Disability Rights Iowa
LEGAL PROTECTION AND ADVOCACY

Disability Rights Iowa
SF 368 & HB 403 – Testimony in Support
February 1, 2024

Chairpersons and honorable members of the Committee. My name is Catherine E. Johnson. I am the Executive Director of Disability Rights Iowa. DRI is an independent, non-profit agency, which serves as the designated protection and advocacy system for people with disabilities in the state of Iowa, pursuant to federal mandates. The mission of the agency is to protect and advocate for the human and legal rights of Iowans with disabilities. I appear before you to share DRI's opinion that that SF 368/HB 403 would have a positive impact on Iowans with disabilities ability to engaging in competitive integrated employment. SF 368/HB 403 would remove barriers that currently prevent Iowans with Disabilities from being able to engage in Competitive Integrated Employment.

Americans with Disabilities Act

Congress enacted the Americans with Disabilities Act over thirty-three years ago. Congress intended to create a world where individuals with disabilities have the opportunity for full inclusion, full access, equal opportunity, independence, and self-sufficiency. Engaging in competitive employment is key to achieving these goals set by Congress. More than three decades after the ADA, only 19.1 percent of the national workforce comprises people with disabilities.

According to the attached July 2022 Edition of **Iowans with Disabilities: 2022,** Only 90,597 of Iowans with disabilities between 18-64 were employed in 2021. 48.8 percent of this population worked only part-time. In 2021, Iowans with disabilities comprised only 5.9 percent of the labor force. The unemployment rate for Iowans with disabilities in 2021 was 8.9%. The unemployment rate for Iowans without disabilities in 2021 was 3.6%. SF 368/HB 405 would advance the goals set by Congress of independence and self-sufficiency for Iowans with disabilities, improving economic opportunities for Iowans with disabilities as well as the growing the economy in the State of Iowa.

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Medicaid for Employed People with Disabilities (MEPD)

Iowans with disabilities want to participate in Competitive Integrated Employment (CIE). Medicaid for Employed People with Disabilities (MEPD) is a Medicaid coverage group that was designed to promote employment for people with disabilities. Medicaid provides access to resources (e.g., personal care attendants, adaptive equipment, community living supports, and waiver services) that are not covered by traditional insurance. However, it has restrictions like age, income, and asset limits which create barriers for individuals and families and disincentivizes employment.

SF 368 & HB 403 Increase Healthcare Access Based on Age

SF 368 & HB 403 increase healthcare access for older Iowans with disabilities. MEPD has an age limit of under 65-years-old, so individuals with disabilities who receive Medicaid coverage through MEPD become ineligible before they reach their full retirement age.

The proposed bills would create the Work Without Worry program for employed individuals with disabilities, which does not have an age cap. SF 368 & HB 403 enable individuals with disabilities to continue receiving Medicaid coverage and the supports they need for employment as long as they are working in wage or self-employment.

SF 368 & HB 403 Increase Healthcare Access Based on Income

SF 368 & HB 403 increase healthcare access for individuals with disabilities who fear losing Medicaid coverage by increasing their hours at work or accepting wage increases. MEPD has an income limit of 250% of the Federal Poverty Level and counts the income of the entire household. If an individual with a disability wants to apply for MEPD, an employed spouse and other employed members of the household count towards the income limit. Individuals with disabilities often are hesitant to or do not accept more working hours, wage increases, and bonuses from their employer due to the fear of losing their Medicaid coverage.

The proposed bills would increase the income limit to 450% of the Federal Poverty Level and only count the income of the individual with a disability. The proposed bills would encourage individuals with disabilities who want to work to accept additional hours and wage increases without the worry of losing the services they need for employment through Medicaid.

SF 368 & HB 403 Increase Healthcare Access Based on Assets

SF 368 & HB 403 increase healthcare access for individuals with disabilities who are ineligible for MEPD due to asset limits. People become disabled at all stages of life. Many individuals with disabilities become disabled after marrying, working for years, and saving for retirement. MEPD requires individuals with disabilities to have resources fewer than $12,000 for an individual and $13,000 for a couple. Besides penalizing married couples where one or both individuals are disabled, the asset limit prevents individuals who became disabled later in life from accessing Medicaid coverage.

Social Security Disability Insurance (SSDI) is the program for individuals with disabilities who previously worked and earned enough credits to reach insured status. SSDI beneficiaries must wait 2 years from the time they are approved and start receiving payments to become eligible for Medicare coverage. These individuals are often not eligible for healthcare coverage through MEPD due to the asset limit. As a result, SSDI beneficiaries often pay high COBRA premiums or go without insurance while they wait to receive Medicare.

The proposed bills would remove the asset limit for individuals with disabilities beyond one vehicle used by/for the individual and a primary residence valued less than $400,000. The proposed bills would encourage individuals with disabilities who want to work to pursue employment and be able to save for the future without fear of losing their healthcare coverage.

