

Discussion Paper

Assessing Opportunities for Asset Development and Self-Sufficiency
Strategies
for Individuals with Disabilities: The Nation and Iowa

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I. Introduction

Individuals with disabilities are poor (63% are unemployed) and even when employed, individuals with disabilities earn substantially less than their non-disabled peers (roughly 72% to the dollar). Public assistance represents 59% of the total income of individuals with significant disabilities vs. only 8% of the total income of people who have no disability. One of every three adults with disabilities lives in very low-income households as opposed to one of every eight non-disabled adults.

Public assistance is tied to remaining poor. Asset limits generally force individuals with disabilities on government assistance to choose between maintaining health insurance and being employed. People with disabilities have fewer bank accounts, lower graduation rates and are less likely to own their own home or other financial assets than persons without disabilities. Those with disabilities who have been on government assistance relative to their disability have been conditioned to be cautious of overstepping their income limits or asset limits, because if they do, they will most likely be cut off from health care, housing, employment or supportive living assistance. The reality is a child with significant disabilities born in the United States today has little chance of gaining access to assets and escaping poverty, despite advances in health care and technology.

Individuals with disabilities will not be full participating members of society until they can increase their personal savings and benefit from the power of asset development.

This report is intended to do the following: 1. review nationally recognized asset development / self-sufficiency strategies and innovative initiatives; 2. review to what extent these strategies are implemented in Iowa; 3. identify potential barriers in Iowa for increased utilization of these strategies; and 4. provide a draft list of potential asset development and self-sufficiency strategies for consideration by the Governance Group, other state agencies, and other stakeholders.

II. Asset Development and Self-Sufficiency Strategies

A. Employment-Related Supports and Services

National:

Even though employment-related supports and services are not always considered direct asset development strategies, employment is one of the two main cornerstones for asset accumulation along with home ownership. All the asset development strategies in the world will not help an individual with a disability or will be, for the most part, irrelevant, if they do not have income. In addition, most individuals with disabilities are dependent upon human service professionals to find employment or self-employment. Most states have the following three systems that can assist an individual with a disability to find employment: workforce development (which assists all citizens in a state looking for work), vocational rehabilitation (which works with individuals with all types of disabilities) and the community-based mental illness/mental retardation/developmental disabilities/ brain injury system. Each state funds these systems to varying degrees with combinations of federal, state and local resources. Some states primarily use state funds to match federal funds and some states use a combination of local and state funds to match federal funding.

The National Report on Employment Services and Outcomes compiled by the Institute for Community Inclusion at the University of Massachusetts-Boston indicates that while over the past 20 years the number of individuals with developmental disabilities supported in facility based and non-work programs increased steadily, the number of individuals supported in integrated employment has remained essentially flat since 1999. The system of day and employment services for people with mental retardation and developmental disabilities still favors facility-based service options. Nationally, of all individuals served by MR/DD agencies in FY 2007, 53.4% were served in facility-based services, 31% in community based non work and 20.3% in integrated employment (over 100% reported- indicates some double counting). Nationally, for all individuals served by VR agencies in FY 2007, 70,993 cases were closed for individuals with MR/DD of which 27,859 were closed in employment- a 15% decline since 1995. Nationally in 2005 for the total working age population, there was an employment rate of 74.5% for adults without a disability whereas there was an employment rate of 37.4% for adults with disabilities.

Because of the reliance of individuals with disabilities on disability providers, it is critical for staff to receive training that sets a positive expectation regarding the employment of people with disabilities and gives them the technical skills to assess, train and support individuals with disabilities and employers. Because of the high turnover of staff, it is critical to make contemporary training accessible and cost effective.

Several quality on-line training sources are available for disability providers. TRN Inc. provides intensive training classes on Career Development (principles of career planning, vocational assessment, career development, vocational profiles), Marketing and Job Development (job placement marketing research, marketing tools for job placement programs, job development principles, job development tools) and Job Coaching and Consulting (principles of job design, job training and instructional support, natural supports, social-behavioral support). Each of these three courses costs \$149 per participant and includes two weeks access to online web instruction and readings, a national Forum discussion board and a post-test at the end of each course. A certificate of completion for 18 in-service hours is awarded to each participant successfully

completing a course. Instructors include Rob Hoffman, Dale DiLeo, Dawn Langton and Tammara Geary.

The Rehabilitation Research and Training Center (RRTC) at Virginia Commonwealth University operates web courses throughout the year. The current course offerings so far in 2009 include: 1. Supported Employment Certificate Series (a six lesson course covering assistive technology evaluation, developing business partnerships, career development, compensatory strategies, customer choice, instruction in the workplace, marketing and job development, job restructuring, person-center planning, positive behavior supports, self-employment, social security work incentives, and workplace / coworker supports). This cost is \$250 per individual or \$1,000 for 5 individuals. The course covers a three month time span. Instructors include Paul Wehman, Howard Green, Pam Targett, Cary Griffin, Connie Ferrell, Michael Wehmeyer and Katherine Inge. 2. Supported Competitive Employment for Individuals with Mental Illness (six lessons cover evidence-based practice, career development, customer choice, cultural competency, marketing and job development, developing business partnerships, interagency collaboration, self-employment, workplace supports, computer supports, social security work incentives and funding). The cost is the same as mentioned above and covers a three month time span. Instructors include Robert Drake, Paul Wehman, Gary Bond, Judith Cook, Katherine Inge, Dennis Born, Pam Tigett, Amy Armstrong, Laurie Ford, Grant Revell, Dan O'Brien and Jennifer McDonough.

VCU also provides a free online seminar entitled Disability Awareness HR Management Seminar. This free on-line seminar covers history, myths and facts, research, tips for communication, tips for interviewing, and tips for accommodations- all related to employing individuals with disabilities. This seminar can be accessed at:
www.worksupport.com/training/courses.cfm

Griffin-Hammis LLC has recently introduced a new In-Service Teleconference Series. Each topic consists of a two hour session for a class of staff for \$175 or three or more sessions for \$150 per session. Topics include: job development; job carving; customized employment; job coaching essentials; the active business council; an introduction to self employment; understanding the business plan; testing small business ideas; marketing considerations for a small business; financial planning and management for a microenterprise; social security work incentives; PASS plans; understanding blind work incentives; understanding ticket to work; grant writing; negotiation skills in rehabilitation; conflict management; the family business: managing systems and costing out services; meeting and strategic planning design improvement; superior customer service; self-advocacy and employment and marketing your supported employment program. Instructors include Cary Griffin, Dave Hammis, Katherine Carol, Tammara Geary and Bob Niemiec.

For individuals with disabilities and their parents, family members and friends, there are free online courses offered by Partners in Policymaking (developed by the Minnesota Governor's Developmental Disabilities Planning Council in 1987). Five online courses are currently available (and others will be added in the future). These courses are: 1. Partners in Living (a seven hour self-directed course covering self-determination, family support, community living and assistive technology); 2. Partners in Time (an eight hour self-study course focusing on the way that people with disabilities lived, learned and worked throughout history and the growth of the Disability Rights Movement); 3. Partners in Education (a three hour self-directed course covering a child's right to a free appropriate public education, the laws that protect those rights and offers practical ways that parents can ensure that their children benefit from an inclusive education); 4. Making Your Case (a three hour self-study advocacy course helps participants

understand the legislative process, the essential elements of good advocacy, identifying and researching personal issues and then advocating for systems change as individuals or as part of larger community efforts); and 5. Partners in Employment (a six hour self-directed course focusing on creating a resume or portfolio of their strengths, skills and interests; learning how to network and indentify potential employers; preparing for an interview; and understanding the hiring process). You may access this free online training at: www.partnersinpolicymaking.com/online.html

Iowa:

The most recent comprehensive study of the employment of people with disabilities was the report entitled “Home Grown: Iowa’s Untapped Workforce and Its Potential for Meeting Iowa’s Employment Needs”, published in 2000 by the Child and Family Policy Center. The report covers “hard to employ” populations including: 1. parents receiving welfare for their families under the Family Investment Program (FIP); 2. persons transitioning from corrections to employment; 3. persons with disabilities; and, 4. unemployed young adults not engaged in education or training.

The report provides three separate estimates for the number of unemployed or underemployed individuals with disabilities in Iowa. First, the Governor’s 21st Century Workforce Council Report estimated that there were approximately 87,000 Iowans with disabilities who were unemployed or underemployed. Second, national studies estimate that between 93,688 and 98,685 persons with disabilities in Iowa are not working. Third, Iowa Vocational Rehabilitation estimated in 2000 that it served about 22,000 individuals but about 100,000 would be eligible for services if they were to apply and if resources were available. Based on these three reports and factoring in that some individuals could not or would not participate in employment, it was estimated in 2000 that between 43,000 to 87,000 individuals with disabilities could and would work if provided services and supports. There is no reason to believe that these figures, even factoring in the passage of eight years, overestimate the unemployment or underemployment of people with disabilities.

The National Report on Employment Services and Outcomes discloses that in 2006, 77% of Iowa’s work age population was working vs. 43% of people with any disability and 37% of people with a mental disability. In 2004, there were 8,590 individuals served in MR/DD agencies with 6,577 served in facility-based work and non work and 2,013 served in integrated employment. Similarly, in 2004, out of a total of \$33,297,000 spent on agency day and employment services, \$29,367,000 were spent on facility based services and only \$3,930,000 was spent on integrated employment.

In Iowa, Iowa Workforce Development, Iowa Vocational Rehabilitation and the MH/MR/DD/BI system provide varying levels of employment services for individuals with disabilities. Unfortunately, there does not exist a consistent, accessible and comprehensive training program for staff delivering vocational/employment services for individuals with disabilities. Basically, each community provider must develop and implement their own staff training.

In 1998, the State of Iowa developed an effective, collaborative working relationship among seven State agencies, known as the “Governance Group,” to identify and resolve barriers related to employment services for individuals with disabilities. Partners to this agreement are: Iowa Department for the Blind, Iowa Department of Education, Iowa Department of

Human Rights, Division of Persons with Disabilities, Iowa Department of Human Services, Iowa Governor's Developmental Disabilities Council, Iowa Vocational Rehabilitation Services, and Iowa Workforce Development. In 2003, administrators of these state agencies signed a Memorandum of Agreement (MOA), which provided a foundation for collaboration that demonstrates the Partners' commitment to enhancing employment services for Iowans with disabilities through ongoing activities. The MOA was renewed in 2007. Several key Iowa initiatives result from this collaboration. The Governance Group oversees both the Disability Navigator Project and the Work Incentive Planning and Assistance Project (WIPA) in Iowa. The Disability Navigator project began in 2003 and is funded by Department of Labor and Social Security Administration grants. Iowa has 11 Disability Navigators located in regional One Stops. The Disability Navigators provide assistance to One Stop consumers with disabilities, work with businesses on employment of persons with disabilities, work with outreach efforts, and staff the Ticket to Work Employment Network services of their Workforce region. The Iowa WIPA project began in 2006 and was preceded by the Benefits Planning and Assistance Project (BPAO). Iowa WIPA employs two Community Work Incentive Coordinators (CWICs) who provide benefits analysis and planning to SSI and SSDI beneficiaries. The CWICs also participate in outreach and awareness efforts around the state. Projects initiated with collaborative funding include establishment of the Employers Disability Resource Network (EDRN) as a web based resource for employers as a one-stop resource for information and assistance in the employment of persons with disabilities, and the Promise Jobs Disability Specialists who work with Iowa's Family Investment Program (TANF) in identifying hidden disabilities that are a barrier to employment for the FIP Participants. There are currently eight Promise Jobs Disability Specialists around the state.

Today the Governance Group consisting of administrative personnel of these state agencies continues to meet and provide oversight to key systems-change initiatives that are making an impact on the coordination of employment services and on Iowa's ability to maximize the resources of all of the state partners.

There have been several positive developments in the past year impacting employment services to individuals with disabilities. For example, Iowa Medicaid Enterprise in June 2008 enhanced the employment service for Medicaid recipients to obtain a job. The reimbursement rate to providers for job placement was increased from \$500 to \$900 per job placement of 30 or more days. Employer development services are also available for individuals who are expected to work for more than 10 hours per week. The Medicaid reimbursement rate for this service is also \$900 per job placement of 30 or more days. In addition, an enhanced job service activities rate has been added. This service is for obtaining initial employment after job development services or with assisting an individual in changing jobs due to lay-off, termination or personal choice. The Medicaid reimbursement rate for this service is \$34.63/hour. An Employment Analysis Form used by VR has been incorporated into the Medicaid HCBS Supported Employment services case management process.

Nationally, the Social Security Administration has issued new regulations that significantly improve the Ticket to Work program (see section I E.1). The new regulations provide a better payment plan for Vocational Rehabilitation and community providers who become Employment Networks (EN). In addition, milestone payments are available for part-time work. These changes should generate increased funds for Community Providers who are ENs from the milestone payments received from Social

Security and increase of number of SSI and SSDI beneficiaries who take advantage of employment services in order to achieve competitive employment.

Lastly, in the past few years, Iowa's Medicaid Infrastructure Grant (MIG) has offered free supported employment trainings utilizing staff from Griffin-Hammis LLC and webcasts from Virginia Commonwealth University. These trainings have been offered several times per year at different sites in the state. They have featured creative ideas and best practices for supported employment services. Additionally the MIG Grant sponsors seminars for consumers around the state on the use of Work Incentives for Self Employment.

Barriers to Best Practice:

1. Disability service systems continue to spend a significant portion of day and employment funding on facility-based services instead of integrated employment services.
2. Reimbursement rates for community providers do not incentivize integrated employment services or supported employment services.
3. Lack of common data sets across Workforce Development, Vocational Rehabilitation, Department of the Blind and the community MH/MR/DD/BI system prevent accessing measureable results and accountability for the systems.
4. There is a lack of role models and success stories regarding the employment of people with disabilities.
5. The fear of loss of benefits has been engrained in consumers, parents and human service professionals.
6. The lack of post secondary educational opportunities for individuals with disabilities.
7. The continuing employer hesitancy to hire individuals with disabilities.

B. Medicaid Buy-In Work Incentive

National:

Medicaid Buy-In has been created under two different authorizations: Section 4733 of the Balanced Budget Act of 1997 and the Ticket to Work and Work Incentives Improvement Act of 1999. Eligible individuals can earn above the stated income maximum and retain their Medicaid coverage by paying an "insurance premium" for their Medicaid benefits.

Innovative Initiatives:

Wisconsin's Medicaid Buy-In Program

Wisconsin's Medicaid Buy-In Program differs from other states' plans in that Wisconsin provides an incentive for continued work effort by providing coverage during temporary periods of unemployment and before an individual finds a job as well. Wisconsin calculates separate payment obligations for earned and unearned income, with proportionately small premiums assessed on income derived from work.

