive individualized, community-integrated supports to help them meet their employment goals and build a meaningful life, without the use of subminimum wages. This is especially true for those with more significant disabilities. To support a successful transition that increases options and opportunities for people, Minnesota needs to provide communication that not only shows that people can be successful in competitive employment, but also addresses how people are supported, to help overcome the fears or concerns that people have.

The state technical assistance center, as part of its duties, should carry out a communications and engagement campaign directed toward people earning subminimum wages and their families regarding end of subminimum wages. This campaign will include strengthening the peer mentorship network as well as the continued development and dissemination of success stories and available supports to participate in competitive employment.

Recommendation 5. Establish an employment resource specialist grant program for lead agencies in Minnesota.

Employment navigator service roles/tasks:

- In the summer/fall, meet with every person with disabilities graduating in the spring.
- Talk to them about their employment goals.
- Listen to their preferences.
- Do motivational interviewing with them if they do not express employment as their first, and preferred, option.
- Work with the family to explain how funding can make integrated, individualized employment possible. Explain all the possible funding streams for employment services, VR, etc., as well as how the rest of their week would look with non-employment services. Explain the whole picture. Include what informal supports are available, and plan a weekly schedule.
- Write the plan with the person/family.
- Coordinate with school so plan reflects school/graduation goals.
- Coordinate with VRS so plan reflects employment goals.
- Coordinate with county case manager (CCM) so plan reflects overall plan goals.
- Help person/family apply for any benefits needed (Medical Assistance, HCBS Waiver, county funding, VRS).
- Help person/family determine which services and supports (formal and informal) would meet their needs.
- Ensure CCM authorizes needed services in the Medicaid Management Information System (MMIS).
- Coordinate with employment services provider (waiver and VRS) to get necessary services set up; meet with the interdisciplinary team (IDT) and explain everything done, to date, and make sure everyone understands the plan.
- Stay with the person/family through the processes provided by the three employment services.
- Provide any employment stabilization services necessary after the person is working. (Coordinate with lead agencies, teams, providers, etc., to problem solve/ensure continued success.)

Create a website similar to DB 101 and Housing 101: Supports 101.

Informed Choice Legislation: Can informed choice legislation apply to technology, housing, services available to each person? Can exploration services be utilized to complete this?

Recommendation 6. Strengthen core information on supports and services available to people with disabilities in Minnesota.

Embed messaging and activities about work and benefits (such as the educator curriculum) in:

- Special education/transition programming and new staff training
- VRS/SSB new staff training and orientation or initial client meeting
- VRS/SSB provider new staff training and initial client meeting
- Waiver case manager/MnCHOICES assessor training
- Waiver provider new staff and initial client meeting.

Recommendation 8. Build the benefits planning competencies of support professionals.

Require training to achieve core competencies in work and benefits: Level 1 and 2 trainings (with additional Level 3: Benefit coach certification and Level 4: Certified community partner).

Current waiver employment specialist competencies:

The employment specialist demonstrates competency when they are able to:

- Provide accurate information about benefits and work.
- Identify and verify types of benefits the person receives.
- Address myths and barriers related to benefits and work.
- Complete a Disability Benefits 101 (DB101) estimator session and explain the results.
- Make appropriate referrals for additional benefits planning when necessary.

The employment specialist demonstrates competency when the people they serve:

- Gain confidence in understanding their benefits and the impact of paid employment.
- Increase their usage of work incentives.
- Have greater economic stability.
- Increase their usage of DB101 benefits planning tools and other resources.

Recommendation 9: Invest in professionals' capacity to support employment outcomes.

- College of Employment Services (CES) online/on-demand coursework aligns with competency requirements for Minnesota's waiver employment services. Online training can be helpful to train a large number of people efficiently. Through CES+ there is an opportunity for learners to receive Association of Community Rehabilitation Educators (ACRE) certification. The CES training is also a good guide for obtaining Certified Employment Support Professional (CESP) certification.
- With MTI technical assistance, DHS has learned that expanding customized employment training is important for in-service provider transitions to competitive employment supports. There is a strong value in having an in-person and local-area/community connection to this training.
- Training should be available to service providers for free, or at a low cost.
- Consider any needed updates to existing training as well as "train-the-trainer" approaches to training opportunities to address workforce turnover.

Recommendation 10. Strengthen day services to produce community life engagement outcomes.

Meaningful and purposeful community-based day supports are an important service option for people transitioning away from 14(c) services. They can provide wraparound supports to give a person's day structure (if they desire it) and to socialize in their own communities. They can also play a role in supporting a person who has attended a center-based program for a long time to feel more comfortable in community settings and, consequently, more willing to try competitive, integrated employment.

Examine day supports waiver service and recommend policy changes to incentivize community-based options.

Recommendation 11. Incentivize employment and community access in Minnesota's Medicaid HCBS waiver policy and fee structures, as well as county-funded services.

- Providers doing pre-vocational services are currently not able to get reimbursed for travel to a
 person or time spent (on indirect IHS services) when the provider is not with the person
 (employer services are billable).
- Mileage reimbursement does not cover costs.
- Different service providers operate differently and provide different types of services (as a result, what they bill is different).
- More information needs to be elevated within the Community-Based Services Manual (CBSM) webpages.

Recommendation 13. Fully fund the competitive workforce factor and update inflationary data in rates systems.

As more people would be in the community, it is important that they have the support needed to be able to be in the community.

Employment support services are designed to be a fading support service, so if additional services are needed for them to be independent in this environment, additional PCA or individualized home supports (IHS) services might be needed.

Waiver employment services rate enhancements

Credentialing and career laddering: Enhance the DWRS rates for the waiver employment services to create a higher reimbursement rate when the direct support professional delivering the employment service holds employment-related certifications. Rate enhancements will function along a "step" increase in rate depending on the number of certifications held in the following:

- ACRE training includes customized employment training
- CESP credential holder
- Benefits coach designation
- Evidence of competitive employment outcomes (given placement rate)
- Employment portfolio completion through "My vault."

Recommendation 15. Improve training requirements, oversight, and funding for case management services.

- Increase rate structure for case management and increase mandated training for case manager by four hours per year to include comprehensive training for benefits information, disabilityspecific training, planning, and analysis so staff can provide individuals and families with a full view of how employment affects benefits to help dispel fears about adverse impacts on Social Security, housing, and other benefits.
- Establish authority to streamline and build efficiencies in support planning and case management. Modify 256b.0911 Subd. 5. (b) to include case management in support plan activities. This will provide authority to streamline case management and support plan activities within the MnCHOICES application. (Example: Requiring the use of functionality within the MnCHOICES system to align case management practices statewide.)
- Establish authority to remediate case management contracts. Amend 256B.49 and 256B.092 to grant the commissioner of human services authority to review case management contracts, provide remediation and require corrective action within timelines identified by the commissioner.

- Mandate reporting on completion of required annual case management training hours. Modify 256b.49 subd. 13 (e) to require reporting on completion of case management training hours and documentation using the commissioner-approved system to track completion of training requirements (reporting and documentation to be completed in TrainLink).
- Appropriate funding for case management workforce data. Amend 256b.49 to appropriate funding for case management labor market data reporting. This would support annual reporting on case management providers, retention rates, vacancy rates, and other valuable information to inform work and decisions related to case management.
- Require assignment of an individual case manager to each person open to the waiver, and that each person must be provided a direct phone number for their case manager, case management provider, and lead agency; this information must be documented in the person's support plan. Amend 256B.0911 to include this requirement and remove requirement identified in 256B.092 Subd 1a. (C) to align DD case management requirements.
- Implement caseload caps through revision of the current rate structure and by establishing a caseload rate factor. This change may be implemented to meet caseload goals over a four-year period to allow time to address staffing needs and staffing shortages.

Recommendation 16. Conduct a coordinated employer communications and engagement strategy.

- Target communications to community employers using subminimum wage contracts and providers.
- Highlight incentives in the engagement efforts like the Work Opportunity Tax Credit and onthe-job work and training opportunities through VRS/SSB. This would not create new incentives, but a handbook or something similar that details all of the incentives available. Utilize what already exists within DEED (website info, curriculum, etc.).
- It is important to note hiring people with disabilities is not being done in charity. People are
 contributing to the businesses. People with disabilities are valuable. This communication
 strategy and plan should include information on available incentive programs, resources, any
 needed technical assistance/training and the importance of workplace inclusion as it pertains to
 competitive, integrated employment for people with disabilities. A communication plan should
 also include strategies to develop businesses, establishing peer-to-peer consultation structures
 to connect inclusive worksites to employers seeking to expand their workforce.
- Family Employment Awareness Training (FEAT) partners with different schools and vocational rehabilitation programs to explain what services are available. States can just sign up to do this and they will provide the education for this as well. Can the State of Minnesota do that?
 - Promote the employment toolkit
 - Case manager training
 - Mailers to families
 - Training for employment services providers (required).

Recommendation 17: Develop an inclusive worksite training and certification program for Minnesota businesses.

- Provide training and resources on how to include hiring people with disabilities into their diversity, equity and inclusion (DEI) efforts.
- This is a cultural shift that will have to be explained.
- DEED could provide credentialing like the Leadership for the Employment and Economic Advancement of People with Disabilities (LEAD) certification for businesses to become certified as inclusive workplaces.
- Consult with DLI as needed.
- **Year one actions**: Build on existing resources DEED has to create an employer certificate program for Minnesota businesses to receive training on hiring people with disabilities, creating inclusive workplaces, providing accommodations and best practices for universal design.

Recommendation 18. Conduct an interagency employment supports alignment study.

DHS, MDE and DEED all administer separate programs that provide employment supports for youth and/or adults with disabilities. Each program uses a different rate methodology and has separate reporting and provider requirements, which creates complexity and unintended incentives across programs. As Minnesota deepens our E1MN collaboration to create a seamless and timely employment support system, we need to explore opportunities to align our rates across employment supports.

Proposal: DHS, MDE and DEED would contract with an entity to research and propose needed investments to 1) align rate structures and administrative procedures and 2) align provider enrollment competency and monitoring standards across employment supports administered by the agencies.

Recommendation 20. Ensure work experiences, opportunities for self-advocacy, collaboration and seamless referrals for services between school professionals and VRS/SSB.

Case managers need further training on proper planning and coordination for IEP meetings. Schools should be assisting with scheduling and coordinating rather than putting the burden on families.

The gaps and barriers in the system that exist between DEED VRS services and waiver services create concerns up to, and including, people losing their jobs. The process is daunting and stressful, and people choose not to go through it due to prior experiences.

DEED and DHS should decide/develop between them the following:

- What, if any, authorizations can be held open if a provider is dually enrolled and providing supports for an individual through the entire employment process to avoid unnecessary gaps that frustrate individuals and families.
- An FAQ that is shared between departments with answers to the most asked questions in order to cut down on the amount of contradictory information communicated to providers, individuals and teams.

Appendix D: Task force public engagement efforts

Engagement purpose and core values

The Task Force on Eliminating Subminimum Wage was created to write a plan in case subminimum wages go away in Minnesota. In developing the plan, the task force wanted to hear from people who would be affected if subminimum wage goes away. Public Sector Consultants (PSC), an independent research company, supported the task force in gathering feedback. This report highlights how PSC planned its outreach, who took part, what their feedback was, and potential solutions that came from participants. PSC worked on this project from February 2022 to December 2022.

In March 2022, PSC led the task force in an activity to name its core values. The 22 values guided the public engagement work and how the task force worked together. This is the list of those values in the order they were shared using task force members' own words.

- Honesty
- Compassion, empathy
- Curiosity
- Patience
- Respectful
- Show up authentically
- Representation, inclusion
- Mindful of purpose, keep the goal in mind
- Transparency
- Be guided by the principles of disability justice
- Accessibility beyond ADA
- Meet all people's accessibility needs
- Listen to understand
- Develop meaningful recommendations with actionable steps
- Responsibility
- Anti-racist and anti-ableist²⁵
- Responsibility to fairness
- Problem-solving
- Ensure we're reaching disabled population in ways that work for them

²⁵ Ableism is when people are treated unfairly because they have a disability. To be anti-ableist means to do things that are meant to get rid of ableism.

- Person-centered planning
- Acknowledge and be aware of privilege
- Openness to challenging each other and being challenged when we make mistakes.

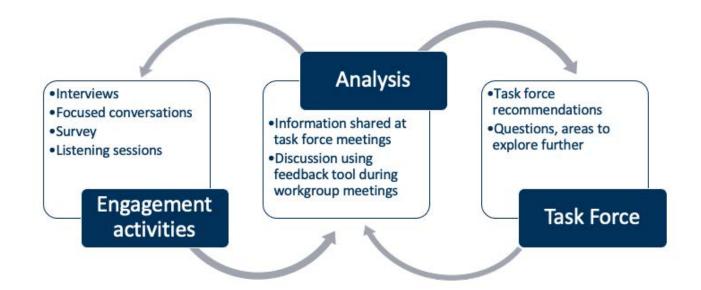
While these values influenced PSC's planning and the way it engaged people with experience with subminimum wage, these five stood out as most important for the engagement activities:

- Be inclusive and mindful of representation
- Be transparent
- Listen to understand
- Proceed in an anti-racist and anti-ableist way
- Provide the task force with information to help develop recommendations with actionable steps.

As PSC heard from people who would be affected by changes to subminimum wage, the information was shared with task force members. From March to October 2022, PSC attended task force meetings and presented feedback from engagements. PSC also met regularly with task force co-chairs, people who work at the DHS DSD and the team from the MAD supporting the task force. Finally, PSC put together a feedback tool that shared each piece of feedback and categorized the feedback by the person's experience with subminimum wage and a theme of the feedback.

PSC and the task force had a collaborative loop throughout this process. Feedback flowed from PSC to the task force and the task force could ask PSC to do more research. For example, in a listening session in June, family members and guardians of people with disabilities shared that one of their main concerns about a job working with people with and without disabilities was the safety of their person. The task force wanted to know more about what kinds of safety concerns family members or guardians had. In future small group discussions, PSC asked more questions about these concerns and provided the task force with more specific information and suggestions.

The following chart shows how feedback flowed to the task force after engagement activities. The task force could then ask questions that would be used in ongoing engagement activities to gather more information or to see how people felt about some of the solutions the task force considered. The task force considered the feedback as it developed its plan.



Finding the right people and getting feedback

To help the task force make its plan, in April and May 2022, PSC held three meetings with a small planning group. The purpose of the group was to help PSC create an engagement plan to help make sure the task force got the feedback it needed. The planning group included members of the task force and others who wanted to help. The people included in the planning group who were not members of the task force included family members of people with disabilities and the director of OIO.

Together the planning group came up with the best ways to reach people to get feedback. They also came up with what they wanted to learn from each group, ways to be inclusive, which methods of outreach would work best for each group, key partners in Minnesota and how to measure that the right people are providing feedback. PSC also took part in meetings with representatives from other states that have made changes about subminimum wage. Experts from Iowa, Maryland, Ohio and Oregon shared what they learned. Some of the information shared from other states also became part of the engagement plan.

The engagement plan is available on Page 99.

Finding the right people to participate

It was important to engage with many different people from around the state to help the task force develop a well-informed plan. Hundreds of people, from both metro and rural areas of Minnesota, gave their feedback and ideas. Some people reached out to PSC on their own to share their ideas, some were invited to scheduled activities and some took a survey. To ensure everyone who wanted to share their ideas could, PSC scheduled engagements during the day and in the evening and offered accommodations for people who needed them.

It was most important to hear from:

- People with disabilities with subminimum wage experience, now or in the past.
- Families and guardians of people with disabilities.
- Employment service providers paying subminimum wage.

It was also important to hear from:

- People with disabilities earning minimum wage, or higher.
- People who work for disability rights organizations.
- People who work for local, state and federal agencies whose jobs have to do with supporting people with disabilities.

Task force members, DSD staff, and others helped figure out who has experience with subminimum wage. The following is a list of organizations PSC interviewed or who helped by inviting their community to share feedback and ideas:

- The ARC Minnesota
- The A-Team
- Autism Society of Minnesota (AuSM)
- Centers for Independent Living
- MDE
- DHS
- Family Voices of Minnesota
- Lifeworks Services
- Minnesota Disability Law Center
- Minnesota Governor's Council on Developmental Disabilities
- Minnesota Organization for Habilitation and Rehabilitation (MOHR)
- 010
- PACER Center
- Self-Advocates MN (SAM)
- Disability Hub MN Virtual Insight Panel (VIP)
- VRS.

