

19-01 FINAL REPORT: Employment and Community Inclusion Services for People with Developmental Disabilities

LEGISLATIVE AUDITOR'S CONCLUSION:

The Developmental Disabilities Administration prioritizes services that help clients get jobs in the community. It does not determine how its services impact individual clients' quality of life.

January 2019

The 2017 operating budget directed the Joint Legislative Audit and Review Committee (JLARC) to evaluate employment and community inclusion services for persons with developmental disabilities. The Developmental Disabilities Administration (DDA) oversees services through program agreements with county developmental disability authorities. Most counties contract with private companies to provide services.

DDA prioritizes individual employment services

Individual supported employment services assist clients with finding jobs in integrated community work places that pay at least minimum wage. DDA prioritizes this service over other employment and community inclusion services. See tab 2 for more detail.

EMPLOYMENT SERVICES	COMMUNITY INCLUSION
DDA's stated purpose: help clients find and maintain jobs that match their goals and skills	DDA's stated purpose: help clients develop skills, foster independence, and form relationships with non-disabled community members
Individual Supported Employment	
Group Supported Employment	
Prevocational Services	

Washington leads the nation in helping clients get jobs. However, few of them meet DDA's objective of earning a living wage.

Compared to other states, Washington has the highest percent of clients enrolled in integrated employment services. The goal of individual supported employment services is gainful employment, which DDA defines as clients' achievement of, or progress towards, earning enough money to meet

their living expenses. JLARC staff analyzed client data and found that 10% of clients earned a living wage (i.e., more than the federal poverty level). See tab 3 for more detail.

DDA does not directly measure quality of life outcomes for its employment and community inclusion programs

DDA intends that its services provide quality of life benefits for clients, such as choice, relationships, integration in the community, and competence. However, DDA does not measure quality of life outcomes, so it is unable to systematically determine if clients are receiving them. Although measuring quality of life outcomes is challenging, specialists in the field identify best practices, included in this report. See tab 4 for more detail and Appendix D for the specialists' report on best practices.

DDA does not verify or track whether individuals are offered the choice to switch to community inclusion services

By law, DDA clients cannot receive employment and community inclusion services at the same time. Nearly all clients start with employment services. After nine months, the law requires DDA to offer community inclusion services to clients. DDA does not verify whether it meets that mandate. See tab 5 for more detail.

Stakeholders told JLARC staff that the service system is complicated

JLARC staff interviewed a variety of stakeholders about the process of requesting, authorizing, and receiving employment and community inclusion services. Clients and families reported that they had challenges navigating the system and understanding both the programs we reviewed and the broader system. See tab 6 for more detail.

Legislative Auditor recommends developing a system to measure quality of life outcomes and implementing statutory requirements for community inclusion

The Legislative Auditor makes three recommendations. DDA should:

1. Develop a system to measure quality of life outcomes for its clients.
2. Ensure that eligible clients are offered the choice of community inclusion after nine months in employment services.
3. Report to the Legislature on its efforts to strengthen and expand the community inclusion program, including an analysis of provider capacity and rate structure.

The Department of Social and Health Services concurs with these recommendations. You can find additional information on the Recommendations tab.

Committee Action to Distribute Report

On January 10, 2019 this report was approved for distribution by the Joint Legislative Audit and Review Committee. Action to distribute this report does not imply the Committee agrees or disagrees with Legislative Auditor recommendations.

REPORT DETAILS

1. DDA's service authorization process

DDA authorizes employment and community inclusion services based on client needs and available state funds

The 2017 operating budget (ESSB 5883) directed the Joint Legislative Audit and Review Committee (JLARC) to review employment and community inclusion¹ services offered through the Department of Social and Health Services (DSHS).

Employment and community inclusion services are part of a larger system of services

Within DSHS, the Developmental Disabilities Administration (DDA) manages a variety of services for eligible adults with developmental disabilities. These adults live in the community, not institutions. Most services are funded through a combination of state general fund and federal Medicaid dollars. Other services include paid caregiving, skilled nursing, behavioral health, psychiatric services, community guides, and transportation.

Within DDA, the Employment and Day Services program manages employment and community inclusion services. Both of these services are administered through contracts with county developmental disability authorities. Most counties contract with private companies to deliver services to clients.

Clients must follow a four-step process to receive employment or community inclusion services through DDA

To become a client, a person must have a qualifying disability and meet financial requirements. While clients may enter the process at different times (e.g., as youth or adults) and receive different services, there are four basic steps to the process. More detail is in Appendix A.

1. **Application:** Individuals who are residents of Washington, have a qualifying developmental disability that began before age 18, and have evidence of substantial limitations are eligible to

¹ Formerly called community access

be DDA clients. Becoming a client of DDA does not guarantee access to paid services such as employment and community inclusion.

2. **Assessment:** Clients must contact DDA to request services. After that, a DDA case manager schedules an assessment. DDA uses an assessment to determine a client's service needs, the level of support required to meet those needs, and how many service hours the client may receive. Clients with higher support needs can be authorized to receive more service hours.

Levels of support needs for employment services

Low: Independent in the community and requires little job support.

Medium: Independent in the community some of the time and requires moderate job support.

High: Requires support in the community at all times to maintain health and safety and requires significant job support.

3. **Waiver application:** DDA offers employment or community inclusion services as part of a package of services called "waivers." Waivers are tailored to specific populations. They are called waivers because the state waives certain requirements of federal Medicaid law, and clients waive their right to receive services in an institution. Most clients that receive DDA-funded employment and community inclusion services are on a waiver.
 - Waiver participation is limited and based on factors such as funding, priority populations, and unmet needs. JLARC staff analysis found that between fiscal years 2015-18, DDA denied 13% of applications to the Basic Plus waiver due to funding. Basic Plus is the most common waiver for clients in employment and community inclusion services.
4. **Service plan:** A case manager works with the client to develop a "Person Centered Service Plan," which documents all services the client may receive, as well as their support level and service hours. The client selects a provider for each authorized service.

Clients must use services or receive monthly monitoring to remain eligible

In order to maintain eligibility for waiver services, clients must use at least one service under the waiver every month or receive temporary monthly monitoring from a DDA case manager. Clients also must participate in both a financial review and DDA's assessment each year.

2. DDA prioritizes individual employment services

The Developmental Disabilities Administration prioritizes individual supported employment over other employment services and community inclusion services

The Developmental Disabilities Administration (DDA) manages services for eligible adults with developmental disabilities. Employment and community inclusion are two services clients may choose. Both are managed by DDA's Employment and Day Services program.

EMPLOYMENT SERVICES	COMMUNITY INCLUSION
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Individual Supported Employment	
Group Supported Employment	
Prevocational Services	

Individual supported employment is intended to help clients attain gainful employment

The goal of individual supported employment services is for clients to achieve and maintain integrated, gainful employment in their community. DDA defines these terms as follows:

- Integrated means that the service occurs in a regular community setting. The setting is not designed specifically for individuals with disabilities, and the majority of people in the setting do not have disabilities.
- Gainful employment means employment that reflects achievement of or progress towards a living wage. A living wage means that a client earns enough income to meet or exceed their living expenses. Clients in individual supported employment receive minimum wage or more.

Four phases of individual supported employment

Phase I includes “getting to know you” activities and basic job preparation. Phase I includes developing a resume, practicing interviewing skills, and working on appearance and behavior expectations.

Phase II includes looking and applying for jobs. Phase II activities are sometimes completed on a client's behalf by service provider staff, although some clients will be actively involved.

Phase III happens when a client is working, and includes supports such as job coaching to help the client stay in their job.

Phase IV is record-keeping and applies to activities in all other phases.

DDA policy: Supported employment shall be the first option for clients

In 2006, DDA created the "Working Age Adult" policy, establishing supported employment as the "primary use of employment and day program funds" for clients age 21-62. The policy de-emphasized other day service options.

This policy is consistent with a national movement known as "employment first," which calls for public agencies to prioritize competitive integrated employment as the first use of funds for employment and day programs.

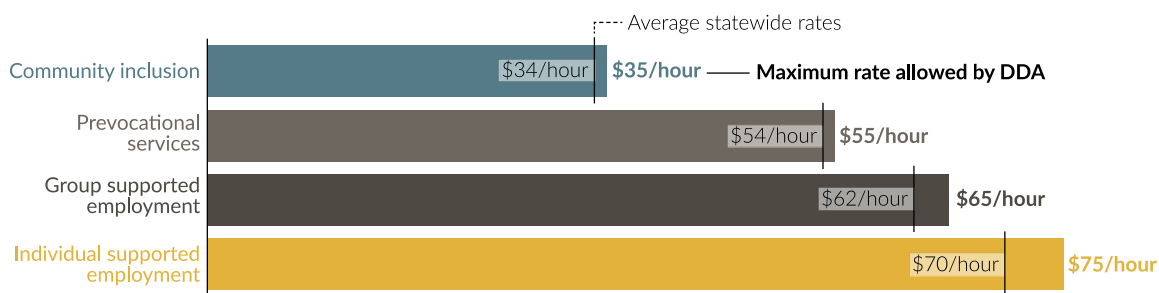
State law requires clients younger than 62 to participate in employment services for nine consecutive months before they can enroll in community inclusion, unless they apply for and receive an exception.

DDA uses contractual and financial incentives that prioritize individual supported employment

DDA's policy and agreements with counties create contractual and financial incentives that prioritize individual supported employment over other employment and community inclusion services.