Maryland Special Transportation Assistance Program

Even if an individual with a disability obtains employment, lack of transportation can be a major barrier for many individuals with disabilities. Maryland's Statewide Special Transportation Assistance Program (SSTAP) is an effective approach to the transit and paratransit needs of individuals with disabilities. In many areas across Maryland, jobs and job seekers are far apart,

often across county and city lines. This gap is even wider for people with low income. In addition, many companies across the state face a shortage of workers, especially entry level employees. With this in mind, Maryland's Mass Transit Administration in conjunction with the Governor's Coordinating Committee for Human Services Transportation, worked with local jurisdictions to develop Maryland's Job Access and Reverse Commute Program. (A reverse commute is a round trip, regularly taken, from a metropolitan area to a suburban area in the morning and the reverse commute in the evening.) A state appropriation and a federal earmark from the federal Transportation, Treasury and Independent Agencies budget has helped fund the program. This program has allowed the state to develop transportation services to meet local community needs and link workers with job opportunities.

Iowa:

Iowa's Medicaid Buy-In work incentive is Medicaid for Employed People with Disabilities (MEPD). To be eligible for the program, an individual must be under age 65, be disabled (an individual gets disability benefits from the Social Security Administration or the Iowa Department of Human Services has made a determination that an individual is disabled), and have income from work or be self-employed. In addition, an individual must have **monthly net family income** less than 250% of the federal poverty level for his/her family size. Net income is gross family income after deductions and disregards. An individual must also have countable assets that are less than \$12,000 for one person or \$13,000 for a couple. (Please note that normally for SSI or Medicaid eligibility, an individual may not have more than \$2,000 of assets.) In addition, retirement accounts, funds in assistive technology accounts and funds in an exempt medical savings account are assets which do not count for eligibility for MEPD.

An individual with a disability pays a monthly premium when his / her monthly **gross income** is above 150% of the federal poverty level. Premiums are based only on the gross income of the disabled person (not the family, if there is one). For example, currently, if the monthly gross income of the person with a disability is \$1,300 or less, he/she pays no premium. If there monthly gross income is more than \$2,028, the monthly premium is \$110. If the monthly gross income is more than \$3,380, the monthly premium is \$230. Federal poverty levels are updated each year and thus the income range for premiums will change each year.

In September 2008, there were 12,143 individuals enrolled with MEPD. In 2007, the average monthly earned income per MEPD member was \$166.07 and the average unearned income (includes Social Security Disability Insurance, SSI, Veterans benefits, unemployment benefits, child support, disability benefits, educational grants and loans and cash gifts) was \$878.72. The average earned and unearned incomes have remained relatively constant for the past three years.

The bottom line is that with the various social security work incentives coupled with the availability of Iowa's MEPD program, there is no reason individuals with disabilities in Iowa should be afraid of working. The fear of losing one's health insurance because one works is now a myth- but a myth that is still heavily prevalent with families, service providers and individuals with disabilities. Clearly a major marketing effort is needed with perhaps a focus and emphasis of reaching young people with disabilities and their families. There still is a major barrier to finding employment for individuals with disabilities but losing health insurance should no longer be a barrier.

Barriers to Best Practice:

1. Fear and low expectations of people with disabilities and their families regarding their potential for work.
2. Limited transportation, particularly in rural areas, makes access to employment challenging even if employment is available.
3. The age limit of 65 for eligibility for MEPD.
4. The lack of marketing of asset development provisions within MEPD.

C. Social Security Work Incentives

National:

Ticket to Work Program

The Ticket to Work Program is a voluntary program which connects SSI or SSDI beneficiaries with employment service providers (referred to as Employment Networks) to achieve individual work goals while providing a safety net to get back on benefits if employment efforts are unsuccessful. Employment Networks assist a person with a disability get a job and keep a job, and receive incentive payment from Social Security based on the earnings of the beneficiary. While a beneficiary is using the Ticket, Social Security will not conduct a continuing disability medical review of their case.

Work Incentives Planning and Assistance (WIPA)

WIPA is a grant program from the Social Security Administration to states to better enable SSA's beneficiaries with disabilities to make informed decisions about work and improved economic status. Services include benefits planning and counseling regarding the various work incentives available through Social Security that are summarized below:

1. Section 1619(a) - Special SSI Payments for Individuals Who Work

A SSI beneficiary can receive SSI cash payments while their earned income (gross wages and/or net earnings from self-employment) is above the Substantial Gainful Activity. The SSI cash payment will reduce by about half of gross earnings as the person meets the basic eligibility requirements. Social Security will continue to figure the SSI payment amount in the same way as before. The individual will also continue to be eligible for Medicaid. The SSI cash payment will reduce to zero at about \$1300 in gross monthly earnings.

2. Section 1619(b) - Medicaid While Working

After a SSI beneficiary returns to work, his/her Medicaid coverage can continue, even if his/her earnings become too high for an SSI cash payment. The individual must continue to have a qualifying disability and need the Medicaid coverage. A "threshold amount" has been established for each state. Social Security uses the threshold amount as a measure to decide whether the SSI beneficiary's earnings are high enough to replace the SSI and Medicaid benefits. The threshold amount for Iowa is \$30,688. The threshold amount in Iowa for individual who are blind is \$31,216. Even if an individual goes over the threshold, he/she would still be able to participate in the Medicaid Buy-In Program (see below) and continue to receive Medicaid by paying a sliding scale premium.

3. Plan to Achieve Self-Sufficiency (PASS)

A PASS plan allows an SSI recipient to set aside income and/or resources for a specified period of time so the individual can pursue a work goal. For example, an individual could set aside money to pay expenses for education, vocational training, or starting a business as long as the

expenses are related to achieving the work goal. Social Security does not count the income that is set aside under PASS when they figure the SSI payment amount. Social Security also does not count the resources that are set aside under the PASS when they determine initial or continuing eligibility for SSI. An approved PASS could allow countable income and resources that are reducing their SSI to be set aside so that they would receive a full SSI cash payment. Anyone can help a SSI recipient develop a PASS. An individual can write their own PASS, pay for someone to write the PASS with their PASS funds, community providers and VR agencies can purchase PASS writing services or PASS writing services can be obtained at no charge to the individual through WIPA Projects.

Innovative Initiative:

Boise, Idaho PASS Loan Program

A group of citizens (Retired State Supreme Court Judge, a retired professor of Entrepreneurship, a bank Senior Vice President of Commercial Lending and a successful PASS plan user who created his own business) created a PASS Loan Program. This program uses the income set aside (savings) as the owner equity portion of a loan for goods needed to assist the owner of the PASS become more self-sufficient through work. (basically lending against the PASS). A bank or credit union assumes the risk but the risk is minimized since the owner must participate in financial education training and must repay the loan within a specific period of time.

4. Property Essential to Self-Support (PESS)

For an SSI recipient, Social Security does not count property if he/she uses it in a trade or business (for example, inventory) or use it for work as an employee (for example, tools or equipment), regardless of the value or rate of return. Social Security does not also count up to \$6,000 of equity value of non-business property used to produce goods or services essential to daily activities. An example is land used to produce vegetables or livestock solely for consumption by the household. In addition, Social Security does not count up to \$6,000 of equity value of non-business income-producing property if the property yields an annual rate of return of at least 6 percent. An example is a rental property. However, Social Security does not allow PESS to be utilized with a Limited Liability Company (LLC).

5. Trial Work Period (TWP)

The Trial Work Period allows an SSDI beneficiary to test his/her ability to work for at least 9 months. During the TWP, the beneficiary will receive full SSDI benefits regardless of how high the earnings might be so long as the work activity has been reported and the individual continues having a disabling impairment. The TWP continues until the individual accumulates 9 months (not necessarily consecutive) of work within a rolling 60 month consecutive month period.

6. Extended Period of Eligibility (EPE)

During the 36 consecutive months (re-entitlement period) following the TWP, Social Security may restart SSDI benefits for an individual without a new application, disability determination or waiting period. During the EPE period, SSDI benefits are paid for months when the earnings or work activities are below the SGA limits as long as the individual continues to have a disabling impairment.

7. Impairment-Related Work Expenses (IRWE)

For SSI and SSDI beneficiaries, Social Security will deduct the cost of certain impairment-related items and services that an individual needs to work from their gross earnings when they determine the person's "countable earnings". Examples of deductible expenses include transportation costs, attendant care services, medical devices, prosthesis, residential

modifications, routine drugs and routine medical services, diagnostic procedures, some non-medical appliances and devices, some medical supplies and some costs of a service animal.

8. Work Expenses for the Blind (BWE)

Earned income that an individual who is blind uses to meet his/her work expenses does not count for SSI eligibility and payment amount. Acceptable expenses include paying income taxes, meals consumed during work hours, transportation costs or guide dog expenses.

Iowa:

Ticket to Work

As of September 2008, Iowa had approximately 90,000 Ticket holders. You are eligible if you are an SSI or SSDI beneficiary and are between the ages of 18 and 64. About 106 tickets have been "assigned" by the beneficiary to Employment Network agencies and 2,448 are currently in use with VR offices. The Social Security Administration recently changed the Ticket to Work program. The incentive payments for Employment Network (EN) have been significantly improved. Iowa MIG sponsored a summit in July of 2008 to help announce these new regulations and inform community providers who may want to become an Employment Network. There is an application process to become an EN and at this time many community providers have initiated or inquired further about the process.

Iowa Workforce Development became an EN for each of the regions and the state as a whole in 2007. The Disability Program navigators work directly with the Ticket program in the regions and One Stops. There are 11 Disability Program Navigators who work with ticket holders to obtain employment services at the One Stop or other community resource. The Disability Navigators do not provide direct service but serve as connectors for job seekers, for businesses and for employment service staff. They spend time in outreach activities, training to staff and technical assistance in areas of disability, services and resources. The One Stops around the state have seen more than 50 new beneficiaries assign their ticket during the last six months. As more agencies become ENs, capacity for services to beneficiary's increases and the milestone payments coming to the EN provides the resource for improved services.

Iowa Work Incentives Planning Assistance (WIPA)

The state of Iowa became a recipient of a WIPA grant in 2006. The leadership for the Iowa WIPA grant is facilitated by the Governance Group. Iowa WIPA has two Community Work Incentive Coordinators (CWIC), who serve to support all Iowa SSA disability beneficiaries in utilizing work incentives to become more self-sufficient and less dependent on SSA benefits. They also spend time in outreach, public education and in customer service. Iowa WIPA has served more than 1500 persons with benefits and work incentive analysis. The CWIC have also trained over 250 Benefits Liaisons in the basics of the work incentives. These Benefits Liaison are then able to help dispel some of the myths about working and losing benefits and then refer the individuals who need further assistance to the CWIC. In addition, the CWIC can make referrals to trained Benefit Planners who are on contract to provide benefits planning serves. These Planners can assist social security beneficiaries with PASS plans and other work Incentives relating to employment and self-employment. These services are funded by an agreement between Iowa Medicaid Infrastructure grant (MIG) and Iowa WIPA.

Work Incentives in Iowa

1. Section 1619(a) [Working and Keeping SSI]

In Iowa in December 2007, there were 7,065 individuals with disabilities receiving SSI who were working and 157 were participating with Section 1619(a). In December 2006 there were 6,985 individuals with disabilities receiving SSI who were working and 159 were participating with Section 1619(a).

2. Section 1619 (b) [Working and Keeping Medicaid]

In Iowa in December 2007, there were 7,065 individuals with disabilities receiving SSI who were working and 1,685 were participating with Section 1619(b). In December 2006 there were 6,985 individuals with disabilities receiving SSI who were working and 1,592 were participating with Section 1619(b).

3. Plan to Achieve Self-Sufficiency (PASS)

The number of PASS plans written and implemented are surprising low across the country. The Social Security Administration tightened up requirements for PASS plans years ago. This being noted, Iowa is a leader with the number of active plans and new plans in our region of the country. For example, as of June 30, 2008, Iowa had 75 active plans vs. 47 for Kansas, 50 for Missouri and 20 for Nebraska. In addition, as of September 4, 2008, Iowa had 66 new PASS plans in 2008 while Kansas had 39, Missouri had 28 and Nebraska had 11. In a phone conversation with Clark Pickett, SSI Statistics Leader for SSA, Mr. Pickett noted that Iowa not only consistently had a larger number of PASS plans but the quality of the PASS plans was superior to the other states.

4. Property Essential to Self-Support (PESS)

The Social Security Administration does not track data in regard to PESS for SSDI beneficiaries and does not track data by state on SSI recipients.

5. Trial Work Period

The Social Security Administration does not track data by state on SSDI beneficiaries who utilize Trial Work Periods.

6. Impairment-Related Work Expenses (IRWE)

In December 2007, of the 7,065 individuals with disabilities receiving SSI who were working, 41 received IRWE. The Social Security Administration does not track data by state on SSDI beneficiaries who utilize IRWE.

7. Work Expenses for the Blind

In December 2007, of 728 individuals who were blind, receiving SSI and working, 42 were receiving blind work expenses.

It appears there is a developing momentum regarding the awareness and utilization of Work Incentives. However, we still have a long way to go to. In December 2006, out of 41,920 recipients of SSI who were blind or disabled, only 6,985 were employed (16.7%). In December of 2007 there were 42,938 blind or disabled recipients and 7,065 who were employed (16.5%).

Barriers to Best Practice:

1. Continuing existence of the myth that people with disabilities will lose eligibility for SSI and Medicaid if they work and lack of knowledge and utilization of work incentives.
2. Low expectations of providers, parents and consumers regarding the employment potential of people with disabilities.
3. Lack of participation of service providers with the Ticket to Work Employment Network (EN).
4. Need for additional qualified benefits planners and counselors.
5. Inconsistency between federal and state regulations regarding resource limits and eligibility.
6. Limited participation of employers with the Ticket to Work Employment Network.

D. Micro-enterprise Development / Self-Employment

National:

A micro-enterprise is a business of five or fewer employees. For individuals with disabilities, a micro-enterprise may offer freedom of flexible hours and match their interests with the production of income. A home based micro-enterprise may also eliminate challenges of the lack of available accessible transportation. There is no one strategy for development of a micro-enterprise. It takes utilization of a number of the above mentioned strategies (such as Individual Development Accounts, EITC, PASS plan and PESS, IWRE, Medicaid Buy-In, 1619(a) or trial work periods [depending on whether an individual is on SSI or SSDI], etc.) to be braided together to assist an individual to develop their own business and become self-sufficient. Unfortunately, most individuals with disabilities and most human service professionals do not currently know about most of these incentives and would not know where to begin to assist an individual with disability to navigate through the various systems to avail themselves of these incentives.

