

Impact of COVID-19 on Disability Employment Services and Outcomes: Results from a National Provider Survey

revised December 1, 2021

Introduction

The COVID-19 pandemic has challenged every aspect of our society and economy, including employment of people with disabilities. Both the wide shut down of businesses and the mass shift to “work from home” directives have directly and negatively impacted employees and job seekers with disabilities and the delivery system for disability employment services.

Of utmost concern has been maintaining continuity of critical supports to employees with disabilities who have remained on the job as “essential workers” throughout the healthcare crisis. Indeed, many people with disabilities work in the types of businesses identified as essential during the pandemic, such as grocery stores, retail distribution centers and medical/healthcare facilities. Many of these essential workers regularly rely on supports from job coaches and employment specialists to navigate changes in business practices and job responsibilities. These direct support professionals are crucial in ensuring the safety and health of people with disabilities. Supported workers need assistance to understand universal precautions fully, to adjust to work responsibilities that are changing in real-time, and to ensure communications are understood. Additionally, there is often a need to assist in mitigating anxiety and other emotional responses as best as possible.

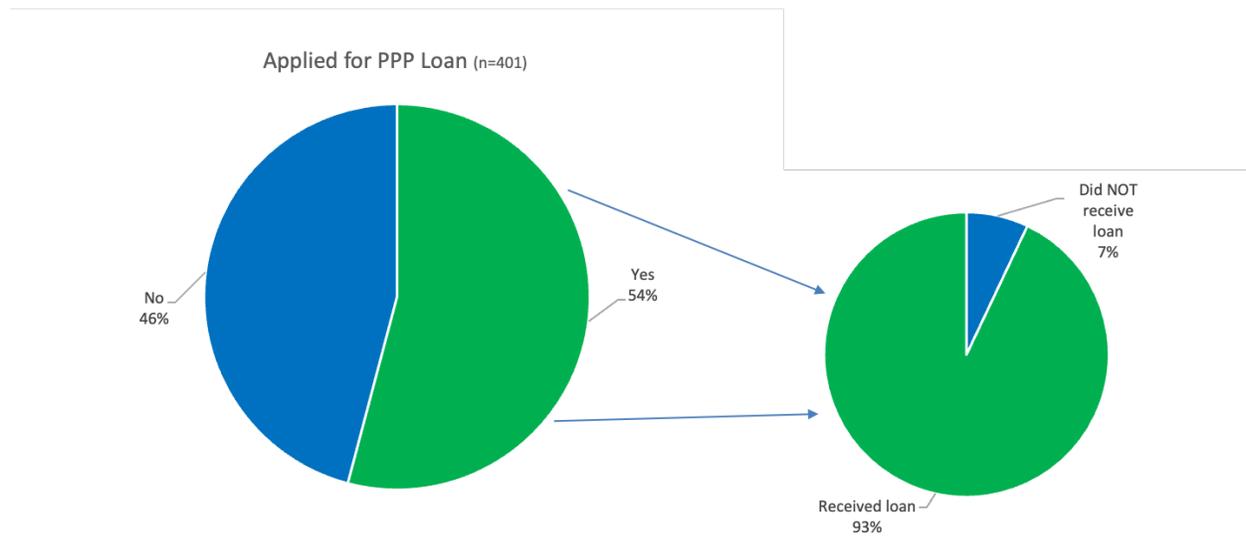
Vocational rehabilitation (VR) or Medicaid typically fund employment services via payments to community-based service providers. However, when the economy quickly shut down, the regular flow of VR and Medicaid dollars at the local level was hampered by complicated state and federal regulations that define how services are delivered. In the early weeks of the crisis, community-based service providers needed to quickly pivot to provide supports remotely, utilizing various forms of readily available technology, often without complete assurance that remote service delivery would be reimbursed. Despite a relatively quick response from state and Federal VR and Medicaid authorities to enhance flexibility and adjust funding requirements, these efforts were not fast enough to avoid the fact that many community-based services providers had to shut down programs and furlough staff.

Since the start of the pandemic, the Association of People Supporting Employment First (APSE) has collaborated with the broader disability advocacy community to ensure that emergency response efforts to COVID-19 included an intentional focus on addressing the needs of people with disabilities. Of vital concern has been maintaining supported employment and other employment services in local communities so that people with disabilities who can work have the supports they need to remain successful and safe on their jobs.