- DDA's Working Age Adult Policy requires counties to ensure that supported employment services are available. It is unclear how DDA ensures sufficient provider capacity for community inclusion services.
- While counties set actual hourly provider rates, DDA sets the maximum rate the counties can pay their providers for each service. The highest hourly provider rate is for individual supported employment services.
- Case managers can approve additional individual supported employment service hours beyond the base hours determined in a client's assessment when there is an identified employment need. These extra hours can double the number of monthly service hours a client is eligible to receive. The extra hours and additional payments create another incentive for providers to prioritize individual supported employment.

Exhibit 2.1: Providers of individual supported employment receive the highest hourly rates



Source: County-DDA program agreements and JLARC staff analysis of fiscal year 2018 DDA billing data.

DDA's prioritization has led to more clients and increased spending for individual supported employment compared to other employment services and community inclusion

The contractual and financial incentives have supported the growth in individual supported employment over the last decade.

- In fiscal year 2008, individual supported employment accounted for 41% (3,663) of employment and day program clients and 38% (\$17.9m) of expenditures.
- In fiscal year 2018, it accounted for 75% (6,975) of all clients and 82% of total service expenditures (\$54.7m).
- See Appendix B for interactive client and spending data.

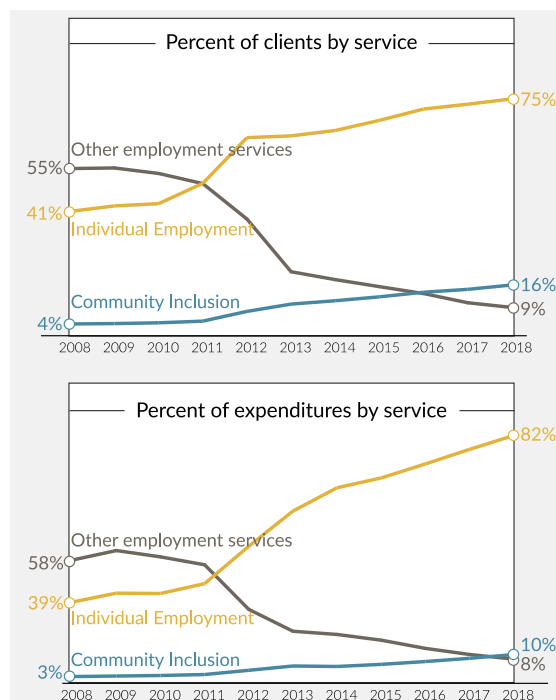
Spending on the other employment services is declining

DDA currently offers two other employment services: prevocational and group supported employment. Both are meant to be a step on the pathway to employment in an integrated setting. Providers, which also employ clients, are allowed by state and federal law to pay clients less than minimum wage for the work.

1. Prevocational services clients typically work in facilities where most employees are persons with developmental disabilities. They typically perform simple assembly tasks.
2. Group supported employment clients work in supervised groups of eight or fewer clients. The group works in an integrated setting. A typical example is a janitorial or landscape crew.

These services tend to provide clients with high support needs with more paid work hours than individual employment services. For example, in fiscal year 2018, clients with high support needs worked, on average, 40 hours per month in group

Exhibit 2.2: Clients served and expenditures increased for individual supported employment (fiscal years 2008-2018)



Note: Other employment services includes group supported, prevocational and another service called person-to-person that DDA eliminated in fiscal year 2012.
Source: JLARC staff analysis of DDA client and fiscal data.

supported employment and 47 hours per month in prevocational services. Clients with high support needs who received individual employment services worked an average of 21 hours per month.

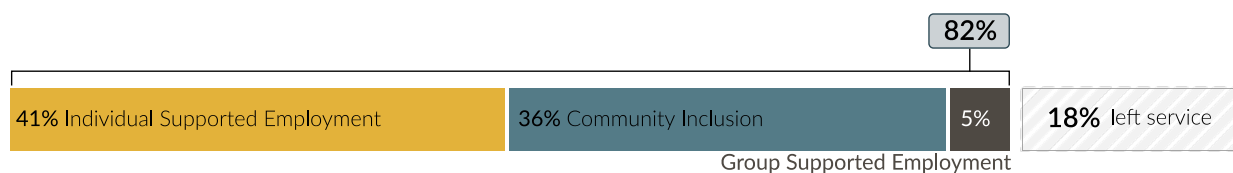
Prevocational services: DDA will end these services by March 2019

DDA stopped enrolling new prevocational clients in September 2015 and will phase out the service entirely by March 2019. It cites two reasons:

1. In January 2014, the Centers for Medicare and Medicaid Services (CMS) issued a new rule meant to ensure that persons with developmental disabilities “have full access to and benefits of community living and the opportunity to receive services in the most integrated setting appropriate.” All states were required to review service settings and submit a plan in order to maintain federal funding. DDA decided that Washington's prevocational services providers could not meet the integrated settings standard. It developed a plan to phase out the service, and CMS approved it.
2. DDA determined that clients were staying in prevocational services for long periods, instead of moving to integrated employment settings. JLARC staff analysis found that clients who left prevocational services between fiscal years 2008 through 2015 spent an average of 5.5 years in the service. Eleven percent had received the service for more than 10 years.

JLARC staff analysis shows that, of the 163 people who left prevocational services in fiscal years 2016 and 2017, 134 (82%) enrolled in another employment or community inclusion service within one year.

Exhibit 2.3: 82% of clients who left prevocational services enrolled in a different service



Source: JLARC staff analysis of DDA client data, fiscal years 2016-17. Left services includes 20 clients who did not enroll in other DDA services but remained on the "no paid services list" and 9 who became ineligible for DDA services. Eligibility is explained on tab 1.

Group supported employment: Number of providers is declining

The number of group supported employment providers has declined annually since fiscal year 2013. The declining number of providers has coincided with similar declines in service expenditures and number of clients.

DDA does not monitor provider capacity but rather contracts that responsibility to counties.

Exhibit 2.4: Group supported employment provider participation, clients, and spending have declined since fiscal year 2013

	Fiscal Year 2013	Fiscal Year 2018
Number of group supported employment providers	52	31
Counties with a provider	27	20
Percent of employment and day service clients	14%	7%
Percent of employment and day service spending	13%	6%

Source: JLARC staff analysis of DDA client service data.

Providers reported that another challenge for group supported employment is increased federal and local restrictions on paying workers less than minimum wage. Some local governments have banned the practice. New federal regulations require providers to certify that each client has been offered the option of individual supported employment services, where employers must pay minimum wage. Group supported employment providers believe restrictions have led to higher compliance costs and limited the places providers can operate.

3. Many employed, few earn living wage

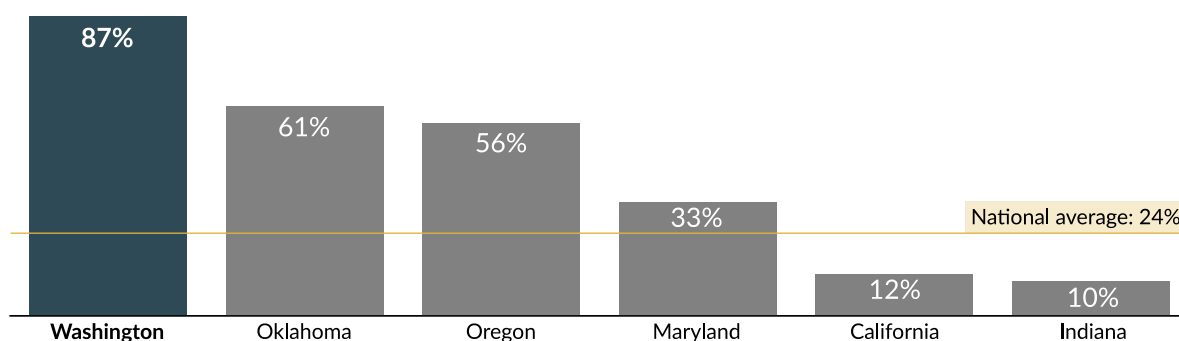
While Washington leads the nation in helping clients get jobs, few of them meet DDA's objective of earning a living wage

Compared to other states, Washington has the highest percent of clients enrolled in integrated employment services

The Washington State Developmental Disabilities Administration (DDA) helps clients get jobs through employment services. **Integrated employment services** includes both individual supported employment and group supported employment.

In 2016, the University of Massachusetts Institute for Community Inclusion published a report that showed that 87 percent of clients in Washington received employment services in an integrated setting. The next closest state, Oklahoma, served 61 percent of clients in integrated employment services. Not all clients who receive employment services have a job.

Exhibit 3.1: Compared to states with similar policies and to the national average, Washington has the highest percent of employment and day program clients enrolled in integrated employment services



Source: Institute for Community Inclusion, 2016 State Data Report. Policy similarity determined by the National Association of State Directors of Developmental Disabilities Services.