Nevertheless, micro-enterprises have significant promise. Between 1990 and 1994, microenterprise generated 43 percent of all new jobs in the United States and in the past decade, 60 percent of micro-enterprises were founded by women. Nationwide, there are over 300 micro-enterprise development organizations providing training and technical assistance as well as access to capital. For more information, visit the Association for Enterprise Opportunity website at: www.microenterpriseworks.org

An additional excellent resource for information on self-employment (which includes micro-enterprises) is the Start-Up USA website which is a collaborative effort of the US Department of Labor, Office of Disability Employment Policy, Virginia Commonwealth University and Griffin-Hammis LLC (the training / technical assistance arm for the initiative). The website provides case studies, fact sheet on various supported employment related issues, small business resources and state policies. You can reach the website at: www.start-up-usa.biz

Innovative Initiatives:

Montesano, WA- Italian Ice Cream Business

Self-employment or ownership of a micro-enterprise is not totally unheard of for a person with a disability. However, creation of a micro-enterprise for an individual with a significant disability is noteworthy. A twenty-three (23) year old woman with significant cerebral palsy started an Italian ice cream business by offering free samples at fairs and special events. Using a simple color cue- red Mylar balloons on her same tray, and red Mylar balloons at her Italian ice cart- she

directs customers to her cart. At the cart, employees (paid \$8.50 per hour) scoop the Italian ice cream which she purchases from a company in New Jersey. The Italian ice cream sells itself. Beginning in July 2007, in her first three months of operation working only on weekends, she grossed \$12,000. She has now purchased a van to transport her business and also has room for a therapy table where she can stretch out every few hours. She discovered the idea for a pushcart business from an ad in Entrepreneur's Home Business edition. With support from her local Chamber of Commerce as well as the state of Washington and a local nonprofit agency, this individual with a significant disability now owns her own business and employs several other individuals. The braiding of several funding and support strategies made the difference.

Terra Haute, IN- Copy Service

A young man with a developmental disability received Medicaid waiver funded personal support to spend his days participating in various non-paid activities in and around his community. This included going to movies or the mall, or running errands. This young man and his mother believed that he could have meaningful employment. They pulled together a team, identified an ideal career path for him (copy service) and determined that self-employment was the best path. The team utilized a mixture of funds to pay for the start-up of his business. The funds included support from Vocational Rehabilitation for equipment and a Social Security PASS plan for rent and remodeling expenses. His business is physically located within another previously established business. This larger business provides a source of steady work as well as natural support. Since 2003, this young man owns and operates his own copy service which provides copying, shredding and general office services to businesses in his local community. Now, instead of his direct support staff assisting him to participate in non-paid community activities, they provide him with the same type of support to participate in his business. Like many business owners, he receives additional support from a family member, in his case his mother, who provides assistance with bookkeeping and marketing for the business. The braiding of government funding and natural supports has made it possible for this young man to reach his career goal.

Iowa:

A 2007 Study by the Child and Family Policy Center entitled, "Micro-enterprise Development and the Iowa Economy" reports that micro-enterprises account for 86% of total businesses and 17% of all employment in Iowa. Unfortunately, there is no data available as to how many of these micro-enterprises are owned by individuals with disabilities. Nationally, however, Iowa ranks poorly in generating micro-enterprises. In 2007, Iowa ranked 45th among states in micro-enterprise ownership and 50th in new companies started. Iowa ranked 37th in private loans to small businesses, suggesting that access to capital may be a barrier for many entrepreneurs. The report is quite clear that access to credit is more important than its cost. The additional cost for a loan has a relatively small impact on the borrower given the small loan amounts and increased income generation. In addition local banks are not used to making these kinds of loans and are turning away a lot of businesses because of the additional time it takes to package and underwrite these loans. There needs to be a better linkage between the education provided to a potential micro-enterprise and local banks so that a loan can be made to the business in a timely fashion. It is important to note that micro-enterprise survival rates are comparable to other small businesses, and most grow over time.

The report also lists four key components for an effective micro-enterprise development program: training and technical assistance; credit and access to credit; access to markets; and economic literacy and asset development.

In Iowa, there are three primary sources for micro-enterprise development for people with disabilities: Entrepreneurs with Disabilities program operated by Vocational Rehabilitation; the Abilities Fund and Iowa's Fund for Social and Economic Development.

1. Entrepreneurs with Disabilities program (now Iowa Self-Employment)

Iowa Vocational Rehabilitation now operates this program internally. From 1994 to 2004 the program was managed by PR Lind and Company and from 2004 to 2007 the program was managed by the Abilities Fund. Presently two VR Business Development Specialists work with applicants to provide training and technical assistance. Financial assistance grants of up to \$10,000 may be used to purchase equipment, supplies, rent or other start-up, expansion or acquisition costs identified in an approved business plan. However, grant money must be matched dollar for dollar by funding from other sources or directly by the person with a disability. A business must produce income that meets at least 80% of substantial gainful activity (or \$752/month currently). The program operates with a budget of \$200,000. In the 2007-2008 fiscal year, there were 288 individuals who were formally or informally involved with ISE with 29 successful closures. In 2006-2007 there were 103 applicants with 19 successful closures. So far this fiscal year, there are over 100 clients being served by Iowa Self-Employment. Examples of self-employment include: cleaning services; cosmetology; woodworking; lawn care; shuttle services; photography; auto repair; tax services; construction; day care, day care; coffee shop; hair care; sound technician; carpentry; karaoke; consumer directed attendant care; stained glass; toy sales; family therapy; tattoo artist; publishing; taxidermy and newspaper ad woman.

For more information on Iowa Self-Employment contact them at 515-281-4144.

2. The Abilities Fund

The Abilities Fund (previously PR Lind & Company) managed Iowa's Entrepreneurs with Disabilities program from 1994 – 2007. Throughout that period there were 336 successful businesses with 1,146 applications received. The Abilities Fund currently operates two programs directly related to microenterprise development and one with a tangential relationship: a. training and technical assistance to Disability Program Navigators; b. a Micro-loan program; and c. the Iowa Able Loan Program.

a. Disability Program Navigators training and technical assistance- The Abilities Fund has developed an online tool kit that is being utilized by Disability Program Navigators (discussed in section II E 9) in 45 states. Disability Program Navigators can see the toolkit by registering at:

www.abilitiesfund.org/programs_and_services/disability_program_navigator_toolkit.php

b. Micro-loan program- a new program initiated in October 2008 in partnership with Accion USA. The Abilities Fund guarantees loans made by Accion. Three loans have already been made with nineteen applications pending. Loans may be made up to \$5,000. The Abilities Fund utilizes funding from the Dept. of Labor to guarantee the loans made by Accion USA.

c. Iowa Able Loan Program (and 32 other states) - This is a direct loan program started in 2004. Loans support the assistive technology needs of individuals with disabilities which may assist an applicant with self-employment or micro-enterprise development. Direct loans can range from \$500 to \$10,000. Abilities Fund is currently lending at 2%.

Since 2004 there have been 335 applications received, 92 applications denied, and 129 applications withdrawn with 106 loans completed for a total of \$719,040. Loans have been used for modification of vehicles, home modifications, hearing aids and computers and peripherals.

For more information regarding the programs operated by the Abilities Fund, view their website at www.abilitiesfund.org or contact them at (toll free) 1-888-222-8943.

3. Iowans for Social and Economic Development (ISED)

ISED, based in Des Moines, operates ISED Ventures- a micro-enterprise and asset development program targeted to populations typically underserved and most at risk, including low-income women, minorities, refugees, ex-offenders, non-custodial parents, persons below 200 percent of the federal poverty level and individuals with disabilities.

For more information regarding ISED Ventures, visit their website at: www.isedventures.org or call 515-283-0940.

A positive development in Iowa was the passage of Senate File 2430 during the 2008 legislative session. This legislation created a community micro-enterprise development organization within the Iowa Department of Economic Development. IDEED can award grants for business start-up, home based and self-employed businesses. A community micro-enterprise development organization must match at least 20% of the funds to be awarded and no more than \$80,000 may be expended on any one community organization. A total of \$475,000 was appropriated for the loan program. Of this amount, up to \$80,000 may be used for a full-time staff person to administer the program and up to \$20,000 may be used to contract with an expert for consultation and technical assistance for the development of community microenterprises.

Initially, due to the low revenue estimates from the recent economic downturn, Governor Culver put a hold on the implementation of the micro-enterprise grant program during 2008. However, the funding did not revert to the general fund and the legislature in 2009 put in non-reversion language for this initiative. Thus, the funding is now available for implementation and the Iowa Department of Economic Development is establishing an Advisory Committee to assist them with implementation. For more information contact Gail Kotval at 515-242-4731

The Iowa MIG grant has provided workshops for persons with disabilities over the last several years, providing a resource for informing interested consumers about ways to use work incentives effectively to start and operate a small business. These workshops have been attended by over 200 persons.

Barriers to Best Practice:

1. Low expectations of consumers, families and professionals regarding the potential of people with disabilities for self-employment or development of a micro-enterprise.
2. Lack of knowledge and utilization of work and tax incentives in order to develop a business.
3. Limited resources for business planning and feasibility research and start-up funding support.
4. Lack of knowledge regarding creative uses of HCBS supported employment funding.

5. Limited marketing of success stories regarding consumers working and maintaining SSI and Medicaid.

E. Favorable Tax Provision for Individuals/Parents

National:

The most common favorable tax provision is the Earned Income Tax Credit which will be discussed below. Other favorable tax provisions are the Credit for the Elderly or Disabled, Child and Dependent Care Credit and the Child Tax Credit. The Disabled Access Credit, Barrier Removal Tax Deduction and Work Opportunity Credit will be covered under the section on Work Incentives.

1. Earned Income Tax Credit (EITC)

The Earned Income Tax Credit is a refundable federal income tax credit for low-income working individuals and families. When the EITC exceeds the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit. To qualify, taxpayers must meet certain requirements and file a tax return, even if they did not earn enough money to be obligated to file a tax return. The EITC has no effect on certain welfare benefits. In most cases, an EITC payment will not be used to determine eligibility for Medicaid, Supplemental Security Income (SSI), food stamps, low-income housing or most Temporary Assistance for Needy Families (TANF) payments. However, the federal EITC refund is only excluded as an asset for 10 months (the month it is received and the next 9 months). In twenty-two (22) states and the District of Columbia, if an individual qualifies to claim an EITC on their federal income tax return, she / he may also be eligible for a similar credit on their state income tax return. Iowa is one of those states. Iowa allows 7% of the federal credit and it is refundable. Some states allow as high as 32% (Vermont) of the federal credit to be refundable.

Just for illustrative purposes, an individual with a significant disability who earned only \$550 in a tax year would still get a refund of \$40 if they filed a federal tax form using Form 1040 or 1040A. IRS rules allow filers who receive refunds to have up to three years to file claims so an individual could go back several years and receive refunds for several years.

In order to encourage individuals to file for the EITC, the website of the Center on Budget and Policy Priorities offers an EITC estimator. The website is: www.cbpp.org

Innovative Initiative:

Wichita EITC Coalition

The Wichita EITC Coalition began in 2003 and was championed by the United Way of the Plains. The Coalition consists of members of faith-based organizations, disability organizations and the Kansas State University Extension office. This initiative is basically volunteer-driven (the IRS does supply the tax preparation software). Some volunteers load the tax filing software onto the computers at sheltered workshops, employer sites or living centers on one day and other volunteers return on another day to file the tax returns.

2. IRS Volunteer Income Tax Assistance (VITA) program

The IRS offers free tax help to low to moderate income (generally \$40,000 and below) people who cannot prepare their own tax returns. Certified volunteers sponsored by various

organizations receive training to help prepare basic tax returns in communities across the country. To locate the nearest VITA site, call 1-800-829-1040 and use the prompt for filing a tax return.

3. Credit for the Elderly or Disabled

This federal tax credit is available to certain low-income individuals if they are at least age 65 or older before the close of the tax year, and to individuals under age 65 if they are retired with a permanent and total disability and have taxable disability income from a public or private employer. The credit is subject to strict income limits. An individual is considered to be permanently and totally disabled if he / she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to last for not less than 12 months. Employment in a sheltered workshop has generally been found, for IRS purposes, to not be considered substantial gainful activity.

4. Child and Dependent Care Credit

If an individual paid someone for care for a child under age 13 or a qualifying spouse or dependent so she / he could work or look for work, she / he may be able to reduce her / his tax by claiming the Child and Dependent Care Credit on her / his federal income tax return. To qualify, the spouse, children age 13 or under, and other dependents must be physically or mentally incapable of self-care. The credit is a percentage of the amount of work-related child and dependent care expenses paid to a care provider. The credit can be up to 35 percent of the individual's qualifying expenses, depending upon her / his income. For 2007, the individual may use up to \$3,000 of the expenses paid in a year for one qualifying individual or \$6,000 for two or more qualifying individuals. These dollar limits will be reduced by the amount of any dependent care benefits an individual receives from their employer.

5. Child Tax Credit

The Child Tax Credit is a federal \$1,000 per-child tax benefit intended to defray some of the costs associated with raising children. This tax credit is partially refundable. A parent(s) need to have at least \$12,050 of earnings and then they get a refund equal to 15% of their earnings in excess of \$12,050. Please note that a poor parent could get three federal tax credits- the Earned Income Tax Credit, the Child and Dependent Care Credit and the Child Tax Credit.

Iowa:

1. Earned Income Tax Credit

In addition to the federal Earned Income Tax Credit, there is also a refundable Iowa Earned Income Tax Credit. This credit is available to individual taxpayers who qualify for the federal earned income credit and it is 7% of the federal earned income credit. On the positive side, as of tax year 2007, Iowa was one of 23 states that had a state earned income tax credit. On the negative side, Iowa's credit as a percentage of the federal credit is relatively low. Percentages range from 3.5% in North Carolina to 35% in the District of Columbia. Kansas is 17% and Nebraska is 22.5% and Minnesota's average percentage is 33%. In addition, in Iowa as in all states, EITC is only excluded as a resource for SSI and Medicaid eligibility for one month (i.e. it is counted as a resource the month after it is received). The Iowa Department of Human Services has conducted on an annual basis, a mailing to all Medicaid recipients regarding the availability of the federal and state EITC.

Based on data from the Brookings Institution, 168,000 households in Iowa received a federal Earned Income Tax Credit in 2004, 172,975 received this Tax Credit in 2005

and 173,616 in 2006 (most recent data available). For the Iowa Earned Income Tax credit, the Iowa Department of Revenue reports that 110,400 households received this tax credit in 2005 and 116,500 in 2006. The 2007 data is not yet available but it is expected to increase since this Iowa tax credit became refundable effective January 1, 2007. There is no data on how many of these taxpayers (for the federal or state EITC) are individuals with disabilities.