To understand the direct impact of COVID-19 on disability employment and to identify immediate needs, APSE conducted a national survey of community-based service providers who offer employment services and supports. This effort aimed to understand the impact of COVID-19 on employment service provision, the direct support workforce, supported workers and job seekers with disabilities. Phase 1 of the survey was conducted in mid-June, and is reflective of the state of the service delivery system up to and including the COVID #3 relief package passed in March 2020. While a COVID #4 relief package was anticipated to pass over the summer months, no additional relief was made available to service providers as of the launch of the Phase 2 follow-up survey beyond an extension for applications to the Payroll Protection Program (PPP).

Summary of Preliminary Findings

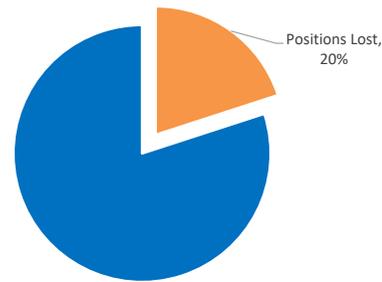
- A little over 50% of disability employment services provider agencies applied for a Paycheck Protection Program (PPP) loan during the pandemic, with the majority successfully receiving emergency funding. Agencies with less than 50 employees were less likely to apply for and receive a PPP loan.



“We were in a precarious position when entering this pandemic, we may not be able to withstand the coming cuts to an already underfunded system. Providers need the flexibility to use all tools in their arsenal to provide people with services they need in a way that works for the person, and to be reimbursed at a level that covers the basic cost of providing the service.” (New York Provider)

- 45% of provider agencies laid off or furloughed staff, and many agencies do not expect to be able to rehire staff at pre-pandemic levels. Providers estimated a 20% overall loss of employment support support professional jobs.

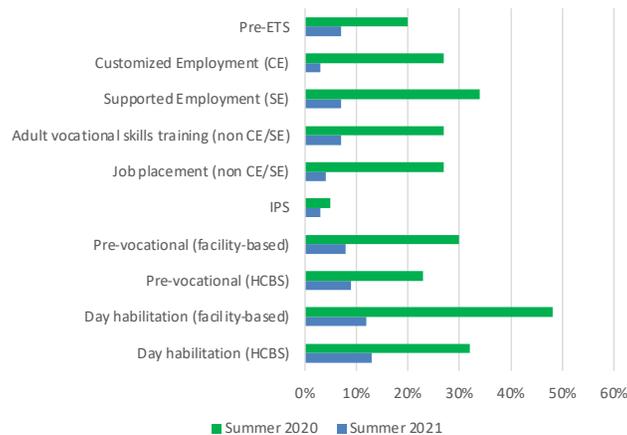
Projected loss of DSP jobs due to COVID-19 (n=145)



“As an agency that heavily relies on fee-for-service programs through VR, we need to assess if our funding will be able to pick back up or if our reduction in referrals and invoicing will continue.” (Kentucky provider)

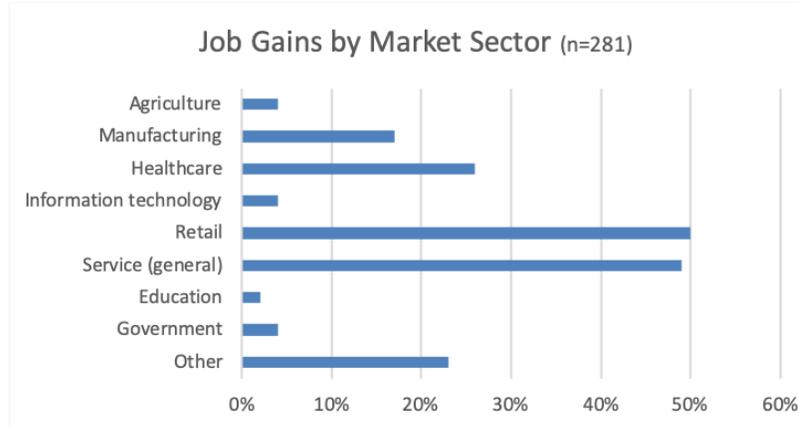
- While vocational rehabilitation and Medicaid funded services experienced significant disruptions at the start of the pandemic, many services resumed once COVID relief became available. The net decrease in the availability of vocational rehabilitation funded employment services was approximately 30%, with supported employment services experiencing the largest percentage of closures. Additionally, Medicaid HCBS services that were operating prior to the pandemic were also impacted, resulting in 13% of day habilitation programs and 8% of pre-vocational programs closing due to challenges with funding and maintaining the direct support workforce.