73% of clients in individual supported employment are employed, and 10% earn a living wage

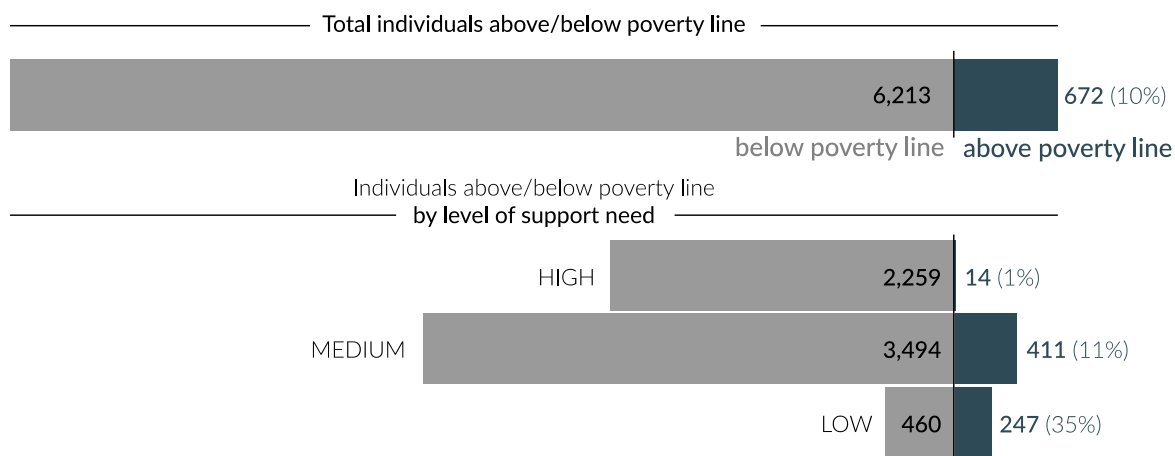
DDA's objective for individual supported employment services is to help clients achieve gainful employment. That is, they should be able to earn a living wage — enough money to meet or exceed their living expenses.

JLARC staff analyzed DDA data for the 6,975 clients enrolled in individual supported employment during fiscal year 2018. We found that:

- 5,110 clients (73%) were employed. They worked an average of 47 hours per month and earned an average wage of \$583 per month. Unemployed clients may be in the job development phase.
- 675 clients (10%) earned more than the federal poverty level (\$12,140 per year for a single person). Those below the poverty line include clients who were unemployed.
- Earnings vary by support needs.² Clients with lower support needs tend to earn more wages.
- See Appendix B for interactive client employment and wage data.

² DDA clients are separated into three categories based upon level of support needed.

Exhibit 3.2: 10% of clients in individual supported employment earn more than the federal poverty level, but this varies by support needs



Source: JLARC staff analysis of fiscal year 2018 DDA client wage information. DDA does not identify a specific amount for a living wage, so JLARC staff used the federal poverty level as a benchmark.

Clients with high support needs work fewer hours and are more likely to be unemployed

JLARC staff analysis of data for the clients in individual supported employment during fiscal year 2018 found that:

- 44% of clients with high support needs were unemployed. This is double the rate for clients with medium support needs and five times the rate for clients with low support needs.
- Clients with high support needs who were employed worked 21 hours per month on average. This is less than half the average hours for clients with medium support needs, and a quarter of the hours for the clients with low support needs.
- 99% of clients with high support needs earned less than the federal poverty level.

Exhibit 3.3: Unemployment rate and average hours worked each month varies by level of support need



Source: JLARC staff analysis of fiscal year 2018 DDA client wage data.

Clients who also use Division of Vocational Rehabilitation employment services are more likely to get a job

Clients may be directed to another division within DSHS — the Division of Vocational Rehabilitation (DVR) — for short-term employment services. Federal law prohibits individuals from receiving employment services from both programs at the same time.

- DVR operates under different federal laws and with different federal funding than DDA.
- DVR pays providers based on milestones that clients achieve, while DDA pays an hourly rate.
- DVR services are available to people with all types of disabilities, while DDA is limited to developmental disabilities.
- DVR can fund more intensive supports early in a job and pay for supports such as work uniforms or minor workplace modifications. DDA cannot pay for these supports.

JLARC staff analysis found that 80% of DDA clients that use DVR-funded services attain employment, compared to 73% of all DDA clients. In most cases, DDA requires that unemployed clients apply for DVR-funded services first. If a client secures a job, DVR funding continues until the person is determined to be stable in their job, generally 90 days. After that, the client transitions to DDA for longer term services. Clients who do not find a job can transition to DDA services if they are eligible.

4. DDA does not measure quality of life outcomes

DDA does not directly measure quality of life outcomes for its employment and community inclusion programs

The Washington State Developmental Disabilities Administration (DDA) articulates six quality of life benefits that its employment and community inclusion services are intended to achieve.

DDA does not directly measure quality of life outcomes. As a result, it is not possible to know whether or not its services are achieving these outcomes.

Industry experts recommend measuring quality of life outcomes

JLARC staff contracted with the Research and Training Center on Outcome Measurement (RTC/OM) at the University of Minnesota's Institute on Community Integration. RTC/OM is a federally-funded project that aims to improve outcome measurement of services for persons with developmental disabilities.

RTC/OM staff state that "quality of life measurement is essential to understanding the relationship between the services provided and the outcomes." The staff note that, in the absence of systematic measurement, there is only an untested assumption that services are improving the clients' quality of life. They point out that administrative data (e.g., provider billing data, employment data) is not a substitute for asking clients and their families direct questions about their quality of life.

RTC/OM staff acknowledge that measuring quality of life is a complex task. However, they assert that measures can be identified that allow the state to make more informed decisions about policy, resource allocation, and programs. RTC/OM staff identified a variety of established approaches that have been tested through research. In addition, RTC/OM is developing its own set of measures focused on

DDA's six quality of life benefits

Power and Choice – Making our own choices and directing our own lives.

Relationships – Having people in our lives whom we love and care about and who love and care about us.

Status/Contribution – Feeling good about ourselves and having others recognize us for what we contribute to others and our community.

Integration – Being a part of our community, through active involvement. This means doing things we enjoy as well as new and interesting things.

Competence – Learning to do things on our own or be supported to do things for our self.

Health and Safety – Feeling safe and secure, and being healthy.

Source: WAC 388-825-056 and DDA Guiding Values.

employment and community inclusion. For example, its measures would ask clients whether they agree or disagree with statements such as "you feel accepted by your coworkers" and "you find the activities you engage in enjoyable." RTC/OM's full report is available in Appendix D.

DDA tracks some indicators, but it does not directly measure quality of life outcomes

DDA has systems to track administrative data such as hours and wages. While the data can serve as indicators, it is limited and does not directly measure quality of life outcomes.

Exhibit 4.1: Indicators in DDA's administrative data are limited for quality of life outcomes

Indicator	Applicability	Limitations
Hours worked	Employment services	May not reflect hours they wish to work or quality of their work experience. Does not apply to unemployed clients.
Wages	Employment services	Does not apply to unemployed clients.
Service hours	Employment services; community inclusion services	Service hours are not necessarily time client is in community – includes time provider spends on client's behalf (e.g., contacting employers, completing paperwork).

Source: DDA administrative systems.

In November 2017, DDA began to collect some information in individual case files on clients' employment goals, vocational strengths, additional support needed to be successful in employment, and preferred work hours. However, DDA does not currently use this information for system-wide outcome analysis or program management.

DDA participates in the National Core Indicators (NCI) survey, which is an effort by public developmental disabilities agencies in 39 states to measure and track client well-being. DDA submits the information to a national association but does not use information gathered in the surveys to shape policies or programs.

Benefit-cost analysis would be limited because it cannot currently account for quality of life measures

In response to the Legislature's request for information on the costs and benefits of services, JLARC staff contracted with the Washington State Institute for Public Policy (WSIPP). WSIPP specializes in social service benefit-cost analyses.

WSIPP noted that it could not attach a monetary value to quality of life outcomes, so they cannot be used in a benefit-cost analysis. Since quality of life benefits are important intended outcomes of DDA's services, a benefit-cost analysis would have limited value for investigating or comparing the benefits of employment and community inclusion services.

WSIPP searched for studies that could allow researchers to estimate the effect of employment and community inclusion programs in Washington. It identified a small number of national multi-site studies that analyzed the monetary benefits of individual supported employment programs.

However, it cautions that the results may not be generalizable to Washington because the mix of programs in the studies do not reflect the programs currently available in the State. WSIPP did not find any high-quality studies that evaluate the effects of community inclusion, prevocational, or group supported employment services.

A benefit-cost analysis:

- Analytical method for comparing the benefits and costs over time of a policy change or program against another option or the status quo.
- Includes a range of benefit and cost categories, across individuals, government, and society.
- Must be able to assign a monetary value to the benefits and costs that are identified.

The Legislative Auditor recommends that DDA implement a system to measure quality of life outcomes for its clients in employment and community inclusion services

DDA should plan and implement a system to measure whether employment and community inclusion clients are achieving the quality of life outcomes described in WAC 388-825-056.

The Department of Social and Health Services concurs with this recommendation. You can find additional information on the Recommendations tab.

5. DDA does not verify if clients are offered community inclusion

State law requires that DDA clients be given the choice to transition to community inclusion services after nine months. DDA does not verify or track whether the mandate is met.

Community inclusion is the primary alternative to employment services

Community inclusion is an individualized service, with activities designed around a client's interests. It is intended to support clients in making connections to people who are not paid to be with them. The service is usually delivered on a one staff-to-one client ratio, although in some cases, two or three clients with similar interests and goals may participate with a single staff member.

In 2012, the Legislature directed the Washington State Developmental Disabilities Administration (DDA) to "strengthen and improve" the community inclusion program. Based on that direction and stakeholder feedback, DDA has taken some improvement steps. For example, it now offers training and technical assistance to providers and has a frequently asked questions document for clients interested in accessing the service.

Common Community Inclusion Examples

- Joining a club
- Volunteering at a nonprofit
- Taking an art class

Statute requires DDA to offer clients the choice to transition from employment to community inclusion after nine months

By law, clients cannot receive community inclusion services at the same time as employment services. Until 2012, DDA's rule was that employment services were the only option for clients age 21-62 years.

In 2012, the Legislature mandated that:

Clients age twenty-one and older who are receiving employment services must be offered the choice to transition to a community [inclusion] program after nine months of enrollment in an employment program.

