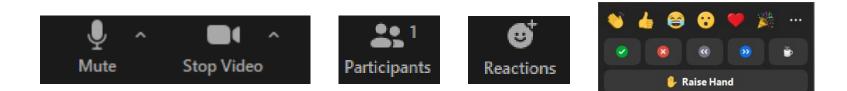
## Welcome! August 9, 2022

- Welcome to the Task Force on Eliminating Subminimum Wages meeting!
- Please use this time to get settled and test the online meeting technology
- Meeting controls to be familiar with during task force meeting (located at the bottom of the screen):
  - Mute/unmute: Mute and unmute your microphone.
  - Stop video/Start video: Turns your camera on or off.
  - Participants: See who's currently in the meeting.
  - **Reactions (smiley face icon)**: Provides ability to "raise hand" that appears on-camera.



## Co-chair welcome

- Welcome to the group
- High-level overview of agenda
- Any changes to the meeting notes from the July meeting?

## Online process and norms

- Please say your name when you speak.
- Put yourself on mute when not speaking.
- To participate use "raise hand" feature in Zoom or raise your hand; then unmute.
- Participate in a manner that is most meaningful to you. Use video, if possible.
- Show up as it best suits you.
- Honor your needs throughout the meeting.

## Task force updates

## Materials sent before meeting

- August task force meeting agenda
- August task force presentation slides
  - MAD presentation slides
  - PSC update on engagement activity
- Background brief from state interviews
- July meeting summary

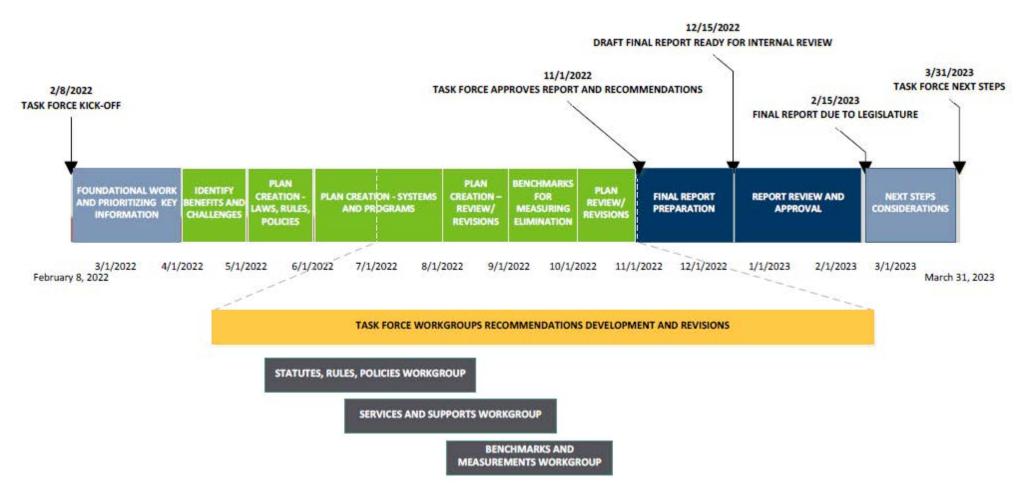
## Task force updates

- New members hopefully joining in September
  - New member employer who is authorized to pay subminimum wage
  - New member person with disabilities
  - Dalaine Remes from Disability Law Center to replace Kristina Petronko
- Updates from workgroups
  - Workgroup on statutes, rules, and policies and group had third meeting on 7-27
  - Workgroup on services and supports second meeting on 7-25, meeting in mid-August
  - Workgroup on measuring and monitoring progress and outcomes has initial meetings scheduled for 8-22 and 8-31

