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# **NTAR Leadership Center**

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National Technical Assistance and Research  
Center to Promote Leadership for Increasing  
the Employment and Economic Independence  
of Adults with Disabilities

## **Asset Development: State Strategies for Making Work Pay for People with Disabilities**

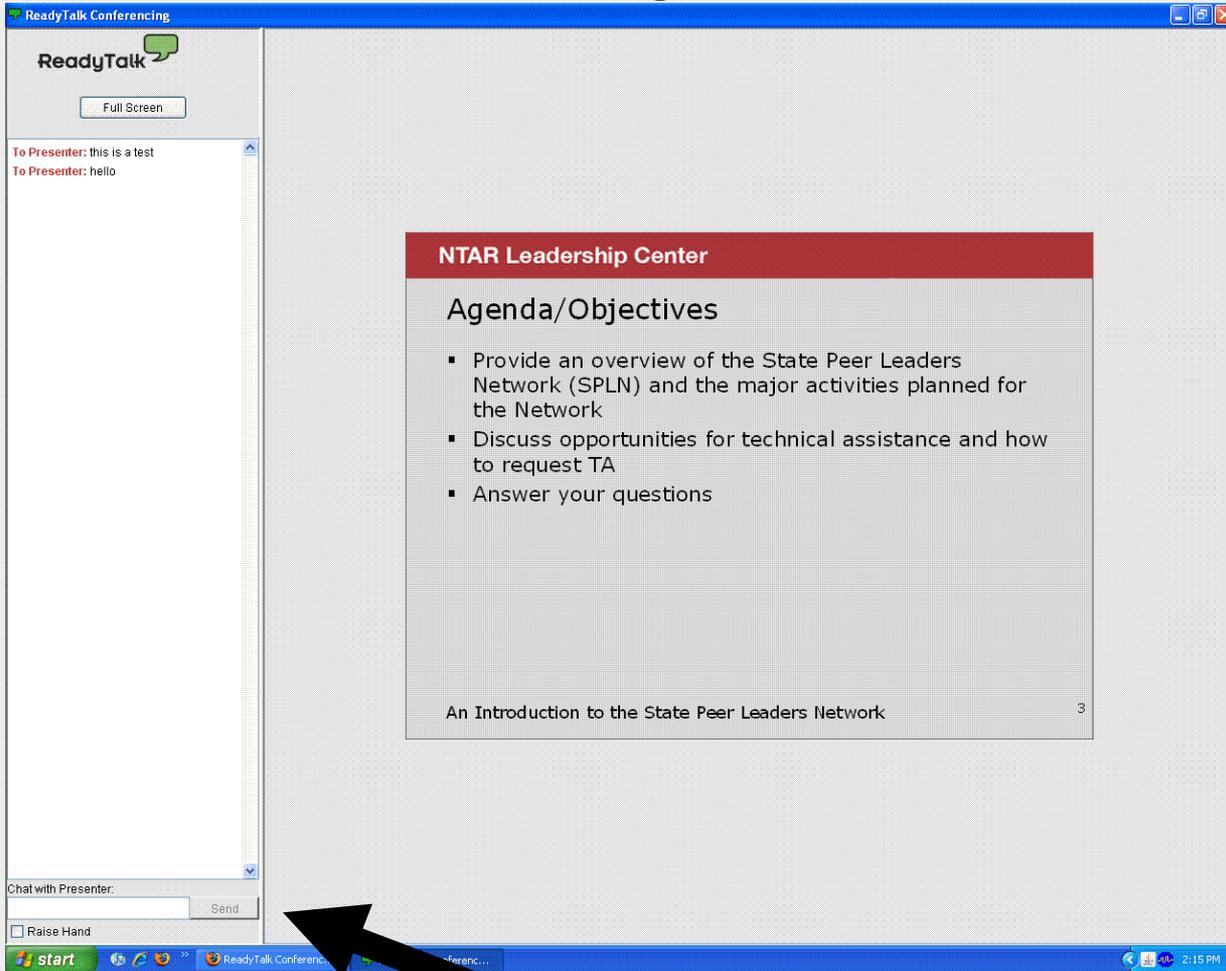
October 28, 2009

### **Audio Dial-In Information**

866.740.1260

Access Code: 9324100

## Webinar Classroom Layout



Select **Full Screen** to maximize presentation; minimizes chat feature

Presentation Slide Area

Use **Chat box** to communicate with chairperson

## Presenters

- **Candace Baldwin**, Senior Policy Advisor, NCB Capital Impact
- **Rich Sanders**, Program Coordinator, Governor's Council on Disabilities and Special Education, Alaska
- **Tammie Amsbaugh**, Policy Coordinator for the Iowa Department of Human Services' Medicaid Infrastructure Grant, University of Iowa, Center for Disabilities and Development