RCW 71A.12.290

Employment and community inclusion clients can also access community guide. Community guide is a short-term service meant to assist with specific, focused goals, such as finding a new place to live or attending a festival. DDA intends for the service to supplement individual supported employment. At present, it is smaller than community inclusion. In fiscal year 2018, it served 430 clients and cost \$680,000.

DDA policy may limit transitions to community inclusion. The agency does not track whether clients are offered the choice.

A balance must be struck between pursuing an employment first policy and also meeting statutory requirements to inform clients they can switch to community inclusion. At times, DDA policy and practice limit the circumstances in which a client could switch to community inclusion services.

- While statute requires only a nine month waiting period, DDA policy limits authorization to clients who “haven’t found a job and decide not to continue looking for work.” This policy potentially excludes clients who have a job but wish to switch to community inclusion.
- In interviews with JLARC staff, some DDA case managers said they initiate discussions about community inclusion, while others said the client has to request it without prompting.
- DDA policy allows case managers to offer clients extra service hours and other support to help them stay in individual supported employment services.

DDA does not track or verify whether individual clients have been offered the choice to switch to community inclusion services after participating in employment services for nine months.

In 2017, DDA eased the process for approving exceptions to the 9-month requirement and began tracking data about exemptions

As required by state law, DDA allows clients to ask for an exception to the requirement that they use supported employment services for nine months. In 2017, DDA changed the process and notified case managers. All requests are now reviewed and approved by the head of the Employment and Day Services program. DDA tracks data about requests, approvals, and denials. It has denied one out of 17 requests since it began tracking.

Stakeholders reported a lack of awareness and confusion about the community inclusion program, as well as concerns about service restrictions

JLARC staff interviewed stakeholders from 10 counties, including persons with disabilities, their families, DDA case managers, provider staff, and county staff.

Awareness: While some stakeholders reported that community inclusion allowed DDA clients to grow and connect with their community, others were unaware of community inclusion as an option. Some of those who were unaware had looked for work for more than nine months.

Confusion: JLARC staff encountered different views among stakeholders about what activities (e.g., bowling, gardening) were permissible, the purpose of the program (e.g., pathway to employment, retirement service), and whether services should diminish over time as the DDA client found other sources of support in the community.

Service restrictions: Stakeholders reported that the prohibition on receiving community inclusion and employment services at the same time is problematic for clients who remain unemployed the entire nine months or only work a few hours a month. They expressed concern that clients in that situation would be unable to achieve the intended benefits of services.

Provider capacity is unclear and payment rates are lower than for integrated employment

Since 2011, the number of providers has increased more slowly than the number of clients for community inclusion services (see Exhibit 5.1).

Some areas of the state have reported capacity issues. For example, although King County had 12 community inclusion service providers in fiscal year 2018, county staff reported that providers were unable to accept new clients. King County had 271 community inclusion clients in fiscal year 2018.

DDA caps compensation for community inclusion providers at \$35 per hour, which is \$40 per hour less than individual supported employment. Some providers and county staff reported that the reimbursement rate does not cover the providers' cost of delivering the service. In interviews, providers said they offer the service because they believe it is valuable for clients. Some providers reported that they cover costs with income from providing individual supported employment services or, if they are non-profit agencies, with donations.

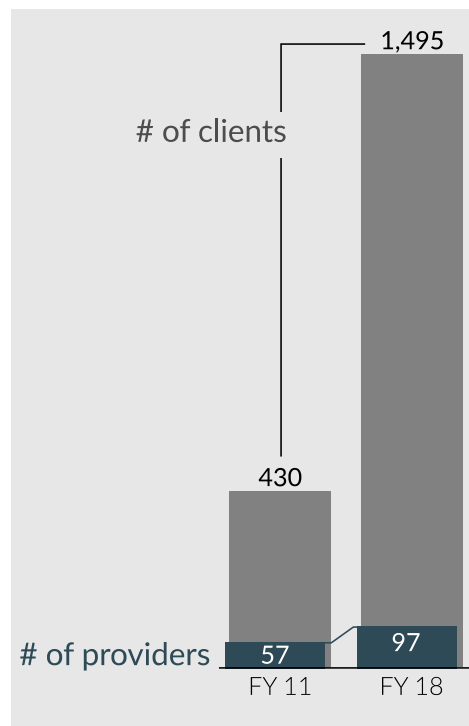
Legislative Auditor makes two recommendations regarding community inclusion: ensure clients are notified of the option to switch to community inclusion and continue to strengthen and expand the service.

DDA should verify and track whether its staff meet the requirements of RCW 71A.12.290 to offer clients the choice to switch to community inclusion services after nine months of enrollment in an employment program and inform clients of all available options for employment and day services.

DDA should continue to work with counties and stakeholders to strengthen and expand community inclusion services, as required by RCW 71A.12.290.

The Department of Social and Health Services concurs with these recommendations. You can find additional information on the Recommendations tab.

Exhibit 5.1: Growth in community inclusion clients outpaced providers



Source: JLARC staff analysis of DDA client service data.

6. Stakeholders share experiences

Stakeholders told JLARC staff that the service system is complicated

As directed by the study mandate, JLARC staff interviewed a variety of stakeholders about the process of requesting, authorizing, and receiving employment and community inclusion services. Our approach reached 232 people from 10 counties across the state. JLARC staff:

- Spoke with individuals and their families through focus groups.
- Interviewed staff from Developmental Disabilities Administration (DDA) and the Division of Vocational Rehabilitation (DVR).
- Interviewed staff from county developmental disability offices and service providers.
- Interviewed staff from advocacy organizations.

These stakeholders told JLARC staff that the system as a whole is complicated. They reported that they had challenges navigating the system and understanding both the programs we reviewed and the broader system. Appendix C provides more information about the themes of the stakeholder comments.

We cannot conclude how many clients experience these difficulties. However, DDA may consider steps to determine if they are widespread and offer possibilities for improvement.

Appendix A: Steps to request and authorize services

DDA-funded employment and community inclusion services are part of a larger system of services designed to help adults with developmental disabilities live in the community instead of an institution.

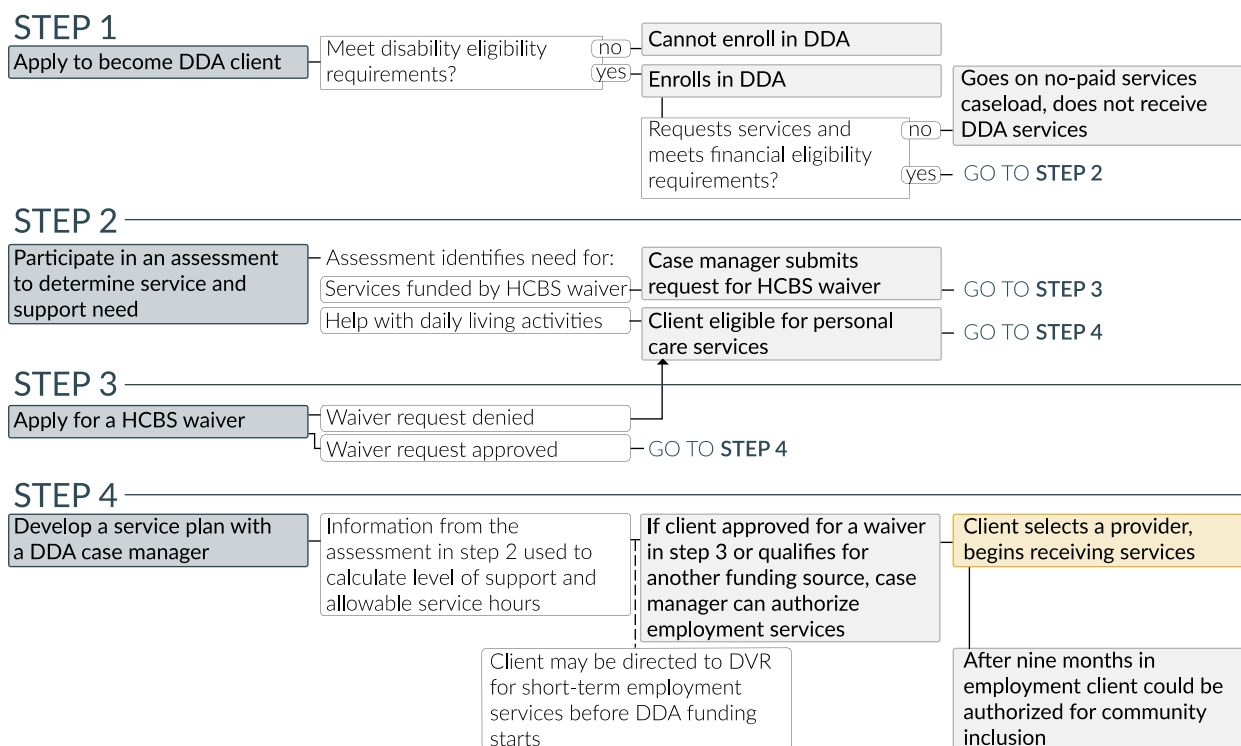
The four basic steps to access employment and community inclusion services are summarized below:

Step 1: Apply to become DDA client

Individuals must complete a Developmental Disabilities Administration (DDA) eligibility application and submit supporting documentation. Individuals who are residents of Washington, have a qualifying developmental disability that began before age 18, and have evidence of substantial limitations are eligible to be DDA clients.

- Once eligible, clients may request services at any time by contacting DDA.
- Clients that meet financial eligibility requirements and have a current need for services may be eligible to receive DDA-funded services. Clients that do not are placed on the no-paid services list, and DDA does not provide services to them.
 - If the client's circumstances change (e.g., they meet financial eligibility requirements), the client or their representative can request that DDA transfer them to the paid service list and continue to Step 2.

