

2024

ANNUAL REPORT

Kentucky Employment First Council

"THE EMPLOYMENT FIRST COUNCIL SERVES TO PROMOTE COMPETITIVE INTEGRATED EMPLOYMENT AS THE FIRST AND PRIMARY OPTION FOR PERSONS WITH DISABILITIES TO HELP MEET THE TALENT DEMANDS OF KENTUCKY'S WORKFORCE."

MEMORANDUM

TO: Governor Andy Beshear
Secretary Jamie Link, Education and Labor Cabinet
Director Jay Hartz, Legislative Research Commission

FROM: The Employment First Council

CC: Katie Wolf Whaley, Chair
Cora McNabb, Executive Director of the Kentucky Office of Vocational Rehabilitation

DATE: December 1st, 2024

RE: 2024 Employment First Council Annual Report

We are pleased to provide you with the attached 2024 Kentucky Employment First Council Annual Report. This report offers a comprehensive overview of the gainful strides made over the past year toward increasing meaningful, competitive integrated employment opportunities for Kentuckians with disabilities. Additionally, this report highlights strategic outreach efforts to expand the message of Employment First throughout the Commonwealth.

Employment First is a national movement to promote competitive integrated employment as the priority option for people with disabilities. For the second consecutive year, the Employment First Council has worked to continue the momentum from 2023 by receiving technical assistance from the U.S. Department of Labor, Office of Disability and Employment Policy's (ODEP) Project NEON ([National Expansion of Employment Opportunities Network](#)) initiative. As you will see in the report, the Employment First Council has developed new partnerships and has worked in collaboration with outside stakeholders to receive their input and guidance when addressing the charge of KRS 151B.211-214. The council continues to work to increase competitive integrated employment opportunities for Kentuckians with disabilities through policy changes, training and resources, outreach, and collaboration.

The attached annual report summarizes the Council's activities and accomplishments in Kentucky over the year, including updates on initiatives like Project NEON. Additionally, you will find that moving forward, Kentucky's [Employment First Council](#) will continue to build partnerships and develop innovative resources to further its mission of an inclusive workforce for all Kentuckians with disabilities.

Thank you for supporting Employment First in Kentucky and for supporting the efforts of the Employment First Council.

Message from the Employment First Council Chair



On March 24, 2022, KRS 151B.211-214 was enacted stating that, *"It is the policy of the Commonwealth of Kentucky that competitive integrated employment shall be considered the first and primary option for persons with disabilities of working age who desire to become employed."* To assist the commonwealth with this goal, the Employment First Council was established (KRS 151B.211).

The Council has worked diligently to address the intent of this legislation by educating ourselves and Kentuckians at large on the multitude of issues that play into employment rates among Kentuckians with disabilities and the systemic barriers that keep them low.

[According to the disability compendium](#), the 2024 Kentucky employment rate for people with disabilities was 37.9% while the employment rate for people without disabilities was 78.2%, a 40.3% gap. This council understands the workforce participation rate for individuals with disabilities is about one-third that of people without disabilities.

It has been demonstrated that with accommodations and support, people with disabilities, including those with significant disabilities, can successfully work in the community. Kentucky has a broad service system for adults with disabilities. The goal of this council is for employment to become the first and primary outcome for those who express a desire to work. The reality is that our disability service system was not designed to prioritize employment. While addressing system capacity, we also know that we need to address the expectation of employment as an outcome for all Kentuckians receiving disability support services.

The above referenced employment gap ranks Kentucky 48th in the nation, and behind six of our seven neighboring states. This potential pool of talent is catching the attention of workforce professionals in addition to disability advocates. Employment First is committed to increasing the employment of Kentuckians with disabilities with an eye on meeting the labor needs of Kentucky employers.

The following pages highlight a range of activities hosted or developed in partnership with various stakeholders, as well as the extensive committee work undertaken to identify and address barriers and increase resources and information sharing. These efforts collectively demonstrate the Council's commitment to improving employment outcomes for all Kentuckians with disabilities.

Respectfully,

A handwritten signature in black ink, appearing to read "Katie Wolf Whaley".