Getting feedback

There were five main ways PSC heard from people about changes to subminimum wage.

- Listening session: PSC held a virtual meeting where anyone could share their ideas about subminimum wage in Minnesota. In small groups individuals were able to share their answers to the question "What solutions does Minnesota need to include in the task force recommendations if subminimum wage ends?" The discussion guide for the listening session is on Page 104.
- 2. **Small group discussions (sometimes called focus groups)**: PSC held discussions with groups of two to 24 people, usually grouped based on their experience with subminimum wage. A sample discussion guide is available on Page 108. PSC also prepared social stories to help prepare people to know what to expect. An example is available on Page 109.
- 3. Interviews: PSC held one-on-one conversations with people who support people with disabilities earning subminimum wage. A sample of the interview guide is available on Page 112.
- 4. **Survey**: PSC created an online survey that was open to anyone and broadly advertised. Survey questions were customized based on the survey taker's experience with subminimum wage. The survey is available on Page 114.
- 5. **Solution sessions**: PSC held small group discussions asking people to react to ideas the task force was thinking about, including its recommendations. A sample of the discussion guide is available on Page 123.

The following is a summary of the engagement activities, including when it happened, how many total people took part and their experience with subminimum wage.

Month	Activity	Participants	Groups
June	Listening session (1)	120	 People with disabilities Families or guardians of people with disabilities Local, state and federal agency workers Advocacy organizations Employment service providers.
June to September	Small group discussions (9)	75	 People with disabilities Families or guardians of people with disabilities Waiver case managers (metro and greater Minnesota) Advocacy organizations.

Month	Activity	Participants	Groups
May to September	Interviews (10)	10	 Families or guardians of people with disabilities Local, state and federal agency workers Advocacy organizations Employment service providers.
July to August	Survey (1) ²⁶	373	 People with disabilities Families or guardians of people with disabilities Local, state and federal agency workers Advocacy organizations Employment service providers.
September to October	Solution sessions (3)	34	 People with disabilities Families or guardians of people with disabilities Employment service providers.

Feedback topics

To organize the feedback into information the task force could use, PSC and DSD staff worked together to see what topics appeared. The feedback is grouped into these topics:

- Services and supports for people with disabilities
- Waiver case management
- Provider network
- Business network
- Interagency coordination
- Culture/attitudes/education.

Sometimes feedback was different depending on a person's experience with subminimum wage. For example, a family member of a person with a disability who earns subminimum wage might have different ideas than the person with the disability. These are the feedback topics with an explanation of the topic and a summary of the feedback. The feedback is sorted by a person's experience with subminimum wage.

²⁶ Survey analysis is available in <u>Appendix F</u>.

Services and supports for people with disabilities

This topic focuses on employment services and supports for people with disabilities. These services are the responsibility of different parts of the state government including the DHS, VRS and MDE. Employment service providers play a very important role delivering services to people with disabilities and waiver case managers connect people with the services they need.

Supports for people with disabilities include the things that help people do their job—transportation, technology that can help and changes to schedules are some examples. Many people want more information to understand what services and supports are available to them. People with disabilities and their families and guardians also said they wanted resources to help explain what the change from subminimum wage to competitive employment would be like. People wanted better benefits planning supports, too.

People with disabilities with subminimum wage experience, now or in the past

People with disabilities with subminimum wage experience now, or in the past, often shared that they want to have more job options. Many people wanted to learn about more types of jobs that fit their skills. Some people said they were disappointed by jobs that had been offered to them in the past. For example, a group of self-advocates mostly agreed when one of them said that people with disabilities don't always want to do janitorial work. They were frustrated because it's a common option offered by employment service providers. Some also expressed disinterest in shredding and recycling activities.

Many shared that their jobs in a sheltered workshop were boring. People who had experience with subminimum wage jobs and now employed in community-based jobs earning minimum wage, or higher, said they are happier now.

Some of the young adults in a small group discussion said they wished their transition years (age 14 to 24) had included learning about many different jobs that they could do. When waiver case managers or others ask what they would like to do, it is difficult for them to answer because they do not know what their options are.

People have different ways they can best learn and remember information. Some people with disabilities raised frustrations about the way they get information about services and supports. They wanted to have the same information they hear in a conversation with a waiver case manager available in writing so that they have the resources that would help them follow through. One example was shared by a person whose disability caused memory challenges. They struggled to remember what their waiver case manager said and wanted to have more information to read later to help them remember. This was also encouraged by people with disabilities whose primary caregiver does not go online or attend all meetings with people supporting them.

Getting to and from work can be a challenge for anyone and it is even more difficult for people with disabilities. Many discussion group participants with community-based jobs showed their dedication getting to work by using different kinds of transportation, some relying on ride share services or taxis. Many of the people with disabilities who are employed in the community have a tough time getting to and from work reliably if they don't have a family member to provide transportation—especially in rural areas. Some of their waiver case managers have had a difficult time managing waiver-based transportation if they have to use more than one kind of transportation. Some service providers cannot offer transportation even though they used to. This has changed because of increased costs, reduced staff and other limitations.

Families and guardians of people with disabilities

Families and guardians of people with disabilities shared their experiences and ideas about services openly with PSC. In general, these family members or guardians have done a lot of work taking care of and helping solve problems for their person from childhood into adulthood, and sometimes into retirement age. These experiences mean many of them have strong beliefs about changes to subminimum wage. Many do not believe that existing employment services and supports will be enough to help people change from subminimum wage jobs to being employed in jobs paying minimum wage, or higher. Many family members and guardians doubt that customized employment will be available to all the people who need it. With these expectations, many family members and guardians are worried that their family member will not be able to work.

Some families and guardians of people with disabilities like that subminimum wage jobs offer a sense of safety, wraparound services and job accommodations that help people with complex disabilities. In some cases, families and guardians of people with disabilities said they liked their person's subminimum wage job because it meant a consistent schedule no matter how much their person could work. Many families and guardians of people with complex disabilities want to make sure their person has meaningful days and continue to have a sense of purpose if subminimum wage jobs go away. They want to make sure their benefits cover meaningful day services that are person-centered and engaging, especially for those who do not move into competitive jobs earning minimum wage, or higher. For many families and guardians, it was difficult to imagine how it would go for their person to have a community-based job earning minimum wage, or higher, and spending time using day services.

Most family members or guardians of people with disabilities have concerns about their person's safety. While some people worry about random acts of violence or bullying that might happen, a more common concern is about their person's specific safety risks in integrated settings. Family members and guardians in one solution session shared examples of their safety concerns for their person. Some of those included that their person could not read, the person has a lung condition made worse by breathing chemicals and the person has a trusting, outgoing personality. This group had some ideas about how to address this in competitive integrated employment. See the section on solutions for more information.

Family members and guardians of people with disabilities had many of the same frustrations about transportation that people with disabilities had. Many family members described significant sacrifices they have made to help their person get to their job location or employment service provider.

PSC heard from many families and guardians of people with disabilities earning subminimum wage that they believe essential benefits and health care coverage would change for their person if their income went up. Most were unfamiliar with programs that exist to help people with disabilities earn minimum wage, or much higher, without loss of benefits. A common belief is that if a person earning subminimum wage now moved to competitive employment, they would have to work fewer hours to keep their benefits. Many families or guardians were worried this would lead to their person being lonely.

In the solution session with family members and guardians of people with disabilities, there were some questions about what would be allowed if subminimum wage goes away. Families and guardians wanted to understand if subminimum wage goes away, would sheltered workshops (places where people only work with other people with disabilities) also go away? There were also questions whether supported job crews would still be allowed if they paid minimum wage or higher.

There were some situations where family members or guardians of people with disabilities had wrong information about services and supports. In most of those situations, <u>Disability Hub</u> would be helpful. PSC received feedback from families and guardians across Minnesota and found that not everyone had heard of or used Disability Hub. Most families and guardians who had used it found it helpful and had positive experiences when they called the phone support.

Employment service providers paying subminimum wage

Some service providers' programs are more integrated into their community than others. Most of the service providers with 14(c) certificates expressed concerns about people who would no longer have jobs if subminimum wage goes away. They did not believe they could hire the staff to do what it would take to employ more people in the community or to provide more day services in the community. Some did not see a path to competitive employment for people with the most complex disabilities.

The direct care worker crisis is well documented and disproportionally affects rural areas. Some service providers noted that to offer more community-based day services they would need more staff, time for planning (and for that time to be reimbursable) and more wheelchair-accessible vehicles. This challenge is not limited to workers supporting people with disabilities, but it matters a lot if there are changes to subminimum wage.

Employment service providers raised concerns about some waiver reimbursement rates for supports for people with disabilities. There were a few common transportation-related reimbursement challenges. There are also limits to reimbursement rates that unfairly limit transportation in rural areas. There are significant frustrations from case managers and service providers when they need to set up transportation using multiple methods that a person could need if they do not have a regular work schedule. There were also concerns about waiver limitations on time allowed for job coaching and other vocational services.

Waiver case management

Everyone who gets services through a HCBS waiver in Minnesota has a case manager. People in this role help people with disabilities, and their families or guardians, understand and get connected to the benefits and services available to them. Unfortunately, for some people with disabilities, and their families or guardians, the waiver case managers change often, or they cannot spend as much time helping as is needed.

People with disabilities with subminimum wage experience, now or in the past

People with disabilities on waivers had mixed experiences with waiver case managers. In a few cases, they had been assigned to the same case manager for years, but in most situations, there was frequent turnover. When case managers change more often, people with disabilities are frustrated that their employment progress is disrupted. One person with a disability said that they are back in a subminimum wage job after being laid off from a competitive employment job. They believe delays to working with their waiver case manager are one of the reasons they are back doing subminimum wage work. Another person shared that every time their waiver case manager changes, they have the same conversations they already had with previous waiver case managers about their professional skills and what they want to do and it can be frustrating and slow things down.

In some cases, there is a lack of communication or understanding on the part of the waiver case manager. Some people with disabilities were not placed in jobs or with employment service providers who could help them move toward their goals. One example came from a person with a disability who said they wanted to work with children as they had in the past, but instead they were doing janitorial work. This person recognized that there might not have been a way for them to get the kind of job they wanted right away, but they wanted to better understand why they were not doing work they had talked about with their waiver case manager. Everyone agreed they want to be heard by their waiver case managers and to better understand a situation if things do not go like they want.

Families and guardians of people with disabilities

Family members and guardians reported having mixed experiences with waiver case managers. More often, those in rural areas seemed to have long-term relationships with their case managers and trust the information they shared.

Most families who expressed frustrations with waiver case managers were referring to contracted case managers. The challenges are that they are sometimes unfamiliar with resources and there is higher turnover. Some family members and guardians said they contact a resource other than their waiver case manager because they do not trust their waiver case manager. Some families and guardians reach out to former or retired waiver case managers, staff from advocacy organizations or friends' case managers who are liked. Many family members or guardians of older adults with disabilities said they do not really interact with their waiver case managers because they have more confidence in their own understanding of benefits, employment service providers and other resources.

Some families shared that their person built vocational skills when they were transition age, but waiver case managers did not have the tools to help maintain those skills and employment opportunities became more limited when they left school.

Employment service providers paying subminimum wage

Some employment service providers shared that they have benefits counselors on staff to review a person's income and benefits to help them understand what will happen to their benefits when they go to work. They believed waiver case managers do not have the time or tools to do that.²⁷

Provider Network

There are many employment service providers across Minnesota. Not all of them offer the same services. Some providers have already stopped paying subminimum wage, choosing not to renew their 14(c) certificate. While PSC heard from providers with 14(c) certificates and those without 14(c) certificates, this feedback is about, and from, providers with 14(c) certificates.

Employment service providers get paid through both VR and HCBS waivers. In this section there are a few examples of feedback given about job coaches. Both kinds of waivers can cover job coaching. VR job coaches help a person get used to doing their new job and being a good employee. A person u uses them until they are comfortable performing their job. HCBS waivers can provide longer-term, ongoing support on the job.

²⁷ PSC cannot verify the level of training or resources counselors may have.

People with disabilities and families and guardians of people with disabilities shared some ideas that would help if subminimum wage goes away. Employment service providers shared their challenges and concerns if subminimum wage goes away.

People with disabilities with subminimum wage experience, now or in the past

Some people with disabilities said that they wanted employment service providers to continue to help them build and develop new skills after they age out of school or transition programming. They liked that they learned new skills in transition programs and felt like that changed suddenly when they were too old for those programs.²⁸

People with disabilities who receive employment services experience the effects of staffing challenges. Many people noted turnover in job coaches, personal care assistants, and transportation providers. Sometimes these challenges cause them to have to miss work or to go without needed supports.

Families and guardians of people with disabilities

Many families and guardians of people with disabilities believe there are not enough employment service providers throughout the state. Some people do not have a provider that serves their area, and others live in an area where there are long wait lists for services. Some families and guardians would like to get services with service providers that can help them right away, but there are limited choices based on where a person lives.

Although many family members and guardians have experience with an employment service provider, very few are familiar with existing services beyond pre-employment and day services. Some families and guardians had heard of customized employment, but no one PSC met with shared examples from their community.

Many family members and guardians whose person has worked with a job coach had mixed experiences. Some had enough support, and their person has been successful in a job in the community earning minimum wage, or higher. However, people with more complex support needs sometimes reach limits on reimbursable time with a job coach. Others raised issues related to turnover of job coaches.

²⁸ There could be legitimate reasons that a person is not receiving services they want, like if they do not qualify. Since this was a statement endorsed by a handful of people with disabilities in a small group discussion, it may be a sign that some service providers need to communicate more effectively with people with disabilities.

Employment service providers paying subminimum wage

PSC met with employment service providers from across Minnesota. Most of them are certified to pay subminimum wage or are now getting rid of subminimum wage. Service providers want to provide valuable services to people with disabilities and their families, but they face challenges.

In some situations, employment service providers have competing factors that affect the services they offer. They are managing programs in line with licensing requirements, trying to have the right staff for their programs and trying to make the people they serve, their families or guardians happy. These tensions make it complicated to transition away from subminimum wage in the future. Many of these challenges are made harder because of the COVID-19 pandemic and the current economic conditions with rising prices.

Service provider familiarity with Disability Hub varied greatly. One service provider had requested a training on Disability Hub for their staff and found it to be very helpful, but that was not something that had been widely offered and others would like to have it.

Business network

This topic includes businesses hiring people with disabilities. Sometimes those businesses are directly hiring people with disabilities into competitive jobs paying subminimum wage, or higher. It can also be about businesses that have agreements with service providers for people with disabilities to do work for them and they pay the service provider for that work—these are subminimum wage jobs.

People with disabilities with subminimum wage experience, now or in the past

People with disabilities showed how meaningful work is to them. The ability to contribute to their community while being paid gives them a sense of pride and helps them feel included in society. Everyone employed with a disability, in subminimum wage or integrated employment, expressed their appreciation for their employer and their enthusiasm to be good employees.

Families and guardians of people with disabilities

When PSC talked about community-based jobs with families and guardians of people with disabilities earning subminimum wage, most of them expressed doubt their person could do a job like that. They also did not believe most small businesses would think it was a good idea to hire people with complex disabilities. In order for people to transition from sheltered work settings to integrated work settings, families and guardians said more encouragement for businesses, especially small businesses, to hire people with disabilities is needed. The business community would need to be familiar with laws protecting people with disabilities. Business owners would also need to know about how to make accommodations for people with disabilities and to prepare their workforce to support employees with disabilities.

Employment service providers paying subminimum wage

Service providers have expectations about how the business community would react to changes to subminimum wage. Providers PSC interviewed did not believe they could renegotiate contracts with businesses to allow them to offer the same jobs at minimum wage, or higher, to people with disabilities who are currently earning subminimum wages. Service providers also believe there are not currently enough community jobs for people with disabilities in Greater Minnesota. This concerns them because it would mean only some people employed in subminimum wage jobs could transition to integrated employment.

Many service providers told PSC about times when they have helped people with disabilities get a competitive job in the community. Some shared successes and others shared challenges of building and keeping relationships with community businesses. Sometimes a job is not the right job for a person with a disability, and a business might need to be encouraged to consider another person with a disability, in the future. It is a lot of work for service providers to build relationships with community businesses, and is not as large a part of programs as it would need to be if subminimum wages go away.