Exhibit A1: For most clients, the path to getting services involves four steps



Source: JLARC staff summary of process, based on interviews and DDA documentation.

Step 2: Participate in an assessment to determine service and support needs

Once a client requests paid services from DDA, the client's case manager will schedule an assessment. The assessment takes place at the client's home and involves the case manager, the client, relevant service providers, and, if the client wishes, family, friends, and advocates.

DDA uses a proprietary software program to conduct the assessment. The assessment determines what a client needs, services they are eligible for, and the level of support a client requires for employment and community inclusion (high, medium, or low).

It also determines whether a client would qualify for care in an institutional setting, which is necessary to move to Step 3.

Information from the assessment is used to develop the service plan in Step 4.

Step 3: Request a Home and Community Based Services waiver

The majority of clients that receive DDA-funded employment or community inclusion services are on a Medicaid Home and Community Based Services (HCBS) waiver. The most common waiver for adults is the Basic Plus waiver, which includes 20 different services, including employment and community inclusion. The Core waiver also includes employment and community inclusion services, and the Community Protection waiver includes employment services.

Clients must submit a request for a waiver. Waiver participation is limited. A committee approves or denies waiver applications based on key factors such as:

- The likelihood that a client would require institutionalization if the waiver were not approved.
- The unmet need(s) that could be met with a waiver service.
- Exhaustion of other resources to address the need(s).
- Whether the client is part of a "priority population" identified in legislative budgets and WAC 388-845-0045. For the past several years the Legislature has included students with a developmental disability graduating high school at age 21 that want to work as a priority population.
- Availability of funding.

If the committee approves the request, the client then must request a financial eligibility review. If the request is denied, the client may still be eligible for other services such as personal care services. Personal care services help individuals with daily living tasks, such as eating, bathing, and toileting.

Once a client is approved for a waiver, they can move on to Step 4 and be authorized for services.

Percent of waivers denied for lack of funding decreased after a new waiver was introduced

JLARC staff were asked to review the number of requests for the Basic Plus waiver that were denied due to lack of funding. Exhibit A2 displays the number of applications and percent of denials from fiscal years 2008-2018. The number of denials decreased after DDA introduced a new waiver called Individual and Family Services in 2015. That waiver became the first option for many new clients, instead of Basic Plus.

HCBS Waiver

A waiver is a package of services for specific Medicaid populations. They are called waivers because the state waives certain requirements of federal Medicaid legislation, and clients waive their rights to receive services in an institution.

Exhibit A2: Requests for the Basic Plus waiver from fiscal years 2008-2018

Fiscal Years	Number of Applications	Approved	Denied - Lack of Funding	Denied - Other Reasons
2008-2014	3,736	63%	33%	4%
2015-2018	3,478	85%	13%	2%

Source: DDA client waiver request data fiscal years 2008-2018.

Step 4: Develop a service plan with DDA case manager

A case manager works with the client to develop a service plan, using information gathered during the assessment. The service plan documents all services the client may receive, as well as their support level and service hours.

Authorized service hours are based on client support needs

Everyone is assigned a level of support for both employment and community inclusion services. The higher a client's support needs, the more service hours they can be authorized to receive from a provider. Service hours reflect time that a provider is assisting clients with activities in the community, as well as the provider's time for paperwork, searching for jobs or activities, and other support functions.

- In general, the authorized monthly service hours for employment can range from 4 to 26. In some circumstances, a client may be authorized for more than 26 hours on a short-term basis.
- The authorized service hours for community inclusion can range from 3 to 20 per month.
- The average number of service hours providers billed per client in FY2018 is displayed in Exhibit A3.

Exhibit A3: Average provider service hours billed per month for employment and community inclusion in fiscal year 2018

Support need	Individual employment	Group employment	Prevocational	Community inclusion
All clients	10	10	13	12
High	13	11	14	13
Medium	9	9	12	10
Low	6	7	n/a	6

Note: There were no prevocational clients with low support needs in fiscal year 2018.

Source: JLARC staff analysis of DDA provider billing data.

Clients select a service provider and begin services

The client selects a provider for each authorized service. For employment or community inclusion services, the case manager sends an authorization form to the developmental disability authority in the county where the selected provider is located. The county sends the authorization to the selected provider.

Absent a specific exemption, all clients start with employment services and cannot participate in community inclusion until they have tried employment services for at least nine months.

Some clients are referred to another service

The process above omits the potential that a client may be referred to the DSHS Division of Vocational Rehabilitation (DVR) for employment services. This could happen at any of the steps above. DVR offers short-term employment services for clients with disabilities, however the logistics of the services are different. DVR processes are not a focus of this study.

Appendix B: Interactive data

This appendix includes additional detail on number of clients served, amount spent, client earnings, and hours clients worked.

Clicking on the images below will take you to a different website with interactive data charts. The data covers fiscal years 2014-18. Data before fiscal year 2014 are excluded because the Developmental Disabilities Administration (DDA) changed its method of calculating clients' level of support need and its method of paying providers. The data includes only clients who were both authorized for and recipients of an employment or community inclusion service.

Clients served by service type and fiscal year

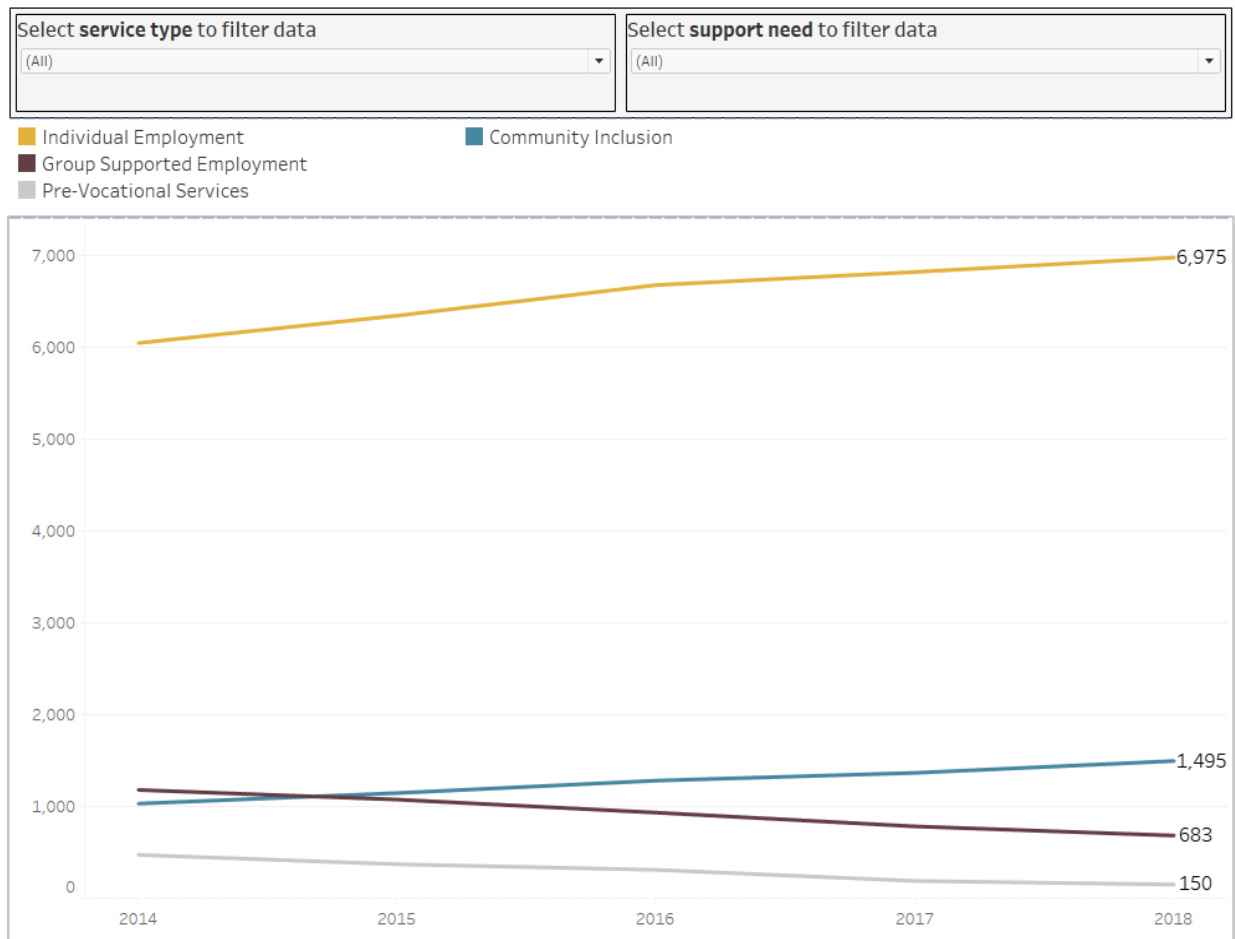
Use this data to:

- Filter by service (community inclusion, individual supported, group supported, prevocational).
- Filter by level of support need (low, medium, high).
- View totals by fiscal year.

Exhibit B1: Clients served by service type and level of support need for fiscal years 2014-18.

Click on image to enable interactive data filtering (clicking on image will take you to another website called Tableau Public).

Clients Served



Source: DDA client data from fiscal years 2014-18.

