

## Disability Fact Sheet

# Customized Employment: Translating Policy Into Practice Through SourceAmerica Pathways to Careers

## Background

The SourceAmerica Pathways to Careers® (Pathways) program provides people with intellectual or developmental disabilities (I/DD) and people with autism spectrum disorder (ASD) an informed choice about competitive integrated employment opportunities that are aligned with their skills, interests, strengths, and abilities. Pathways utilizes a customized employment (CE) service model that connects people with significant disabilities to meaningful paid jobs in the community, with the goal of increasing competitive integrated employment outcomes.

SourceAmerica launched the Pathways demonstration in 2012 at a pilot site and has expanded to multiple locations. The pilot site is being implemented by the Pioneer Adult Rehabilitation Center (PARC), a community rehabilitation program in Clearfield, Utah. People were eligible for Pathways at this site if they were age 18 or older, had a primary diagnosis of I/DD or ASD, and resided in Davis County, Utah. Participation in Pathways is based on a zero exclusion philosophy that presumes all people can achieve employment. SourceAmerica has since expanded Pathways to four other sites in Massachusetts, Michigan, and Virginia in 2015 and in Ogden, Utah in 2018, with the goal of scaling-up Pathways to additional sites. This fact sheet describes services and outcomes of the Davis County, Utah Pathways program (the original pilot site) from 2012 to June 2018, roughly five years after the first participants were enrolled in Pathways.

Although customized employment (CE) is gaining recognition at the federal policy level as a service delivery option to help people with disabilities secure employment, little rigorous evidence exists to support its widespread adoption. This fact sheet highlights the Pathways to Careers (Pathways) program, a CE service model that helps people with significant disabilities access competitive integrated employment. To examine the effects of Pathways, we analyzed the employment, wage, and earnings outcomes of Pathways participants and compared them with those people with similar disabilities and demographic characteristics served by state vocational rehabilitation (VR) agencies. While the populations targeted by both programs differ in important ways, the outcomes of VR clients offer a benchmark against which to assess Pathways. Overall, we found that Pathways participants and the matched VR clients in our sample had similar rates of employment lasting 90 days or longer. Pathways participants, however, had higher earnings and worked more hours each week than similar VR clients. A large share of employed Pathways participants (42 percent) had monthly earnings greater than the Social Security Administration's 2018 threshold for substantial gainful activity (\$1,180 per month in 2018 for people who are not blind). These findings suggest that Pathways' CE services can help some people with significant disabilities find competitive employment in the community.

The brief was prepared for SourceAmerica by Mathematica under contract number INST-200901. The brief was submitted to Brian DeAtley of SourceAmerica. The opinions and conclusions expressed are solely those of the authors and should not be attributed to SourceAmerica.

## Pathways service model

The innovation of the Pathways service model lies in the combination of Discovery, customized employer relationships, paid internships, and Employer Payroll Tax Adjustment (EPTA) payments to employers that hire participants to help offset the costs of supports provided on the job. The Pathways service model incorporates six key service components:

- **Discovery and a career plan:** Discovery is conducted to understand the strengths of a Pathways participant and to reveal each person's job-related interests, skills, and conditions for employment success. To identify a participant's ideal work conditions, Pathways staff members talk with the person and with people who know him or her best. Staff also observe the participant in familiar and new settings, including in his or her home and community, over 10 to 15 Discovery sessions. Discovery culminates in a career-planning meeting to identify the criteria for the ideal paid internship or customized job match to guide customized internship or customized job development. Pathways staff also coordinate access to benefits counseling so that participants can understand how an internship or job will affect their benefits and eligibility.
- **Employer engagement, customized internship, and job development:** Participants can opt for a paid internship or move directly into customized employment. Some participants, particularly those with a work history, prefer to directly enter employment following Discovery. Pathways staff identify, research, and conduct outreach to employers in the community, covering a diverse array of business lines, locations, and company sizes, to offer customized internship and employment opportunities to participants. Staff also conduct direct internship and job development for participants if their career plan does not match with any employer partners.
- **Expanded Discovery and paid internships:** Participants can opt for one or more 8- to 12-week paid internships. If a participant chooses an internship as part of their career-planning process, it enables staff to affirm or expand on what they learned about the participants during Discovery to further identify each participant's job-related interests and ideal conditions for success. The internships also enable participants to try different job responsibilities, determine whether a job is suitable for them, and develop a greater experience base from which to make decisions about employment. During the internship, Pathways—rather than the employer—provides the salary and fringe benefits. At the end of the internship, if a participant receives a job offer, he or she can take the job or consider another internship or employment option.
- **Integrated and naturally referenced employment supports and a career support plan:** During an internship or in employment, employers and participants can receive training facilitation, job coaching, and other supports from Pathways staff to enhance the natural training and supports that employers provide in the workplace. These services are meant to increase employers' participation and reduce the need for outside employment supports. Staff develop a career support plan for each participant based on the employment supports the participant will need, as identified through Discovery and expanded Discovery and during work experiences.
- **The employer payroll tax adjustment (EPTA):** The EPTA is a unique research component of the Pathways service model that begins when the participant accepts a job offer. The EPTA is designed to be a mechanism by which some of the savings to the federal government derived from the employment of people with significant disabilities (through their reduced participation in public health insurance and federal disability programs) can be shared with the employers who hire them. The EPTA is being tested and evaluated as part of the Utah Pathways program.

- Post-employment career support:** Pathways staff provide additional career support after a participant accepts a job offer. Staff help address concerns that the participant or employer may have about the participant’s success in the job. If funding is available, staff work with participants and employers to identify training, professional development, educational opportunities, and mentors who will support the participant’s career development.

## Pathways services and outcomes

We examined service receipt outcomes among Davis County Pathways participants through June 2018. From May 2012 to September 2016, the Davis County site enrolled 91 participants. All Pathways participants in our sample took part in Discovery, and nearly 90 percent completed one or more internships. Many

The Pathways service model combines Discovery, customized employer relationships, and paid internships.



**Discovery** is a strengths-based assessment of Pathways participants that focuses on identifying the interests, skills, and conditions for success for each participant.

**15.3**  
Average number of Discovery activities



**Paid internships** enable Pathways participants to try different job responsibilities and determine whether the job is a suitable placement for them.

Pathways, rather than the employer, provides salary, benefits, and initial employment supports.

**2.2**  
Average number of internships per participant

**89.9%**  
of participants completed an internship



**Customized employer relationships** help meet the needs of both job seekers and employers by negotiating job duties and flexible work arrangements.

**49%**  
of participants secured competitive employment

**174**  
Number of completed internships



**Employment**  
**49.4**

Percentage of Pathways participants who became employed in jobs that lasted 90 days or longer



**Hours**  
**27.7**

Average planned hours per week of Pathways participants in competitive employment



**Wages**  
**\$10**

Average hourly wages of Pathways participants in competitive employment



**Earnings**  
**\$274**

Average weekly earnings of Pathways participants in competitive employment



**SGA**  
**42.1**

Percentage of Pathways participants with monthly earnings at or above SGA level

Source: Author's calculations based on data from the Pathways Management Information System.

Notes: The sample includes 89 Davis County, Utah Pathways participants. Wages and earnings are in 2018 dollars. SGA = substantial gainful employment.

participants remained in the program for many months; for example, the average number of days between enrollment and employment was just over 1,000 days (1,027 days).

We also examined the employment outcomes of the matched Pathways participants, focusing on competitive integrated employment outcomes that lasted 90 days or longer. Nearly half of Davis County Pathways participants became employed for this duration. Among this employed group, Davis County Pathways participants worked an average of 28 hours per week, earned an average of \$10.00 per hour,<sup>1</sup> and earned an average of \$274 per week. At a monthly rate, the average earnings of all Davis County Pathways participants in our sample were roughly the same as the earnings level that would meet the Social Security Administration’s 2018 standard for substantial gainful activity (SGA) for people who are not blind (\$1,180). Roughly 42 percent of Pathways participants had monthly earnings that were greater than the monthly SGA amount; sustained earnings at this level could potentially reduce participants’ disability benefits to zero.