Katie Wolf Whaley
Employment First Council, Chair

Addressing the Charge of the Council

Over the past year, Kentucky's Employment First Council has undertaken efforts to address its legislative charges, in accordance with KRS 151B.213. The following sections will address each priority of the council and includes activities and strategies completed by the Employment First Council members.

1. Identify state policies that create disincentives to employment of people with disabilities and develop recommendations to address and eliminate those disincentives.

Continued Agency Policy Review and Proposed Definition Recommendation

The Kentucky Employment First Council's Public Policy Committee regularly conducts comprehensive reviews of policies and regulations pertaining to the provision and access to competitive integrated employment. In 2024, the committee made the following recommendation: to align the state's definition of competitive integrated employment with the federal definition, which also encompasses self-employment.

Currently, KRS 151B.212 does not include language regarding self-employment in the "competitive integrated employment" definition. To align more with the federal definition of competitive integrated employment, the Employment First Council recommends language to include self-employment as an option for Kentuckians with disabilities wishing to pursue entrepreneurship. Without this change, individuals with disabilities who are self-employed may not have the same opportunities as others who do not have a disability and are also self-employed. Additionally, the recommended

change would include reference language to the Rehabilitation Act of 1973, as amended by the Workforce Innovation and Opportunity Act, which will provide consistency with the federal regulation and the definition of competitive integrated employment. The following change was recommended.

- (1) For the purposes of *KRS 151B.211 to 151B.214*, "competitive integrated employment", *consistent with the definition in section 7 of the Rehabilitation Act of 1973, as amended by the Workforce Innovation and Opportunity Act (Public Law 93-112, 29 U.S.C. § 705(5)), and consistent with federal regulation*, means work that is performed on a full-time or part-time basis (*including self-employment*):
 - (a) *For which an individual:*
 1. *Is compensated at a rate that:*
 - i. *shall be not less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 (29*

- U.S.C. 206(a)(1)) or the rate specified in the applicable State or local minimum wage law; and*
- ii. is not less than the customary rate paid by the employer for the same or similar work performed by other employees who are not individuals with disabilities, and who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills; or*
 - iii. in the case of an individual who is self-employed, yields an income that is comparable to the income received by other individuals who are not individuals with disabilities, and who are self-employed in similar occupations or on similar tasks and who have similar training, experience, and skills; and*
- 2. is eligible for the level of benefits provided to other employees;*
- (b) That is at a location where the employee interacts with other persons who are not individuals with disabilities (not including supervisory personnel or individuals who are providing services to such employee) to the same extent that individuals who are not individuals with disabilities and who are in comparable positions interact with other persons; and*
- As appropriate, presents opportunities for advancement that are similar to those for other employees who are not individuals with disabilities and who have similar positions.*

Funding and Rate Structure of Disability Services

Both the Provider Capacity and Policy committees have spent time identifying barriers to efficient and effective employment services considering the reimbursement rates paid by state agencies. The Provider Capacity committee has been a part of the development of revised rates and rate structure regarding Vocational Rehabilitation's provision of supported employment. The change in rates and rate structures should help eliminate a key barrier to provider capacity by affording Community Rehabilitation Programs a fair rate of reimbursement for services provided. These were to go into effect October 1, 2024. An increase in employment service rates in two of the Home and Community Based (1915c) Medicaid Waivers is currently awaiting final approval and anticipates going into effect in the new year.

The Council has had a continued focus on increasing Disability Employment Support System capacity and these rate changes address key barriers identified over the years.

Kentucky's 1915(c) Home and Community Based Services Waivers Comments

The Employment First Council had the opportunity to submit comments regarding Kentucky's 1915(c) Home and Community Based Services Waivers. The Council recommended the following:

- Incorporate the Employment First legislative amendment as referred in KRS 151B.211, ensuring that individuals who wish to pursue employment have access to supported employment services should they choose to utilize them.
- Standardize all rates and regulatory requirements to match those of the Supports for Community Living waiver, promoting consistency across waivers.
- Transition from a quarter-hour service billing system to a long-term support payment model based on the number of hours participants work in the community. This would enable agencies to provide individualized levels of support.

Additionally, the Council emphasized in their recommendations that the definition of competitive integrated employment be defined as in Kentucky's statute referenced above (KRS 151B.211).