Amount spent by service type and fiscal year

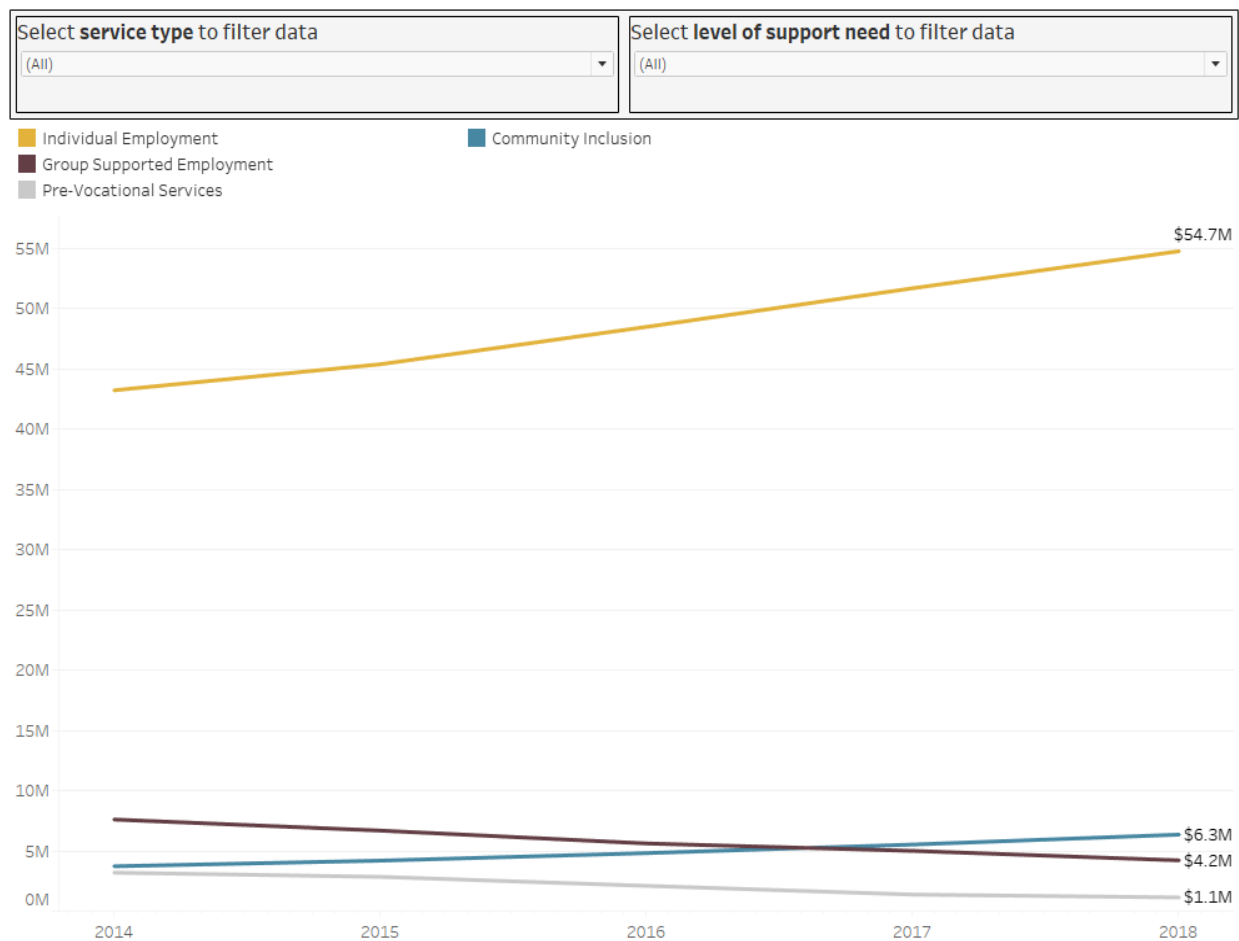
Use this data to:

- Filter by service (community inclusion, individual supported, group supported, prevocational).
- Filter by level of support need (low, medium, high).
- View totals by fiscal year.

Exhibit B2: Amount spent by service type and level of support need for fiscal years 2014-18.

Click on image to enable interactive data filtering (clicking on image will take you to another website called Tableau Public).

Amount Spent



Source: DDA expenditure data from fiscal years 2014-18.

Average monthly client earnings by employment service type and fiscal year

This data excludes clients who did not have any earnings.

Use this data to:

- View average monthly client earnings for each level of support need (high, medium, and low).
- Filter by employment service (individual supported, group supported, and prevocational).
- Filter by fiscal year.

Exhibit B3: Average monthly client earnings for fiscal years 2014-18.

Click on image to enable interactive data filtering (clicking on image will take you to another website called Tableau Public).

Average Monthly Client Earnings



Source: DDA client wage data from fiscal years 2014-18.

Average paid hours each month by type of employment service and fiscal year

This data excludes clients who did not have any paid hours.

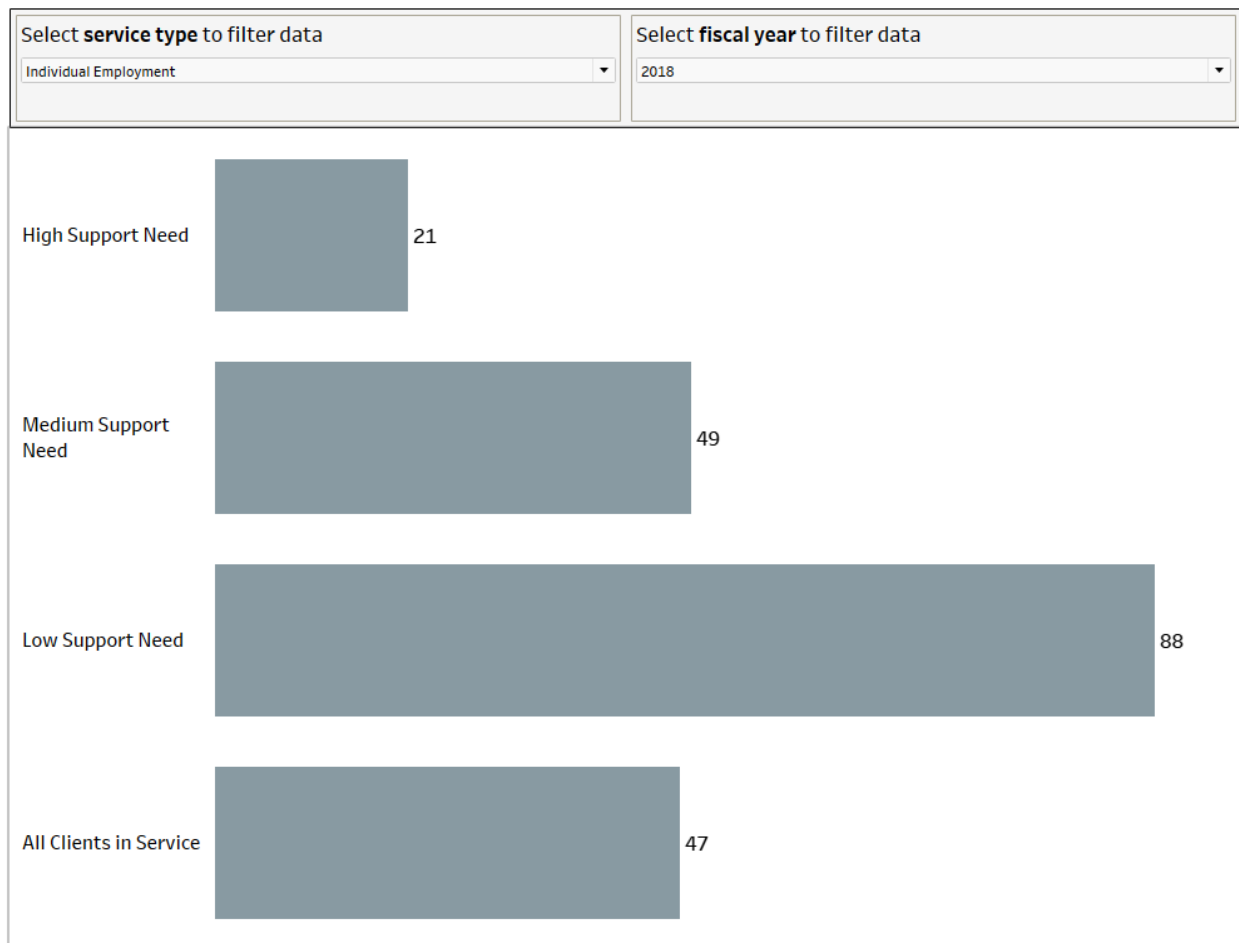
Use this data to:

- View average number of paid hours clients worked per month by level of support need (high, medium, and low).
- Filter by employment service (individual supported, group supported, and prevocational).
- Filter by fiscal year.

Exhibit B4: Average monthly hours clients worked for fiscal years 2014-18.

Click on image to enable interactive data filtering (clicking on image will take you to another website called Tableau Public).

Average Paid Hours Each Month



Source: DDA client data from fiscal years 2014-18.

Appendix C: Stakeholders reported challenges with navigating services

JLARC staff were directed to seek input from stakeholders. They reported that the service delivery system is complicated and can be difficult to navigate.

Over the course of this study, JLARC staff spoke with 232 people from a number of stakeholder groups across the state including:

- Individuals with developmental disabilities and their family members.
- Developmental Disabilities Administration (DDA).
- Division of Vocational Rehabilitation (DVR).
- County developmental disability offices from 10 counties.
- Employment and community inclusion service providers.
- Advocacy organizations.

This approach was designed to capture a range of perspectives and experiences across the state, and is not intended to be a representative sample of all DDA clients.