Services Closed Due to COVID-19



“We can only operate at a 50% capacity. The next few months will determine if working at that capacity, and still adhering to state and federal regulations regarding the individuals we work with and number of staff/resources required, we can continue to provide our services.” (Pennsylvania Provider)

- Provider agencies (78%) witnessed substantial job losses for people with disabilities as a result of the COVID-19 pandemic. However, many provider agencies (78%) reported success in supporting job seekers with disabilities to fill essential jobs during the pandemic. Job gains were primarily in the retail and general services sectors.



As we navigate a post-pandemic new reality, provider agencies need *“funding and support to implement changes and safety measures for the adults in our program and our staff, and support for our re-entry plans for getting adults safely back into the community.”* (California Provider)

Recommendations for Moving from Crisis to Recovery

A healthy and robust workforce is critical to the recovery of our economy. For people with disabilities to continue to participate in and contribute to the labor market, we must ensure the sustainability of the disability employment services sector. To accomplish this, the following provisions must be included in future COVID-19 response packages:

1. **Increased funding for states for home and community-based services (HCBS)**
 - a. HCBS funding makes it possible for direct support staff, including job coaches, to provide supports so that individuals with disabilities who are working at this time can do so safely and effectively.
 - b. Funding for HCBS will ensure that people with disabilities who can work are able to enter or return to the workforce quickly as part of our country’s overall recovery efforts. HCBS funding can also be used for assistive technologies to facilitate virtual work as needed.

2. Vocational rehabilitation (VR) service supports for states

- a. We ask that the federal match for VR be waived for two years to ensure that states can pull down their full allocation of VR dollars so that individuals with disabilities, including those who have become suddenly disabled because of COVID-19, will be able to access VR services.
- b. VR funding supports employment specialists who guide individuals with disabilities to access training to meet business needs, help them apply for meaningful employment, and assist them in being successful on the job.

3. Funding for businesses and nonprofits through the Paycheck Protection Program (PPP)

- a. Programs like PPP have allowed businesses who employ individuals with disabilities to keep them on their payroll during this crisis and have allowed nonprofits that support individuals with disabilities during this time to continue to do so.
- b. A national survey of disability employment services providers indicates that only 25% of organizations successfully applied for a PPP Loan.
- c. Expanding the eligibility and timeframe required to spend the PPP funding will help businesses and nonprofits that support individuals with disabilities to be able to continue doing so.

About the Survey

A series of four surveys were sent to disability service providers across the country at regular intervals over a 12-month period of time.

- Phase 1: 681 responses were collected between June 15-June 28, 2020. At least one survey was received from 50 states.
- Phase 2: 459 responses collected between August 31-September 25, 2020. At least one survey was received from 41 states. (NOTE: Due to a very low response rate at the start of September, data collection was extended an additional two weeks.)
- Phase 3: 436 responses collected between January 13-February 8, 2021. At least one survey was received from 47 states.
- Phase 4: 146 responses collected between June 14-July 23, 2021. At least one survey was received from 50 states.

The majority of survey questions remained identical for the purpose of identifying trends. However, as emergency relief funding became increasingly available, some additional questions were added to the later surveys to assess the impact on the service system.

APSE extends gratitude to ACCSES, ANCOR, the Arc of the United States and Easter Seals for their partnership in distributing the survey broadly to disability services providers across the country.

About APSE

APSE is a national, member-based organization dedicated to the goal of improving employment outcomes for people with disabilities. Our members include supported workers, supported employment professionals (including job coaches and job developers), state workforce, VR and Medicaid representatives and other stakeholders who are committed to promoting the principles of Employment First.

www.apse.org

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