## Vocational rehabilitation (VR) service model

State VR agencies provide time-limited services and supports designed to help eligible people with disabilities gain employment. Those eligible to receive VR services are assigned a VR counselor who develops an individualized plan for employment (IPE), which documents the person’s work goal and the services and supports that might be required to achieve that goal. The work goal could include competitive employment, part-time employment, self-employment, or supported employment (SE). The VR counselor and job seeker work together to assemble a combination of services and supports to help the job seeker progress toward achieving the work goal. Clients receive VR services from VR counselors or an outside community rehabilitation provider that has contracted with the state VR agency to deliver services.

We examined employment outcomes among the sample of matched VR clients and compared them to Pathways participants that secured competitive integrated employment that lasted 90 days or longer.

  
**Employment**  
**58.0**

Percentage of matched VR clients who became employed in jobs that lasted 90 days or longer

  
**Hours**  
**21.3**

Average weekly hours worked of matched VR clients in competitive employment

  
**Wages**  
**\$8.80**

Average hourly wages of matched VR clients in competitive employment

  
**Earnings**  
**\$175**

Average weekly earnings of matched VR clients in competitive employment

  
**SGA**  
**13.3**

Percentage of matched VR clients with monthly earnings at or above SGA level

Source: Author’s calculations based on data from RSA-911 files on VR cases that closed in 2014, 2015, and 2016. Notes: The sample includes 8,537 matched VR clients served by general or combined VR agencies with cases closed in 2014, 2015, or 2016. Wages and earnings are in 2018 dollars. SGA = substantial gainful activity; VR = vocational rehabilitation.

Most VR clients became employed in competitive jobs that lasted 90 days or longer (58 percent), statistically similar to the matched Pathways participants (49.4 percent). These VR clients worked an average of 21 hours per week and had lower average hourly wages compared to matched Pathways participants who were employed for 90 days or longer (\$8.80 versus \$10.00). Average weekly earnings among similar VR clients totaled \$175; 13 percent had monthly earnings above the monthly SGA level (\$1,180 in gross monthly earnings for people who are not blind).

### Methods

When estimating Pathways employment outcomes, we relied on three primary sources of information: (1) baseline data for all enrolled participants at the Davis County site, (2) monthly programmatic data on Pathways service receipt and employment outcomes through July 2018, and (3) RSA-911 case service report data on VR cases that closed in 2014, 2015, and 2016. We compared the employment experiences of 89 Pathways participants to those of 8,537 VR clients using the following process:

Our analysis has several limitations. First, we could not include the many VR clients that applied for services in the same time period as Davis County Pathways participants whose cases are still open. As a result, the VR clients in the sample could have unobserved characteristics that make their cases easier to close. A robustness analysis that included a larger sample of VR clients who applied in earlier years produced similar results. However, the analysis using this sample is limited by the fact that the VR clients applied earlier on average than the Pathways participants and are thus observed for a much longer time period. Because the RSA-911 data provide information at a single point in time (when the case is closed), these data do not have as much information on employment as the PARC data. Cases are closed either when a client has been rehabilitated, which is defined as being employed for at least 90 days, or when the client stops receiving services for a variety of reasons, such as no longer being interested in VR services or



1. We identified a comparison group of VR clients who were similar to Davis County Pathways participants on five characteristics and the year in which they applied to the programs: age, gender, race, education level, and cause of disability.



2. We excluded VR comparison group members who dropped out of VR before their eligibility was determined or before they had an IPE.



3. We limited our analysis to the employment experiences for Pathways participants that had a duration of 90 days or longer to be consistent with how employment outcomes at closure are coded in the RSA-911 data.