In the Des Moines area, the Iowans for Social and Economic Development and the United Way have teamed up to provide tax preparation services for low income individuals (including individuals with disabilities) which has assisted individuals with disabilities to collect their Earned Income Tax Credit. In 2007, this group hosted a Real Economic Impact meeting that resulted in increasing the number of statewide locations for VITA tax preparation. In Polk County, a Tax preparation day has been hosted for the last several years.

2. Volunteer Income Tax Assistance

There are 45 counties in Iowa with Tax Assistance sites covering 80 states. The sites operate during the tax season each year (January – April). The sites are operated by volunteers. Some sites are sponsored by AARP and some are IRS Volunteer Income Tax Assistance sites. Many are located in libraries, some are in community centers, churches, colleges, universities, One Stop Centers and senior centers. Specific sites may change from year to year. You can find a list of Tax Preparation sites at: www.iowa.gov/government/ag/consumer/advisories/VITA. Some sites require that an appointment is made in advance.

3. Credit for Elderly or Disabled

There is no Iowa version of the federal Credit for Elderly or Disabled. Iowans with disabilities may apply for the federal credit on their federal tax return.

4. Child and Dependent Care Credit

In addition to the federal Credit, Iowa also has a Child and Dependent Care Credit. This refundable credit is available to individual taxpayers who have a net income of \$45,000 or less. This credit was claimed by 33,900 households in 2005 and 39,400 households in 2006.

5. Child Tax Credit

There is no Iowa version of the federal Child Tax Credit. Iowans with disabilities may apply for the Child Tax Credit on their federal tax return.

6. County Property Tax Suspension, Tax Credit or Rent Reimbursement

An individual with a disability may not have to pay their property taxes until the property is sold or transferred to another person, or, if you rent your home and your home is subject to taxes, you may get up to \$1,000 back of the total rent you paid each year. In addition, when the property is sold or transferred, an individual with a disability can get a tax credit of up to \$1,000 to lower the amount of the tax when the property is sold or transferred.

If an individual receives SSI or State Supplemental Assistance (SSA) they can be eligible for the property tax suspension. An individual can be eligible for rent reimbursement or the tax credit if their household's income is less than \$20,031 and the individual is determined to be "totally disabled". All three programs are run by the

counties. For the tax suspension program, the individual must give the County Board of Supervisors (county where the property is located) proof that you qualify (receiving SSI or eligible for SSA). You must obtain a Notice of Decision from the County Board of Supervisors. For the rent reimbursement or tax credit program, obtain the rent reimbursement form or the tax credit form from the county Treasurer's office (county where the property is located).

Barriers to Best Practice:

1. General lack of knowledge of consumers, parents and human service professionals as to the availability of favorable tax provisions and the benefits to filing taxes even if earnings are below the required thresholds.
2. Limited availability and knowledge of accurate tax advice and assistance for individuals with disabilities and/or their families.
3. Underutilization of the EITC through the federal tax return.
4. The relatively low percentage of Iowa's refundable Earned Income Tax Credit.

F. Financial Education / Financial Literacy

National:

Financial education programs improve an individual's understanding and skill to create a budget, manage income, utilize a checking and saving account and effectively use credit. When an individual with a disability is not able to directly benefit from financial education programs, their representative or broker can be involved on their behalf. Across this country, there are financial education classes available through banks, credit unions, community colleges, nonprofit groups and agencies serving people with disabilities. However, most classes are not geared to meet the needs of individuals with significant disabilities.

In 2001, the Federal Deposit Insurance Corporation launched a national financial education program called Money Smart. Money Smart has ten modules which are available at no cost on the FDIC's website: www.fdic.gov/consumers/consumer/moneysmart. The curriculum is written at a fifth grade reading level making it accessible to low skilled readers. The ten modules take between one to two hours to complete and instructional materials include a comprehensive, fully scripted guide for instructors, which includes easy to follow cues, scripts and interactive class exercises. The curriculum is offered in English, Spanish, Chinese, Korean and Russian and is available in Braille and large print formats. The Ten Money Smart Training Modules include: 1. Bank On It- an introduction to bank services; 2. Borrowing Basics- an introduction to credit; 3. Check It Out- how to choose and keep a checking account; 4. Money Matters- how to keep track of your money; 5. Pay Yourself First- why you should save; 6. Keep It Safe- your rights as a consumer; 7. To Your Credit- how your credit history will affect your credit future; 8. Charge It Right- how to make a credit card work for you; 8. Your Own Home- what home ownership is all about.

A second major curriculum is the National Endowment for Financial Education (NEFE) High School Financial Planning Program (HSFPP). This curriculum is also available at no cost to schools and organizations. The unit topics include: 1. Your Financial Plan; 2. Budgeting; 3. Investing; Good Debt, Bad Debt; 4. Your Money; 5. Insurance; 6. Your Career. The Student Guide and Instructor's Manual can be ordered online by visiting www.hsfpp.nefe.org The

HSFPP is supported by a dynamic suite of Web pages that offers a large, continually growing collection of teaching and learning resources for teachers, online calculators, games, articles and financial tools for students; and ideas and tips for parents to help their teens master the skills this program teaches.

A third no cost curriculum has been developed by VISA- Practical Money Skills for Life. This is a free Web site designed to help educators, parents and students practice better money management for life. The curriculum consists of a Teacher's Guide, Student Pages and a Parent Resource Center. You can learn more about the curriculum at: www.practicalmoneyskills.com There is a separate curriculum for grades K-2, grades 3-6, grades 7-12, ages 18 and up and a curriculum for students with special needs.

A fourth comprehensive personal finance curriculum is Financial Fitness for Life developed by the National Council on Economic Education. There is a separate curriculum for grades K-2, grades 3-5, grades 6-8 and grades 9-12. Each of the grade level curricula cost \$79.95 but includes a Teacher's Guide, Student Workshop, Parents guide, CD Rom and copyright permission. For more information visit the website: www.fffl.ncee.net

There are many other curricula out in the marketplace but the no cost availability of Money Smart, the HSFPP curriculum and Practical Money Skills for Life (also including a separate special needs curriculum) is a major plus. Two other significant resources include: 1. U.S. Financial Literacy and Education Commission- www.mymoney.gov/- this site include curricula, articles and materials useful for financial education training; and 2. FDIC Community Affairs Program- www.fdic.gov/consumers/community/- click on Savings related Resources.

Another national program is America Saves (www.AmericaSaves.org). America Saves is a nationwide campaign in which a broad coalition of nonprofit, corporate and government groups help individuals and families save and build wealth. Through information, advice, and encouragement, they assist those who wish to pay down debt, build an emergency fund, save for a home, save for an education or save for retirement. There is a local campaign office in Des Moines with Iowans for Social and Economic Development. Contact Person- Claudia Hawkins-chawkins@ided.org or 515-283-0940.

In addition, President Bush created the President's Advisory Council on Financial Literacy on January 22, 2008. The Council's purpose is to help keep America competitive and assist the American people in understanding and addressing financial matters. The President and the Secretary of the Treasury have tasked the Council to work with the public and private sector to help increase financial education efforts for youth in school and for adults in the workplace, increase access to financial services, establish measures of national financial literacy, conduct research on financial knowledge and to help strengthen public and private sector financial education programs. With the recent election of a new President, it is too early to know the future of this Council and any possible initiatives.

Innovative Initiative:

Collaborative Support Programs of New Jersey (www.cspnj.org) CSP-NJ is a private non-profit organization which is directed, managed and staffed through the collaborative efforts of mental health consumers, survivors and non-consumers. CSP-NJ recognized that the representative payee system was not working well for individuals with mental illness because it did not engage the individual with decision making. After bringing in representatives of banks and credit unions, they quickly concluded that financial education

training by itself was not enough and that there must be incentives for individuals to save. They ended up initiating a program with education and savings accounts modeled after “Christmas Clubs”. The approach is short in duration, offers an incentive to save and requires the saver to identify a savings goal. Money deposited by the consumer is matched by privately raised funds to help accelerate savings. The upper limit on savings is \$1,200 to prevent conflict with income or asset limits for their clients who receive SSI benefits. CSP-NJ also operates a no-interest loan program (to help individuals with mental illness avoid using a payday loan lender) of up to \$500 for emergency situations or for security deposits for rental housing.

Florida, Ohio, Wisconsin and Michigan

These states now offer the Money Smart curriculum to all job seekers through One Stop Career Centers as part of free services available from the Workforce Investment System in these states. To the Medicaid beneficiary, the knowledge gained could help the individual compare the cost of financial services and the benefit from no fee checking and interest bearing savings accounts.

Illinois

The Illinois Temporary Aid to Needy Families (TANF) program provided a large start-up grant to utilize the Money Smart program with this population. TANF agencies incorporated Money Smart as a part of their work readiness-training program and participation is considered a work related activity and could be counted towards the TANF participant’s work requirements.

Iowa:

As in most states, Iowa has no uniform, statewide program or initiative to teach financial literacy to individuals with disabilities. A study by the National Council on Economic Education indicates that in 2007, only 7 states require a high school course in personal finance education for all students for graduation. Individuals with disabilities served by community agencies may receive some financial education training, as a matter of course, through supported living or employment services. They are even more likely to receive some training if they have a financial goal and / or objective within their Individual Service Plan. Financial training usually focuses on practical skills such as money management and using a checking and / or savings account. Some individuals learn the importance of saving by going through the exercise of saving up for the purchase of a major retail item (television, furniture) or perhaps planning for an outing or vacation. The reality, however, is most individuals with disabilities must rely on their SSI check to pay for their rent, food and utilities. Any remaining monies must pay for any discretionary spending. Little is left to save. In addition, it must be noted that many individuals with disabilities are extremely vulnerable to financial exploitation by predatory lenders, casual acquaintances or others.

Focused training on financial literacy does exist in Iowa and it is linked to Individual Development Accounts. This information will be covered in item C (Individual Development Accounts) below. The Iowa Jump\$tart Coalition is comprised of over eighteen (18) organizations, government agencies, financial institutions and corporations. Their mission is to improve the personal financial literacy of Iowa young people. The Coalition sponsors statewide Jump\$tart teacher training conferences to promote personal finance on methods and materials. The Coalition also supports the National Jumpstart Coalition Financial Literacy Survey of high school seniors to obtain Iowa specific data to use with media, decision-makers and schools to support the need for personal financial education.

Many consumer credit organizations offer financial training and some financial institutions provide online tutorials regarding financial literacy. In addition, most community colleges offer some continuing education classes related to financial matters. For a listing of the community colleges go to:

www.iowaaccess.org/educate/ccwp/cc/index.html

The Iowa chapter of the American Association for Retired Persons (AARP) also conducts some financial education training for citizens 50 years of age and older. Clearly, individuals with disabilities 50 years of age and older can take advantage of this service. Contact the AARP office in Des Moines to learn about any training in your area: (toll free) 1-866-554-5378.

Undoubtedly, a major effort needs to be made to start early to educate children with disabilities and their families regarding the importance of saving and asset building. This shift in mindset must include the importance and feasibility of work for individuals with disabilities- including individuals with significant disabilities.

A significant development in Iowa was the passage during the 2008 Legislative session of SF 2216 (can be viewed at www.legis.state.ia.us). This legislation requires the development and implementation of a core curriculum for all students in school districts and accredited nonpublic schools. The core curriculum shall include learning skills which include but are not limited to civic literacy, health literacy, technology literacy, financial literacy and employability skills; and shall address the curricular needs of students in kindergarten through grade twelve in those areas. Thus, these learning skills need to be addressed each year, kindergarten through grade twelve. This core curriculum must be fully implemented for grades nine through twelve by July 1, 2012 and kindergarten through grade eight by the 2014-2015 school year.

The legislation is clear that the State Board of Education shall not require the schools to adopt a specific textbook or textbook series to meet the core curriculum requirements of the legislation. However, the Dept. of Education must develop and distribute, in collaboration with the area education agencies, core curriculum technical assistance and implementation strategies that schools may utilize. This legislation could provide a significant opportunity to impact the future financial literacy and employability of individuals with disabilities.

Until recently, Iowa was the only state in the nation without a Consumer Fraud Act protecting citizens from predatory practices. However, during the 2009 legislative session, the legislature passed and the Governor signed a "Private Right of Action" Consumer Law. The new law creates a private right of legal action for Iowans who are victims of consumer fraud. The bill gives protections to older Iowans and to all consumers who might be cheated when they buy used cars, contract for home repairs or get a home mortgage. Due to the vulnerability of individuals with disabilities, this Consumer Fraud legislation could be a significant asset.

The Iowa Division of Persons with Disabilities within the Department of Human Rights (in collaboration with Vocational Rehabilitation and the Department for the Blind) conducts an annual Iowa Youth Leadership Forum (YLF) for students with disabilities. This annual Forum, held in July, is a five day leadership training program for 10th, 11th and 12th grade high school students with disabilities. YLF is an educational, motivational and fun forum where the students are exposed to topics such as disability rights, self-

advocacy, technology and resources. There is no cost to attend. At least 30 high school students are selected to attend through a competitive selection process. The YLF would be a possible forum for reaching High School students with disabilities to conduct basic financial education. For more information in regard to this program or how to apply to attend the program contact the Iowa Division of Persons with Disabilities at (toll free) 888-219-0471 or visit their website at: www.state.ia.us/dhr/pd

The creation of the President's Advisory Council on Financial Literacy was noted earlier. It is important to mention there is an Iowa connection with this Council. One of the members of the Council is Dr. Tahira Hira, Professor of Personal Finance and Consumer Economics and Executive Assistant to the President of Iowa State University.

Barrier to Best Practice:

1. There is a significant perception that the general state of poverty for most people with disabilities makes saving and asset development irrelevant.
2. Lack of an organized, statewide training program on financial literacy for all adults and children and accessible to individuals with disabilities.
3. Decentralized nature of Iowa's public schools (362 school districts and 9 AEA's) could provide a significant risk for inefficiency and duplication of curricula development for implementation of the new core curriculum for students with disabilities.

G. Individual Development Accounts

National:

Individual Development Accounts (IDAs) are matched saving accounts that enable low-income American individuals and families (which includes many individuals with disabilities) to save, build assets, and enter the financial mainstream. IDAs reward the monthly savings of working poor families that are building towards purchasing an asset, most commonly buying their first home, paying for post secondary education or starting a small business. Federally funded IDAs are exempt from counting as an asset for purposes of remaining eligible for SSI or Medicaid; therefore an IDA could actually help preserve eligibility for Social Security benefits by utilizing income produced to be a part of funds placed in the IDA, rather than be counted as assets to determine continued SSI eligibility. The Asset for Independence Act provides five year grants to organizations and agencies that enable low income individuals and families to achieve economic self-sufficiency by accumulating economic assets.