*Moderator:*

**Nanette Relave**, Director, Center for Workers with Disabilities

## Access to Webinar Materials

- A direct link to the webinar materials, including web and audio content, will be posted on the NTAR Leadership Center website by 10:00 a.m. Eastern Time, Thursday, October 29, 2009

[www.ntarcenter.org](http://www.ntarcenter.org)

## The NTAR Leadership Center

- Established in September 2007 through a grant from the U.S. Department of Labor's Office of Disability Employment Policy (ODEP).
- A collaboration of partners with expertise in workforce and economic development, disability employment, financial education and asset building, and leadership development.
- Created for the purpose of building capacity and leadership at the federal, state, and local levels to enable change across workforce development and disability-specific systems that will increase employment for adults with disabilities.

## Guiding Principles

- Increasing partnerships and collaboration among and across generic and disability-specific systems.
- Increasing the use of self-direction in services, and integration of funding across and among systems.
- Increasing economic self-sufficiency through leveraging work incentives, financial education, or other strategies that promote profitable employment and asset building.
- Increasing the use of universal design in employment services and as a framework for employment policy.
- Increasing the use of customized and other forms of flexible work options for individuals with disabilities and others with barriers to employment.

## Agenda/Objectives

- Present asset development concepts, tools, and activities that can be used by states as a framework for developing comprehensive, integrated state asset development strategies for people with disabilities and their families.
- Describe the linkages between employment and asset development for people with disabilities.
- Highlight asset development activities for people with disabilities taking place in Alaska and Iowa.
- Answer your questions.



# Creating a Pathway to a Better Financial Future: Strategies for Workers with Disabilities

Candace Baldwin  
NCB Capital Impact

## Agenda

- Discussion topics
  - Identification of the continuum of asset-building opportunities; build upon existing programs
  - Employment and earnings provide a foundation for asset development
  - Overview of asset development tools for people with disabilities
  
- Open discussion

# Paradigm Shift to Addressing Long-Term Financial Independence

- Growing trend of incorporating asset development into benefits counseling
- Assets are resources that promote financial self-sufficiency, community participation, and quality-of-life experiences
- Income preservation, savings, and asset development have not been traditionally associated with employment

## Variety of Asset Development Mechanisms

- There are a variety of tools to support asset development for workers with disabilities
- Work in tandem for a holistic strategy that follows the continuum
- Strategies should create:
  - Access to mainstream financial services
  - Access to savings
  - Access to long-term investment
  - Access to asset preservation

## Continuum of Asset-Building Opportunities

Poverty ..... Economic Security



### Access to Mainstream Financial Services

- Affordable checking and savings accounts
- Location of bank branches in low-income communities
- Loan products with reasonable interest rates
- Low-cost remittance services
- Credit remediation
- Second chance banking programs
- Acceptance of multiple forms of identification
- Alternatives to payday loan and check cashing

### Savings Opportunities

- Individual Development Accounts
- Employer-Supported Savings
- Lifelong Learning Accounts
- Family Self-Sufficiency Program
- Earned Income Tax Credit
- FHLB – IDEA & WISH
- Children’s Savings Accounts
- [Plan for Achieving Self-Support \(PASS Plan\)](#)
- [Special Needs Trusts](#)

### Investment Opportunities

#### Home Equity

- Cooperatives
- Self Help
- Community Land Trusts
- Manufactured Housing
- Shared Equity
- Lease Purchase
- Section 8 Homeownership

#### Business Equity

- Micro-enterprise
- Worker-owned coops
- Employee Wealth Sharing Programs
- Resident-owned businesses

#### Commercial Real Estate

- Community Development initial public offering (IPO)
- Community Benefit Agreements

### Asset Preservation Measures

- Protection from predatory lending practices
- Reform the pay day loan and check cashing industries
- Access to affordable health insurance
- Post-purchase homeownership counseling
- [Medicaid Buy-In](#)
- [Special Needs Trusts](#)

..... **Financial Education/Increasing Income** .....