Employment service providers currently paying subminimum wage have questions about what it would mean to get rid of subminimum wage. They want to understand how they can work with businesses to employ people with the most complex disabilities. This could mean supported work crews earning minimum wage, or higher. Some service providers believe that some disabilities are too complex for community-integrated employment.

Interagency coordination

Supporting the work goals of people with disabilities requires many state government agencies to work together. Sometimes PSC heard feedback on this topic that was not specific. Not everyone knew what the solution was, but some specific ideas were shared.

Agencies in different parts of government have to follow different rules. This makes it difficult for people with disabilities and their families or guardians to understand which services are covered by which agencies and where to go if they have questions.

People with disabilities with subminimum wage experience, now or in the past

Everyone experiences confusion and frustration when different agencies do not provide the same information about benefits or employment options. People with intellectual and developmental disabilities sometimes assume they are not smart enough to understand why their service provider, benefits specialist, and waiver case manager do not give them the same information. Sometimes this was so frustrating people gave up and chose not to try to find employment.

Families and guardians of people with disabilities

In most conversations PSC had with families and guardians, they raised the issue that they receive different information from waiver case managers, educators and service providers. Many people believe that training and resources are different depending on whom they talk to or where they are. People wanted there to be no wrong way to enter the system to access the same information about benefits, services and opportunities for their person.

Some family members and guardians shared a sense that case managers, employment service providers and other parts of the employment system are protective of resources for people with disabilities rather than allow all qualified candidates to gain access.

Employment service providers paying subminimum wage

One example of a challenge for service providers is that the link between VRS and waiver case management is critical and sometimes missing. VRS sometimes does not know who the contracted waiver case manager is because of turnover. Sometimes there is a very strong relationship between VRS and case management. These differences cause some people to have better access to services than others.

One employment service provider shared that people with disabilities and the families they interact with expect the disability employment system to run seamlessly. That service provider acknowledged that it can be "clunky." They believe this is because the funding to pay for services and supports flows through different departments within the state including the MDE, DHS and DEED.

Culture/attitudes/education

This topic is about the expectations some people have about people with disabilities. Not everyone has high expectations for people with disabilities or treats them fairly. Sometimes the people who do not have high expectations are people who support people with disabilities, so there are ideas that professional training might help them support people with disabilities better. In some cases, people working or doing business in communities need to have higher expectations about people with disabilities so they can be successful at their jobs.

People with disabilities with subminimum wage experience, now or in the past

In a few cases, people with disabilities earning subminimum wage shared that they thought it was fair to pay them a "commensurate wage" because they could not be as productive as others.

Jobs seem to be limited for people with disabilities who want to work in their community earning minimum wage, or higher. Small group discussion participants said they knew people could be grocery baggers and sanitation workers (restaurants, gas stations and other businesses were named), but they could not think of other jobs for people with disabilities.²⁹

People with disabilities who PSC interacted with showed that they are interested in work and want to work. In small group conversations, people with disabilities were energized to talk about employment. They listened closely to each other's employment experiences and asked each other questions to learn more about resources and possibilities. It seemed like they did not often get work information from their peers, but they benefited from it.

Families and guardians of people with disabilities

Some families and guardians of people with disabilities found it difficult, or impossible, to believe that their person could work in the community earning minimum wage, or higher, even with supports. Without subminimum wage, they assumed that meant that their person would "sit at home." They want their person to have meaningful days and have a sense of contribution they get from their job now. Some families and guardians said their person was not very interested in center-based day services, and others were unaware of how people could have day services and a job earning minimum wage, or higher, in the community.

Employment service providers paying subminimum wage

In meeting with employment service providers, PSC heard mixed commitment to and understanding of Minnesota's employment first policy. This policy expects professionals to start with the assumption that all working age people in Minnesota with disabilities can work, want to work and can be employed in their community earning minimum wage, or higher. The policy requires everyone with a disability are offered the chance to work and earn minimum wage, or higher, before they are offered other supports or services. People should be given the information and opportunities needed to make an informed choice about whether to try to get a job earning minimum wage, or higher, in their community. The part of the policy that some providers expressed doubt about was the assertion that all people can work in competitive, integrated employment.

²⁹ All participants in this small group discussion were diagnosed with an intellectual or developmental disability.

One employment service provider transitioning away from subminimum wage shared that they are working to change the conversation around employment for people with disabilities. They want everyone (people with disabilities, families and guardians, and businesses) to realize that sometimes jobs do not work out. Just because a job does not work for a person does not mean that person cannot work. It means that job was not the right fit. They believe this mindset needs to change because many people want it to be easier for their person to work.

Solutions from feedback

Some people who shared their feedback also raised specific ideas the task force could consider. These solutions are sorted by topic.

Services and supports for people with disabilities

- Support self-advocacy skill building and employer education so that the needs of people with disabilities are met in integrated settings.
- Change fee structures so that people with disabilities get the job supports they need, for as long as they need them, no matter who is paying for the services.
- Involve employers in developing a customized, on-the-job safety plan for people who have concerns about safety in the workplace.
- Support people currently earning subminimum wage to make sure they do not become isolated when subminimum wage goes away.

Waiver case management

• Make caseloads smaller so waiver case managers can spend more time on person-centered planning and support.

Business network

- Train local businesses on how to employ people with disabilities in integrated settings and support them through the process of hiring and during their employment.
- Encourage community businesses to hire people with disabilities.

Interagency coordination

- Make sure all essential service providers in a person's life are in alignment with their employment goals, including residential service providers.
- Make the transition from school to work the same no matter where a person lives in the state.

Culture/attitudes/education

- Be inclusive in training opportunities. Be sure to include employment service provider staff in any training opportunities about benefits (not just waiver case managers).
- Prepare waiver case managers and employment service providers to talk to people with disabilities and their families or guardians about changes to subminimum wage.
- Find ways to help shift mindsets so that more people believe everyone who wants to work can.
- Make more people aware of ways people can manage their benefits and earn more money while working.
- Show real-life examples of people with complex disabilities working minimum wage or higher jobs. Share the perspectives of caregivers, people with disabilities and employers.
- Make sure more people know about Disability Hub and consider adding job listings there for people with disabilities and their families to see jobs that are likely to be a good fit for people with intellectual and developmental disabilities.
- Train waiver case managers, providers and others on strengths-based messaging to shift conversations away from things people with disabilities "cannot do" to understanding a job might not be a good fit.

Conclusion

People across Minnesota provided information about their experiences and suggestions for the future of people with disabilities. The task force was very interested to hear what people were saying, including people with disabilities, their families and guardians, case managers, employment service providers, and others who support people with disabilities. The task force developed its plan for the elimination of subminimum wage wanting to make sure everyone will be taken care of, if subminimum wages go away. The best way to plan for that was to hear from many people with different experiences.

Some of the most common concerns raised included the following:

- Necessary improvements to employment and transition (from education to employment services) to better support people with disabilities.
- Ways that services for people with disabilities need to improve to make sure people can get to work and be successful at work.
- Lack of resources for agencies to be able to serve everyone who will need employment help if subminimum wage goes away.
- Need for broader understanding of the work options for people with disabilities.
- Worries about people with disabilities facing challenges working in competitive employment.
- Improvements to help solve problems that affect everyone in Minnesota. Top examples are transportation, the direct care worker crisis and economic challenges.

• Reimbursement rates that sometimes prevent providers from serving people with disabilities in the best ways.

Many people look forward to learning about the plan from the task force and hope the lives of people with disabilities are sustainably improved.

Engagement plan summary

Background and process

The Task Force on Eliminating Subminimum Wages was created by the Minnesota Legislature. The task force is making a plan with recommendations for what the state government should do if laws are passed that stop the use of subminimum wages. The task force must give their plan to the Legislature by February 2023.

The task force must engage and educate people who will be affected if subminimum wages end. PSC is helping the task force with engaging people, having meaningful conversations and collecting feedback. This summary shows how PSC and its partners will reach out to people with disabilities and others who would be affected.

Activities required by the legislation

- We will talk to people with disabilities who earn subminimum wage.
- We will teach people about how and why some employers can pay subminimum wages.
- We will help people with disabilities, their families, providers and others affected, if subminimum wages go away, learn how to follow the plan developed by the task force.

Goals

- Get information from people who will be affected if subminimum wages go away and use that information to help the task force make its plan.
- Help people who will be affected if subminimum wages go away tell their stories and give their opinions.
- Collect these stories, opinions and information about subminimum wages, to help the Legislature and others make decisions about subminimum wage, in the future.

How the engagement plan was developed

To help the task force make the best plan possible, in spring of 2022, PSC held three meetings with some members of the task force and others interested in issues related to subminimum wage. These meetings were held to make a plan for engaging and communicating with people affected if subminimum wages go away. We also gathered information from other states that have stopped using subminimum wages.

PSC updates the task force every month on the engagement activities that were held and those that would be coming up. The updates help the task force understand how ending subminimum wage would affect people in Minnesota.

Finding people and getting feedback

To make sure we get information in many ways, we will do interviews, focus groups, listening sessions and surveys.

Getting Feedback

Interviews

Interviews are a great way to get information from experts on subminimum wage and related policies. It's important to hear from people who have experience with the systems and challenges related to subminimum wage. PSC will schedule, and hold, up to 30 interviews and will share the questions before every interview.

Focus groups

We will have conversations with up to 15 virtual groups. We will divide into groups based on the way people relate to the issue of subminimum wage. For example, one group would include people with disabilities, another would include families and another would include providers who pay subminimum wages. Each group will have eight to 10 people. PSC will work with the task force, and others, to schedule the groups.

Listening sessions

These sessions are like focus groups but are open to more people. In a listening session, anyone who wants to share their story is given a specific amount of time to speak (for example, three minutes). These sessions help us get information from many different people. We will also use listening sessions to get feedback on a recommendation or solution under consideration by the task force and listen to people's reactions to that idea.

Survey

PSC will create and send out a survey to collect information from people asking how they will be affected if subminimum wages are no longer allowed. The questions a person sees on the survey will depend on their experience with subminimum wage. For example, a person with a disability will respond to different questions than a service provider.

Finding people to participate

It is important to find a wide range of people to join interviews, focus groups and to respond to the survey. A wide range of people will help us get many perspectives on the subminimum wage challenge. Some people may reach out to PSC to let us know they want to give their opinions. If you want to sign up to be included in the survey, fill out this form. PSC, DHS, the task force or others may also help identify people for their ideas.

Action plans

People with disabilities earning subminimum wage

Why collect their input:

- To understand the strengths or problems of their current work situation.
- To understand what will make it hard to move to competitive integrated employment (CIE)—a job in a person's community paid at, or above, minimum wage.
- To make sure people with disabilities have a say in the task force's recommendations that will affect them.
- To help us understand what information needs to be communicated better.

Plan:

- Interviews (five to seven)
- Focus groups (three)
- Listening sessions (four)
- Survey (one).

People with disabilities in CIE

Why collect their input:

- To understand the strengths or problems of their current work.
- To learn what supports and services are most helpful.
- To hear their experiences with competitive employment.
- To find stories about competitive integrated employment to share with others.

Plan:

- Interviews (up to three)
- Focus groups (one or two)
- Listening sessions (four)
- Survey (one).

Families of People with Disabilities

Why collect their input:

- To learn about experiences with services and supports related to their family member's work.
- To learn about what is important to them in helping their families.
- To understand what would prevent them from considering CIE and other activities for their family member.
- To let families have some say in recommendations that will affect them.
- To help us understand the information that needs to be communicated better.

Plan:

- Interviews (up to eight)
- Focus groups (four)
- Listening sessions (four)
- Survey (one).

14(c) certificate holders (Employment service providers paying subminimum wage)

Why collect their input:

- To learn the good and bad about paying subminimum wages and having a 14(c) certificate.
- To learn what changes will happen if subminimum wage is no longer allowed and how it would affect their business.
- To learn what would help them if subminimum wage is no longer allowed.
- To learn what kind of tools would help them if they get a transformation grant. These grants provide money and other resources to help service providers who have agreed to transition away from subminimum wages.

Plan:

- Interviews (seven)
- Focus groups (two or three)
- Survey (one)
- Solution session (one).

Employment service providers no longer using 14(c) certificates (Not paying subminimum wage)

Why collect their input:

- To learn why they stopped paying subminimum wages.
- To learn about their experiences as they moved away from paying subminimum wages.
- To find tools to help them communicate to people with disabilities about moving to CIE jobs.
- To find out what they have learned, which can be shared with other employment service providers to help them transition away from subminimum wage, if they choose, or if subminimum wage is no longer allowed.

Plan:

- Interviews (two)
- Survey (one)
- Listening session (one).

Advocacy organizations that support the rights of people with disabilities

Why collect their input:

- To find out what works well and what needs to change to help support people with disabilities, and their families, if subminimum wage is not allowed.
- To find ways these organizations could help in the future if subminimum wage is not permitted.
- To find out what educational materials exist, or need to be made.
- To give the task force ideas for recommendations about what to do if subminimum wage is not allowed.

Plan:

- Interviews (three)
- Focus groups (two)
- Survey (one)
- Listening sessions (four).

Federal, state and local agencies

Why collect their input:

- To find out how what policies, laws and practices need to change if subminimum wage is not allowed.
- To understand how much it will cost to support moving people toward CIE jobs, and other available supports.
- To find out how people's public benefits will be affected if subminimum wage is not allowed.
- To inform the task force as it makes its recommendations for a plan.

Plan:

• Survey (one).

Subminimum wage listening session run of show/facilitation guide

Tuesday, June 7, 2022; 6 to 8 p.m. (EST)

Welcome (6-6:10 p.m.): Melissa Jimison, PSC

Thank you for joining us this evening. My name is Melissa Jimison, and I work for Public Sector Consultants, or PSC, a company hired to gather feedback about subminimum wage in Minnesota. For a visual description, I am a [describe 1–2 physical characteristics] in [describe background]. I will now have the co-chairs of the Task Force on Eliminating Subminimum Wages to introduce themselves, they are Andrea Zuber and Jillian Nelson.

Closed captioning and interpretation

Before we move on to our meeting agenda, we want to take a moment to make sure everyone knows about some tools we will use. I am going to give some information about closed captions and American Sign Language (ASL) interpreters on this call. We are using ASL and communication access real-time translation (or CART) services during the beginning and toward the end of this meeting, when everyone is in this main room together. We have closed captioning on for the meeting. If you need to turn closed captions on or off, click the "Closed Caption" icon. There will be two interpreters for ASL at the meeting. The host will use the "pin" function so that you can always see the interpreters' videos. You may notice that one interpreter will sign sometimes while the other does not. If you need help with these services, reach out to the host via the chat. You can raise your hand or type in the chat if you have questions.

Zoom refresher

I am going to give some information about using Zoom. At the bottom of your screen, you will see meeting controls to help you view the meeting and share your responses if you choose. Please keep yourself muted while you are not talking; during the beginning and end of the meeting, while we are in this main room together, you can mute yourself. You can unmute once we are in smaller groups. If you are speaking, try to stay near your microphone so everyone can hear you clearly. You can turn off or cover your camera if you don't want to see yourself or have other people see you. You can use the "reactions" button to share your responses without talking. If you are comfortable doing so, please name yourself by clicking on your name; you can type your organization and pronouns, if you choose. Please do what makes your body comfortable and your mind focused during this call. You can leave the session if you need to. If you exit the meeting, you can return again at any time through the same link you used before.

Now, we are going to go over some background about PSC's work with the task force.

Introduction (6:10-6:25 p.m.)

Task force background: Andrea Zuber, The Arc Minnesota and task force co-chair

In 2021, the Minnesota Legislature set up the Task Force on Eliminating Subminimum Wages. The federal government allows some organizations to pay less than the federal minimum wage to workers who have disabilities. The task force is a group of people working together temporarily to plan so that people with disabilities, their families, and all the organizations that serve them will know what will happen in case subminimum wage ends. The Legislature didn't ask the task force to recommend whether Minnesota should stop allowing subminimum wages. Instead, the task force wants supports in place if subminimum wages end. Minnesota's Department of Human Services (DHS) wants to make sure the programs for people with disabilities support inclusion and equity instead of keeping them separate from other parts of their community. We all benefit when people with disabilities are part of our communities.