Basically there are three parties that put in money into the participant's savings account- the federal government (through the grant), a local or state match and the individual participant. The account is held at a financial institution and the individual receives financial education training. As a part of the savings agreement, the individual identifies the asset objective, sets a goal of the total amount to be saved and matched, sets a savings schedule of the specific amount to be deposited at regular intervals and reaches an agreement with the program manager on a matched rate. When the account holder is ready, both the savings and the match are used to leverage a larger asset investment with long-term return potential. Under the federal program, the participant must have one of the following three goals for the use of the money: homeownership; higher education or job training, or establishing a small business. Many projects link the use of

an IDA with the Earned Income Tax Credit, Section 8 Home Ownership program or the Child Tax Credit to maximize asset development.

For organizations interested in learning more about how to apply for an IDA grant, they should review the website: www.acf.hhs.gov/programs/ocs/afi (the Assets for Independence Program of the Office of Community Services within the Administration for Children & Families of the U.S. Dept. of Health and Human Services).

Innovative Initiative:

Oregon IDA Program

In the 1990s, a children's IDA program in Oregon was legislated but unfunded. A coalition of eleven organizations in the planning / development or implementation phase of an IDA program met with legislators, business leaders, and government cabinet officials to float the idea of a tax credit to fund a statewide IDA program. The use of tax credits to fund the program was politically acceptable to politicians on both sides of the aisle because this method was not seen as an "entitlement" and funding for IDAs would not add to the state budget. The Oregon Housing and Community Services Department was chosen as the lead administrative agency. Initially the 25 percent tax credit was insufficient to raise enough money to fund a statewide initiative. Subsequently, the tax credits were raised to 75 percent—for every dollar of tax credit purchased, the taxpayer could receive a credit on their taxes of 75 cents.

Washington IDA Program

The state of Washington is the first state to directly fund a match for an IDA program. The State of Washington matches savings that are deposited into IDAs by individuals with low income including individuals with disabilities. Washington also allows the funds to be used for assistive technology and automobiles. The Washington Dept. of Vocational Rehabilitation will be requesting a waiver from Social Security so that non-Assets for Independence Act IDAs will not be considered as resources, nor will they affect benefits for individuals on Supplemental Security Income.

Iowa:

Iowa has had one Individual Development Account program operated by Iowans for Social and Economic Development (ISED) based in Des Moines. From 2002 to 2008 there were 385 participants (savers) and 195 participants purchased assets. Of the 195, 93 saved for a home, 56 saved for a small business and 46 saved for postsecondary education. Total amount saved was \$384,886 with an equal amount leveraged as match (from federal and local sources). The new five year proposal to the U.S. Department of Health and Human Services is for \$475,000 of federal match funding. Local funding from United Way of Central Iowa, Wells Fargo Foundation, Veridian Credit Union and Iowa Finance Authority will match the federal funding. The federal and local funds will match participant savings dollar for dollar.

Participants with ISED's program (Central Iowa Saves) can save as little as \$10 per month. Participants can save from one year to five years depending upon their saving goal- buying a home, postsecondary education or establishing a small business. Participants receive the following: a no-fee or low-fee savings account; free informational and motivational workshop with strategies on how to save and build wealth; free one-to-one planning consultation with a budget coach; free seminars by financial experts on how to pay off debts, spend less, get good deals, qualify for a home

mortgage, set up a retirement account, or select a savings or investment product and access to financial products, services and resources. For more information about ISED's IDA program, contact Central Iowa Saves at 515-283-0940.

Two additional organizations in Iowa have recently received federal grants to implement IDA programs. The Iowa Credit Union Foundation has received a five year federal grant of \$342,000. They are matching the federal grant with local funds and will use this money to match participants' savings dollar for dollar. Total federal and local match is over \$600,000. Ten credit unions in Iowa have been identified to implement the program- Affinity Credit Union- Des Moines; Ascentra Credit Union- Bettendorf; Cedar Falls Credit Union- Cedar Falls; Community First- Ottumwa; Employees Credit Union- Estherville; Dupaco Credit Union- Cedar Rapids and Dubuque; Dutrac Credit Union- Dubuque and Maquoketa; Linn Area Credit Union- Cedar Rapids; Veridian Credit Union- Waterloo; Marine Credit Union- Decorah. In addition to the three federal goals, the Credit Unions will allow the purchase of a vehicle for transportation to work as an acceptable goal for participants' saving accounts. Financial education training will be an integral element of the program. For more information about the Credit Union Foundation IDA program, contact one of the local credit unions mentioned above or contact the Iowa Credit Union Foundation at 515-221-3001 or visit their website at www.iowacreditunions.com -click on Community Outreach and then Individual Development Accounts.

The third IDA program will be implemented by the United Way and Community Foundation of Northwest Iowa (Fort Dodge). This organization has received a federal grant of \$87,000 and is matching the federal funding with local funding dollar for dollar. They in turn will match participants' savings dollar for dollar. United Way and Community Foundation of Northwest Iowa has adopted the three federal goals for participant savings for investments in long term assets (purchase of a home, higher education or developing a small business). For more information, contact them at 515-573-3179.

In addition to the federal IDA program, the Iowa Legislature, during the 2008 session, made an appropriation for an Iowa Individual Development Account program. The program will allow savings toward the three federal goals but will also accept the purchase of an automobile, purchase of assistive technology, home or vehicle modification, or other device or physical improvement to assist an account holder or family member with a disability. In 2008, the legislature appropriated \$150,000 to initiate the program and up to \$50,000 of this funding may be utilized for administration of the program. In 2009 the legislature appropriated \$250,000 for IDAs but specifically earmarked this funding for disaster relief objectives. The Department of Human Rights is administering this program and they released a Request for Proposal to distribute the 2008 and 2009 funds. The Iowa Credit Union Foundation was awarded a total of \$350,000 to implement the Iowa IDA program. For more information, contact the Department of Human Rights at 515-242-5655 or the Iowa Credit Union Foundation at 515-221-3001.

Barriers to Best Practice:

1. Need for outreach and marketing to individuals with disabilities and their families regarding the Iowa IDA program.

2. Lack of knowledge about IDAs by human services professionals who would be in the best position to assist individuals with disabilities.
3. Need to share experiences and lessons learned across the three IDA grantees.
4. Iowa IDA program is not available statewide.
5. The common two year time limit to achieve an IDA goal may be a barrier for individuals with cognitive disabilities.
6. The Iowa IDA regulations regarding resource limits conflict with SSI eligibility.

H. Home Ownership and Community Housing

National:

1. Housing Choice Voucher (Section 8) Program

In 1999, the Dept. of Housing and Urban Development (HUD) began allowing Section 8 vouchers (formerly used just for renting) to be used by very low-income people, including people with disabilities, to buy their first home. There are over 2,600 public housing authorities (PHAs) in the United States managed by state, regional or local governments or their agents, and HUD allows each to determine the number of vouchers that will be available to eligible participants for the purchase of a home or home-related expenses. Participants with disabilities receiving a voucher must have an annual income equal to the federal SSI benefit amount (\$623 for 2007) multiplied by twelve or an annual income of at least \$7,479.50. All participants must attend home ownership education and training prior to purchasing a home. If the borrower defaults on the mortgage, PHAs may allow the household to convert the home ownership assistance back to rental assistance. The voucher can be used to pay the mortgage payment, mortgage insurance, maintenance, homeowners insurance, utilities, etc., instead of paying rent to a private landlord or living in government housing. Participants who have a disability are able to maintain their Housing Choice Voucher for 30 years- the entire life of a traditional 30 year, fixed rate mortgage. In order to be able to purchase a home through this program, the prospective homeowner needs to contribute one percent (1%) of the purchase price of the home as part of a three percent (3%) down payment. The other two percent (2%) can come from outside sources, gifts or other government programs such as an IDA or local home purchase program.

Innovative Initiative:

Anne Arundel County, Maryland- Opening Doors

In 1999 the ARC of Anne Arundel County initiated the Opening Doors program with funding from the Joseph P. Kennedy Jr. Foundation, support from the Fannie Mae Foundation for Baltimore and counseling and education to individuals with disabilities by the ARC. The ARC worked closely with Homes for America (a non-profit housing corporation specializing in developing and preserving housing for low and moderate income households and special needs populations). The ARC assisted Homes for America in identifying individuals who were interested in a lease-to-own model and individuals who were interested in renting other apartments in the community. The ARC also assisted individuals in securing both Section 8 vouchers and community living support services through the Medicaid waiver. The Program also produced materials, including a guide to Developing Housing Coalitions at the Local and State Level and a booklet for consumers, parents and advocates on How to Be a Responsible Tenant.

2. Family Self-Sufficiency Program (FSS)

When people who are receiving SSI earn income, their SSI benefits along with their Housing Choice Voucher can be reduced until they become “self-sufficient”. For many, the fear of losing this benefit, as well as health insurance / Medicaid, creates a powerful disincentive to work.

However, through the Family Self-Sufficiency program, additional earned income through work can be set-aside and not counted as income until an eligible employment goal is met. The FSS program is an employment and savings program for low-income families that receive Section 8 vouchers. It consists of both case management services that help participants pursue employment goals and of escrow accounts into which the Public Housing Authority deposits the increased rental charges that a family pays as its earnings rise. Families that complete the program (meet the employment goal) may withdraw funds from their account for any purpose after five years. The cost of the program to the local PHA is minimal because HUD supports the funding of the escrow accounts.

There are two unique components of the FSS program that support the opportunity to acquire and accumulate appreciating assets for low-income families: the escrow accounts and the intensive oversight of employment goals over a five year period. Any increases in rent due to increased earned income is set aside into an interest bearing escrow account at a bank or credit union that is set up by the PHA for this purpose. It is of no cost to the PHA because the amount of the voucher paid to the PHA by HUD remains the same and the additional portion is funneled into the escrow account. During the course of the five year employment plan, withdrawals may be made on a case by case basis when needed to help meet the goals of a FSS participant's career development plan. When the FSS program has been successfully completed, the funds in the escrow account and any interest earned are given to the participant for them to spend on whatever they wish. While there are no restrictions on these funds, it is reported that many families use the funds for home ownership, transportation, education and to begin a small business start-up.

3. Low-Income Housing Tax Credit (LIHTC)

The Low-Income Housing Tax Credit gives incentives for the utilization of private equity in the development of affordable housing aimed at low-income Americans. The tax credits provide a dollar-for-dollar reduction in a taxpayer's federal income tax. Almost all investors in LIHTC projects are corporations. HUD gives funding each year to state and local LIHTC allocating agencies (in Iowa, this is the Iowa Finance Authority) to issue tax credits for the acquisition, rehabilitation or new construction of rental housing targeted to lower income households. A project takes a partnership of a developer and an investor. To take advantage of the LIHTC, a developer will typically propose a project to a state agency, seek and win a competitive allocation of tax credits, complete the project, certify its cost, and rent-up the project to low income tenants. Simultaneously, an investor will be found that will make a "capital contribution" to the partnership or limited liability company that owns the project in exchange for being "allocated" the entity's LIHTCs over a ten year period. The LIHTC was an effective strategy when the market conditions were favorable and investors were plentiful. However, in the past few years, investor interest has diminished and the use of LIHTC has markedly reduced.

Innovative Initiative:

Kentucky Universal Design Program

In the state of Kentucky, in order to receive funding or subsidies from the Kentucky Housing Corporation builders are required to follow guidelines designed to ensure accessibility and ease of movement for individuals with mobility challenges. Builders working with tenants utilizing Section 8 vouchers and developers / investors using Low Income Housing Tax Credits must meet the universal design standards. A potential federal initiative would be to advocate with HUD, which funnels housing financing to the states, and the US Treasury, which distributes LIHTC to the states, to require the adoption of universal design standards.

4. HUD Earned Income Disregard

Under HUD housing programs, tenants with limited income receive a subsidy to help them pay a portion of their rent. Typically, the HUD subsidy will pay up to 70 percent of the rent with the tenant or tenant family responsible for the remaining 30 percent. When a tenant has an increase in their monthly income, including increases from earned income or wages, their tenant share of rent goes up. Generally, the tenant share of rent would go up by about \$1 for every \$3 of additional income. But HUD's "Earned Income Disregard" allows some tenants with disabilities in certain types of housing (Section 8 Housing Choice Voucher Program, Supportive Housing Program, Home Investment Partnerships Program and the Housing Opportunities to Persons with AIDS Program) to work without an immediate increase in rent. This "disregard" allows a tenant to go to work and his / her earnings will not be counted in calculating the rent for the first year in which the tenant was employed. In the second year of employment, only half of the earnings will be counted in figuring the rent payment.

5. Community Development Block Grants

The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs. The CDBG program under HUD provides annual grants on a formula basis to general units of local government and the States. The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of business. The annual CDBG appropriation is allocated between States (non-entitlement communities) and local jurisdictions (entitlement communities). Entitlement communities are comprised of central cities of Metropolitan Statistical Areas and qualified urban counties. States distribute CDBG funds to non-entitlement localities not qualified as entitlement communities.

6. Medicaid Waiver Programs

Medicaid Waiver programs do not develop housing or pay rent or mortgage payments. However, they fund staff support which makes it possible for many individuals with disabilities to live in community housing.

Many people with disabilities rely on the federal-state Medicaid program and the federal Medicare programs of the Centers for Medicare and Medicaid Services (CMS) to assist with their health care needs. Both provide a public safety net for persons with disabilities; historically, both also have limitations (e.g., biases toward acute and institutional care and against preventive or home health care). In the past, people have been forced to "follow the money" to more expensive- often less appropriate care. However, recent innovations are helping states to promote individual choice and community alternatives.

States may offer a variety of services to consumers under an HCBS waiver program and the number of services that can be provided is not limited. These programs may provide a combination of both traditional medical services (i.e. dental, skilled nursing services) as well as non-medical services (i.e. respite, case management, environmental modifications). Family members and friends may be providers of waiver services if they meet the specified provider qualifications. However, in general, spouses and parents of minor children cannot be paid providers of waiver services. The exception to this general rule is the Medicaid self-direction initiative.

The state Medicaid agency must submit to CMS for review and approval an application for an HCBS waiver, and the state Medicaid agency has the ultimate responsibility for an HCBS waiver program although it may delegate the day-to-day operation of the program to another entity.

Initial HCBS waivers are approved for a three year period and waivers are renewed for five year intervals. The main point of a waiver from CMS is to allow states the flexibility to “waive” traditional institutional provisions. The three provisions that can be waived regard: 1. statewideness; 2. comparability of services; 3. income and resource rules applicable in the community. Within the parameters of broad Federal guidelines, states have the flexibility to develop HCBS waiver programs designed to meet the specific needs of targeted populations.

The reality is HCBS Medicaid Waivers provide medical and non-medical services to individuals with disabilities to allow them to live in the community in non-institutional housing.