SF 368 & HB 403 Supports Access to Information on Employment Resources

Disability Rights Iowa (DRI) is one of 74 agencies across the country with a Work Incentives Planning and Assistance (WIPA) project. WIPA is a competitive grant-funded program from the Social Security Administration (SSA) that serves people who receive Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) due to a disability and are about to start work or already working. The program aims to improve employment outcomes and increase economic self-sufficiency for Social Security disability beneficiaries through their understanding of how employment can be an option for them. DRI's WIPA project is staffed with Community Work Incentives Coordinators (CWICs). The CWICs are certified to provide benefits counseling to SSA disability beneficiaries in all 99 counties in Iowa and 34 counties in Northwest Illinois.

The lack of affordable and accessible healthcare are frequent barriers to individuals with disabilities seeking employment. The age, income, and asset limits with MEPD

can prevent beneficiaries from fully exploring their options with employment due to fears of losing the medical coverage and supports they need to work. Unless a beneficiary has contacted DRI's WIPA Team, there is a high likelihood that they were unaware of available resources. Many Social Security disability beneficiaries across Iowa remain unaware of the resources available to support them in pursuing employment and thus are not exploring opportunities for employment.

SF 368 & HB 403 increases awareness of the resources available for individuals with disabilities and employment. The proposed bills would implement a Work Without Worry public awareness campaign by the Department of Health and Human Services (HHS) to educate potential participants and the public about the program. Individuals with disabilities, along with their families, educators, and disability service providers, would have the knowledge they need to make educated decisions regarding employment. They can connect with resources sooner, including the DRI WIPA team for benefits planning support, to make their dreams for employment a reality. The proposed bills would support the DRI WIPA team in reaching more Social Security disability beneficiaries who want to start their employment journey towards financial independence.

SF 368 & HB 403 Supports the Principles of Employment First

SF 368 & HB 403 supports the Principles of Employment First for individuals with disabilities.

According to the Office of Disability Employment Policy at the U.S. Department of Labor, Employment First is:

> a national systems-change framework centered on the premise that all individuals, including those individuals with the most significant disabilities, are capable of full participation in Competitive Integrated Employment (CIE) and community life. Under this approach, publicly-financed systems are urged to align policies, regulatory guidance, and reimbursement structures to commit to CIE as the priority option with respect to the use of publicly-financed day and employment services for youth and adults with significant disabilities. (Policy n.d.)

DRI respectfully requests that SF 368 and HB 403 be amended to include principles of Employment First, that serve as a catalyst to set the official policy of the State of Iowa that competitive and integrated employment is the first option when serving people with disabilities, to establish definitions of competitive and integrated employment and details how state agencies collaborate together to improve employment outcomes for Iowans with Disabilities.

DRI strongly supports this legislation. DRI urges this sub-committee to move this legislation forward. SF 368 and HB 403 will remove barriers related to Medicaid coverage and encourage employment for individuals with disabilities seeking employment. Work Without Worry will increase employment opportunities for Iowans with Disabilities, grow Iowa's Labor Pool and move forward Congress' ADA Goals of Independence and Self-Sufficiency.

DRI welcomes the opportunity to discuss this in more depth with any member of the Iowa Legislature. Thank you in advance for your thoughtful deliberation of our testimony in support of SF 368 and HB 403.

References

Policy, U.S. Department of Labor Office of Disability Employment. n.d. *Employment First.* Accessed January 25, 2024. https://www.dol.gov/agencies/odep/initiatives/employment-first.

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THE OFFICE OF PERSONS WITH DISABILITIES

Iowans with Disabilities: 2022

July, 2022

On July 26, 1990, President George H.W. Bush signed into law the Americans with Disabilities Act, guaranteeing equal opportunity for people with disabilities in public accommodations, commercial facilities, employment, transportation, schools, state and local government services and telecommunications.

393,816
The number of people in Iowa in 2021 report having a disability. They represent 12.5% of the civilian, noninstitutionalized population.

30.4%
Percentage of people 65 and older in 2021 with a disability, the highest of any age group.

32,300
Number of children under 18 in 2021 who have disabilities. This amounts to 4.4% of the population under 18 years of age.

12.6%
The percent of males in Iowa in 2021 with a disability. This compares to 12.4`% of females.

46.7%
The percent of households receiving food stamps which have one or more persons with a disability in 2021.

59,752
The number of households receiving food stamps which have one or more persons with a disability in 2021.

9,649
Number of Iowa grandparents with a disability living with grandchildren under 18 in 2021.

29.3%
Percentage of grandparents who are responsible for grandchildren under 18 in 2021 that have a disability.

166,900
The number of people aged 18-64 with a disability in 2021 or 10.4% of the population aged 18-64.



Specific Disabilities

124,187
The number of Iowans in 2021 reporting an inability to hear conversations or a serious hearing loss.

6.0%
Percentage of population age 5 and over with an ambulatory disability in 2021.

63,256
The number of Iowans age 5 and over in 2021 who reported that a disability made it difficult to perform self-care activities such as dressing, bathing, or getting around inside the home.

124,296
The number of noninstitutionalized Iowans age 18 and over in 2021 who reported an independent living disability that made it difficult to go outside the home alone to shop or visit a doctor's office.