Future Steps

The Council aims to drive systemic change by ensuring competitive integrated employment is incorporated into agency policies. It will continue to recommend policy changes to those who serve Kentuckians with disabilities, both youth and adults, pursue new partnerships, and provide support where needed. These efforts are designed to increase awareness of employment support systems that can afford opportunities for competitive integrated employment and increase the ability of the service system to effectively and efficiently meet the demand of those with disabilities who desire to become employed.

2. Develop training and resources for families, self-advocates, public and private providers, and employers on the benefits of working in meaningful and productive jobs within the general workforce.

"Enhancing Employer Engagement", Webinar Series

The Kentucky Employment First Council, in partnership with the University of Kentucky's Human Development Institute, successfully conducted a three-part webinar series titled, "Enhancing Employer Engagement." This initiative was planned by the Council's Employer Education and Engagement Committee and sponsored by Project NEON of the Office of Disability Employment Policy, U.S. Department of Labor. This series was presented to providers throughout the Commonwealth to equip them with tools and strategies for effective employer outreach and collaboration. There were 177 registrants for the series,

and it received positive feedback from participants. Due to this attendance, it highlights the need and value of the content presented. Steve Blanks, a subject matter expert from the Seeking Employment, Equality and Community (SEEC) organization, provided attendees the tools necessary for direct support professionals to properly engage with employers to further remove barriers to employment for individuals with disabilities wishing to pursue employment. Some comments received from the webinar evaluation include:

“Absolutely on point for what we should be doing, every day in the community.”

“The training and presenter did an excellent job at relaying new knowledge.”

“Thank you for helping me advance my professional development!” “Very well organized and presented! No recommendations.”

The virtual webinar series was held on the following dates:

- June, 20, 2024
- July 18, 2024
- August 15, 2024

Additional information for the series, such as recordings and PowerPoint slides, can be located on the [Employment First Council](#) page.

Employer Seminar Series – KY RETAIN Partnership

The Kentucky Employment First Council’s Employer Education and Engagement Committee has also forged a strategic partnership with the Kentucky Retaining Employment and Talent after Injury Illness Network ([KY RETAIN](#)) to integrate a popular [Employer Seminar Series](#) into their outreach efforts. The webinars provide a platform for employers to gain knowledge into inclusive hiring practices, workplace accommodations and the benefits to hiring individuals with disabilities. Since the partnership began, there have been a total of five webinars conducted with 455 registrants with 306 attending. Below is a schedule of the webinars offered in this series:

- April: Navigating Employer Responsibilities Under ADA Title 1
- May: Myths and Facts-Hiring Persons with Disabilities

- June: Return to Work and Stay at Work is Good Business: Keeping your Bottom Line Healthy (In-person Event)
- July: Innovative Supports for Autistic Workers
- August: Employers as Change Agents
- September: Employment Issues and Workers with Disabilities involved in the Criminal Justice System
- October: Ways Employers can Engage, Include and Amplify Workers in the Recruitment and Retention Process

In September, the series obtained the Society for Human Resource Management (SHRM) certification to offer credits to those seeking continued professional development in the human resources field.

This was a very informative, easy-to-follow presentation. Thank you for the great resources and perspective!"

Other Outreach Activities

The Employment First Council continues its outreach efforts by engaging with various audiences. The Council actively participated in the Kentucky Chamber of Commerce's Inclusive Workforce Summit held on September 30, 2024. With approximately 360 attendees, the summit aimed to provide information about successfully recruiting, retaining and including talent, with a focus on those with disabilities.

Additionally, numerous Council members attended the 2024 Kentucky Association for People Supporting Employment First ([KY APSE](#)) conference, held September 9-10, 2024. This event drew in over 200 attendees comprised of service providers, state agencies, and private organizations. The Chair of the Employment First Council is also the President of the Kentucky chapter of the Association and provided the welcoming remarks with an overview of Employment First efforts. The message of Employment First resonated throughout multiple sessions, including the opening session.

Multiple Council members also serve on the Kentucky HB 144 Commission's Employment Committee. They were integral in the development of a [video highlighting the meaning of Employment First](#), and an overview of resources for both employers and disabled jobseekers.