Both DHS and the task force want to learn how people and organizations will be affected if subminimum wage is eliminated. DHS has hired Public Sector Consultants (PSC)—an independent consulting firm—to help gather feedback and ideas. PSC is talking with many groups of people, including people with disabilities, their family members, service providers who are currently paying or have transitioned away from subminimum wage, organizations supporting the rights of people with disabilities, and state and local agencies serving people with disabilities. The goal of this session is to hear ideas about what supports people with disabilities would need if subminimum wage, their families, and people who are working in integrated jobs in their communities. Please know there will be many more chances to share your experiences and recommendations, including focus groups, a survey, and solution sessions.

Instructions for breakout rooms: Melissa Jimison, PSC

This is Melissa Jimison. Thank you, Andrea. The goal of this listening session is for PSC to hear about the many experiences people have with subminimum wage so that the task force's plan can address these needs. We really appreciate people's honest and useful feedback. In a few minutes, we will separate into smaller groups sometimes called breakout rooms. A breakout room is a video session that is separate from the main Zoom meeting. Only a few people will be in each group and there will someone from PSC to lead each group and take notes. In most groups, people will have three minutes to share their comments. Please provide your feedback in this time and do not comment on other people's comments so that everyone has a chance to share their ideas.

The main question everyone should answer is "What solutions need to be included in the task force recommendations if subminimum wage ends?" PSC will collect feedback on that question and share it with the task force. A summary document will be available on the task force's website in the coming weeks.

The social story, or social norms document, explains what everyone can expect to happen throughout this session, including during breakouts. PSC will send you into breakout rooms now, and you will stay with that group for about one hour. Once one hour has passed, PSC will bring you back into this main session so each facilitator can briefly explain what was shared in their group.

Breakouts: Discussion questions (6:25–7:25 p.m.): PSC facilitators

Hi, everyone. My name is [give name], and I'm a [title] at Public Sector Consultants, or PSC. For a visual description, I am a [describe physical characteristics] with [describe background]. I'm going to ask our discussion question, which is up on the screen. I will go around to each person and ask them to answer. I will take notes to remember what you shared, but I will not write down your name—we want to make sure people feel safe in sharing their experiences. Thank you for your honest, useful feedback and your respect for everyone here tonight.

People with disabilities/Family members/Advocacy organizations

1. What solutions should Minnesota think about if subminimum wage ends?

Thank you all for sharing your experiences and for being so honest. Your feedback will shape the work of the task force in the coming months.

Soon, we will head back into the main room. When you see the alert appear on your screen, you can click it to go back to the main room. I will share some of these general responses with the bigger group.

Providers/Employers

We are glad you joined today. This session was targeted at people with disabilities and their families, but we wanted to make the most of our time with provider attendees. There will be more opportunities to share your experiences and recommendations, including focus groups, a survey, and solution sessions.

- 1. What solutions does Minnesota need to include if subminimum wage ends?
 - a. Knowing what you know about Minnesota's system, what are the strengths of competitive integrated employment (CIE)? What are the weaknesses that need to be addressed?

Thank you all for sharing your experiences. Soon, we will head back into the main room. When you see the alert appear on your screen, you can click it to go back to the main room. I will share some of these general responses with the bigger group.

Report out from breakouts (7:25–7:55 p.m.): Scott Dzurka; PSC facilitators

Welcome back, everyone. I'm going to ask each facilitator to share some common themes or topics they heard in their breakout group. After each facilitator shares, then I will conclude the meeting talking about next steps.

Next steps (7:55-8 p.m.): Melissa Jimison, PSC

Thank you to everyone who shared. Before the meeting ends in a few minutes, I want to explain what happens next. For the rest of the summer, PSC will continue to do this work to gather information about people's needs and experiences. There will be more opportunities to share your ideas, including focus groups, an online survey, and solution sessions. PSC will gather the information and present it to DHS and the task force. The task force will then make recommendations to the Minnesota Legislature to make the best plan to address people's concerns.

Thank you again for spending time with us this evening. Goodbye.

Sample group discussion guide for people with disabilities with subminimum wage experience

Introduction

The Task Force on Eliminating Subminimum Wages was created by the Minnesota Legislature. The task force is making a plan with recommendations for what the state of Minnesota should do if laws are passed that stop the use of subminimum wages. The task force is not making recommendations about whether Minnesota should stop paying subminimum wages. The task force must give their plan to the Legislature by February 2023.

Both DHS and the task force want to learn how people with disabilities, their families or guardians, employers and provider organizations who pay people with disabilities subminimum wages will be affected if subminimum wage ends. Public Sector Consultants (PSC) is helping the task force with engaging people, having meaningful conversations, and collecting feedback. This summary shows how PSC and its partners will reach out to people with disabilities and others who would be affected. Minnesota's Department of Human Services (DHS) wants to make sure the programs for people with disabilities support inclusion and equity instead of keeping them separate from other parts of their community. We all benefit when people with disabilities are part of our communities.

We appreciate you talking to us today to share your thoughts. If there are any questions you do not want to answer, you do not have to.

Consent

Information that you share will go into a report to DHS staff and task force members on what we learned during interviews. We will not say who shared what information. We may share that a quote that came from "a person with disabilities" or "family member or guardian of a person with disabilities." Is that OK with you?

To help take notes, we would like to record this session. The recording will not be shared. Is it okay if we record the conversation?

Interview discussion guide

People with disabilities earning subminimum wage

Topical/Building rapport

- 1. To get started, tell me about your current work experience. What do you do?
- 2. Do you feel listened to and in control of your work life?
- 3. How do you get to work? Do you use any supports like technology or an adjusted schedule?
- 4. For those of you with experiences working in an enclave or at your employment service provider with other people with disabilities, do you also have experience using day services outside of work?
 - a) For people who won't have subminimum wage as an option in the future, they might need to use day services. What works about day services now?
 - b) What could be better about day services?
- 5. We want to talk about case management. In thinking about people supporting you at the county level, what do you think they do really well?
 - a) What do they need help to do better?

Close

Those are the questions we have for you today. Thank you again for your participation. Thank you and have a good day.

Listening session social narrative

Who is the host? Public Sector Consultants

What time does the meeting start? 5 p.m.

What time does the meeting end? 7 p.m.

Closed captions and interpreters

Hosts automatically enable closed captioning for these sessions. If you need to turn them on or off, click the "Closed Caption" icon.

There will be two interpreters for American Sign Language (ASL) at the meeting. The host will use the "pin" function so that the interpreters' videos will always be visible. You may notice that one interpreter will sign sometimes while the other does not.

There will be one CART (communication access real-time translation) transcriptor giving live captions.

If you lose access to or can't see a video or caption, reach out to the host for help.

What can I do during this listening session?

- You should do what makes your body comfortable (sit, stand, lie down, move around, eat or drink, use a device/fidget/toy, etc.), but try to remain as focused as possible.
 - If you are speaking to the attendees, try to stay near your microphone so they can hear you clearly.
- You can turn off or cover your camera if you do not want to see yourself or have other people see you.
- You can leave the session if you need to. If you exit the meeting link, you can join again through the same link you entered with before.
- If you were in a breakout room when you left, a host will help you get back to the same room when you return.

Table of contents

- What are these slides used for?
- Why are we using Zoom?
- What is a Zoom meeting?
- Who will I see at this listening session?
- What is a breakout room?
- What to expect from a breakout room.
- How should I ask questions and make myself heard?
- When will the listening session be over and what happens after?

What are these slides used for?

- They can help list common things you will see, hear and experience during a Zoom meeting.
- They can help you understand what to expect so you can guide your feelings and actions.
- They can help give instructions for people who learn differently, using images and text instead of just the presenter's voice.

Why are we using Zoom?

- COVID-19 and other illnesses can spread through the droplets that come from people's mouths when they talk, sneeze, cough, breathe, etc.
- In our state, COVID-19 cases are increasing in number, so Zoom helps us to stay safe and apart while still letting us see and talk to each other during the listening session.

What is a Zoom meeting?

- A Zoom meeting is an application on your computer or mobile device (phone, tablet, etc.) that lets you connect with one or more people through video and voice.
- The people at the meeting appear in boxes with their names so you can see who they are.
- You can control whether or not people can see or hear you using the control panel at the bottom of the screen.
- You can type messages in the public chat box if you do not want to or cannot speak—usually, everyone at the meeting can see what you send through the chat box.

Who will I see at this listening session?

- You will see between 125 and 175 people at the meeting.
- They are all people who were interested in sharing their experiences and concerns with subminimum wage.
- You may see some people you recognize from other places or meetings.
- You will also see the hosts of the meeting. Their videos will remain "pinned" to the main screen. This means their video squares can always be seen, even when someone else is talking.

What is a breakout room?

- A breakout room is a video session that is split off from the main Zoom meeting by the host. Only a few people are in each room.
 - Why use breakout rooms? When many people attend a virtual listening session, it is easier to have more engaged conversations and collect more opinions when the large group can be separated into small groups.
- Each breakout room will have someone who asks participants questions, called a facilitator. Participants will answer one guiding/discussion question. There may be other questions if there is enough time for everyone to answer the main discussion question.

What to expect from a breakout room

- You will see a notification to join the room. You should click "Join" to accept the invitation.
- You can unmute your microphone by clicking the microphone icon so that you can speak with other breakout room members.
- To leave the breakout room, you can click "Leave breakout room" or wait until the breakout room session is complete. A timer will appear one minute before the session ends.
 - **Note**: If someone is talking when the timer is up, their video and microphone will be interrupted. This can be frustrating to the speaker and listeners, so it is best to try to have conversations finished before the timer is up.

How should I ask questions and make myself heard?

- During the meeting, facilitators will provide instructions for communicating.
- If you have questions or would like to share a comment verbally with the group, use the "raise your hand" feature to alert the facilitator.
- Click "Reactions," then "Raise your hand." When you're done, you can click "Lower your hand."
- If the facilitator calls on you, you can unmute your microphone to share your thoughts.
- If you are more comfortable sharing through text, you can use the chat box.

When will the listening session be over and what happens after?

- The listening session will end at 7 p.m. Hosts will do their best to give reminders a few minutes ahead of this time to help attendees finalize their thoughts and conversations.
- At 7 p.m., the Zoom meeting will end.

Sample interview guide for people supporting people with disabilities

Gathering feedback from people impacted if subminimum wage goes away

Introduction

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Both DHS and the task force want to learn how people with disabilities, their families or guardians, employers and provider organizations who pay people with disabilities subminimum wages will be affected if subminimum wage ends. Public Sector Consultants (PSC) is helping the task force with engaging people, having meaningful conversations, and collecting feedback. This summary shows how PSC and its partners will reach out to people with disabilities and others who would be affected. Minnesota's Department of Human Services (DHS) wants to make sure the programs for people with disabilities support inclusion and equity instead of keeping them separate from other parts of their community. We all benefit when people with disabilities are part of our communities.

We appreciate you talking to us today to share your thoughts. If there are any questions you do not want to answer, you do not have to.

Consent

Information that you share will go into a report to DHS staff and task force members on what we learned during interviews. We will not say who shared what information. We may share that a quote that came from "someone working at a local agency supporting people with disabilities." Is that okay with you?

To help take notes, we would like to record this session. The recording will not be shared. Is it OK if we record the conversation?

Interview/Focus group discussion guide

State and local agencies providing services to people with disabilities

Topical/Building rapport

- 1. To get started, tell me about how your agency supports and/or provides services to people with disabilities. What types of programs or supports does your agency have?
 - a) How is your work related to people with disabilities earning subminimum wage?
 - b) What has worked well in your agency supporting people with disabilities?

Key questions

- 2. As I shared earlier, the state might make changes to subminimum wage and wants to make sure the right supports are in place to help people understand and adjust to the change. If you were reviewing the task force's recommendations, what topics/changes/ideas would be most important to your organization and the people you serve?
 - a) Are there programs working well in other places that the state can learn about? What makes them work well? Which parts of the programs can be copied?
 - Which people do those program(s) support? Who is eligible to be supported?
 - Can you only make a certain amount of money to be supported?
 - b) What supports would help make changes to subminimum wage go well? What should be in the plan to help answer questions and address people's concerns?
- 3. What information materials does your agency share with the people you serve?
 - a) What current materials work really well to explain ideas?
 - b) How could those information materials be better?

Wind down

- 4. Based on what you've heard today, what is the most important thing the State of Minnesota can do to best support people with disabilities wanting to work in CIE?
 - a) How can the state better support families with concerns about subminimum wage changing?
 - b) What supports or programs could be created or changed to address people's concerns?
- 5. Is there anything else you would like to share that you didn't have a chance to? Is there anything else we didn't bring up that we should have?

Close

Those are the questions we have for you today. Thank you again for your participation and have a good day.

Minnesota subminimum wage survey

Note: This is the text for a survey that was created and sent out in a survey tool called Qualtrics.

Email invitation

Hello!

The Task Force on Eliminating Subminimum Wages is preparing a plan for the state of Minnesota in case subminimum wage ends. The plan will go to the Minnesota Legislature in early 2023.

The task force has asked Public Sector Consultants (PSC) to collect feedback from people who would be impacted if subminimum wage goes away. This survey is one way PSC is gathering information. You may respond to this survey between now and August 7. If you want, you can also forward this survey to others who would be affected by changes to subminimum wage in Minnesota. You can only take this survey once.

Take Survey Now

For questions, please contact Erin Lammers at elammers@publicsectorconsultants.com, or 517-484-4954.

Survey introduction

The Task Force on Eliminating Subminimum Wages wants to hear ideas about what people with disabilities, their families, and people who serve them would need if subminimum wage is no longer allowed.

"Subminimum wage" means less than minimum wage. It means some employers can pay people with disabilities less than the state or federal minimum wage. There is a growing movement across the country to end subminimum wages for people with disabilities. To make sure Minnesota is prepared if this happens, the Minnesota Legislature set up the Task Force on Eliminating Subminimum Wages in 2021.

The task force is not making recommendations on whether Minnesota should stop allowing subminimum wages. Instead, the task force is working to ensure a smooth transition if subminimum wages are not allowed, anymore.

People with disabilities, their families and the people who support them should take this survey. Even if you choose to share your contact information at the end of the survey, your answers will never be linked to your name.

Your answers will help make a plan for the future so Minnesotans are prepared if subminimum wage goes away. Thank you!

Survey Questions

- 1. What is your connection to subminimum wage in Minnesota? If you have more than one, choose the one most important to you.
 - a) I am a person with a disability. (Go to Q2)
 - b) I am a family member or guardian of a person with a disability. (Go to Q14)
 - c) I work for an employment service provider that pays subminimum wage. (Go to Q21)
 - d) I work for an employment service provider that does not offer subminimum wage. (Go to Q22)
 - e) I am a case manager serving people with disabilities. (Go to Q24)
 - f) Other. (Go to Q24)

All people with disabilities

For the following questions, please choose the answer that is closest to your experience. Sometimes the options won't be exactly what your experience is. Just choose whatever answer is the best choice.

- 2. Do you currently have a job?
 - a) Yes (Go to Q3)
 - b) No. (Go to Q7)
- 3. What does your job pay?
 - a) Minimum wage or higher (Go to Q8)
 - b) Subminimum wage (Go to Q4)
 - c) I don't know. (Go to Q24)

People with disabilities earning subminimum wage

- 4. What do you like most about your job now?
 - a) I like the people I work with.
 - b) I like earning money.
 - c) I feel safe where I work.
 - d) I like the work I do.
 - e) It's easy for me to get to my job.
 - f) It helps me feel good about myself.
 - g) Something else.
- 5. What do you like least about your job now?
 - a) I don't earn enough money.
 - b) I don't like the work I do.
 - c) I'm bored at work.
 - d) I don't get to try new things.
 - e) I don't like the people I work with.
 - f) Something else.
- 6. What are the three biggest challenges for you to find a job that pays minimum wage or more? Choose up to three challenges you have had trying to find a job paying at least minimum wage. (Go to Q24)
 - a) Knowing where to start.
 - b) Getting the help I need to do my job.
 - c) Learning new skills I need.
 - d) Finding a job.
 - e) Being in a new place.
 - f) Getting to and from a job.
 - g) Knowing what would happen to my benefits.
 - h) I haven't tried to find a job that pays minimum wage.
 - i) Another reason. Please share.