Innovative Initiative:

Missouri Telecommunication Program

The state of Missouri has a well-developed and well-funded telecommunication device voucher program as part of its long-term services and supports initiative for individuals with disabilities. The program includes ongoing training and accountability as well as supports and services. The cost of the program is spread to all users of communicative devices through a tax to general phone services to cover the training, maintenance and hardware to make the assistive program effective. Missouri has developed a complex network of loan programs and standards for entities accepting state funds to support full access to assistive technology for individuals with disabilities. Clearly access to telecommunication can be a significant benefit to individuals with disabilities not only in their home but at work, school and play. States may want to explore a possible expanded role of their Public Service Commission to have a broader mandate to promote telecommunications and internet access with appropriate products and services. A partnership between the state Public Service Commission and the state entity authorized by the federal Assistive Technology Act might warrant further exploration.

Iowa:

1. Housing Choice (Section 8) Program

For the past several years, approximately 22,000 vouchers have been used in Iowa. This number changes from month to month but has typically remained at about this level. This figure does not differentiate among all users of vouchers and individuals with disabilities. There is no current data readily available regarding numbers of individuals with disabilities using Housing Vouchers. The only way to obtain this data would be to survey each of the 71 public housing authorities in Iowa. Each public housing authority operates and delivers services independently based on its own PHA plan.

The most current data available regarding individuals with disabilities and housing choice vouchers is a 2003 analysis conducted by the Iowa Finance Authority. At that time, it was estimated that 63,801 people with disabilities were below the poverty level and 7,344 vouchers were being used for people with disabilities (38% of all housing vouchers). At that time it was estimated that the poverty rate in Iowa of people with disabilities is close to 15%, compared to an overall poverty rate of 9%. The income of an individual with a disability receiving SSI is only 17.4% of the state median income. People with disabilities receiving SSI benefits need to double, and in metro areas even triple, their income to afford a one-bedroom unit.

The vast majority of the Section 8 vouchers have been used for rent. The following number of vouchers has been used for homeownership: 2004- 29; 2005- 41; 2006- 72; 2007- 100; 2008- 121.

2. Family Self-Sufficiency Program (FSS)

The Family Self-Sufficiency Program is a voluntary program for the Public Housing Authorities. Thirteen of Iowa's seventy-one housing authorities participate with the FSS program. However, the 13 PHAs (Sioux City, Des Moines, Iowa City, Council Bluffs, Dubuque, Ft. Dodge, Southern Iowa Regional Housing Authority, Region XII, Eastern Iowa Regional Housing Authority, Central Iowa Regional Housing Authority, Mid Iowa Regional Housing Authority, Waterloo, and Upper Explorer Land Regional Housing Authority) that participate with the program cover the larger geographic areas of the state. There is no current data readily available as to the number of individuals statewide (or number of individuals with disabilities statewide) participating in this program.

Information from the Des Moines Municipal Housing Agency indicates as follows: DMMHA has a goal of serving 80-90 participants in the FSS program in 2008. Of this number, 25 would be living in public housing and the remainder would be using a housing choice voucher. The evaluation for 2004 – 2007 of DMMHA's Family Self Sufficiency program indicates that 20 individuals graduated from the program (received escrow checks) and that their average increase of income during the program was \$18,773.65. Individuals using Section 8 vouchers had their income, increase from \$3,774 to \$22,588 (599% increase) and individuals in public housing had their income increase from \$13,181 to \$31,477 (238% increase). All of the twenty graduates used their funds to purchase a home. This information indicates significant progress for individuals who participate with the FSS program.

To identify your local Housing Authority, please visit the following website:
www.hud.gov/offices/pih/pha/contacts/states/ia.cfm

3. Low-Income Housing Tax Credit (LIHTC)

As previously noted, it is generally a partnership of investors who take advantage of the credit. An investor or investors works with a developer to seek and win a competitive allocation of tax credits. Each state gets a fixed allocation of credits based on its population. Iowa Finance Authority reports that they typically fund approximately one out of every three applications received for the tax credits. For the 2008 round, IFA received 34 applications and made 19 awards. Most of the awarded projects now have letters of commitment with pricing ranging from \$.80 to \$.90 on the dollar. Pricing has continued to decline and rates are expected to drop to the low \$.70's.

4. HUD Earned Income Disregard

There is no data readily available regarding the number of individuals with disabilities in Iowa using the Earned Income Disregard. Each of the local Public Housing Authorities would need to be surveyed.

5. Community Development Block Grants (CDBG)

Nationally, the CDBG program provides annual grants on a formula basis to 1,180 general units of local government and states. Each unit of local government establishes its own plan with citizen participation. Therefore, there is no readily available data in regard to how many housing units were developed for individuals with disabilities without surveying each entitled and non-entitled community.

6. Medicaid Waiver Programs

As previously noted, Medicaid Waivers do not develop housing but provide support services to allow individuals with disabilities to live in the community. Iowa has seven waivers: mental retardation waiver; ill and handicapped waiver; physical disabilities waiver; children's mental health waiver; brain injury waiver; AIDS/HIV waiver and the elderly waiver. Each waiver has its own eligibility standards and its own list of available services. Some services have dollar limits per month or limited units per month or a total dollar limit per year. Waivers need to be cost effective in comparison to the cost of institutional care.

The amount of funds available for home modifications and assistive technology is different for each waiver. In addition, under any reasonable standard, funds are insufficient for most necessary home modifications and devices including entryway changes, ramps, bathroom modifications and interior doorways. Creative alternatives such as rental or rent to own of reusable outdoor lifts could be considered as a more cost effective strategy for many older homes in Iowa rather than wooden ramps.

As of June 1, 2009, the number of individuals served under each waiver is as follows: AIDS/HIV-46; brain injury-1,069; elderly-9,671; ill and handicapped-2,534; mental retardation-10,675; physical disabilities-829.

As of June 1 2009, the waiting list for each of the waivers is as follows: AIDS/HIV-3; brain injury-671; elderly-0; ill and handicapped-1,757; mental retardation-13 (this figure does not include the county MR waiting list); physical disabilities-1,250.

All of the Medicaid Waivers, except for the Children's Mental Health waiver, have Consumer Directed Attendant Care (CDAC) as an available service. CDAC is defined as assistance to the consumer with self-care tasks, which the consumer would typically do independently if the consumer was otherwise able. An individual or agency, depending on the consumer's needs may provide the service. The consumer, parent, guardian, or attorney in fact under durable power of attorney for health care shall be responsible for selecting the individual or agency that will provide the components of the CDAC services to be provided. The CDAC service may include assistance with non-skilled and skilled services. CDAC services are only appropriate if the consumer, parent, guardian or attorney in fact has the ability to and is willing to manage all aspects of the services. However, a CDAC provider may not be the spouse of the consumer or a parent or stepparent of a consumer aged 17 or under.

Acting as a catalyst for change, Iowa's Robert Wood Johnson Cash and Counseling grant aided in the development of the Consumer Choices Option (CCO) for the Medicaid Waiver programs. The Consumer Choices Option offers Iowans the choice of taking the responsibility for planning and controlling their services. Specifically, the Consumer Choices Option: 1. offers even more than CDAC flexibility so individuals can get assistance for the support needed in the lifestyles they choose. For example, personal care workers hired by consumers under CCO do not have to apply to become approved Medicaid providers. 2. gives individuals the say-so to determine their own needs, create support plans, make choices, select and employ staff, and monitor the quality of support services; 3. offers support to organize resources in ways that are life enhancing and meaningful to the individual; 4. gives Iowans with disabilities and older Iowans authority over a targeted amount of dollars; 5. promotes responsibility for the wise use of public dollars and recognition of the contribution that individuals with disabilities and older adults make in their communities.

For more information regarding the accomplishments of Iowa's Real Choices Systems Change Grant view the website at: www.olmsteadrealchoicesia.org/iowa/Accom1999-2007.htm

7. HCBS Rent Subsidy Program

Individuals who receive services under the HCBS Medicaid Waiver program can receive rent assistance from the Iowa Finance Authority. The program provides a monthly rent assistance payment to these individuals to help them live successfully in their own home and community, until they become eligible for any other local, state or federal rent assistance (such as Section 8 rent assistance). To be eligible, a person must meet the following criteria: 1. a HCBS recipient; 2. have a demonstrated need for the rent assistance; 3. at risk for a nursing home placement; 4. financially responsible for rent cost. In the case of children receiving residentially-based supported community living, the individual or their family must demonstrate this financial responsibility. 5. the person must live in a qualified rental unit. Contact your case manager or supported living provider for assistance in completing an application form for rent assistance.

8. Accessible Housing

The availability of accessible housing is a major barrier to community participation for individuals with disabilities. The Midwest Accessibility Initiative is a nonprofit organization which exists to train and support contractors who are actively doing construction and/or remodeling work for seniors and persons with disabilities. The Initiative includes over 100 construction companies in Iowa, as well as South Dakota, Nebraska, Missouri, Illinois and Wisconsin. Each participating company receives training on universal design, accessibility and design/material awareness. Currently, the training is being expanded to five modules which will be available on-line as well as through the community college building trades programs. Work is also underway to create an Iowa certification for completion of all five modules.

Midwest Accessibility Initiative offers: facility evaluations for ADA compliance; universally designed stock home plans; information and referral for design and construction professionals; architectural plan review and comment relative to accessibility issues; workshops for consumers and professionals interested in adaptations for accessibility both at home and in the workplace; evaluations, cost estimates and expert witness assistance for legal matters associated with accessibility and disability. For more information, contact Midwest Accessibility Initiative toll free at 866-679-1840.

Barriers to Best Practice:

1. Lack of knowledge of the potential use of housing vouchers for homeownership by consumers, parents and human service professionals.
2. Fifty-eight of Iowa's seventy-one public housing authorities are not participating with the Family Self-Sufficiency Program.
3. Limited accessible housing and the lack of momentum to build accessible and affordable housing for rent or ownership.
4. Lack of participation of individuals with disabilities at the local level to influence CDBG decision making and public housing authority plans.
5. Lack of project based rent subsidy in Iowa for federal HOME program.

6. Current Iowa telecommunications program only covers individuals with hearing and speech impairments and limits telecommunications to land line phones.

I. Trusts for Individuals with Disabilities

National:

Special Needs Trusts are basically arrangements where funds can be invested for a recipient of SSI or Medicaid without losing eligibility. The Social Security Administration describes a valid Special Needs Trust as “a trust in which the trustee has full discretion as to the time, purpose and amount of all distributions”. If the beneficiary has no discretion over the distributions, the trust is not counted for SSI eligibility. Thus, a Special Needs Trust does mean the loss of control by the trust beneficiary. The Special Needs Trust cannot give cash directly to the beneficiary, but can pay for services directly and certain exempt resources without causing a loss of benefits eligibility.

Special Needs Trusts can be divided into two categories: Estate Planning Special Needs Trusts and Self-Settled Special Needs Trusts. The Estate Planning Special Needs Trust is typically created by a parent with the parent’s assets for their disabled child. Estate Planning Special Needs Trusts generally are permitted great latitude, and upon the death of the beneficiary, any remaining assets in the trust can be left to anyone the grantor chooses without any liens by the government.

A Self-Settled Special Needs Trust is a trust that contains the assets of an SSI or Medicaid recipient. There are two types of these trusts- Self-Settled Trust and Pooled Trust. Both of these trusts have in common that upon the death of the beneficiary, the State Medicaid Agency must be repaid for any Medicaid used by the benefits recipient before any amount can be paid to the beneficiary’s heirs. Basically the benefits recipient is making a bargain with the government to retain eligibility for SSI and Medicaid and they will repay the government upon their death for any benefits used during their lifetime. Of course, in many cases, the funds are long spent before the beneficiary dies. The Self-Settled Special Needs Trust allows an SSI or Medicaid recipient to place their own funds in a trust for their needs, but the trust created must be created for an individual under age 65 and established by a parent, grandparent, legal guardian of the individual, or a court. Upon the death of the beneficiary, the State must receive all amounts remaining in the trust up to an amount equal to the total Medicaid used during the beneficiary’s lifetime.

A Pooled Special Needs Trust allows an SSI or Medicaid recipient to place their own funds in a trust that is established and managed by a nonprofit association. A separate account is maintained for each beneficiary of the trust, but for purposes of investment and management of the funds, the trust pools these accounts. Accounts in the trust are established solely for the benefit of the individual with a disability by the parent, grandparent, legal guardian of such an individual, by such an individual or by a court. To the extent that amounts remaining in the beneficiary’s account upon the death of the beneficiary are not retained by the trust, the trust pays to the State from the remaining accounts in the trust an amount equal to the total amount of Medicaid assistance paid on behalf of the beneficiary under the State plan. A Pooled Special Needs Trust is somewhat like a cross between a 401k and a Special Needs Trust. One of the major differences between a Self Settled Trust and Pooled Trust is that a Pooled Trust has no age limitation and the benefits recipient can protect eligibility for SSI and Medicaid without their parent’s permission. Pooled Special Needs Trusts can be an excellent, less costly solution when a person with a disability receives funds that could potentially cause a loss of eligibility for SSI or

Medicaid. In addition, these trusts provide professional management that might otherwise be too expensive.

It is critical to locate a benefits planner or attorney who specializes in Special Needs Trusts. One resource for an experienced attorney is the Special Needs Alliance- see www.specialneedsalliance.com

Innovative Initiative:

Midwest Special Needs Trust

Midwest Special Needs Trust was established in 1989 to provide trust services for persons with disabilities. The organization was established as a result of advocacy by parents and professionals who realized that many obstacles hinder planning for the financial future of individuals with disabilities. The organization was created by statute in Missouri and is a 501(c)(3) non-profit organization. In the past, only citizens of Missouri were eligible to establish trusts with MSNT. However, state statutes in Missouri were revised to allow MSNT to accept special needs trusts for citizens of the eight states surrounding Missouri (Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Nebraska, Oklahoma and Tennessee). Individuals with disabilities or their family members may establish a special needs trust with an initial deposit of \$500 plus an enrollment fee. Additional amounts may be added to the trust at any time. For information, call toll free- 888-671-1069 or visit their website at: www.midwestspecialneedstrust.org

Iowa:

Iowa law differentiates trusts based on whether the trust is established with a beneficiary's own assets or established with third parties assets (usually a parent, grandparent, guardian or a court). This distinction can make a big difference in the amount of money per month which can be accessed / utilized on a monthly basis and not affect the beneficiary's eligibility for SSI or Medicaid as well as who receives any remaining assets upon the death of a beneficiary.