A [podcast hosted by the University of Kentucky's Human Development Institute](#) features Employment First and can be shared to a wide audience.

Finally, the Council continues to collect resources to house on the [Employment First](#) website. Resources are broken down by following categories:

- Employers
- Guardians-Parents
- Professionals-Educators
- Providers
- Self-Advocates

This growing, comprehensive list of resources is collected by the Council's Advocacy and Education Committee to help support individuals and organizations facing employment-related challenges. The Council plans to continue to gather already existing resources and forge new partnerships to develop innovative outreach initiatives and targeted resource material. For example, the Council's Transition Committee is gathering a collection of transition success stories across the state to highlight those individuals who have entered meaningful, competitive integrated employment after high school.

Future Steps

The Employment First Council is committed to amplifying the message of Employment First throughout the Commonwealth. In the coming year, Council members will participate in numerous events, conferences, and community gatherings to engage with a wide array of audiences on the importance of Employment First. The Council plans to continue its successful Employer Seminar Series with KY RETAIN, offering valuable information to employers and other interested parties. Additionally, the Council will continue to explore possibilities of creating more webinar events to specific, target audiences. The Council commits to working alongside the Kentucky Office of Vocational Rehabilitation, stakeholders, and statewide coalitions to further expand efforts to create a more inclusive workforce for all Kentuckians who choose employment.

3. Recommend the implementation of effective practices to increase employment opportunities for workers with a disability to public and private providers of employment assistance and employers.

Provider Capacity Committee Initiatives

The Employment First Council's Provider Capacity Committee has been actively addressing challenges faced by service providers. Their efforts are to improve service quality and

expand statewide capacity. The committee has implemented measures to eliminate barriers for providers. Key focus areas of the committee are:

- Develop Training and Resources
- Monitoring and Evaluation
- Fostering Collaborations and Partnerships
- Soft Skills and Wrap-Around Services
- Advocacy and Awareness

Current Priorities

The Employment First Council's Provider Capacity Committee's current list of priorities include:

- Identifying and reducing barriers to effective employment services, such as the rates provided to agencies. These efforts are currently being addressed by implemented rate & rate structure changes both within the Office of Vocational Rehabilitation & HCBS waivers. The Office of Vocational Rehabilitation made changes to Supported Employment rates that went into effect on October 1, 2024. The goal is for agencies to be able to afford quality service provision while avoiding the risk of operating at a loss.
- Creating and publishing a policy guidebook designed to assist provider agencies with the task of establishing policies that facilitate employment service activities in a manner that complies with regulatory requirements and creates quality standards as to how those expectations will be realized.
- Negotiating a Comprehensive Memorandum of Understanding (MOU) between the Office of Vocational Rehabilitation, the Department of Behavioral Health Developmental an Intellectual Disabilities, and the Department of Medicaid Services to operationalize Employment First as a joint organizational priority.
- Identifying needed information, training, and resources to implement employment access more effectively into current regulations offering disability services.

Ongoing Interest and Involvement

The Council and Provider Capacity Committee maintains an ongoing commitment to investigating new ways to become involved in various initiatives and projects, including:

- Updating and distributing the Provider Capacity Map (attached) to identify the regional gaps in service provision. Once identified, this allows for recruitment efforts of new or expanded services, offering resources and support to those agencies interested in filling this need.
- Continuing to refine the Coordination of Employment Service Funding between Vocational Rehabilitation and Medicaid waivers to ensure a seamless transition between funding streams.
- Provide input to the Employment First Council Public Policy Committee seeking to increase support for employment initiatives and improved funding for services.

Future Steps

While the Employment First Council's Provider Capacity Committee has made significant progress, the committee is now focusing on future initiatives, including:

- Creating linkages with Workforce Investment Board resources including Work Ready Kentucky to enhance consumers' opportunities to build the skills that the employers in their regions most desire.
- Explore the expansion of the Provider Guidebook to include policies important to Kentucky school districts.
- Examine the potential for establishing a Supported Employment Training opportunity for individual practitioners to create a pool of qualified employment specialists for provider organizations and meet the demand for employment service assistance for those utilizing personal directed services.
- Consider the merits of expansion of the comprehensive MOU between the Office of Vocational Rehabilitation (OVR), the Department for Behavioral Health, Developmental and Intellectual Disabilities, and the Department for Medicaid Services to include the Department of Education and Kentucky State Guardianship.
- Initiate additional guidance for Community Rehabilitation Providers regarding the establishment, operation, and funding of wrap-around services designed to enhance the quality of employment programs.