From *Building Assets While Building Communities*, by Heather McCulloch for the Walter and Elise Haas Fund 2006

# Resources for Asset Development

## Strategies that Create Access to Mainstream Financial Services

- Financial literacy is the key component of asset development
- Impact of subprime market
  - Check casher, pay day lender, title loans, etc.
  - Often result in the borrower paying 400% in annual interest rates
  - No-member account to promote savings
- Financial planning skills allow individuals to plan for the future

# Financial Literacy Programs Can Be Designed for People with Disabilities

- Provides instruction on:
  - Money management
  - Savings
  - Homeownership
  - Debt reduction
  - Efficient use of credit
  
- Training offered through public-sector agencies, non-profits, financial institutions
  
- State and local agencies with existing programs can redesign to meet needs of people with disabilities

## Strategies that Create Savings Opportunities

- Heavy reliance on the use of credit and lack of savings accounts as part of personal assets
- Adequate savings can critically affect quality of living and well-being
- EITC provides additional income for savings – tied to employment
- Savings programs
  - Individual Development Accounts
  - PASS
  - Special Needs Trusts

## Real-World Examples: IDAs

- IDA programs (disability-specific):
  - Kern Regional Center, Bakersfield, California
  - Mississippi Department of Rehabilitative Services
  - District of Columbia Department of Mental Health
  - New York State Office of Mental Retardation and Developmental Disabilities
  - Collaborative Support Programs, New Jersey
  - Allies, Inc., New York and New Jersey
  - Thresholds Psychiatric Rehabilitation Centers, Chicago, Illinois

## Plan for Achieving Self-Support (PASS)

- **Purpose:**
  - Assist SSI recipients in obtaining items, services, or skills for employment needs
  
- **Requirements:**
  - Written plan
  - Vocational goal
  - Reasonable time frame for meeting a vocational goal
  - Explanation of the necessary expenses
  
- **Advantages:**
  - Work and receive SSI
  - Save and build assets for employment goals

## Special Needs Trust

A special needs trust makes it possible to appoint a trustee to maintain assets and retain or qualify for public assistance benefits.

Three types:

- Family-Type Special Needs Trusts
- Court-Ordered Special Needs Trust
- Pooled Special Needs Trust

## Pooled Special Needs Trusts

- Shared Horizons (Maryland and District of Columbia):
  - <http://www.shared-horizons.org>
- Enhanced Life Options (New Hampshire):
  - <http://www.elonh.org>
- State of Florida's Public Guardianship Trust (Florida):
  - <http://elderaffairs.state.fl.us/english/spgo.php>
- The Center for Special Needs Trust Administration, Inc. (Nationwide):
  - <http://www.sntcenter.org>

## Strategies that Create Investment Opportunities

- Long-term investment strategies often result in sustainable economic self-sufficiency
- Homeownership is most common long-term investment strategy
- Small business/microenterprise also creates employment opportunity

# Long-Term Investment in Housing Can Lead to Economic Self-Sufficiency

- Homeownership comes in many forms
  - Single family
  - Cooperative – limited equity
  
- Cooperative provides significant savings
  - Consumer controlled
  - Safety net for maintenance and repairs/replacement
  
- Down payment assistance
  - Housing choice vouchers
  - Local/state housing finance funds

# Small Business Development Can Provide Long-Term Investment

- Small business or microenterprise ownership can employ IDA and PASS programs for start-up costs; employment strategy
- Local and state programs already exist; redesign for people with disabilities
- Couple with entrepreneurship training through Ticket to Work
- Expanded workforce development programs through stimulus

## Strategies that Preserve Assets

- Too often, benefits programs' "asset tests" create a disincentive
- Integration of work incentive programs with benefits counseling
- Self-directed budgets braid multiple resource streams in a way that meets individual career and asset goals
- Medicaid Buy-In and Community Work Incentive Counselors provide good strategies to preserve assets

## Medicaid Buy-In

- Authorized by the Balanced Budget Act of 1997 (BBA) and the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA)
- Buy-In program allows states to expand Medicaid coverage to workers with disabilities whose income and assets would ordinarily make them ineligible for Medicaid
- Currently there are 44 states reported covering individuals in the Medicaid Buy-In program

# Innovative Solutions for Asset Development

## Initiating Innovative Solutions for Asset Development

- Link employment and workforce programs to asset development strategies
  - Align asset limits with workforce strategy to protect benefits
  
- Cross-agency partnerships
  - Training for benefit and work incentive counselors on asset development
  - Enhance or expand existing workforce, employment training, asset development; no- to low-cost approach