1. Medical Assistance Special Needs Trusts

In Iowa, the term Special Needs Trust refers specifically to a trust created with the assets of a person who is under the age of 65 at the time the trust is created and funded, and is disabled. The trust is established for the benefit of the beneficiary by a parent, grandparent, legal guardian or the court (by not funded by them). The trust provides that the state of Iowa will receive all amounts remaining in the trust upon the death of the beneficiary, up to an amount equal to the total Medicaid paid on behalf of the beneficiary. If there would be any amounts remaining after repaying Medicaid, then those monies could go to another party (other family member, non-profit agency or any party specifically identified in the trust). The legal reference to this trust is Iowa Code 633C.2. and 441 IAC 75.24(3)"a". Generally the court must approve payouts from the trust which could include interest and / or principal from the trust. If an individual is already eligible for a Medicaid waiver at the time a trust is established, they may receive a disbursement up to three times the SSI amount (for 2008, this is 3 x \$637 = \$1,911 per month) without court approval but any disbursement beyond that figure must be approved by the court. In 2009 that figure will go up to \$2,010 since the SSI payment will be adjusted for inflation.

2. Pooled Special Needs Trust

This is a special needs trust with no age limit. The trust contains the assets of persons who are disabled. The trust is established and managed by a nonprofit association. The association maintains a separate account for each beneficiary of the trust, but pools these accounts for purposes of investment and management of funds. Accounts in the trust are established solely for the benefit of people who are disabled. Accounts are established by the parent, grandparent, and legal guardian or by the court. Upon the death of one of the beneficiaries, all amounts remaining in the one beneficiary's account are paid to the state of Iowa up to the amount of medical assistance paid on behalf of the beneficiary. Any monies remaining after the state is repaid may go to another party specified in the trust agreement (including the nonprofit association). The legal reference for this trust is Iowa Code 633C.1, 633C.2 and 441 IAC 75.24 (3)"c". As noted above, the court must approve disbursements from the trust with the exception noted above for someone on a Medicaid waiver.

The author has only been able to identify one pooled trust for individuals with disabilities in Iowa. This trust was established by New Hope Village in Carroll, Iowa. New Hope Village utilizes a local bank to manage the funds and invest the money. Separate accounts are maintained for each beneficiary but all the monies from all the accounts are pooled for investment purposes. Upon the death of the beneficiary, if there are any remaining funds after the state is repaid, New Hope Village will receive the proceeds from that account. For more information, contact Frank Hermsen at 712-792-5500, ext. 206.

3. Medical Assistance Income Trust (Miller Trust)

This trust is set up by someone for their own benefit and is made up of money only from pensions, social security and other income to the person (not set up with the person's assets) and the state will get any money left in the trust upon the death of the beneficiary, up to the amount of Medicaid benefits paid on behalf of the person. The principal of the trust is not available to the beneficiary and thus is not counted as an asset for SSI or Medicaid eligibility. Any money available to the beneficiary to pay for medical expenses or facility care is not counted as income for the purposes of eligibility for SSI or Medicaid. However, any money available to the beneficiary from the trust to meet basic needs (room and board, for example) would be counted as unearned income in the month it is available to the beneficiary. Legal reference for this trust is 633C.3 and 441 IAC 75.24

4. Supplemental Needs Trusts for Persons with Disabilities

Federal law (OBRA '93) allows Supplemental Needs Trusts to be established. Supplemental Needs Trusts are inter vivos (during the life of the third party funding the trust) or testamentary (upon the death of the third party funding the trust) trusts created for the benefit of a person with a disability and funded by a person other than the trust beneficiary or the beneficiary's spouse, and which is declared to be a supplemental needs trust in the instrument creating the trust. A supplemental needs trust can include a trust created for the benefit of a person with a disability and funded solely with moneys awarded as damages in a personal injury case or moneys received in the settlement of a personal injury case provided that the trust is created within six months of receiving the award or settlement, the trust is irrevocable and the beneficiary is not named a trustee of the trust. The supplemental needs trust shall provide for disbursements only in a manner and for purposes that supplement or complement the benefits available under medical assistance, state supplementary assistance, and other publically funded benefit programs for persons with disabilities (thus they generally

wouldn't be used for basic room and board costs or basic medical costs since these are covered by SSI and Medicaid). The disbursements from the trust to the beneficiary would not be counted as income for eligibility purposes for Medicaid or SSI. Upon the death of the beneficiary any remaining monies would go to the state up to the amount of Medicaid benefits paid on behalf of the person.

In Iowa, the legal reference for Supplemental Needs Trusts is 634A.1 and .2. The Iowa Department of Human Services has applied rules applicable to Medical Assistance Income Trusts to Supplemental Needs Trusts. This has significantly limited the benefit of Supplemental Needs Trusts so that trust disbursements basically supplant rather than supplement government benefits. It appears it will take new legislation or a court challenge to clarify the intent of the legislation.

Barriers to Best Practice:

1. Iowa code and administrative rules pertaining to special needs trusts are fragmented and confusing.
2. Lack of data regarding the utilization of special needs trusts in Iowa.
3. Iowa lacks a statewide pooled trust for individuals with disabilities.
4. Lack of knowledge regarding the various options for special needs trusts in Iowa.

J. Tax Benefits for Businesses

National:

1. Disabled Access Credit

The federal Disabled Access Credit provides a non-refundable credit for small businesses that incur expenditures for the purpose of providing access to persons with disabilities. Eligible access expenditures removing physical barriers, providing qualified interpreters or other methods of making audio materials available to hearing-impaired individuals, making visual materials available to individuals with visual impairments or acquiring or modifying equipment or devices. An eligible small business is one that earned \$1 million or less or had no more than 30 full time employees in the previous year. They may take the credit each and every year they incur access expenditures.

2. Barrier Removal Tax Deduction

The federal Architectural Barrier Removal Tax Deduction encourages businesses of any size to remove architectural and transportation barriers to the mobility of persons with disabilities and the elderly. Businesses may claim a deduction of up to \$15,000 a year for qualified expenses for items that normally must be capitalized.

3. Work Opportunity Credit

The Work Opportunity Credit provides eligible employers with a federal tax credit up to 40 percent of the first \$6,000 of first-year wages of a new employee. An employee with a disability is one of the targeted groups for this credit. The credit is available to the employer once the employee has worked for at least 120 hours or 90 days.

Iowa:

Iowa businesses may apply for the Disabled Access Credit, Barrier Removal Tax Credit and Work Opportunity Credit on their federal tax returns. In 2000, the Iowa legislature

established the Assistive Device Credit for businesses. The legislation specified that a taxpayer, who was a small business that purchased, rented or modified an assistive device or made workplace modifications for an individual with a disability, was eligible for this credit. The credit was limited to 50% of the first \$5,000 paid for the assistive device or workplace modification. Unfortunately, the Iowa Department of Revenue reported that this credit has been claimed only once since its enactment and in 2009 the Credit was repealed for lack of use.

Barrier to Best Practice:

1. Lack of knowledge and utilization of tax benefits for businesses.

K. Long Term Care Insurance

National:

The Robert Wood Johnson Foundation conducted a demonstration project with four states (California, Connecticut, Indiana and New York) to join private long term care insurance with Medicaid. Under Medicaid's long term care (LTC) insurance partnership program, persons who have exhausted the benefits of a private long term care insurance policy may access Medicaid without having to meet the same means-testing requirements as other groups of Medicaid eligibles. These states disregard some or all of the assets of applicants who apply to Medicaid after exhausting their private benefits and exempt these assets from estate recovery after the beneficiary has died. Only persons who purchase pre-approved LTC insurance policies meeting state defined requirements may participate. The partnership program is intended to encourage persons to purchase LTC insurance who would not otherwise do so, reduce incentives for persons to transfer assets to qualify for Medicaid sooner than they otherwise would, and contain Medicaid spending on long term care services. For a time the program was limited to four states. In 2005 the LTC insurance partnership program was expanded from a four state model to a nationwide program. Additional states have now started partnership programs including Ohio, Idaho and Minnesota and others are considering programs. One of the limitations for individuals with disabilities is the relatively high premiums for long term care insurance policies and many long term insurance providers exclude individuals with pre-existing conditions.

Iowa:

The state of Iowa does have an approved state plan amendment with the Centers for Medicare and Medicaid Services (CMS) and implemented a Long Term Care Asset Protection program in July of 1993. The Iowa Department of Human Services and the Iowa Insurance Division administer the program. Since the inception of the program in 1993 only 20 policies have been sold and none of the individuals have reached the spend-down necessary to qualify for Medicaid. At the present time, no insurance companies are participating with the program (other than the existing 20 policies under one carrier who is no longer writing policies)

The Iowa Insurance Division has recently decided to reinvigorate the program. Division staff will be traveling to Nebraska and Kansas in December to review their Long Term Care Partnership programs. Iowa needs to update its program to bring it into compliance with the Federal Deficit Reduction Act requirements. The Iowa Insurance Division will be holding an informational meeting with insurance companies and

advocacy group on January 7, 2009. They intend to seriously consider implementing rules changes in 2009.

Barriers to Best Practice:

1. Lack of participation of insurance companies with Partnership program.
2. Lack of marketing of Partnership program.

III. Conclusion

Like all other states, Iowa has initiated a variety of efforts to begin to address asset development strategies. Partnerships among state agencies have been formed and the potential for significant advancement is present. Like all states, Iowa is faced with the fact that low expectations are held by portions of most of the stakeholder groups including, but not limited to, the following: parents; businesses; service providers; government agency personnel; legislators and the general public. For very understandable reasons, even individuals with disabilities typically have low expectations for themselves.

It is also critical to recognize that the various asset development strategies reviewed in this report are inter-related and that implementation must be viewed in that context. For example, encouraging individuals to take advantage of the Earned Income Tax Credit (EITC) should be coupled with the importance of saving and taking advantage of opening an Individual Development Account (IDA). Assisting an individual with a disability to start a microenterprise must involve the successful use of a number of these strategies. A marketing program on work incentives should include information on the Earned Income Tax Credit (EITC), Individual Development Account (IDA), Medicaid for Employed Persons with Disabilities (MEPD) and home ownership. Greater progress will be achieved in less time and with the expenditure of fewer resources if we implement education, training and marketing of these strategies in the most integrated fashion possible. The integration of these strategies is essential if we are to be successful in assisting individuals with disabilities to acquire assets and to become full participating members of society.

It is also clear, after reviewing national literature and Iowa's efforts to date, that the twin pillars of asset development for individuals with disabilities are **employment and housing**. All the other strategies are secondary or tangential to these outcomes. Individuals with disabilities are not going to be able to save money unless they are employed and they are not going to be employed earning meaningful wages unless they live in the community (whether they rent or own a home). The high unemployment rate of individuals with disabilities and the lack of affordable and accessible housing (for a meaningful portion of persons with disabilities) continue to be major barriers and challenges for us in Iowa as well as most other states.

ADDENDUM

Contacts for Research Project

I greatly appreciate the information, input, data and opinions shared with me by the individuals listed below during the conduct of this research project.

Lori Adams, Iowa Workforce Development
Tamara Amsbaugh, Center for Disabilities and Development, University of Iowa (Iowa MIG Grant Policy Coordinator)
Robert Bacon, Center for Disabilities and Development, University of Iowa
Jeff Berger, Iowa Department of Education
Ann Black, Iowa chapter of American Association for Retired Persons
Joe Bolkcom, Iowa State Senate
Bill Brand, Iowa Department of Human Rights
Rod Braun, Christian Opportunity Center
Charles Bruner, Child and Family Policy Center
Anthony Carroll, Iowa chapter of American Association for Retired Persons
Shelly Chandler, Iowa Association of Community Providers
Catherine Coppes, Iowa Medicaid Enterprise
Terry Cunningham, consumer
Randy Davis, consumer
Vic Elias, Child and Family Policy Center
Dalia El-Khoury, University of Missouri-Columbia
Jim Ernst, Four Oaks
Lynn Farrell, Polk County Health Services
Ro Foege, Iowa State Representative
Mary Beth Foster, Iowa Credit Union Foundation
Dawn Francis, Iowa Statewide Independent Living Council
Lily French, Iowa Policy Center
Jason Friedman, Friedman Associates
Jon Grate, consumer
Cary Griffin, Griffin / Hammis LLC
Becky Groff, Iowa chapter of American Association for Retired Persons
Barbara Guy, Iowa Department of Education
Becky Harker, Iowa Developmental Disabilities Council
Matthew Haubrich, Iowa Department of Human Services
Lisa Heddens, Iowa State Representative
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Sarah Henry, Department of Housing, City of Des Moines
Frank Hermsen, New Hope Village
Linda Hinton, Iowa Association of Counties
Tahira Hira, Iowa State University
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Kenda Jochimsen, Iowa Vocational Rehabilitation Services
Deborah Johnson, Iowa Department of Human Services
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Randy Kuhlman, United Way and Community Foundation of Fort Dodge
Kevin Kulzer, Social Security Administration
Mindy LaBranche, National Council of State Housing Agencies

Geoffrey Lauer, Brain Injury Association of Iowa
Patti Lind, The Abilities Fund
Michael Lipsman, Iowa Department of Revenue
Jeffery Marston, Iowa Department of Human Services
Rita Martens, Iowa Department of Education
Jerry Mayes, Mental Health Planning Council
Timothy Mc Evoy, Social Security Administration
Karen Merrick, Iowa Department of Economic Development
John Nietupski, Grantwood Area Education Agency
Susan Osby, Polk County Health Services
David Osterberg, Iowa Policy Center
Sally Oudekerk, Iowa Department of Human Services
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Suzanne Paulson, Iowa Workforce Development, CWIC
Clark Pickett, Social Security Administration
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Pat Steele, Mainstream Living, Inc.
Jennifer Steenblock, Iowa Department of Human Services
Kris Steinmetz, Autism Society of Iowa
Sheila Stoeckel, Iowa Workforce Development, CWIC
Margaret Stout, Alliance for the Mentally Ill of Iowa
Linda-Young Streit, Link Associates
Christy Thies, United Way of Central Iowa
Frank Varvaris, Frank Varvaris and Associates
David Vaske, Iowa Finance Authority
Maria Walker, Polk County Health Services
Judy Warth, Career Connections
Casey Westhoff, ARC of Iowa
Deborah Westvold, Westvold Consulting LLC
Jill Whitten, Iowa Department of Human Services
Colleen Wieck, Minnesota Governor's D. D. Planning Council
Kathy Winter, U.S. Department of Housing and Urban Development
Charles Wishman, Iowa Citizen Action Network
Ellen Wonderlin, Making Connections Des Moines
Steve Woodersen, Iowa Vocational Rehabilitation Services

Potential Asset Development and Self-Sufficiency Strategies for Consideration by Iowa Stakeholders

A. Employment-Related Supports and Services

Barriers:

1. Disability service systems continue to spend a significant portion of day and employment funding on facility-based services instead of integrated employment services.
2. Reimbursement rates for community providers do not incentivize integrated employment services or supported employment services.
3. Lack of common data sets across Workforce Development, Vocational Rehabilitation, Department of the Blind and the community MH/MR/DD/BI system prevent accessing measureable results and accountability for the systems.
4. There is a lack of role models and success stories regarding the employment of people with disabilities.
5. The fear of loss of benefits has been engrained in consumers, parents and human service professionals.
6. The lack of post secondary educational opportunities for individuals with disabilities.
7. The continuing employer hesitancy to hire individuals with disabilities.