People with disabilities not currently employed

- 7. What is the main reason you don't have a job? (proceed to Q24)
 - a) I don't know what will happen to my benefits if I work.
 - b) I don't think I can work earning minimum wage.
 - c) I was told I can't work.
 - d) I don't know how to get the extra help I need to work.
 - e) I need to learn new skills for a job.
 - f) I can't find a job.
 - g) I'm nervous about being in a new place.
 - h) I don't have a way to get to and from a job.
 - i) I don't know where to start.
 - j) Other reason, please share.

People in CIE

- 8. What do you like about working in the community earning at least minimum wage?
 - a) I like the people I work with.
 - b) The work I do is important and makes a difference.
 - c) I like earning my own money.
 - d) I learn new things at work.
 - e) Other.
- 9. Job supports are customized services that help people with disabilities do their job. Do you use job supports? Select all that you use now.
 - a) Accessible technology
 - b) Job coach
 - c) Flexible hours or work location
 - d) Personal assistance services
 - e) Transportation
 - f) If other, please share
 - g) I don't use job supports.
- 10. Have you earned subminimum wage in the past?
 - a) Yes (Go to Q11)
 - b) No (Go to Q24)
 - c) I don't know. (Go to Q24)

People in CIE with subminimum wage experience

For the following questions, type your answer.

- 11. What was most helpful for you to move from subminimum wage to competitive wage?
- 12. What would you want people in subminimum wage to know about what it was like to transition?
- 13. What would make it easier for people getting subminimum wage to move to competitive wage? (Go to Q24)

Families and guardians of people with disabilities

In this section of the survey, we say "family member" to refer to the person with a disability in your family.

- 14. How confident are you in helping your family member find resources related to their employment options?
- 15. Drag and drop the following to rank what is most important (1) to you when helping your family member consider their employment options to what is least important (7)?
 - a) Safety on the job
 - b) Transportation—getting to and from work
 - c) Their skills and strengths
 - d) Access to supports, like a job coach
 - e) Wage
 - f) The limits they have because of their disability
 - g) Keeping benefits like Social Security or Medical Assistance
 - h) Minimizing changes to their routine.
- 16. How much is your family member paid now?
 - a) Minimum wage or higher
 - b) Subminimum wage
 - c) None
 - d) I don't know.
- 17. Does your family member have experience with both subminimum wage and minimum wage or higher employment?
 - a) Yes (Go to Q18)
 - b) No (Go to Q24)
 - c) I don't know. (Go to Q24)

Families and guardians of people with disabilities who have experience with subminimum wage and CIE

For the following questions, type your answer. The survey will tell you if your answer is too long.

- 18. What was most helpful for your family member as he or she moved from subminimum wage to competitive wage?
- 19. What would you want other families of people in subminimum wage to know about what it was like to transition?
- 20. What would make it easier for people getting subminimum wage to move to competitive wage? (Go to Q24)

Employment service providers—with 14C certificates

- 21. What are the most significant barriers to your agency transitioning away from offering subminimum wage?
 - a) Business planning.
 - b) Staffing.
 - c) Supporting workers with complex needs.
 - d) Convincing employers to hire people with disabilities.
 - e) Convincing people with disabilities and their families to try integrated jobs.
 - f) Renegotiating contracts with businesses to pay minimum wage.
 - g) If something else, please share.

Employment service providers—without 14C certificates

- 22. If your organization previously offered subminimum wage, what were the biggest challenges to transitioning your agency away from subminimum wage? Select up to three.
 - a) Adapting our business.
 - b) Billing.
 - c) Communicating with people with disabilities and their families.
 - d) Communicating internally with our board and staff.
 - e) Identifying and providing the right services for people with disabilities who needed to transition.
 - f) Renegotiating contracts with businesses to pay minimum wage.
 - g) If other, please specify.
 - h) Organization never offered subminimum wage.

- 23. What recommendations do you think the task force should consider to help other organizations transition to competitive wages? (Go to Q24)
 - a) Set clear goals for transition.
 - b) Phase out tiered timing for pre-vocational services.
 - c) Train the workforce to support people with disabilities.
 - d) Change the fee schedule for allowable waiver reimbursements.
 - e) Support creation of new business models for service providers.
 - f) Encourage community businesses to hire people with disabilities.
 - g) If other, please share.

All respondents

- 24. What parts of the employment system are most important to strengthen for people to move from subminimum wage to jobs in their community earning at least minimum wage?
 - a) Waiver case manager training
 - b) Referral process
 - c) Benefits planning
 - d) Service provider training and support
 - e) Billing process
 - f) Vocational Rehabilitation Services (VRS) staff training
 - g) Awareness of employment options and supports
 - h) If something else, please share
 - i) I don't know.
- 25. What do you think will need more resources for people to move from subminimum wage to minimum wage?
 - a) More job coaches, or other direct care workers like personal care assistants.
 - b) Better training for case managers.
 - c) Better information about services and supports.
 - d) Ways to encourage businesses to hire more people with disabilities.
 - e) If something else, please share.

- 26. What things do you think are most important for the task force to consider in making a plan to transition away from subminimum wage? Please choose your top three.
 - a) Clear information about employment options and resources for people with disabilities.
 - b) A timeline for when subminimum wage will gradually end.
 - c) Better communication with people with disabilities, families and service providers.
 - d) Financial support for service providers to change.
 - e) Business support or technical assistance for service providers to change.
 - f) More robust day services.
 - g) High quality training for case managers.
 - h) Recommendations for rate changes.
 - i) Strengthened communications with families and people with disabilities about how to navigate employment options.
 - j) Something else.
- 27. What do you think would be a good timeline to phase out subminimum wage if the plan offers a phase out?
 - a) One year
 - a) One year
 - b) Two years
 - c) Three years
 - d) Five, or more, years.

Demographic questions

28. Age

- a) Less than 18 years old
- b) 18-24 years old
- c) 24-34 years old
- d) 35-44 years old
- e) 45-54 years old
- f) 55–64 years old
- g) More than 64 years old.
- 29. Gender
 - a) Female
 - b) Male
 - c) Non-binary
 - d) Prefer to self-describe
 - e) Prefer not to answer.

- 30. Race
 - a) American Indian or Alaska Native
 - b) Asian
 - c) Black or African American
 - d) White
 - e) Other race
 - f) More than one race.

31. Ethnicity

- a) Hispanic origin
- b) White.

Based on your responses, there may be opportunities to provide additional feedback. Would you be interested in participating in a discussion group?

- 1. Yes
- 2. No.

Survey completion pop-up

Thank you for taking the time to provide your perspective. Your responses will offer valuable feedback to The Task Force on Eliminating Subminimum Wages.

If you are a person with a disability or a family member of a person with a disability, please consider joining the Virtual Insight Panel (VIP). VIP members are invited to share their experience through interviews, focus groups and surveys to help the Disability Services Division of the Minnesota Department of Human Services. To learn more or sign up, please visit the Disability Hub website.

Minnesota Task Force on Elimination of Subminimum Wage solution session discussion guide—People with disabilities

Welcome from PSC [5 minutes]

- Hello! I am [PSC Facilitator] and I work for Public Sector Consultants, a company that was hired to gather community input about possible changes to subminimum wage in Minnesota.
 Subminimum wage is when someone's pay is lower than what the state or federal government thinks should be the lowest wage a person can earn.
- Our call will last about one hour and we will ask you to share your own experience and ideas to help make the task force recommendations as good as they can be.
- Before we get too far into our call, I want to make sure you know how to use some important tools on our video call. You can mute and unmute your microphone by clicking on the button on the bottom left side of your screen. It is helpful if you mute yourself when you are not talking so there is not background noise. Please turn on your video if you are comfortable and able to do so but do what is best for you. If you have questions during our time together, there are three ways to ask.
 - 1. You can unmute yourself and ask
 - 2. Type the question in the chat
 - 3. Raise your virtual hand by clicking on "reactions" and you will be called on.

Are there any questions about those Zoom features?

Welcome from task force member [5 minutes]

- [Task Force Member introduces themselves and includes what population they represent on the task force.]
- Thank you for participating. Your feedback is important to better understand what supports people with disabilities need to find and keep jobs.

Ground rules from PSC [5 minutes]

As we begin, please understand that we will not share who said what information. We are taking notes during this meeting, but we will not write names with the important points. We hope that means that you are comfortable sharing your thoughts openly. You do not have to answer any questions you do not want to.

Next, we would just like to set a few group agreements for our discussion today, so that everyone can feel comfortable in sharing their thoughts and ideas.

- Be respectful
- Take your turn to speak and let other people take their turn
- Listen to understand each other
- Honor confidentiality
- Be thinking about solutions.

One of my jobs is to make sure everyone gets a turn to speak who wants to. There may be times when we have to ask a person to finish their thoughts so someone else can have a turn. If this happens to you, it is because we noticed someone else might need a turn.

Discussion

Thank you for your participation. Your insights and ideas are very important to us. Let us begin!

Warm-up [15 minutes]

- Please give a quick introduction of yourself by telling us a little about your work experience. You can tell us if you do not want to share, or you can ask us to come back to you if you need more time to think.
- In the past, have you worked a job in your community or at a center? Have you earned subminimum wage or done "piecework"? Tell us about your work now if you are working. There will be other opportunities to tell us about your experience, so keep this part short if you can.

Session questions [25 minutes]

- Thank you. That gave us a good understanding of your experiences working.
- Next, we would like to ask a few questions that are more specific. Remember, you do not have to answer if you do not have experience or ideas about the question.
- 1. We have surveyed people with disabilities and their families, and we have spoken to them in groups like this. One of the things we have heard is that people with disabilities are being told that they cannot work. Who do you think gives this message? What are the reasons they say people with disabilities cannot work?
- 2. We heard in our conversations that benefits could be a barrier to employment. We know people can work, keep the benefits they need, and be better off financially. What would be the best way to let people know this important information?
- 3. Case managers help people with disabilities get the services and supports they need. What do you think case managers need to know about people with disabilities working in community businesses and how to help?
- 4. We heard that non-disabled people's attitudes need to change about people with disabilities working in community jobs. What are some things that we could do to change people's attitudes and encourage more people with disabilities to work in their community?

Optional Questions

- 1. Do you use Disability Hub to find information related to services, benefits, and employment? If so, what do you find most helpful? If you don't use it, why not? Are there other ways you find information? If so, what are those ways?
- 2. We heard from people with disabilities that their top challenge to finding a job are concerns about being in a new place. There are services and supports that can help people learn about and get familiar with different workplaces. How do you think we should let people know about these supports and how to use them?
- 3. We heard people with disabilities need ways to have a good day even while they are not working. This could be things like going to the gym, the library, or getting involved in their community in other ways. What would be important ways for you or the people you know to be more involved in your community, and to have a good day outside of work?

Closing [5 minutes]

Is there anything else that you would like to share?

Those are all our questions. Do you have any questions for me?

Thank you very much for your time. If you have any questions about this session or think of something you want to add, you can contact me at the email address on the email invitation you received. I will also put the email address in the chat.

Thanks for joining us!

Appendix E: Task force background papers on subminimum wages, approaches in other states

The MAD team produced background papers for task force members on seven topics. Ryan Merz from DHS helped. The seven papers are included below.

1 (Full): Subminimum wage use, concerns, trends among states and resources

Note: Most of what was included in this brief is now found above in the report section on "Subminimum wages and their use in Minnesota" on Page 16. The following parts of the brief were not covered in that section of this report.

Do jobs at subminimum wages lead to jobs in the community at minimum wage, or higher?

It is not clear that jobs that pay subminimum wages lead to paid work in the community for people with intellectual and developmental disabilities at minimum wage, or higher. The United States General Accounting Office surveyed work centers and businesses nationwide that paid subminimum wages for a 2001 report. The survey showed that only 5% of workers earning subminimum wages left those jobs within one year to take new jobs in the community at any wage. The General Accounting Office found that more than half of all people with disabilities employed by work centers at subminimum wages had been at their same place of employment for five years, or longer, with some staying with their work centers for more than 20 years.³⁰

There are other ways, aside from subminimum wage jobs, to support people with intellectual and developmental disabilities as they find and keep jobs in the community paying minimum wage, or higher—jobs where they work together with people who don't have those disabilities. These include supported employment, customized employment and individual placement supports.

 ³⁰ "Special Minimum Wage Program: Centers Offer Employment and Support Services to Workers with Disabilities, but Labor Should Improve Oversight," US General Accounting Office, September 2001, pp. 3–4.

Civil rights concerns about subminimum wages

The United States Commission on Civil Rights studied subminimum wages for its 2020 report. Recommendations in that report included the following:

- The phase-out of subminimum wages.
- Expanded capacity for supported employment programs.
- More stringent reporting and accountability for 14(c) holders during the phase-out period.³¹

The commission's report identified civil rights concerns with subminimum wages, including the following:

- Subminimum wages have, at times, separated people with disabilities from the community because some employers use separate facilities or sheltered workshops.
- There are people with disabilities who others thought could work only for subminimum wages at sheltered workshops who have shifted to jobs in the community at minimum wages, or higher.
- People who shifted out of subminimum wages told commission members they were strongly against the 14(c) program. Despite this, 98% of people who sent a comment to the commission said the government should keep the 14(c) program.³²

A 2018 report by the federal government's National Council on Disabilities also recommended phasing out job paying subminimum wages. The council's report recommended more support for integrated and customized employment, a halt to new 14(c) certificates for subminimum wage jobs and more help and trained staff to assist with employment supports.³³

³¹ "<u>Subminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, p. xvi.

³² "<u>Subminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, pp. vii–xi.

³³ "<u>National Disability Employment Policy, From the New Deal to the Real Deal: Joining the Industries of the Future</u>," National Council on Disability, October 11, 2018, p. 14.

Civil rights commission recommendations and state efforts end or reduce the payment of subminimum wages

The commission's 2020 report makes recommendations for the federal government about subminimum wages that apply to the state level, too. These include the following examples:

Plan the phase-out: There should be a planned and set time for phasing out the 14(c) program for subminimum wages. This will allow service providers and people with disabilities to move to other service models for jobs in the community at minimum wage, or higher.³⁴ For states, this might mean a specific date when subminimum wage jobs will not be supported by Medicaid payments anymore.

Rethink support for employment without retreating from it: Government should strengthen and improve support for employment among people with disabilities as it phases out subminimum wages.³⁵ For states, efforts to end subminimum wages should not be done to reduce supports or shift funding away from employment.

Expand supported employment services: Government should increase funding for services to support and expand those services as it phases out subminimum wages. The federal government should help fund employment support in states that move away from 14(c) programs.³⁶ In states, the lead agency could help service providers move to new business models to support employment and help educate people with disabilities on the changes and the value of employment.

³⁴ "<u>Subminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, p. 223.

³⁵ "<u>Subminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, p. 223.

³⁶ "S<u>ubminimum Wages: Impacts on the Civil Rights of People with Disabilities</u>," US Commission on Civil Rights, September 2020, p. 223.

2 (Full): Commonly cited potential benefits and challenges to eliminating subminimum wages

The Minnesota Legislature told the Task Force on Eliminating Subminimum Wages to "(8) identify benefits to the state in eliminating subminimum wage by Aug. 1, 2025;" and "(9) identify barriers to eliminating subminimum wage by Aug. 1, 2025...."³⁷

Task force members asked for background information on benefits and challenges—or barriers before their April meeting. MAD came up with the following lists of benefits and challenges based on comments from task force public engagement sessions and on research. Officials from DSD helped with these lists. Task force members used the lists as background for their April discussion.

Potential benefits

People with disabilities

- Jobs better match interests and skills.
- Job satisfaction and performance increase.
- Civil rights and dignity are protected.
- Less chance of abuse in integrated settings.
- Increased integration.
- Job growth and personal growth.
- Expanded social networks.
- Increased income and less dependence on government programs.

Employers and service providers

- Employment supports are more likely to lead to jobs in the community at minimum wage or more.
- Better alignment with federal policy.
- Ready for changes that might happen to federal 14(c) policies.
- Employment supports cost less without sheltered workshops.
- Service providers can focus on supports, instead of running businesses that employ people at subminimum wages.

³⁷ Laws of Minnesota 2021, 1st Special Session, chapter 7, article 17, section 14, subdivision 6.