## Task force timeline meeting topics overview

#### Task force on Eliminating Subminimum Wages

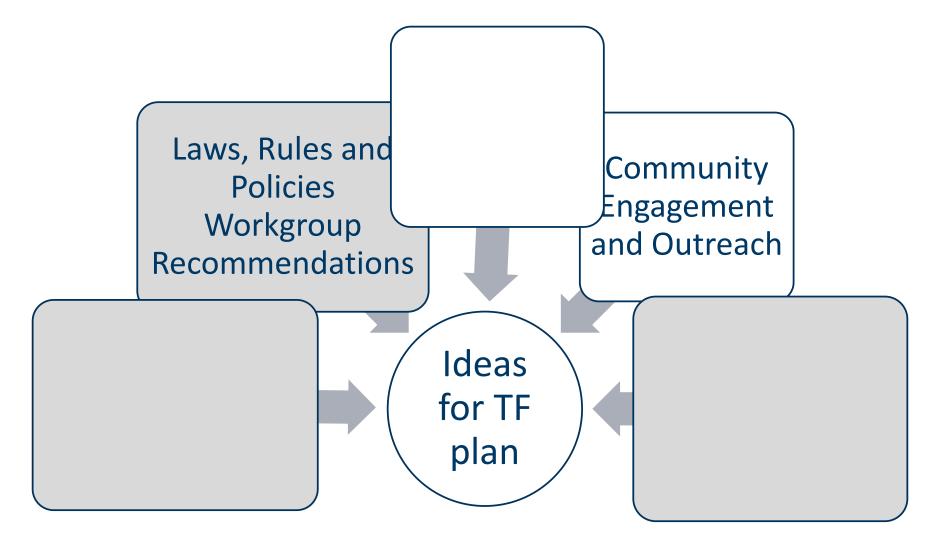
(Note: phases are estimates and may be updated, as needed)



## Task force and work group process

TFESW meetings Presenters share	Workgroups develop recommendations			Plan/report to end subminimum
information on topics and input from community. TFESW members express preferences and concerns to inform workgroups.	Workgroups develop specific recommendations for the plan to end subminimum wages	Recommendations revision Workgroup participants present recommendations to task force and task force members refine recommendations for the plan/report.	S	wages in Minnesota by 2025 developed

## Workgroups Contribution to Plan Development



# Funding and financial support in model states for eliminating employment at subminimum wages

Background brief has ideas drawn from four model states that have eliminated or significantly reduced employment at subminimum wages—Iowa, Maryland, Ohio, and Oregon

The Minnesota Legislature has instructed the task force to "identify and make recommendations for sustainable financial support, funding, and resources for eliminating subminimum wage by August 1, 2025"

## Examples of state funding used

States have used their own funding sources:

- For vocational and rehabilitation services to support individuals as they find and keep competitive jobs
- For transformation and innovation grants to providers
- For a state's share of payments under revised payment structures for Medicaid home- and community-based services and supports offered by providers
- For job development and supports for summer work for youth—without duplicating federal programs on employment for youth with disabilities
- For facilitators working with networks of providers

## Federal funding through federal programs

States tapped into federal funds for ongoing programs that support individuals with disabilities in jobs that pay minimum wage or above:

 The federal government's share of payments under revised payment structures for the Medicaid home- and community-based services and supports offered by providers

• Federal funding for vocational rehabilitation training and support services to individuals under the Workforce Innovation and Opportunity Act

### Federal funding to state-level Developmental Disabilities Councils

Maryland and Oregon have used funding from their Developmental Disabilities Councils to support alternatives to jobs that pay subminimum wages, including competitive integrated employment:

• Maryland for technical assistance grants for providers, aimed at increasing the number of people who work and who have meaningful days when not working

• Oregon for a Peer-to-Peer Employment Project that allows people to learn from each other about finding and keeping jobs in the community

## Federal grant funding previously offered by agencies

Maryland and Iowa cited federal grants previously offered:

• The Iowa Coalition for Integrated Employment in 2011 secured a 5-year, Partnerships in Integrated Employment grant from the Administration for Community Living

 Maryland received a 5-year federal grant in 2013 for Promoting Readiness of Minors in Social Security Income (PROMISE), a joint effort from the Social Security Administration and the US Departments of Education, Labor, and Health and Human Services to fund demonstration projects

## Local funding

Ohio and Iowa have depended in part on local governments and their property taxes to help cover costs for shifting away from subminimum wages

- Ohio's County Boards of Development Disabilities have invested local property taxes in services and supports for individuals not on Medicaid waivers
- In Iowa, local property taxes have been used in several regions to fund grants that pay providers for successful job placement and retention

## Costs as context—difficult for states to determine

- Minnesota asked officials in model states to estimate the costs involved in ending or reducing employment at subminimum wages, but the officials were unable to do so
- Advice from Oregon on cost estimates: Minnesota will need to start with solid metrics on the number of individuals earning subminimum wages, what services and supports they will need, how long they will need assistance, and how many are ready now for competitive employment
- As part of its move to reduce employment at subminimum wages, lowa contracted with the Institute for Community Inclusion at University of Massachusetts Boston in 2013 for an interactive model that estimated transition costs for a large shift away from employment at subminimum wages—but a change in state policy undermined the usefulness of the estimates

## Task force recommendations for funding

To identify government funding and sustainable financial support for eliminating employment at subminimum wages, DSD and MAD are identifying several State of Minnesota experts to compile suggestions for the task force to consider as part of its recommendations and plan.