# Initiating Innovative Solutions for Asset Development

- Increase education and outreach activity
  - Understand long-term financial needs
  - Connect to various programs to braid benefits, asset development, and employment opportunities
  
- Employers' asset development strategies
  - Electronic debit in lieu of paper check
  - Pre-tax savings deductions for homeownership
  - Financial literacy as part of employment training

## Contact Information

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## **Alaska Asset-Building Workgroup**

Rich Sanders  
Governor's Council on  
Disabilities and Special  
Education, Alaska

## Alaska Asset-Building Workgroup

- Consortia of stakeholders
  - Governor's Council on Disabilities and Special Education
  - University of Alaska Anchorage Center for Human Development
  - Tanana Chiefs Conference
  - Internal Revenue Service
  - Credit Union One
  - Alaska Housing Finance Corporation
  - Private Industry
  - Cook Inlet Tribal Council
  - Others

## Asset-Building Effort

- Disability employment forum (February 2008)
- Asset-building core group (June 2008)
- Recruiting new members (September-December 2008)
- Work plan completed (December 2008)
- Face-to-face meeting (March 2009)
- Website established (August 2009)
- IDA proposal completed (October 2009)

## Focus Areas

- Education on Asset Building
- Financial Literacy
- Individual Development Accounts
  - Education
  - Housing
  - Small Business Ownership
- Earned Income Tax Credit/Income Taxes
- Youth

## Educate!

- What is “Asset Building”?
  - Why should I be involved? What is in it for us?
    - Use: Statistics, success stories, possibilities, program information
  - Marketing of “Asset Building”
    - Finance – Banking the unbanked
    - Housing – Obtaining a first home/escaping public housing programs
    - Education – Preventing poor financial planning/poverty
    - Benefits Programs – Helping individuals off of public assistance programs
    - Legislators – Prevention of economic downturn and promotion of escaping poverty/reliance on government programs

## Financial Literacy

- Why?
  - Youth
  - Public assistance programs
  - Benefits to business and industry
  
- What?
  - Variety of curricula for a variety of needs
  - Necessary component of AFIA IDAs

## Alaska Individual Development Account

- Why?
  - Escape cycle of poverty
  - Requires financial literacy component
  - Allows non-countable assets toward:
    - Education, housing, self-employment
  
- What?
  - Consortia of organizations (shared)
    - No one organization has enough funds
  - Marketing November/December
  - Application in January

## Earned Income Tax Credit

- Why?
  - Too many don't file at all
  - EITC can assist with getting an IDA started (allows earned income to be directed at IDA)
  - Millions going unclaimed
  
- What?
  - Website information
  - Assistance through VITA sites
    - Educate VITA volunteers
    - Provide information on financial literacy and IDAs to distribute

## Future Targets

- Child development accounts
- Legislation/policy on financial literacy in schools
- Public assistance IDA options
- Local IDAs that allow for more
  - Assistive technologies
  - Subsistence tools
  - Other



# Iowa Asset Development/ Self-Sufficiency Strategies for People with Disabilities

Tammie Amsbaugh  
Iowa Department of Human  
Services' Medicaid Infrastructure  
Grant

## Iowa's EITC Initiative

- Partnership with:
  - Institute for Social and Economic Development (ISED) and the EITC and Beyond Coalition
    - Supported free tax preparation through VITA sites
    - Encouraged saving in IDAs
  - Governors Developmental Disabilities Council
    - Spearheaded including issues of people with disabilities
  - Iowa Department of Human Services
    - Assisted the Developmental Disabilities Council with development of benefits interaction chart customized for Iowa

## People with Disabilities and the EITC

- Encourage people with disabilities to claim EITC
  - Mailing to Medicaid Buy-In participants
  - Mailing to all beneficiaries of Iowa DHS services
  
- Address concerns about loss of benefits due to resources from EITC
  - Iowa's adaptation of the **REAL** economic impact tour “Benefits Interaction Chart”
  - Distribution to local programs and staff members

# Iowa's EITC Initiative Leads to Questions About Asset Development Strategies

- Some inconsistencies found when creating the Iowa's Benefits Chart
  - The Iowa EITC (7% of the federal) is not excluded from SSI resources for nine months
- Most did not know about many of the available strategies

## Next Steps

- Developmental Disabilities Council brings the **REAL** economic impact tour to Iowa
  - Connections developing between the disability community and the poverty community
  - Pursuing the addition of disability services in benefit calculators of the Iowa Policy Project
  - Working on the addition of and accessibility of VITA site and inclusion of people with disabilities as tax preparers, and