Community

- Communities gain from more contact with people with disabilities.
- People with disabilities earn more money to spend in the local economy.
- People with disabilities can fill jobs in the local economy.

Potential challenges

People with disabilities

- Trouble finding jobs in the community that pay minimum wage, or higher.
- Loss of income from subminimum wage jobs.
- Loss of jobs that pay subminimum wages and loss of related services.
- Worries about what comes next.
- Limited choice and options when subminimum wage jobs are eliminated.
- Might lose jobs when the economy slows down.
- Worries about losing benefits because of increased wages and earnings.
- Worries that not enough employment supports will be available, especially in some parts of state.
- Worries that employers will reduce hours for the jobs or hire fewer workers with disabilities.
- Worries about failing at jobs in the community that pay minimum wages, or higher.
- Worries about safety at integrated work sites.
- Worries about being included at jobsites where their co-workers do not have intellectual and developmental disabilities.

Employers and service providers

- Higher payroll costs for employers who have workers with disabilities.
- Higher costs for employment supports and for training people to offer those employment supports.
- Worries about changing their business models.
- Worries that providers will close down.

Families and supports

- Less sure of daily schedules for their loved ones with disabilities and for themselves.
- Meaningful activities for their loved ones during time outside of work.
- More complicated service coordination.
- Transportation to jobs in the community becomes more difficult than transportation to jobs in group settings.
- Worries about care for their loved ones outside of work time or care for their loved ones if they do not find jobs.
- Worries that not enough supports will be available for activities outside of work, especially in some parts of state.

3 (Full): Policies for state government operations to help the transition wages

Officials from four other states met online with staff from the state of Minnesota to share information about what helps end or reduce the payment of subminimum wages. The officials from these model states talked about changes to how state government works when it comes to employment services and supports. This background paper lays out ideas from them.

The officials are from Iowa, Maryland, Ohio and Oregon. Maryland no longer allows jobs paying subminimum wages and Oregon laws will end subminimum wages in June 2023. Iowa and Ohio have significantly cut the number of jobs that pay subminimum wages in their states.

This background paper highlights five state government approaches these officials say help states move away from subminimum wages:

- Increase how much the government pays under Medicaid waivers for services and supports that help people with intellectual and developmental disabilities find and keep jobs in the community at minimum wage or more.
- Use day services as supports for people with disabilities who want to explore employment and move toward jobs in the community at minimum wages or more.
- Improve how different state agencies work together on employment for people with disabilities and make the rules and policies match.
- Have local partners for employment and employment services match the state government's focus on jobs in the community that pay minimum wages or more.
- Limit how much time people with disabilities have prevocational services and supports to get them ready for jobs in the community at minimum wage or more.

Increase how much the government pays under Medicaid waivers for employment services and supports

People need employment services and supports so they can move out of jobs that pay subminimum wages and into jobs in the community that pay minimum wage, or higher. To get more of these services and supports, states have increased the rates they pay to employment service providers for home- and community-based services under state Medicaid waiver plans. States make this change to encourage providers to get people into jobs in the community that pay minimum wages.

States have changed their rates to pay more for services like job development, skills training, job coaching and supported employment services. This shift in funding can help move providers away from jobs that people disabilities have in their own, separate workplace. It can help providers focus on jobs in the community where people with intellectual and developmental disabilities work together with people who do not have those disabilities.

Oregon changed its approach to employment services and based funding for home- and communitybased Medicaid waiver services on the number of hours worked by people with disabilities. Because of this change, employment service providers paid more attention to jobs that let people work more hours. Providers also had incentives to replace some support from employment service professionals with "natural supports" from co-workers, supervisors and others.

In lowa, managed care organizations play an important role in coordinating the services that Medicaid pays for. Iowa made changes to the way it pays for employment services so that those managed care organizations are expected to increase the number of jobs in the community that pay minimum wages, or higher, by 5% per year.

Maryland stopped using any state or federal funds, including Medicaid waiver funds, to support people in jobs that pay subminimum wages. Oregon ended funds to support employment path services at sheltered workshops. Sheltered workshops separate people with disabilities instead of allowing them to work together with people who do not have disabilities. Most of the work at sheltered workshops paid subminimum wages. Oregon made this change after the Center for Public Representation, the Department of Justice and others sued the state for its sheltered workshops under the federal Americans with Disabilities Act.

Use day services as supports for people with disabilities

The Iowa Department of Health and Human Services issued an administrative rule (<u>ARC 5307C</u>) to "clarify the activities provided through day habilitation to assist members in participating in the community, developing social roles and responsibilities and increasing independence and the potential for employment." The agency issued this rule based on advice from the federal government's Centers for Medicare and Medicaid Services. The rule says, "The expected outcome of day habilitation services is active participation in the community in which the member lives, works and recreates." The state of Iowa also put together a workgroup to figure out requirements and scope of services for providers to match the agency's focus on employment.

Improve how different state agencies work together on employment for people with disabilities and make the rules and policies match

Some states use formal agreements to align rules and policies from different agencies about jobs in the community at minimum wage, or higher, for people with disabilities. Agreements help make sure the state agencies focus on education, training and support services. In this way, agencies can match up vocational counseling, service plans, employment service supports, payments for those services and other employment first strategies and approaches.

Officials from Iowa, Maryland and Ohio said formal agreements among state agencies are important to their shift away from jobs that pay subminimum wages. Each of those states have formal agreements for a number of divisions within their state government, including disability services, vocational rehabilitation services, Medicaid and special education. Maryland also has a cabinet-level Department of Disabilities that organizes efforts across agencies.

Here are some examples of success with organizing and matching across state agencies:

- Ohio allows qualified employment service providers to be certified for both the Department of Developmental Disabilities and the state's vocational rehabilitation agency at the same time through a dual certification program.
- Until recently, employment service providers in Maryland who qualified for payments from Maryland's Developmental Disability Administration used to be approved, too, for job coaching and job development contracts from the state's Division of Rehabilitation Services. (Now, the two state units need to approve providers separately.)
- An agreement between Iowa's Medicaid division and its vocational rehabilitation services led to unified funding of employment services for workers with disabilities across systems and across programs.
- Iowa's Medicaid division, the state's mental behavioral health and disability services division and Iowa Vocational Rehabilitation Services worked together with stakeholders on joint definitions for employment services and a common rate structure to reimburse providers for those services.

Have local partners match the state government's focus on jobs in the community that pay minimum wages, or higher

Officials in several of the model states said the state of Minnesota should work with partners to align local approaches to the state's efforts to reduce and end the payment of subminimum wages. In Ohio, local partners are important because the state's 88 county boards of developmental disabilities work with people who need services, identify the best services for them and plan for those services. These county boards levy taxes to help fund services. They also oversee and help service providers. After an executive order from the governor and a law that emphasized employment for people with disabilities, Ohio's state government established a local leaders project that brought together local teams to figure out employment first approaches and to fund those efforts. Ohio's nonprofit employment first organization developed a needs assessment tool for local leaders to use.

As another example of state policy for local partners, Maryland requires schools to plan for transition out of school as part of IEPs for students with disabilities (including students with intellectual and developmental disabilities), beginning at age 14. The state of Maryland has rehabilitation services counselors assigned as liaisons to each school as part of the transition process. In the past, this transition process has started two years before a person with disabilities left school, but now it may happen sooner.

Limit how much time people with disabilities have prevocational services and supports to get them ready for jobs in the community

Medicaid funds home- and community-based services to move people toward jobs in the community that pay minimum wage, or higher. Prevocational services and supports are intended to get people ready for those jobs. But a lot of times Medicaid waivers fund prevocational services and supports that go on for years without people moving into jobs. In Iowa, the state's disability services division and its Medicaid division changed their guidelines and reimbursement rules for service providers to limit Medicaid waiver funding for prevocational services to 24 months and used those savings to improve reimbursement rates for community integrated employment, over time.

4 (Summary): Services and supports for workers shifting away from subminimum wages

Officials from four other states met online with staff from the state of Minnesota to share information about what helps end or reduce the payment of subminimum wages. The officials from these model states talked about services and supports for workers with disabilities. This section is a summary that lays out the main ideas from a longer background paper.

The officials are from Iowa, Maryland, Ohio and Oregon. Maryland no longer allows jobs paying subminimum wages and Oregon laws will end subminimum wages in June 2023. Iowa and Ohio have significantly cut the number of jobs that pay subminimum wages in their states.

Types of employment in the community at minimum wage, or higher

The employment services and supports in Minnesota and the four model states aim to increase jobs in the community at minimum wage, or higher. The LEAD Center identifies these four types of jobs for competitive integrated employment:

Competitive placement: When a business hires someone with a disability through its regular recruitment and hiring process. The only service or support needed for competitive placement is job placement help.

Customized employment: When someone with a disability gets flexible services and supports matched to their needs and this leads to a job that is arranged for the person and is valuable to the employer. Customized employment for the worker involves job exploration, discovery, planning and development. It also involves learning about what the employer needs. Job developers usually help workers develop customized employment.

Supported employment: When a business hires someone with a disability who has the supports they need to move into a job and keep it. This might mean ongoing supports from an employment specialist or job coach. Supported employment takes an approach that puts the worker in the workplace and uses "natural supports" from co-workers and supervisors, for example, in addition to support from employment service professionals.

Self-employment and entrepreneurship: When someone with a disability creates their own business based on their skills and what they want to do for work. Employment supports help that person succeed and earn income from their business.³⁸

Minnesota offers the right services and supports but has more people working at subminimum wages

It is more common in Minnesota than in most other states for people with intellectual and developmental disabilities to work in jobs that pay subminimum wages. This is true even though the state of Minnesota follows an employment first approach that says the best outcomes from employment services for people with disabilities are jobs in the community that pay minimum wage, or higher—jobs where they work together with people who don't have disabilities.

The Minnesota Legislature directed the task force to "identify initiatives, investment, training and services designed to improve wages, reduce unemployment rates and provide support and sustainable work opportunities for persons with disabilities." To do this for the task force, MAD looked at employment services and supports for workers who shift away from jobs at subminimum wages and into jobs in the community. They gathered information about Minnesota's current services and supports and supports and gathered information from the four model states.

Minnesota offers services and supports built around four steps to jobs in the community at minimum wages, or higher:

- **Engage**: Exploring employment services and exploring pre-employment transition services for students.
- **Plan**: The phase of figuring out employment development services and pre-employment transition services for students.
- Find a job: Support to search for a job, with help from the state's VVRS and SSB.
- Keep a job: Employment support services.³⁹

All four of these steps for employment might help some people with disabilities, but not all four steps will be helpful for everyone. The services and supports for every step should match each person's needs, so services and supports will vary. For example, engagement and planning for employment might not be needed for someone before the step find a job.

³⁸ "<u>Employment First Technical Brief #3: Criteria for Performance Excellence in Employment First State</u> <u>Systems Change & Provider Transformation</u>," National LEAD Center and the US Department of Labor, Office of Disability Employment Policy, July 2021, pp. 8-9.

³⁹ "Engage, Plan, Find, Keep Framework," Disability Hub MN, accessed October 31, 2002.

Minnesota's services and supports for people in competitive integrated employment are like the services and supports in the four model states. This may mean that the challenge in Minnesota for shifting away from subminimum wage jobs is less about changing or adding services and supports and more about people getting and using those services and supports.

Three ways to increase the number of people using services and supports to shift away from subminimum wages

Based on the interview with officials in Iowa, Maryland, Oregon and Ohio, MAD identified three ways to increase use of services and supports that help people move to jobs into competitive integrated employment. There may be others, as well. The three ways are:

- Increase the services and supports available to help people shift away from jobs at subminimum wages. Expanding the services and supports will get employment service providers and state government ready to help more people explore, plan for, find and keep jobs in the community at minimum wage, or higher.
- Change arrangements and increase the rates that government pays to reimburse providers for employment services and supports so that providers will want to offer those services and supports instead of offering jobs that pay subminimum wages.
- Communicate with workers and their families and educate them about pathways and options for jobs in the community at minimum wages, or higher.

5 (Summary): Assistance, support for providers shifting away from jobs at subminimum wages

Officials from four other states met online with staff from the state of Minnesota to share information about what helps end or reduce the payment of subminimum wages. The officials from these model states talked about assistance and support for providers. This section is a summary that lays out the main ideas from a longer background paper.

The officials are from Iowa, Maryland, Ohio and Oregon. Maryland no longer allows jobs paying subminimum wages and Oregon laws will end subminimum wages in June 2023. Iowa and Ohio have significantly cut the number of jobs that pay subminimum wages in their states.

Officials in the model states cited the following approaches, and they offered the examples listed under each:

Sharing information with providers

Officials from all four model states said it is important to share information with providers as they move away from using jobs that pay subminimum wages to people with disabilities. Approaches include:

- Conferences, forums, seminars and formal networks for providers to join so they can meet and talk with each other.
- A list of providers who have moved away from jobs at subminimum wages who are willing to share information with other providers that want to make that move, too.
- Experts on employment services who come and talk with providers about their options.
- A guidebook about jobs in the community at minimum wage, or higher, for employment service providers and coordinators.
- Communication with providers about how they can shift away from the sheltered workshop model that offer jobs that pay subminimum wages.

Training and technical assistance for provider organizations

All four model states offered training, technical assistance and advice to providers to help them shift away from using jobs that pay subminimum wages. Examples include:

- Training webinars that providers can join in real time online or can view later as recorded sessions.
- Training sessions and training retreats.
- A technical assistance team that identifies model approaches for providers to use to shift away from subminimum jobs and that also helps providers plan for this change.
- Grants that providers use to pay for consulting help from experts, including people who were part of a successful shift away from subminimum wages at other provider organizations.
- Technical assistance from an association of provider organizations, including matchups for providers making the shift away from using subminimum wage jobs.
- Help with custom business plans for providers and county boards shifting away from using jobs that pay subminimum wages.

Training and guidance for employment support professionals

Most jobs that pay subminimum wages are at facilities or sheltered workshops where people with intellectual and development disabilities work separately from people who do not have those disabilities. Employment service professionals must have different skills so they can help people find and keep jobs in the community that pay minimum wage, or higher, instead of jobs that pay subminimum wages. For this reason, all four model states offer advice and training to employment support professionals, such as these examples:

- A series of two-day training sessions that employment professionals can participate in or view later online.
- Required training sessions on core topics for staff of provider organizations that have job placement services for people with intellectual and developmental disabilities.
- Regular and ongoing training sessions offered in person and online.
- Funding to provider organizations so they can send staff to trainings about supported employment.

Financial assistance and preparedness for the transformation

Providers who stop using jobs that pay subminimum wages might be unsure about how that change will affect their finances, especially in the short term when they are making the shift. Provider organizations need to think about how the shift will affect their finances and plan ahead. They will need to consider new sources of income for employment services and supports that help people find and keep jobs in the community at minimum wage, or higher. Officials in several of the model states talked about ways to help providers with the financial transition, through funding or by making it easier for them to prepare for the shift. Examples include:

- Increased rates to reimburse providers for services and supports they offer to people for jobs in the community at minimum wage, or higher.
- Grants to providers to help fund new and creative approaches for moving away from jobs at subminimum wages.
- Grants to existing providers to help fund the shift away from subminimum wages, grants to help start new provider organizations and grants to help fund more services and supports for jobs in the community at minimum wage, or higher.
- Grants to help providers think about and plan for a shift away from subminimum wages.
- Funding to providers for pilot programs that offer customized jobs in the community.

6 (Summary): Funding and financial support for shifting away from jobs at subminimum wages

Officials from four other states met online with staff from the state of Minnesota to share information about what helps to end or reduce the payment of subminimum wages. The officials from these model states talked about funding and financing. This section is a summary that lays out the main ideas from a longer background paper.

The officials are from Iowa, Maryland, Ohio and Oregon. Maryland no longer allows jobs paying subminimum wages and Oregon laws will end subminimum wages in June 2023. Iowa and Ohio have significantly cut the number of jobs that pay subminimum wages in their states.

People with jobs in the community at minimum wages need different services and supports than people who work for subminimum wages. The officials from other states talked about a number of ways to fund and finance those services and supports.