Stakeholders reported the following types of challenges:

- **Getting clear information about processes and/or services.**
 - For example, some clients and families may not have a clear understanding about how to access paid services from DDA or what services they are eligible for. There were many examples of clients learning about service options and processes from other families or through participation in a parent and family support group.
- **Understanding how different entities fit into the overall service delivery system.**
 - Clients indicated that they received information about their services from multiple federal, state, and local agencies, in addition to private service providers. We heard that when individuals and families did not understand how these agencies and entities are connected, they could be confused by the communications.
- **Experiencing lack of coordination between DDA and DVR.**

- DDA and DVR both offer employment services to persons with developmental disabilities. The agencies have different terminology, data and case management systems, and processes for serving clients. In some parts of the state, DDA and DVR offices do not have procedures to coordinate employment services. Clients, families, DDA case managers, and DVR counselors reported that poor coordination had resulted in confusion and inefficiencies.
 - DDA and DVR have taken steps to address this issue, independent of this audit. A new memorandum of understanding was signed by DVR and DDA in August 2018 that aims to improve coordination of services across the state.
- **Understanding how employment may impact Social Security benefits.**
 - Clients' earnings may be subtracted from their Social Security benefits, and, if they earn enough money, they may no longer be eligible for Social Security. Losing eligibility for Social Security may impact eligibility for other benefits, such as DDA paid services and Medicaid.
 - Professional benefit planners can help clients and families understand the effect of earnings on their benefits.
 - Although DVR and a few county developmental disability offices each employ benefit planners, stakeholders told JLARC staff that most clients do not have access to these professional services. Stakeholders said that, without benefit planning assistance, some clients may avoid employment services altogether.

Appendix D: Specialist report on measuring quality of life outcomes

JLARC staff contracted with industry specialists to understand best practices for measuring quality of life outcomes

Click [here](#) to read the Review and Analysis of Employment and Community Inclusion Measurement prepared by the Research and Training Center on Home and Community Based Services Outcome Measurement at the Institute on Community Integration, University of Minnesota.

Appendix E: Applicable Statutes and Rules

RCW 71A.12.290, WAC 388-825-056, WAC 388-845-0045

Transition from employment services to community access program.

RCW 71A.12.290

(1) Clients age twenty-one and older who are receiving employment services must be offered the choice to transition to a community access program after nine months of enrollment in an employment program, and the option to transition from a community access program to an employment program at any time. Enrollment in an employment program begins at the time the client is authorized to receive employment.

(2) Prior approval by the department shall not be required to effectuate the client's choice to transition from an employment program to community access services after verifying nine months of participation in employment-related services.

(3) The department shall inform clients and their legal representatives of all available options for employment and day services, including the opportunity to request an exception from enrollment in an employment program. Information provided to the client and the client's legal representative must include the types of activities each service option provides, and the amount, scope, and duration of service for which the client would be eligible under each service option. An individual client may be authorized for only one service option, either employment services or community access services. Clients may not participate in more than one of these services at any given time.

(4) The department shall work with counties and stakeholders to strengthen and expand the existing community access program, including the consideration of options that allow for alternative service settings outside of the client's residence. The program should emphasize support for the clients so that they are able to participate in activities that integrate them into their community and support independent living and skills.

(5) The department shall develop rules to allow for an exception to the requirement that a client participate in an employment program for nine months prior to transitioning to a community access program.

What benefits do DDD paid services provide to me?

WAC 388-825-056

DDD paid services provide one or more of the following benefits:

- (1) An opportunity to learn, improve or retain social and adaptive skills necessary for living in the community;
- (2) Health and safety;
- (3) Personal power and choice;
- (4) Competence and self reliance;
- (5) Positive recognition by self and others;
- (6) Positive relationships; and
- (7) Integration into the physical and social life of the community.

When there is capacity to add people to a waiver, how does DDA determine who will be enrolled?

WAC 388-845-0045

When there is capacity on a waiver and available funding for new waiver participants, DDA may enroll people from the statewide database in a waiver based on the following priority considerations:

- (1) First priority will be given to current waiver participants assessed to require a different waiver because their identified health and welfare needs have increased and these needs cannot be met within the scope of their current waiver.
- (2) DDA may also consider any of the following populations in any order:
 - (a) Priority populations as identified and funded by the legislature.
 - (b) Persons DDA has determined to be in immediate risk of ICF/IID admission due to unmet health and welfare needs.
 - (c) Persons identified as a risk to the safety of the community.
 - (d) Persons currently receiving services through state-only funds.
 - (e) Persons on an HCBS waiver that provides services in excess of what is needed to meet their identified health and welfare needs.
 - (f) Persons who were previously on an HCBS waiver since April 2004 and lost waiver eligibility per WAC 388-845-0060 (1)(i).
- (3) DDA may consider persons who need the waiver services available in the basic plus or IFS waivers to maintain them in their family's home or in their own home.

RECOMMENDATIONS & AGENCY RESPONSE

Legislative Auditor Recommendation

The Legislative Auditor makes three recommendations regarding DDA's employment and community inclusion services

Recommendation #1: DDA should implement a system to measure quality of life outcomes for its clients in employment and community inclusion services

As it develops a measurement system, the Developmental Disabilities Administration (DDA) should:

- Design the system to measure the intended quality of life benefits identified in WAC 388-825-056.
- Consult with industry experts and stakeholders to design a system that incorporates best practices.
- Structure the system so that the results can be used to inform policy and programmatic decisions.

DDA should identify resources needed for the measurement system, including options for implementing it within current budget levels.

DDA has the highest percent of clients enrolled in integrated employment services in the country. However, in the absence of a system of measurement, DDA cannot know whether clients are achieving improvements in quality of life. Specialists at the Research and Training Center on Outcome Measurement acknowledge that measuring quality of life is challenging. However, they assert that measures can be identified that allow the state to make more informed decisions about policy, resource allocation, and programs.

Legislation Required:	No
Fiscal Impact:	DDA should identify resource needs
Implementation Date:	Annual progress reports should be provided to the Legislature and Legislative Auditor by September, starting in 2019

Agency Response:	<p>DDA agrees that measuring quality of life is valuable and in order to implement this recommendation, the administration would require four FTEs. The staffing resource will develop and manage a system to measure quality of life outcomes.</p> <p>While there is no current tool in existence that measures DDA's "Guiding Values," additional FTE's will be needed to develop this process.</p> <p>This work will include developing guiding questions that include multiple measures; training interviewers; collecting and analyzing data; and using data-driven decision to inform policy and program direction.</p> <p>Additional staffing resources would be deployed to implement participant interviews, collect data and participate in the new policy or program training.</p>
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Recommendation #2: DDA should ensure that all clients are notified of the option to switch to community inclusion services

DDA should verify and track whether its staff follow the legislative requirements in RCW 71A.12.290 to:

- Offer clients the choice to switch to community inclusion services after nine months of enrollment in an employment program.
- Inform clients of all available options for employment and day services, including the opportunity to request an exception from enrollment in an employment program.

DDA does not track or verify whether individual clients have been offered the choice to switch to community inclusion services. It does not have a policy on when or how case managers or other staff offer the choice.

Legislation Required:	No
Fiscal Impact:	JLARC staff assume DDA can implement within existing resources
Implementation Date:	July 1, 2019
Agency Response:	<p>Currently a brochure which includes this information is provided to all clients. The brochure describes the nine month process and the exception to rule option.</p> <p>Additionally Case Managers are trained to review the option at the client annual assessment. In order to collect this information, DDA will need to change the current electronic assessment system (CARE) to track the Community Inclusion service choice after 9 months of enrollment in employment program regardless of a person's current work status.</p>

Recommendation #3: DDA should continue to strengthen and expand community inclusion services

As required by RCW 71A.12.290, DDA should continue to work with counties and stakeholders to strengthen and expand community inclusion services. In doing so, DDA should continue its efforts to train and assist service providers. It also should analyze the service capacity in each county and the sufficiency of payment rates for providers.

Legislation Required:	No
Fiscal Impact:	JLARC staff assume training and analysis can be done within existing resources. Other steps may require additional resources.
Implementation Date:	September 2019
Agency Response:	Implementation of this request may have significant fiscal implications. Staff resources will be needed to manage ongoing work with counties and stakeholders to strengthen and expand community inclusion services including but not limited to, analysis of provider capacity, rate study and implementation of recommended adjustments.

Agency Response



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
1115 Washington Street SE, Olympia, Washington 98504-5010

December 14, 2018

Mr. Keenan Konopaski, Legislative Auditor
Joint Legislative Audit and Review Committee
106 11th Ave. SW
PO Box 40910
Olympia, WA 98504-0910

Mr. Konopaski,

Thank you for the opportunity to offer a response to the recommendations in the preliminary "Employment and Community Inclusion Services for People with Developmental Disabilities" report.

I would like to thank the Joint Legislative Audit and Review Committee (JLARC) staff for their persistence in gathering information, collaboration and willingness to represent all points of view.

The Department concurs with JLARC's three recommendations, and will need additional staffing resources to implement them. The implementation work associated with the recommendations would require additional staffing of full time employees (FTE's) to fully and effectively achieve the desired outcome.

The Department would like to clarify one point in the report. The report states the Developmental Disabilities Administration (DDA) was collecting information in individual case files regarding clients' goals, strengths and support needs. It further states that DDA is not currently using this information for analysis or program management. In November of 2017, the DDA began electronically collecting data for all clients with employment in their assessment – this included preferred employment goals, preferred hours worked, strengths and additional supports needed to be successful on the job. At the end of December 2018, DDA will have collected a year's worth of client data and will begin analyzing outcomes for further decision-making capacity.

In regards to the recommendations, specifically:

1. DDA should implement a system to measure quality of life outcomes for its clients in employment and community inclusion services.
 - DDA agrees that measuring quality of life is valuable and in order to implement this recommendation, the administration would require four FTEs. Should FTEs be secured, this resource would develop and manage a system to capture and utilize measure quality of life outcomes.