4. Establish measurable goals to assess progress of efforts to increase the employment of workers with a disability within the general workforce.

Employment Statistics

The 2024 Disability Compendium shows Kentucky with an employment rate of 37.9% of people with disabilities and 78.2% for those without disabilities. As stated earlier, this 40.3% gap ranks us 48th in the nation. While the rank remains discouraging, these current rates are improvements from the previous year.

Kentucky has increased the rate of employment for those with disabilities by 4.2% and decreased the employment gap by 2% over the past year. While not improving as much as other states, this does show progress within the Commonwealth.

Goal:

- The employment gap between those with and without disabilities will drop by 1% over the next year.
- The rate of those with disabilities who are employed will increase by 1%.

The [2024 Youth One Year Out survey](#) finds 29.4% of Kentucky students with disabilities (those with Individual Education Plans or IEPs) were neither employed nor pursuing post-secondary education one year post high school. This figure has remained below the goal of 29.9% since 2022. For students with the most significant disabilities, this rate of non-engagement increased from 57.7% in 2023 to 63.1% in 2024. In 2024, 45% of former students with IEPs were engaged in competitive employment. This reflects an increase from 40.4% in 2020.

Goal:

- The Youth One Year Out survey will find that the number of students with disabilities neither employed nor pursuing post-secondary education will drop to 29% overall and will drop for those with significant disabilities to 62%.
- The number of former students with IEPs, one year out, competitively employed will increase to 46%.

In alignment with the Council's Strategic Plan:

Goal 1: To reduce the employment gap for individuals with disabilities and address the talent needs of employers, we will foster and elevate local, regional, and state collaborations and coalitions of stakeholders.

Response: The Office of Vocational Rehabilitation funded the expansion of local Coalitions for Workforce Diversity to add four new regions. In addition, the Council is aware of outreach to existing workforce development and business groups to include employment of people with disabilities.

Goal 2: To encourage competitive integrated employment for jobseekers with disabilities and address the workforce needs of employers, the Employment First Council will collaborate with partners to find, develop, and make available resources that promote employment.

Response: The Council has developed, and partnered to develop, a range of resources. The Employment First Council page on OVR's website is the temporary home for resources and we continue to work toward the goal of having a distinct and accessible warehouse of resources and information by December 31, 2026. In the meantime, the Council partners with member entities and others to distribute information about accessing employment supports and increasing the capacity of our system – both providers of disability services and employers – to raise the rates of disabled Kentuckians who are employed.

Goal 3: Because systems have historically segregated people with disabilities and, as such, created disincentives to providing competitive integrated employment, to facilitate the alignment of policies and procedures by crucial agencies that have historically segregated people with disabilities and created disincentives to providing competitive integrated employment in a manner that reflects the priority of competitive integrated employment per KRS 151B.211.

Response: The Council continues to review relevant policies and make recommendations for change, both formal and informal. In addition, the Council has identified areas that may not need regulatory change but where additional information, resource and/or training would allow regulation & policy to be better carried out toward the priority of employment. The Council works to develop and/or share information where this is the case.

- In the final quarter of 2024, the Council expects to see increased rates to Community Rehabilitation Providers (CRPs) providing supported employment services in agreement with Office of Vocational Rehabilitation.
- Additionally, the Department for Medicaid Services has suggested rate increases for supported employment and is awaiting a final Centers for Medicare and Medicaid Services (CMS) response.
- Videos and resources developed may be utilized within existing systems to better allow access to employment supports for those who desire to become employed.

Conclusion

The Kentucky Employment First Council's multifaceted approach to improving employment opportunities for individuals with disabilities demonstrates a commitment to positive change. Through comprehensive outreach, policy review, and capacity- building initiatives, the council is addressing systemic barriers and empowering Kentuckians with disabilities to pursue their career goals. The Council continues to take crucial steps toward realizing its vision; that people with disabilities are valued and essential members of Kentucky's workforce.