State funding (including vocational rehabilitation services and supports to individuals as well as grants to help providers shift away from using jobs that pay subminimum wages): The Legislatures in Ohio, Oregon and Maryland all appropriated state funds for the shift away from subminimum wage jobs. For example, Maryland used millions in state funds to reduce the waiting list for Medicaid services as well as services and supports for young people moving from high school to jobs. This funding has come several times over the years, with advocates regularly pushing for it. The state of lowa requires that its employment first initiatives use existing funds differently, so lowa's state government has not increased funding with its shift away from subminimum wages and toward jobs in the community at minimum wage, or higher.

Funding through federal Medicaid and workforce programs (including Medicaid home- and community-based services and the Workforce Innovation and Opportunity Act (WIOA) for vocational rehabilitation training and support services): The model states use federal funds for programs that provide ongoing support for people in jobs that pay minimum wage or more. For example, the states increased the rates they pay to service providers for job development and support. Both the federal government and the states cover those costs through their partnership for Medicaid home- and community-based services. WIOA focuses on jobs in the community at minimum wage, or higher, especially for people with disabilities in high school and in their early adult years.

Federal funding for state-level developmental disabilities councils (used for technical assistance grants to providers and to fund guidance for people with disabilities): The federal government funds developmental disabilities councils in states and US territories to support independence for people and to include them in the community. Both Maryland and Oregon use federal funds through their councils to help shift to jobs in the community that pay minimum wage, or higher.

The Maryland Developmental Disabilities Council works with an association of employment service providers and workforce professionals to offer technical assistance grants to providers. The Oregon Council on Development Disabilities and the state's Department of Human Resources fund a peer-to-peer employment project, with involvement from the Oregon Self-Advocacy Coalition.

Federal grant funding: Used to help pay for services, supports and assistance to end or reduce the payment of subminimum wages. As an example, the Iowa Coalition for Integrated Employment got a grant from the Administration for Community Living at the Department of Health and Human Services to fund partnerships in integrated employment for five years. The funding was used to help coordinate efforts across agencies, departments and divisions. (These partnership grants for systems change are no longer available.) Iowa also received grants from the Office of Disability Employment Policy at the Department of Labor.

As another example, Maryland got federal grant dollars from 2013 through 2018 for Promoting Readiness of Minors in Social Security Income (PROMISE). PROMISE was a joint effort by SSA and the departments of Education, Labor and Health and Human Services. (This grant is no longer available.)

Local funding: Both Ohio and Iowa use local government funds to shift away from jobs that pay subminimum wages. Ohio's county boards of developmental disabilities pay for services and supports for people not on Medicaid waivers. In Iowa, the local mental health and disability authorities in several regions use local property taxes to fund incentive payments to providers for successful job placement and retention. The total in one region for all those incentive payments was less than what the counties paid in the past for employment services at sheltered workshops.

7 (Summary): Measuring and monitoring for outcomes and an end to subminimum wages

Officials from four other states met online with staff from the state of Minnesota to share information about what helps to end or reduce the payment of subminimum wages. The officials from these model states talked about measuring and monitoring progress and outcomes. This section is a summary that lays out the main ideas from a longer background paper.

This summary about measuring and monitoring includes information from three model states: Maryland, Ohio and Oregon. Maryland no longer allows jobs paying subminimum wages and State of Oregon laws will end subminimum wages in June 2023. Ohio has significantly cut the number of jobs that pay subminimum wages in their state.

Below is information about the systems that each of those states use to monitor progress on ending subminimum wages and to track employment outcomes for people with disabilities. None of the systems give out data about the individuals with disabilities.

Maryland

The state of Maryland developed its <u>Employment Outcome Information System</u> (EOIS) with help from the <u>StateData.Info</u> project and the <u>State Employment Leadership Network</u>. The EOIS website lets people get <u>summary reports</u> for wages, hours worked and self-employment by region, county and provider. EOIS also offers <u>detailed reports on providers</u> and lets users compare data about the different providers. The system has data for the number of individuals employed or engaged in meaningful activities aside from paid work.

Maryland uses EOIS data over time to improve employment outcomes and increase jobs in the community at minimum wage or more—jobs where people with intellectual and developmental disabilities work together with people who do not have those disabilities. People with disabilities and their families can use EOIS to help them choose providers based on data about outcomes.

Data collected in Maryland

Providers use EOIS to record information twice a year, typically in May and October, for each adult who receives services under the Maryland Developmental Disabilities Administration. Providers use data from 14-day periods. The data covers the following activities:

- Individual competitive job
- Individual contracted job
- Self-employment
- Group integrated job
- Facility-based job (typically sheltered workshops paying less than minimum wage, which were phased out by law)
- Community-based non-work, including volunteer job
- Facility-based non-work.

For job activities, EOIS collects data on:

- Gross wages earned (Total wages earned before taxes and other deductions are taken out.)
- Paid hours worked
- Paid time off.

The system calculates hourly pay based on gross wages and hours worked instead of asking providers to report hourly wages. This helps make sure the data for hourly wages is accurate. The questions in EOIS about self-employment are somewhat different from the EOIS questions about jobs because the situation for people who own their businesses is different from the situation for workers at a business. For activities in the community outside of paid work, providers are asked if the person had a volunteer job to help them explore employment opportunities.

Ohio

Ohio developed its <u>Outcome Tracking System</u> (OTS) with help from an Ohio-based national expert. It revised the system in 2019. OTS focuses on how people with disabilities spend their days. The state's developmental disabilities agency operates OTS.

Employment service providers must record data in OTS once a year. They must report data about jobs and self-employment. The state of Ohio asks providers to report on activities outside of paid work, but does not require this data. The state agency uses OTS to improve the lives of people with disabilities and uses OTS measurements for some of its key performance indicators.

Data collected in Ohio

Providers enter data into OTS once a year for the people they served in the month of September, but they have until March 31 of the following year to finish their reports. Providers answer the six main questions listed below. Providers who offer employment services must answer the first four questions. The state of Ohio encourages answers to the last two questions about activities outside of paid work, but they are optional.

- Is the individual in a competitive job?
- Are you supporting this individual in a group integrated job?
- Is the individual in facility-based work?
- Is the individual in self-employment?
- Are you providing the individual facility-based non-work services? (Optional)
- Are you providing the individual community-based non-work services? (Optional)

OTS collects additional data from providers about the following topics based on their responses to the six main questions:

- Employment
 - People's place on the path to employment in the community
 - Job type
 - Wages per hour
 - Hours per week
 - Benefits
 - Transportation
- Community-based non-work services
 - Hours spent in the community
- Facility-based non-work services
 - Hours spent in a facility.

OTS has a dashboard for each provider of employment services and adult day services. The dashboard lists all the people that get services from that provider through the Ohio developmental disabilities system. The Ohio Department of Developmental Disabilities adds a person to the data record for a provider if the provider billed Medicaid waiver services to that person, including adult day support, vocational habilitation, group employment, individual employment or career planning.

Providers that are certified by the Department of Developmental Disabilities must participate in OTS if they are providers of adult day and employment services, intermediate care facilities, developmental centers or county boards of developmental disabilities. For providers that do not offer employment services, the state encourages but does not require them to participate in OTS. Ohio asks them to use OTS and answer the two OTS questions about activities outside of paid work so that the state has more complete data on how people spend their days.

Oregon

The state of Oregon's <u>Employment Outcomes Systems</u> (EOS) focuses on jobs, the employment pathway and employment discovery. Providers report twice a year on employment services and outcomes for people with disabilities. The Oregon Department of Human Services uses an <u>online dashboard</u> to show EOS data, from September 2015 to present, on employment counts, average wage per hour and average hours per week for people with disabilities. The dashboard lists the data by employment service type. Users can view breakdowns by county and provider.

The data helps people with disabilities, their families and their counselors find and choose providers. The state's developmental disabilities agency uses EOS to identify and address gaps in service. Providers can include their website addresses and information about their services in the system so that potential customers can know more about them.

Data collected in Oregon

Each year through EOS, Oregon collects data from providers for the months of March and September on the number of people with disabilities participating in these types of services:

- Individual supported employment
- Small group employment
- Employment path community (used to build skills related to exploring or achieving competitive integrated employment)
- Discovery profiles (used to identify strengths, interests, abilities, skills, experiences and support needs for employment).

For employment activities, providers enter data into EOIS for:

- Hours worked per week
- Wage per hour.

Resources used for the background briefs

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ACCSES, "<u>The Array of Approaches for Enhancing Employment Opportunities for Persons with</u> <u>Significant Disabilities: Principles, Positions, and Recommendations</u>," Jan. 15.

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Terry R. Farmer and Kate McSweeny, "<u>Submission to the Congressional Record, May 21 Full Committee</u> <u>Hearing, Eliminating Barriers to Employment: Opening Doors to Opportunity</u>," letter to leaders of the U.S. House of Representatives Education and Labor Committee, June 4, 2019.

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"<u>Lane v. Brown Data Report: Final Report for the Lane v. Brown Settlement</u>," Oregon Department of Human Services, June 14, 2022.

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"Outcome Tracking System," DataOhio, accessed Aug. 24, 2022.

"<u>Outcome Tracking System Application: User Guide</u>," Ohio Department of Developmental Disabilities, April 2020.

"<u>Pre-ETS Services and Resources</u>," Department of Employment and Economic Development, accessed July 2022.

"Special Minimum Wage Program: Centers Offer Employment and Support Services to Workers with Disabilities, but Labor Should Improve Oversight," US General Accounting Office, September 2001.

State of Iowa Interview: Tammie Amsbaugh, University Center for Excellence in Developmental Disabilities at Iowa State University; Amy Desenberg-Wines, Iowa Coalition for Integration and Employment (ICIE); Page Eastin, State of Iowa Human Rights; Jess Kreho, ICIE and Griffin-Hammis Associates; Ashley Lantz, Griffin-Hammis Associates; LeAnn Moskowitz, State of Iowa Medicaid Enterprise; and Lin Nibbelink, State of Iowa Mental Health and Disability Services, interview over Microsoft Teams, March 31, 2022.

State of Maryland interview: Ken Capone, People On the Go Maryland; Jade Gingerich, Department of Disabilities, Maryland Developmental Disabilities Administration (DDA); Stephanie Jones, Department of Health, Maryland DDA; and Patricia Sastoque, Department of Health, Maryland DDA, interview over Microsoft Teams, March 25, 2022.

State of Ohio interview: Stacy Collins, Division of Policy and Strategic Direction, Ohio Department of Developmental Disabilities, interview over Microsoft Teams, March 23, 2022.

State of Oregon interview: Acacia McGuire Anderson, Office of Developmental Disabilities Services, Oregon Department of Human Services, interview over Microsoft Teams, March 10, 2022.

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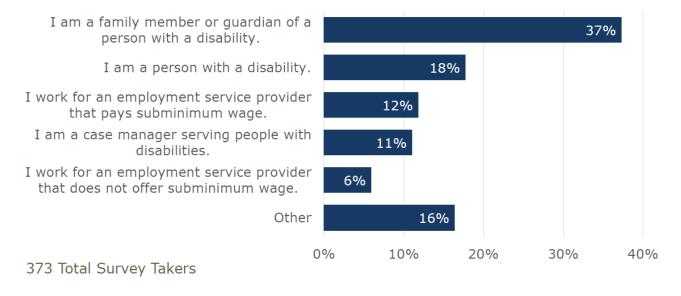
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Appendix F: Subminimum wage survey results

Prepared by Public Sector Consultants

Sept. 1, 2022

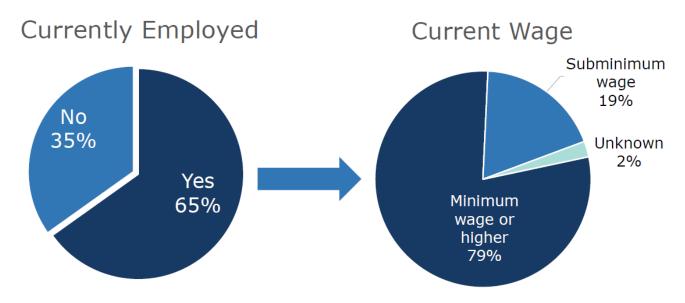
Who took the survey



Survey takers with disabilities

The following sections will share the answers of people with disabilities.

Employment of people with disabilities



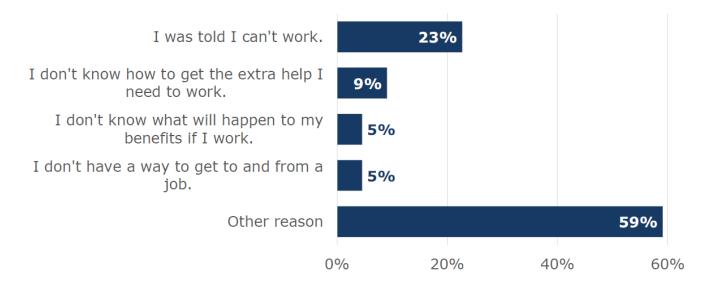
Legislative report from the Task Force on Eliminating Subminimum Wages 152

Most of the people with disabilities who took the survey have jobs.

About 80% are earning minimum wage, or higher, and about 20% are earning subminimum wage. Sixty-six people with disabilities finished this part of the survey.

Survey takers with disabilities who do not have a job right now

Main reason people with disabilities said they do not have a job



The survey asked people with disabilities who said they do not have a job why they do not have one. Most people said the survey choices were not the main reason. The next page tells the other reasons that people shared. Of the survey choices, the main reason people are not employed is that they were told they could not work. PSC plans to try to find out more about where this message is coming from.

Main reasons people with disabilities said they do not have a job

- Discrimination in the workplace and during interviews
- No stable housing
- Sickness
- On disability/unable to work
- Retired
- Searching for a job
- Starting a new job soon.

Survey takers with disabilities currently employed and earning subminimum wage

For this section of the results, only eight people with disabilities earning subminimum wage took the survey. A survey is not the best way to reach people with disabilities earning subminimum wage. PSC is collecting their feedback in other ways.

Later on, there is information shared from people who used to work earning subminimum wage but work in their community now.

Most Liked Most Disliked It helps me feel 38% good about myself. I don't earn 75% I like earning enough money. 25% money. I like the people I 13% work with. I feel safe where I 3% work. I'm bored at work. 25% Something else 13% 0% 10% 20% 30% 40% 0% 20% 40% 60% 80%

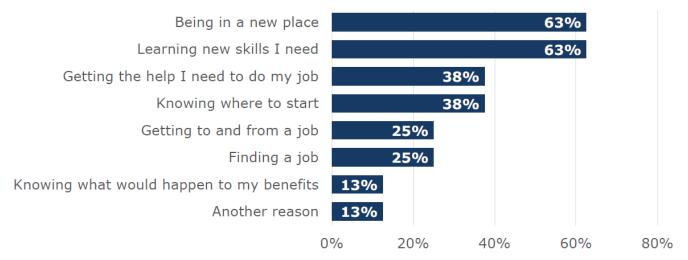
Opinions of subminimum wage jobs

People who work subminimum wage jobs reported feeling good about themselves, liking earning money, liking the people they work with and feeling safe where they work as reasons they most like their jobs.

Three-quarters of survey takers identified not earning enough money (75 %) and being bored at work (25%) as the top reasons they do not like their subminimum wage jobs.

Challenges to finding a job in the community paying minimum wage, or higher

People could choose more than one reason, so this list does not add up to 100%.



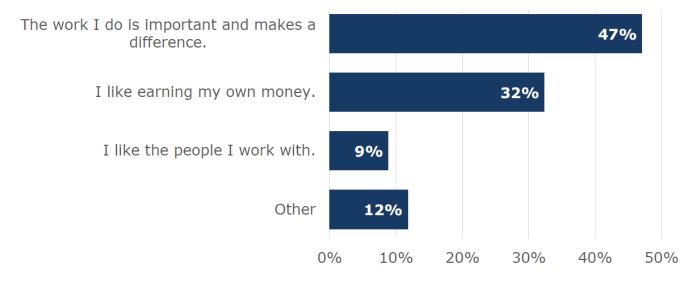
Legislative report from the Task Force on Eliminating Subminimum Wages 154

People earning subminimum wage said the biggest challenge to finding a job is being in a new place and learning the new skills they need. Many said the biggest challenge is getting the help they need to do the job and knowing where to start. Transportation and finding a job are other big challenges. The person who chose "another reason" said their biggest challenges included "finding a boss/company that lets them work limited hours with all their limitations."