4. We calculated average employment rates, hours worked, hourly wages, and weekly earnings for the matched 89 Pathways participants and 8,537 VR clients.

having moved. RSA-911 data do not directly report the hourly wage, so we calculated the hourly wage as the weekly earnings divided by weekly hours. The fiscal year 2015 and 2016 RSA-911 data that RSA provided to the Mathematica team did not include weekly earnings values, so we estimated earnings and wages only among matched VR cases with 2014 closures. Although our matching approach ensures that this subset is comparable to Pathways, and we adjust earnings to 2018 levels, macroeconomic differences could conflate some of the observed earnings differences. Finally, we can currently examine only short-term employment outcomes.

CE programs might be more resource-intensive to implement in the short-term, partly because of the degree of customization that's involved when matching participants to internship and employment opportunities.

### Implications

Pathways is a model for CE to match adults with significant disabilities to paid jobs in the community—a key objective of the system change efforts under the Workforce Innovation and Opportunity Act (WIOA), which placed greater emphasis on competitive integrated employment through CE, supported employment, and individualized services. WIOA and the Employment First movement support the full inclusion of people with the most significant disabilities in the workplace and community.<sup>2</sup> The Pathways approach offers a replicable alternative to facility-based employment, enabling community rehabilitation providers to translate federal policies designed to increase competitive integrated employment among people with significant disabilities into practice.

We examined the outcomes of clients served by Pathways and compared them to outcomes of VR clients with similar characteristics. Although Pathways and traditional VR agencies serve overlapping populations, the populations are different in key ways. For example, Pathways' zero exclusion philosophy presumes that all people can secure competitive employment and that participants will receive a comprehensive package of customized supports to help them achieve that goal. Furthermore, many Pathways participants entered the program from PARC's facility-based employment program. The VR service offerings might have been insufficient to help them achieve competitive employment.

Pathways and VR both succeeded in helping a similar share of clients gain employment, but Davis County Pathways participants worked more hours with higher earnings than similar VR clients. Through July 2018, 89 percent (n = 89) of Pathways participants at the Davis County, Utah site completed 174 internships, and 49 percent

secured competitive integrated employment in a range of community-based settings in the private, public, and nonprofit sectors. On average, they worked 28 hours per week and earned \$274 per week. In comparison, the 58 percent of matched VR clients who became employed worked an average of 21 hours per week and earned an average of \$175 per week. Pathways participants were also much more likely to have monthly earnings greater than the Social Security Administration's threshold for substantial work. These findings suggest that Pathways is helping some people with significant disabilities secure employment. Among participants who are beneficiaries of Supplemental Security Income and Social Security Disability Insurance, higher earnings exceeding SGA could potentially generate significant savings to the federal government if these earnings sustain long term. Because Pathways did not randomize an eligible group of enrollees to a control group, the study cannot provide clear causal evidence of the impact of CE. But our descriptive findings suggest that Pathways promoted competitive integrated employment outcomes among people with significant disabilities, many of whom previously worked in facility-based employment settings.

Our analysis is limited in that we currently can examine only short-term employment outcomes; future studies of CE programs would benefit from tracking outcomes over a longer period. Replication and continued evaluation of Pathways in additional sites could help strengthen the evidence base for CE. Looking ahead, enrollment growth in the Pathways sites that launched in 2015 in Massachusetts, Virginia, and Michigan, as well as future evaluation of outcomes among these participant populations, will deepen our understanding of the impacts of CE approaches on participant, organizational, and systems levels.

### Endnotes

<sup>1</sup> All earnings are shown in 2018 dollars.

<sup>2</sup> Employment First is a movement that aims to facilitate the full inclusion of people with significant disabilities in integrated job settings in the community. Under the Employment First approach, community-based integrated employment is the first option for employment services for youth and adults with significant disabilities (Department of Labor n.d.).

### References

Department of Labor, Office of Disability Employment Policy. "Employment First." n.d. Available at <https://www.dol.gov/odep/topics/employmentfirst.htm>. Accessed February 26, 2019.