Strategies:

1. Explore alternative provider reimbursement methodologies across the nation to discover ways to increase incentives to support the competitive employment of people with disabilities and decrease placement in congregate vocational/day services.
2. Survey community providers and applicable state agencies in regard to actual or perceived barriers to the placement of individuals with disabilities into employment.
3. Partner with Workforce Development, Vocational Rehabilitation, Department for the Blind, Division of MHDS, CPC's, Iowa Association of Community Providers and Iowa Statewide Independent Living Council to establish common data sets regarding employment and day services.
4. Continue regional job carving, job placement, natural supports and supported employment strategies training to community providers under the Medicaid Infrastructure grant.
5. Provide technical assistance to community providers wanting to transition from sheltered work to customized employment model.
6. Explore the feasibility and cost of a statewide contract for supported employment training of direct support staff and frontline supervisors through the College of Direct Support.
7. Explore collaborative resource sharing to fund continuation of WIPA, DPN, and other benefits planning services beyond 2009.
8. Partner with Office of Consumer Affairs to provide customized employment strategies training specific to working people with psychiatric disabilities.
9. Survey legislators and the governor's office in regard to actual or perceived barriers to the placement of individuals with disabilities into employment.

B. Medicaid Buy-In Work Incentive

Barriers:

1. Fear and low expectations of people with disabilities and their families regarding their potential for work.
2. Limited transportation, particularly in rural areas, makes access to employment challenging even if employment is available.
3. The age limit of 65 for eligibility for MEPD.
4. The lack of marketing of asset development provisions within MEPD.

Strategies:

1. Continue regionalized training to MEPD participants on work incentives, Ticket to Work program--Vocational Rehabilitation, and the Employment Network--as well as supported employment services through community disability providers.
2. Work with the new administration and the rest of the country to better define work, allow for temporary breaks in employment, coordinate with SSA retirement age, and allow for the grandfathering of assets accumulated while on MEPD when retirement is reached.
3. Support the work of the MEPD Advisory Committee to establish an Employment First movement in Iowa
4. Conduct workshops and presentations for students with disabilities and their parents regarding the importance and feasibility of work.
5. Produce a video of individuals with disabilities successfully employed and distribute to the schools and community disability providers.

C. Social Security Work Incentives

Barriers:

1. Continuing existence of the myth that people with disabilities will lose eligibility for SSI and Medicaid if they work and lack of knowledge and utilization of work incentives.
2. Low expectations of providers, parents and consumers regarding the employment potential of people with disabilities.

<ol style="list-style-type: none"> 3. Lack of participation of community providers with the Ticket to Work Employment Network (EN). 4. Need for additional qualified benefits planners and counselors. 5. Inconsistency between federal and state regulations regarding income limits and eligibility. 6. Limited participation of employers with the Ticket to Work Employment Network.
<p>Strategies:</p> <ol style="list-style-type: none"> 1. Continue regionalized trainings on the Ticket to Work program, the Employment Network, work incentives and the Medicaid-Buy-In (MEPD) program to community disability providers, case managers and CPC Directors 2. Consider engaging Senator Harkin to champion legislation regarding the revision of Social Security work incentives and overpayment regulations because economic recovery is going to be even more difficult for people with disabilities. 3. Work with the World Institute on Disability to customize Disability Benefits 101 for Iowa.
<p>D. Micro-Enterprise Development/Self Employment</p>
<p>Barriers:</p> <ol style="list-style-type: none"> 1. Low expectations of consumers, families and professionals regarding the potential of people with disabilities for self-employment or development of a microenterprise. 2. Lack of knowledge and utilization of work and tax incentives in order to develop a business. 3. Limited resources for business planning and feasibility research and start-up funding support. 4. Lack of knowledge of creative uses of HCBS supported employment funding. 5. Limited marketing of success stories regarding consumers working and maintaining SSI and Medicaid.
<p>Strategies:</p> <ol style="list-style-type: none"> 1. Explore with Vocational Rehabilitation modifications to current Micro-enterprise policies (e.g. removal of the dollar for dollar match to receive funding from the Iowa Self-Employment program, revisit so-called “hobby” self-employment efforts). 2. Facilitate quarterly meetings of Vocational Rehabilitation, the Abilities Fund, the Iowans for Social and Economic Development and the Department of Economic Development to share marketing efforts and lessons learned regarding micro-enterprise development and self-employment for individuals with disabilities. 3. Mini Grant to create a Micro-Board Association to assist parents in developing micro-boards and EIN to assist their children in becoming self employed.
<p>E. Favorable Tax Provision for Individuals/Parents</p>
<p>Barriers:</p> <ol style="list-style-type: none"> 1. General lack of knowledge of consumers, parents and human service professionals as to the availability of favorable tax provisions and the benefits to filing taxes even if earning are below the required thresholds.. 2. Limited availability and knowledge of accurate tax advice and assistance for individuals with disabilities and/or their families. 3. Underutilization of the EITC through the federal and Iowa tax returns. 4. The relatively low percentage of Iowa’s refundable Earned Income Tax Credit.
<p>Strategies:</p> <ol style="list-style-type: none"> 1. Expand Volunteer Income Tax Assistance (VITA) sites to cover the entire state. Seriously focus on community disability agencies as potential VITA sites. 2. Advocate with the Iowa legislature for an increase of the Iowa EITC percentage of the federal earned income tax credit with the Iowa Policy Project, the Child and Family Policy Center, the EITC and Beyond Coalition and the Iowa Community Action Association. 3. Train volunteers at VITA sites to encourage taxpayers’ use of electronic transfer of EITC through employers as well as introducing taxpayers to IDAs. 4. Advocate with the IRS to modify VITA training for volunteers to include the encouragement of taxpayers’ use of electronic transfer of EITC through employers as well as introducing taxpayers to IDAs. 5. Introduce legislation that will allow up to 10 months before the Iowa EITC is considered a resource for SSI and Medicaid to bring this in line with federal guidelines
<p>F. Financial Education/Financial Literacy</p>
<p>Youth Development</p>
<p>Barriers:</p> <ol style="list-style-type: none"> 1. There is a significant perception that the general state of poverty for most people with disabilities makes saving and asset development irrelevant. 2. Lack of an organized, statewide training program on financial literacy for all adults and children and accessible to individuals with disabilities. 3. Decentralized nature of Iowa’s public schools (362 school districts and 9 AEAs) could provide a significant risk for inefficiency and duplication of curricula development for implementation of the new core curriculum for students with disabilities.

Strategies:

1. Distribute information regarding potential financial literacy curricula that will meet the Department of Education’s essential concepts and skill sets geared toward students with disabilities to the 362 school districts.
2. Submit a grant proposal to the National Endowment for Financial Education to purchase a curriculum geared toward students with disabilities for Iowa school districts.
3. Research curricula that will meet the Department of Education’s essential concepts and skill sets for employability skills and share this information with Iowa’s 362 school districts.
4. Establish a state task force with Dr. Tahira Hira (President’s Advisory Council on Financial Literacy) to explore the development of standardized teaching of financial literacy across Iowa’s public schools.
5. Pilot increasing students with disabilities developing a career path through job shadowing at multiple National Service Corp programs during school year and interim breaks.
6. Market Asset Development Information, age 18 redetermination, and deeming information – basically “What You Need to Know Now That Your Student with a Disability is Transitioning from School to Work” booklet (like they do for guardianship) to the Department of Education and Area Education Agencies for students with disabilities to discuss in class and IEP meetings.
7. Conduct regionalized trainings on work incentives and MEPD to students with disabilities and their parents. Work with Parent Educator Partnership staff, Special Education Directors and disability support groups to invite students and their parents to the trainings
8. Share information regarding asset development strategies with families having a child with a disability by partnering with state disability advocacy organizations, Special Education Directors, Parent Educator Partnership (PEP) Coordinators, disability support groups and community agencies serving children with disabilities.
9. Consider a collaborative effort involving Iowa’s Employment First initiative and involving Barb Guy, ASK Resource Center and others to promote students using PASS in a few selected schools and then using PASS to seed an IDA, demonstrating how students can pursue economic empowerment, risk-free..
10. Work with the same groups as above to market information about estate planning for parents of students with disabilities, using special needs trusts.
11. Share information regarding asset development strategies with the Department of Human Rights in order to build this information into the content for the annual Iowa Youth Leadership Forum.

Financial Literacy for Adults

Barriers:

1. There is a significant perception that the general state of poverty for most people with disabilities makes saving and asset development irrelevant.
2. Lack of an organized, statewide training program on financial literacy for adults and accessible to persons with disabilities.

Strategies:

1. Hold regional financial literacy and asset development trainings for individuals with mental illness hosted by the Office of Consumer Affairs, Iowa Department of Human Services.
2. Facilitate the utilization of the Money Smart curriculum at Iowa One Stop Centers for job seekers and DHS offices for Family Investment Program recipients.
3. Develop a booklet summarizing all asset develop strategies. Distribute booklet to Iowa Workforce Development, Workforce Development boards, Department of Human Services field offices, Vocational Rehabilitation offices, Division for Blind, Iowa Medicaid Enterprise, Department of Economic Development, and Governor’s DD Planning Council.
4. Develop content regarding asset development strategies for state department websites.
5. Provide asset development trainings to Case Managers, Disability Navigators, Work Incentive Coordinators, Benefit Specialists, Disability Specialists, Work Experience Coordinators and Community Providers.
6. Produce a video of success stories of consumers utilizing asset development strategies and share video with entities previously listed.

G. Individual Development Accounts

Barriers:

1. Need for outreach and marketing to individuals with disabilities and their families regarding the Iowa IDA program.
2. Lack of knowledge about IDAs by human service professionals who would be in the best position to assist individuals with disabilities.
3. Need to share experiences and lessons learned across the three IDA grantees.
4. Iowa IDA program is not available statewide.
5. The common two year time limit to achieve an IDA goal may be a barrier for individuals with cognitive disabilities.

Strategies:

1. Facilitate quarterly meetings of the three Iowa IDA grantees with the Department of Human Rights to share outreach efforts and lessons learned to improve outcomes with each program.
2. Work with IDA providers to advocate either increasing the dollar match or increasing the length of timeframe for saving so that people with disabilities CAN accumulate enough money to be of use.
3. Share information regarding IDAs and using EITC to seed an IDA with the VITA sites.
4. Provide training on EITC and IDA to case managers and community providers. Partner with the Iowa Association of Community Providers, Iowa Statewide Independent Living Council and Central Point of Coordination Directors.
5. Create a state coalition to advocate for a state tax credit to add additional funding for the Iowa IDA fund with the Iowa Department of Human Rights.
6. Encourage the three Iowa IDA grantees to collect long term data on the three client outcomes of home ownership, higher education or job training or establishing a small business.

H. Home Ownership and Community Based Housing

Barriers:

1. Lack of knowledge of the potential use of housing vouchers for homeownership by consumers, parents and human service professionals.
2. The Family Self-Sufficiency program is not available on a statewide basis.
3. Limited accessible housing and the lack of momentum to build accessible and affordable housing for rent or ownership.
4. Lack of participation of individuals with disabilities at the local level to influence CDBG decision making and public housing authority plans.
5. Lack of project based rent subsidy in Iowa for federal HOME program.
6. Current Iowa telecommunications program only covers individuals with hearing and speech impairments and limits telecommunications to land line phones.

Strategies:

1. Explore establishing a state housing authority for Iowa to provide focused leadership with housing issues as well as provide direction to local housing authorities. Examine the pros and cons of a quasi-governmental entity vs. a government agency.
2. Advocate with the Iowa legislature for state funding for project based rent subsidy and operating subsidy for housing developed with Low Income Housing Tax Credits.
3. Establish a partnership with Iowa Policy Project, the Child and Family Policy Center, Habitat for Humanity and HOME, Inc to recruit developers to build energy efficient and universal design single and multi-family housing for low income individuals.
4. Explore a partnership with the Midwest Accessibility Initiative, the Home Builders Association of Iowa and the Associated General Contractors of Iowa to hold a series of regional trainings on universal design principals, strategies and materials.
5. Explore with the Iowa Utilities Board a tax on general phone service to fund a statewide assistive technology program for individuals with disabilities to cover such things as free adaptive equipment for telephone and internet access and a loan program for assistive technology devices as well as home and vehicle modifications.
6. Advocate with IDED that the consolidate plan for the state of Iowa and Iowa's eleven entitlement communities include the following: a. require that all affordable housing projects financed with CDBG, HOME, Housing Fund, LIHTC, state historic preservation credits, disaster and other taxpayer funds incorporate universal design features even if they are already required to meet FHAct, ADA or other accessibility codes or standards; b. create a special funding category for home modifications that are not tied to rental rehabilitation; c. give additional weight or points to applications for funding, tax credits or other incentives that promise to include universal design features; d. fund home modifications without requiring that the entire structure be brought up to federal, state or local code; e. authorize landlords to participate in home modification/rehabilitation funding programs and use dollars to make reasonable accommodations to apartments or homes for persons with disabilities provided the landlord promises to rent the units exclusively to persons with disabilities who need the features for a period of 15 years.
7. Advocate with the new administration (particularly HUD and Treasury) to require universal standards for housing developed, modified or rehabilitated with LIHTC.

I. Trusts for Individuals with Disabilities

Barriers:

1. Iowa code and administrative rules pertaining to special needs trusts are fragmented and confusing.
2. Lack of data regarding the utilization of special needs trusts in Iowa.
3. Iowa lacks a statewide pooled trust for individuals with disabilities.
4. Lack of knowledge regarding the various options for special needs trusts in Iowa.

Strategies:

1. Explore the formation of a statewide pooled supplemental needs trust for persons with disabilities in Iowa.
2. Provide training on trusts for individuals with disabilities to disability support groups and advocacy agencies.
3. Recruit the University College of Law or the Drake Law School to draft and introduce legislation to clarify and simplify Iowa probate and special needs trust code.

J. Tax Benefits for Businesses

Barriers:

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| 1. Lack of knowledge and utilization of tax benefits for businesses. |
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Strategies:

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| 1. Market the federal Disabled Access Credit, Barrier Removal Tax Deduction and Work Opportunity Credit to businesses through the Governance Group's Employer Disability Resource Network website and local Chamber of Commerce websites. |
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K. Long Term Care Insurance

Barriers:

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| 1. Lack of knowledge and utilization of tax benefits for businesses. |
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Strategies:

- | |
|---|
| 1. Lack of participation of insurance companies with Partnership program. |
| 2. lack of marketing of Partnership program. |