68,119
The number of Iowans of any age in 2021 who reported a disability of blindness or serious difficulty seeing even when wearing contacts or glasses.

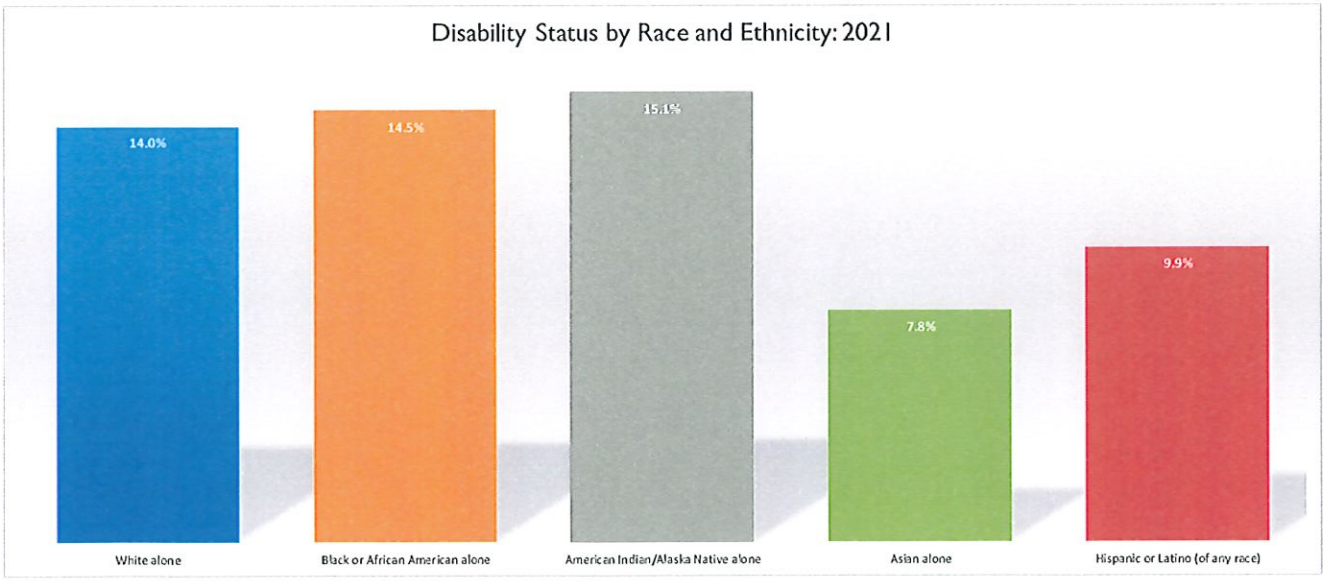
151,297
Number of Iowans in 2021 with limitations in cognitive functioning or who have a mental or emotional illness that interferes with daily activities, including those with Alzheimer's disease and intellectual disabilities. This included people with one or more problems that interfere with daily activities, such as frequently being depressed or anxious, trouble getting along with others, trouble concentrating and trouble coping with stress.

Veterans

46,726
Number of Iowa veterans in 2021 with a disability, representing 29.4% of Iowa veterans.

46.1%
The percent of the veteran population 18 to 64 years of age below the poverty level who have a disability in 2021.

43.8%
In 2021, the percent of the veteran population 65 years and over below the poverty level who have a disability.



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The data presented in this report are for the civilian noninstitutionalized population which excludes people in prisons, nursing homes, and active duty military

Data Source (unless otherwise noted) : U.S. Census Bureau, 2021 American Community Survey
Photos by the U.S. Census Bureau

Employment

90,597
The number of Iowans age 18 to 64 in the labor force with a disability who were employed in 2021. 48.8% of Iowans in this age group, with a disability, worked at least part-time.

5.9%
Percent of the labor force in 2021 with a disability of some type.

8.9%
The unemployment rate in 2021 for Iowans with a disability. The unemployment rate in Iowa at that time was 3.6%

Health Insurance

99.2%
Percent of children under age 19 in Iowa that have a disability and are covered by insurance in 2021.

6.1%
Percent of Iowans 19 to 64 years of age with a disability that had no health insurance coverage in 2021.

96.9%
The percent of Iowans with a disability that are covered by insurance in 2021.

381,545
The number of Iowans with disabilities that have health insurance coverage in 2021.



97.5%

Percent of transit buses nationwide that were lift or ramp-equipped as of 2021.

Source: https://www.bts.gov/content/ada-lift-or-ramp-equipped-transit-buses

Income and Poverty

75,552
The number of Iowa disabled workers in 2020 receiving benefits under Social Security's Old Age, Survivors, and Disability Insurance (OASDI) program.

Source: https://www.ssa.gov/policy/docs/statcomps/oasdi_sc/2020/ia.html

$25,938
Median earnings for Iowans age 16 and over with disabilities with earnings in 2021. The median earnings for Iowans age 16 and over without disabilities is $40,308.

18.9%
The poverty rate for Iowans with disabilities in 2021. The poverty rate for Iowans without disabilities is 11.1%.