## Update from Public Sector Consultants on Engagement Work

## Additional perspectives on supports and services

Alex Junge's perspective on the following questions

- What supports are the most beneficial for people with disabilities and could be amplified or enhanced? (With the focus on supports towards ending subminimum wages and providing sustainable work opportunities)
- What are the main concerns or challenges with the existing supports?
- What supports are missing or needed?

## Break

- Workgroup members are: Raquel Sidie-Wagner (lead), Kristina Petronko, Andrea Zuber, Larissa Beck Amanda Jensen-Stahl, Brittanie Wilson, Jillian Nelson, Tony Gantenbein, and Anna MacIntyre.
- Workgroup has met three times and some members have worked on writing of the recommendations.
- Workgroup members narrowed the topics for recommendations development to 8 topics listed on the following slides

#### 1. Repeal of Minn. Stat. §177.28, Subd. 5 (phasing out the 14c certificate)

Phasing out subminimum wage with a limit on the number of people with disabilities to whom employers can pay subminimum wage during the phase out

• Minnesota Statute §177.28, Subdivision 5 is repealed effective August 1, 2025.

• An employer who is authorized to employ individuals with disabilities at subminimum wage pursuant to a special certificate issued under 29 U.S.C. 214(c) or in accordance with rules under Minnesota Statute §177.28, Subdivision 5 must pay minimum wages, as defined by Minnesota Statute §177.24, to:

(a) From January 1, 2024, to December 31, 2024, not less than 60% of the individuals with disabilities the employer employs,

(b) From January 1, 2025, to July 31, 2025, not less than 80% of the individuals with disabilities the employer employs.

• After August 1, 2025, an employer who is authorized to employ individuals with disabilities at subminimum wage pursuant to a special certificate issued under 29 U.S.C. 214(c) or in accordance with rules under Minnesota Statute §177.28, Subdivision 5 may not employ or agree to employ individuals with disabilities at a rate lower than the hourly rate required under Minnesota Statute §177.24.

# 2. Clarify and affirm the role/importance of competitive integrated employment and informed choice (based on Employment First policy)

Year 1 actions	Year 2 actions	Year 3 actions
Clarify the role/importance of competitive integrated employment. Competitive employment is the first and preferred outcome of supports. Informed choices are required. OHS creates a more prescriptive and enforced process of informed choice for transition age students and for people currently being paid subminimum wage. This should include a protocol for required, accessible meetings to be implemented in year 2. WIOA process - CIL's develop documentation and data around outcomes, number of meetings held, and choices made through the process. Numbers – who chose to stay, exit, etc.	Required, accessible meetings with case manager/team/MN choices assessor with plain language access to all of the available services to the individual	

# 3. Changing fee schedules and allowable reimbursements under Medicaid waiver plans (adding a new billable service?)

Year 1 actions	Year 2 actions	Year 3 actions
Increased rates for services provided by a staff certified in ACRE, customized employment, etc., in order to professionalize the roles. Increase rates for employment exploration to encourage more providers to offer this service. Competitive workforce factor data being more up to date to increase rates. Change regulations to allow providers to share transportation	<ul> <li>Allowing transportation to be billed midday as a part of employment or day support services programming.</li> <li>Allowing Day Support Services to be billed at varied ratios – example, one service is 1:1, another is 1:4.</li> <li>Study the outcomes from different rates in different services.</li> </ul>	
services more easily. Change rate structure to address increased costs for mileage.		

### **Recommendations Topics: Still working out details on language**

- 4. Require competitive wages (minimum wage or higher) in service definitions
- 5. Place limitations (duration) on use of subminimum wages in waiver supports
- 6. Case manager roles and responsibilities
  - Provide more training for case managers (working on specifics)
  - Limits on case manager caseloads
  - Data on the why's behind case manager attrition

### **Recommendations Topics: Still working out details on language**

7. Increase interaction between the waiver service providers and VRS groups (have more seamless interaction between DHS and DEED)

8. Support and encourage seamless collaboration amongst MDE, DEED, and service providers

- Workgroup members are: Amanda Jensen-Stahl, Raquel Sidie-Wagner, Brittanie Wilson, Jillian Nelson, Lori Schluttenhofer, Ryan Merz, Tony Gantenbein, Anna MacIntyre, Danielle Mahoehney, Jon Alexander, Tim Dickie, and Bob Niemiec.
- Workgroup has met twice, and some members developed ideas for task force recommendations about services and supports for people with disabilities.
- Workgroup members will also be suggesting recommendation for the task force to consider about assistance and support for providers.
- Workgroup members narrowed the topics for recommendations development to three topics listed on the following slides.