Mr. Keenan Konopaski
Joint Legislative Audit and Review Committee
Page Two
December 14, 2018

- While there is no current tool in existence that measures DDA's "Guiding Values," additional FTE's will be needed to develop this process.
 - This work will include developing guiding questions that include multiple measures; training interviewers; collecting and analyzing data; and using data-driven decision to inform policy and program direction.
 - Additional staffing resources would be deployed to implement participant interviews, collect data and participate in the new policy or program training.
2. DDA should ensure that all clients are notified of the option to switch to community inclusion services.
- Currently a brochure which includes this information is provided to all clients. The brochure describes the nine-month process and the exception to rule option.
 - Additionally case managers are trained to review the option at the client annual assessment. In order to collect this information, DDA will need to change the current electronic assessment system (CARE) to track the Community Inclusion service choice after 9 months of enrollment in employment program regardless of a person's current work status.
3. DDA should continue to strengthen and expand community inclusion services.
- Implementation of this request may have significant fiscal implications.
 - Staff resources will be needed to manage ongoing work with counties and stakeholders to strengthen and expand community inclusion services including but not limited to, analysis of provider capacity, rate study and implementation of recommended adjustments.

Again, we thank you for the work the auditors did and for the opportunity to offer a response.

If you have any questions, please contact Rick Meyer, External Audit Compliance Manager.

Fondly,



Cheryl Strange,
Secretary

DSHS: *Transforming Lives*

Recommendation #1:**DDA should implement a system to measure quality of life outcomes for its clients in employment and community inclusion services**

As it develops a measurement system, the Developmental Disabilities Administration (DDA) should:

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- Consult with industry experts and stakeholders to design a system that incorporates best practices.
- Structure the system so that the results can be used to inform policy and programmatic decisions.

DDA should identify resources needed for the measurement system, including options for implementing it within current budget levels.

DDA has the highest percent of clients enrolled in integrated employment services in the country. However, in the absence of a system of measurement, DDA cannot know whether clients are achieving improvements in quality of life. Specialists at the Research and Training Center on Outcome Measurement acknowledge that measuring quality of life is challenging. However, they assert that measures can be identified that allow the state to make more informed decisions about policy, resource allocation, and programs.

Legislation Required:	No
Fiscal Impact:	DDA should identify resource needs
Implementation Date:	Annual progress reports should be provided to the Legislature and Legislative Auditor by September, starting in 2019
Agency Response:	<p>DDA agrees that measuring quality of life is valuable and in order to implement this recommendation, the administration would require four FTEs. The staffing resource will develop and manage a system to measure quality of life outcomes.</p> <p>While there is no current tool in existence that measures DDA's "Guiding Values," additional FTE's will be needed to develop this process.</p> <p>This work will include developing guiding questions that include multiple measures; training interviewers; collecting and analyzing data; and using data-driven decision to inform policy and program direction.</p> <p>Additional staffing resources would be deployed to implement participant interviews, collect data and participate in the new policy or program training.</p>

Recommendation #2: DDA should ensure that all clients are notified of the option to switch to community inclusion services

DDA should verify and track whether its staff follow the legislative requirements in RCW 71A.12.290 to:

- Offer clients the choice to switch to community inclusion services after nine months of enrollment in an employment program.
- Inform clients of all available options for employment and day services, including the opportunity to request an exception from enrollment in an employment program.

DDA does not track or verify whether individual clients have been offered the choice to switch to community inclusion services. It does not have a policy on when or how case managers or other staff offer the choice.

Legislation Required:	No
Fiscal Impact:	JLARC staff assume DDA can implement within existing resources
Implementation Date:	7/1/2019
Agency Response:	Currently a brochure which includes this information is provided to all clients. The brochure describes the nine month process and the exception to rule option. Additionally Case Managers are trained to review the option at the client annual assessment. In order to collect this information, DDA will need to change the current electronic assessment system (CARE) to track the Community Inclusion service choice after 9 months of enrollment in employment program regardless of a person's current work status.

Recommendation #3: DDA should continue to strengthen and expand community inclusion services

As required by RCW 71A.12.290, DDA should continue to work with counties and stakeholders to strengthen and expand community inclusion services. In doing so, DDA should continue its efforts to train and assist service providers. It also should analyze the service capacity in each county and the sufficiency of payment rates for providers.

Legislation Required:	No
Fiscal Impact:	JLARC staff assume training and analysis can be done within existing resources. Other steps may require additional resources.
Implementation Date:	9/30/2019
Agency Response:	Implementation of this request may have significant fiscal implications. Staff resources will be needed to manage ongoing work with counties and stakeholders to strengthen and expand community inclusion services including but not limited to, analysis of provider capacity, rate study and implementation of recommended adjustments.

MORE ABOUT THIS REVIEW

Audit Authority

The Joint Legislative Audit and Review Committee (JLARC) works to make state government operations more efficient and effective. The Committee is comprised of an equal number of House members and Senators, Democrats and Republicans.

JLARC's non-partisan staff auditors, under the direction of the Legislative Auditor, conduct performance audits, program evaluations, sunset reviews, and other analyses assigned by the Legislature and the Committee.

The statutory authority for JLARC, established in [Chapter 44.28 RCW](#), requires the Legislative Auditor to ensure that JLARC studies are conducted in accordance with Generally Accepted Government Auditing Standards, as applicable to the scope of the audit. This study was conducted in accordance with those applicable standards. Those standards require auditors to plan and perform audits to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on the audit objectives. The evidence obtained for this JLARC report provides a reasonable basis for the enclosed findings and conclusions, and any exceptions to the application of audit standards have been explicitly disclosed in the body of this report.

Committee Action to Distribute Report

On January 10, 2019 this report was approved for distribution by the Joint Legislative Audit and Review Committee. Action to distribute this report does not imply the Committee agrees or disagrees with Legislative Auditor recommendations.

Study Questions

Why a JLARC Study of Employment and Community Access Services?

The 2017 operating budget (ESSB 5883) directed the Joint Legislative Audit and Review Committee (JLARC) to conduct a performance audit of employment and community access services offered by the Department of Social and Health Services (DSHS) for people with a developmental disability.

- Employment services include job placement and support, such as job coaches. Prevocational services are a type of employment service.
- Community access services are meant to promote skill development, independent living, and community integration.

Employment and community access services are available to eligible individuals over the age of 21, subject to funding. Individuals cannot receive both services at the same time.

Within DSHS, the Developmental Disabilities Administration (DDA) is largely responsible for overseeing the services. It contracts with counties, which either provide services directly or subcontract with employment or community access service providers.

Study Objectives

1. What is the process of requesting, authorizing, and receiving employment services, including prevocational services, or community access services?
 - i. What criteria are used to make decisions about authorizing or denying a request for services?
 - ii. What are the roles and responsibilities of those involved, including job coaches?
2. What are the costs of the services? What types of costs are borne by those affected (e.g., individuals, families, providers, employers, the state)?
 - i. Is it possible to quantify all costs with available data?
3. What are the types of benefits (tangible and intangible) of the services? Who receives the benefits (e.g., individuals, families, providers, employers, the state)?
 - i. Can the types of benefits be quantified and/or measured?
 - ii. What approach would be necessary to link benefits directly to the services?
4. What information would be necessary to conduct a benefit-cost analysis of employment or community access services?

Study Timeframe

Staff will present the preliminary report in December 2018 and the final report in January 2019.

More about Employment and Community Access Services

Within DSHS, employment and community access services are primarily overseen by DDA. Another part of DSHS, the Division of Vocational Rehabilitation (DVR), also helps individuals with developmental disabilities secure employment.

Three types of employment services offered through DDA

DDA offers three types of employment services to adults who are 21 and older and have a developmental disability:

1. Individual supported employment helps individuals find and maintain employment in the general workforce. They earn minimum wage or more. DDA may provide additional training or support, as needed, based on the individual's level of disability.

2. Group supported employment offers ongoing supervised employment for groups of eight or fewer individuals with disabilities in the same setting. Individuals have opportunities to interact with the public.
3. Prevocational services are intended to be short term. Groups of individuals learn skills and receive training to prepare them for employment in the general workforce. Individuals do not have regular interactions with the public at work. Prevocational services are being phased out and will not be offered after 2019.

Community access services available after participation in employment services

Community access services “promote skill development, independent living, and community integration for individuals learning how to actively and independently engage in their community” (WAC 388-845- 0600). As of September 2017, DSHS also refers to these services as “community inclusion.”

Individuals can receive community access services after they have participated in employment services for nine consecutive months. If they do not get a job or decide they do not want to be on an employment path, then they can switch to community access. DDA can grant an exception to this rule, allowing individuals to participate in community access services without first trying employment services.

Methodology

The methodology JLARC staff use when conducting analyses is tailored to the scope of each study, but generally includes the following:

- **Interviews** with stakeholders, agency representatives, and other relevant organizations or individuals.
- **Site visits** to entities that are under review.
- **Document reviews**, including applicable laws and regulations, agency policies and procedures pertaining to study objectives, and published reports, audits or studies on relevant topics.
- **Data analysis**, which may include data collected by agencies and/or data compiled by JLARC staff. Data collection sometimes involves surveys or focus groups.
- **Consultation with experts** when warranted. JLARC staff consult with technical experts when necessary to plan our work, to obtain specialized analysis from experts in the field, and to verify results.

The methods used in this study were conducted in accordance with Generally Accepted Government Auditing Standards.

More details about specific methods related to individual study objectives are described in the body of the report under the report details tab or in technical appendices.

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