Survey takers with disabilities currently employed in their community and earning minimum wage, or higher

The following pages are about people who are working in competitive integrated employment (CIE), which means the job is working in the community alongside non-disabled people and they earn at least minimum wage.

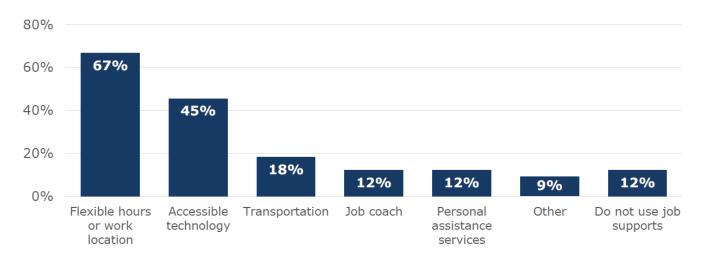
What they like most about working in the community



Almost half of the survey takers with disabilities working in their community said the thing they like most is that the work they do is important and makes a difference. Many of them said they like earning their own money the most.

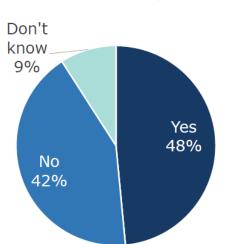
Commonly used job supports

People could choose more than one reason, so this list does not add up to 100%.



These are the most common job supports used by survey takers with disabilities who work in competitive integrated employment. The top three job supports are flexible work hours or location, accessible technology and transportation. Some people do not use any job supports.

People with disabilities who have worked in a subminimum wage job before



Previously Earned Subminimum Wage

Most helpful thing in moving to a competitive wage job

- Being a strong self-advocate
- Getting help from others
- Building skills
- Using assistive technology
- Finding supportive places to work.

Almost half of the people with disabilities who responded to the survey have worked a subminimum wage job in the past. They shared some things that were helpful to them when they moved to community-based jobs.

Advice for people who are transitioning from subminimum wage to community-based employment:

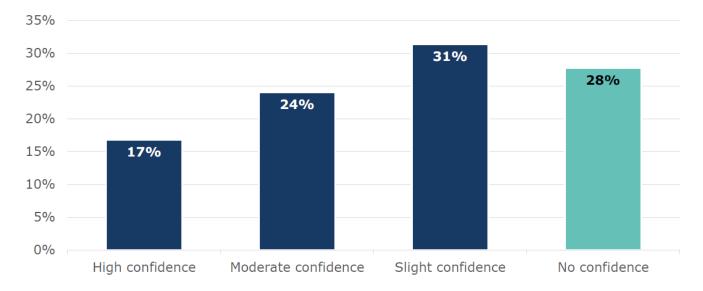
- Advocate for yourself
- It is possible
- It is tough
- It takes time
- The paychecks are great
- Work to improve your skills.

People with disabilities who are now working in CIE shared some advice for people making a transition from subminimum wage. Things that would make the transition easier:

- Being more aware of social security income limits.
- Better job opportunities.
- Changes in the law.
- More job opportunities in rural communities.
- More employers looking past disabilities.
- Training to improve skills.
- Jobs that use specific skill sets of a person with a disability.

People with disabilities who are now working in CIE shared some ideas about what would make a transition from subminimum wage to community-based employment easier.

Family members or guardians of a person with a disability



Level of confidence in helping family member find employment resources

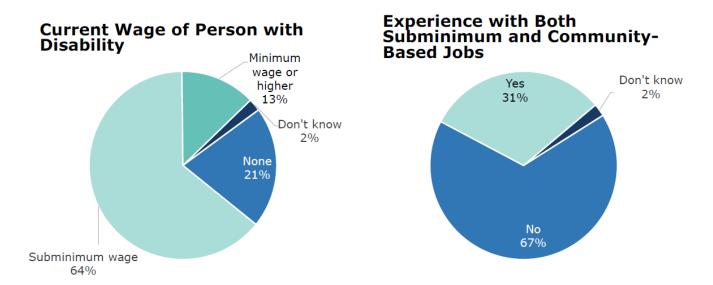
Most family members or guardians of people with disabilities are not sure about employment resources for people with disabilities.

Most important things when helping a family member find a job:

- Safety on the job
- Skills and strengths
- Transportation to and from work
- Keeping benefits
- Limits because of their disability
- Access to supports
- Minimizing changes to routine
- Wage.

Families and guardians of people with disabilities said these were the most important things when they help a family member find a job. The first four on the list were almost equally important. Wage was the least important thing for family members and guardians.

Disabilities and job experience shared by family members and guardians



When family members or guardians were asked about the job experience of their person, 64% are earning subminimum wage now. Thirty-one percent have experience with both minimum wage and subminimum wage jobs.

Most helpful thing in moving to a competitive wage:

- Access to housing and transportation
- Day programs
- Experience and personal ability
- Good communication about what to expect
- Employer support
- Family support
- Job coaches
- Job that fits their skills and interests
- Training.

These were some of the responses from the family members of people with disabilities who have experience moving from subminimum wage jobs to community-based jobs. Things that are more important include having a sense of purpose, being safe and supported at work, being valued as an employee, being with peers and receiving pay regardless of the amount.

Things that would ease the transition according to family members or guardians:

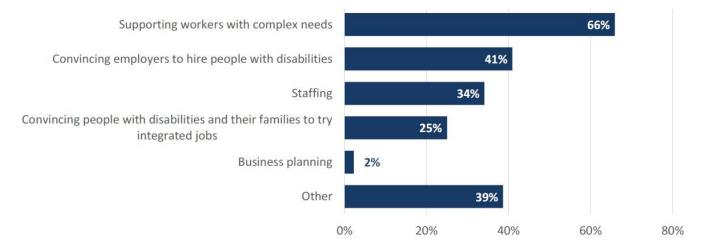
- Having supportive employers and families.
- Offering employer incentives.
- Making sure that the person with a disability keeps their benefits.
- Making sure there are job opportunities, options and personal choice.
- Providing job coaches, support staff and other supportive services.
- Providing access to safe transportation.

Employment service provider staff

Employment service provider staff organizations paying subminimum wage

Barriers to transitioning away from subminimum wage

People could choose more than one, so this list doesn't add up to 100%.



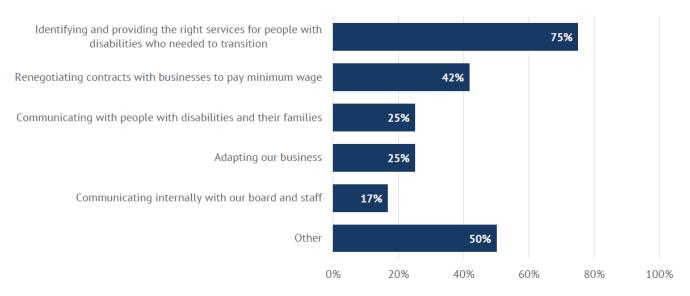
These were the most common challenges employment service providers shared about transitioning away from subminimum wage.

Nearly 40% said there was a barrier other than those listed. Of those, there was a common disbelief that all people with disabilities can work at competitive rate jobs. Additionally, some said a barrier exists in convincing employers to hire people who are not able to work as productively as other workers.

Sixty-six percent of service providers said supporting workers with complex needs is the most significant barrier to transitioning away from subminimum wage.

Employment service provider staff organizations not offering subminimum wage

Challenges to transitioning away from subminimum wage



People could choose more than one, so this list does not add up to 100%.

These were the challenges to transitioning away from subminimum wage according to organizations that already transitioned away from it.

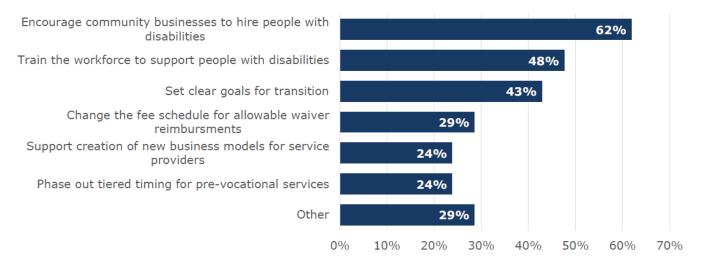
Of 12 respondents, 50% identified another challenge not listed. The next figure shares more about those answers.

Challenges to transitioning away from subminimum wage:

- Other challenges identified by providers that had transitioned:
 - Ensuring the person with a disability did not lose their sense of community if they do not go into community-based employment.
 - Finding work for individuals with greater needs.
 - Finding employers willing to hire individuals with disabilities at minimum wage, or higher.

Recommendations to help other organizations transition

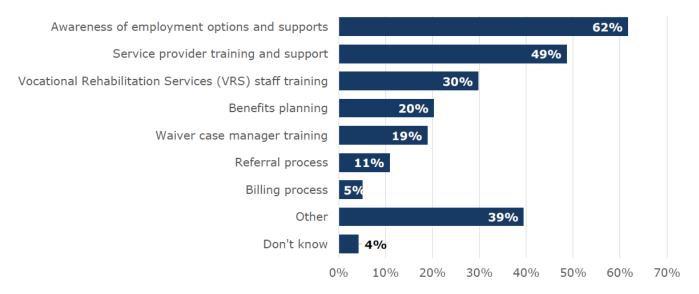
People could choose more than one, so this list does not add up to 100%.



Over 60% of survey takers working for employment service providers that do not currently offer subminimum wage said the task force should encourage community businesses to hire people with disabilities in order to help other organizations transition away from offering subminimum wage. Almost half said the task force should train the workforce to support people with disabilities.

Again, nearly 30% of survey takers said they had a recommendation other than those listed. Those who chose "Other" said that education should be provided to support staff, case managers, individuals with disabilities and their families regarding what services exist and the transition plan. Additionally, survey takers said that support staff needs to be well-paid and flexible with work hours.

Employment service provider staff—All survey takers



Strengthening the employment system—All survey takers

More than 60% of survey takers said that awareness of employment options and supports is one of the most important parts to strengthen for people to move from subminimum wage to jobs in their community earning at least minimum wage. Nearly half said that strengthening service provider training and support was one of the most important aspects, and 30% said it was important to strengthen vocational rehabilitation service staff training.

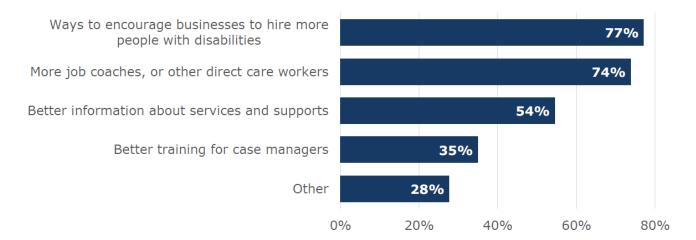
Many survey takers said there was another thing to strengthen. The main ideas of those who selected "Other" and wrote in a response are below.

Strengthening the employment system—other needs

- Fund more support staff and services for people with disabilities working in the community.
- Educate and incentivize employers to hire people with disabilities, find ways to address employer discrimination against people with disabilities.
- Make sure safe transportation is covered so people can get to jobs, across the state.

Needed resources—All survey takers

People could choose more than one, so this list does not add up to 100%.



More than three-quarters of survey takers said that ways to encourage businesses to hire more people with disabilities would need more resources for people to move from subminimum wage to minimum wage, and nearly three-quarters said more job coaches or other direct care workers were needed. More than half said better information about services and supports was needed and more than one-third said there was a need for better training for case managers. Nearly 30% said that resources other than those listed were needed.

Needed resources—Other

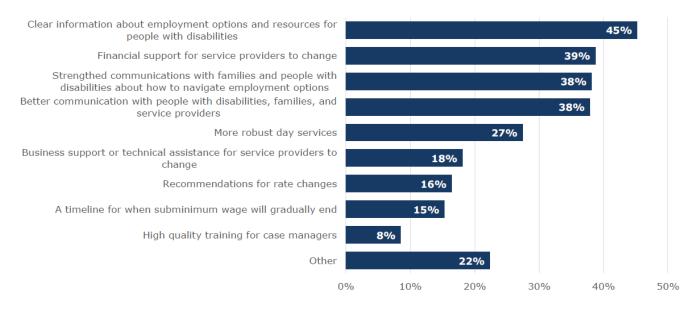
When asked what resources would be needed to transition away from subminimum wage, threequarters of survey takers suggested specific ideas.

About 5% of all survey takers (24 individuals) selected "Other" and shared their belief that subminimum wage should continue as an option. None of these were people working subminimum wage jobs.

- 75% of survey takers who responded with "other" suggested:
 - Funding and better wages for support staff
 - Employer incentives
 - Training and job opportunities that suit individual needs
 - Supportive employers
 - Increased funding and policy changes
 - Transportation
 - Education on the needs of people with disabilities.

Important Considerations

People could choose more than one, so this list does not add up to 100%.



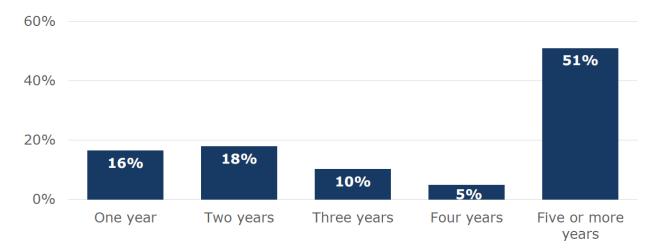
These are the most important things for the task force to consider in making a plan to transition away from subminimum wage according to all survey takers.

These are some of the ideas suggested that were not represented in the survey's existing options.

Important considerations—Other

- Minnesota needs incentives for employers to hire people with disabilities.
- Service providers need more support staff and service availability.
- More job options are needed.
- People need to understand how working a minimum wage job, or higher, might impact their benefits.

Opinions on the timeline to phase out subminimum wage



All types of survey takers

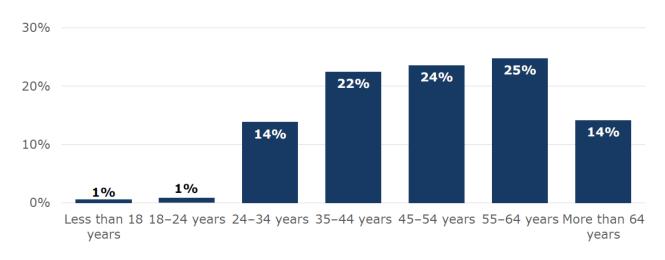
The legislation creating the task force requires the plan phases out subminimum wage on or before Aug. 1, 2025, less than three years from now. The responses to this question show that most people think it will take longer.

Over half of survey takers said that five, or more, years would be a good timeline to phase out subminimum wage if the plan offers a phase out. Eighteen percent said two years would be a good timeline and 16% said one year.

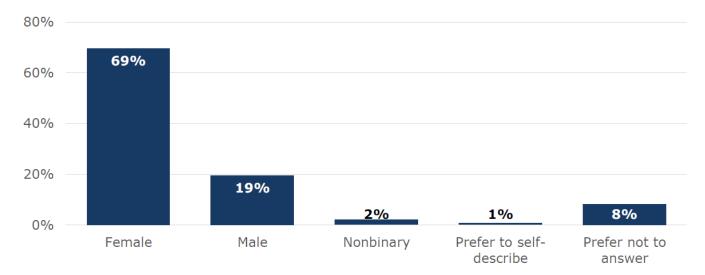
The large number of responses that state the phase out should happen over five years, or more, tells us we need to do more research. We will ask future discussion group participants why they think it will take five, or more, years (if they think so).

Demographics all survey takers

Age (n=348)

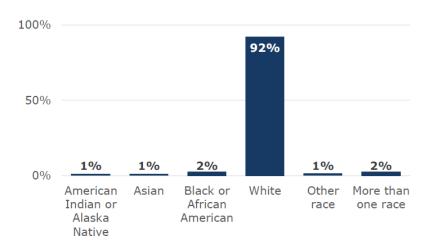


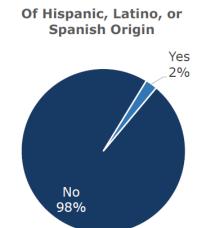
Most survey takers were between the ages of 35 and 64 and female.



Gender (n = 354)

Race (n = 344) and ethnicity (n = 343)





Survey takers were mostly white and non-Hispanic.