Two suggested recommendations from the services and supports workgroup about Infrastructure/Data Systems for Measuring Success/Progress and Outcomes are being moved to the measuring and monitoring workgroup:

- Develop and implement statewide data collection and reporting system that measures the impact of eliminating special minimum wages. The system should include both quantitative and qualitative data.
- An alternative to the above: adopt existing data collection system (e.g. Indiana University's Day and Employment Services Outcomes System (DESOS). DESOS is a simple web-based tool of up to 22 measures that would allow for comparisons/changes in employment type, services, service and living settings, etc).

- 1. Collaborate to develop, create, and distribute trainings and informational pieces on services available in Minnesota, as well as stories from individuals served about their successes in these services. This information should be offered in multiple languages, both in a written and spoken format.
- For action by: Providers, MN DHS, MN DEED, transition schools, and counties/lead agencies
- Often, people with disabilities and their families are given competing, overwhelming, or fully contradictory information about what adult services are available to them and what each service's purpose is. It's important that the individuals served and their teams know what is available to them according to their funding source, what is the right fit for them according to their wants and needs, and what they can and should expect from those services. The best way to deliver that information is from the people who have received the services themselves, especially in terms of successfully accessing and maintaining competitive, integrated employment. For providers, it's difficult to manage expectations when people come into a service with the incorrect information, and for individuals and families that can be deeply frustrating.

#### 2. Day supports

- 2a: Provide training and technical assistance to provider agencies to develop and implement high-quality community-based day supports.
- Action by: MN DHS (with funding from legislature?)
- Meaningful and purposeful community-based day supports are an important service option for people transitioning away from 14c. They can provide wrap-around supports to give structure to a person's day (if they desire it) and to socialize in their own communities. They can also play a role in supporting a person who has attended a center-based program for a long time feel more comfortable in community settings and, consequently, more willing to try competitive, integrated employment.
- 2b: Examine day supports waiver service and recommend policy changes to incentivize community-based options
- Action by: MN DHS

3. Minnesota must reaffirm its commitment to the state's Employment First Policy and, as part of any transition plan, carry out a comprehensive communication and engagement campaign to reach people who are currently earning subminimum wages and their families in order to affirm the options and supports available to them in meeting their employment goals and addressing common concerns they may hold, including:

- Availability of employment supports and job coaching
- Impact of competitive wage work on benefits
- Transportation concerns
- Safety in the community
- Willingness of businesses to hire people with disabilities
- Job security and retention
- Availability of meaningful day supports

This communication and engagement campaign should build off of the work started by the Task Force on Eliminating Subminimum Wages and efforts through the Provider Reinvention Grant Program, including training of peer mentors who have successfully transitioned to competitive wages, development and sharing of success stories, sharing of employment outcome data from states who have ended subminimum wages, and equipping community partners to help families address questions and concerns. As part of this campaign, all providers holding a 14c certificate should be required to work with a state appointed technical assistance firm to support their communication to families during the ending of subminimum wages.

Recommendation topics for assistance and supports for providers:

- Promote and share information
- Training and technical assistance for provider organizations
- Financial assistance and preparedness for the transformation
- Training and guidance for employment support professionals
- Assisting employers/service providers during phase out period

Other topics to consider for the plan, outside of task force recommendations:

- Availability (in a person's geographic area) of job coaching and other employment supports that a person needs to be successful in CIE
- Availability (in a person's geographic area) of high-quality day supports for those who choose not to work/limited work hours
- Benefits planning concerns
- Transportation availability
- Work training supports
- Encouraging employers to hire people

### Next steps

- Next task force meeting: Tuesday, September 13, 2022 (on Zoom)
- Need information more information about the task force work groups? Contact Jessica Burke (Jessica.burke@state.mn.us)
- **Opportunity for member feedback**: please complete the short member feedback survey.
- Questions between meetings?: Contact Jessica Burke (Jessica.burke@state.mn.us)

## Thank you for your time today!