## Next Steps (continued)

- University of Iowa Center for Disabilities and Development (CDD)
  - Discussion paper to
    - Review national strategies
    - Review to what extent they are being used in Iowa
    - Identify barriers to their utilization in Iowa
    - Draft list of potential action items for Iowa
  - Publication of *resource directory* and *seven helpful hints* on asset development strategies

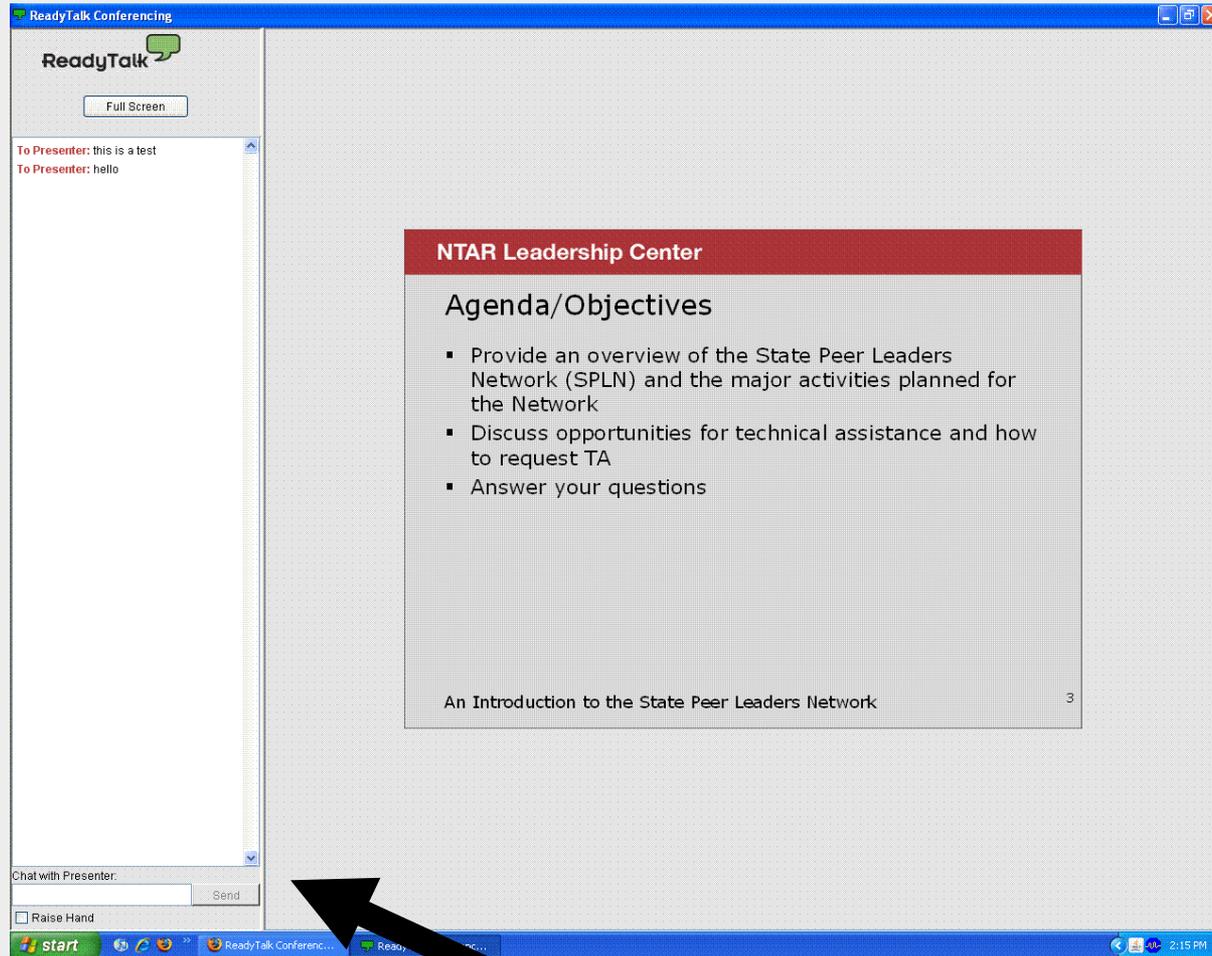
## Focus of Current Activities

- Employment and self-employment workshops
  - Partnering with WIPA, Disability Navigators, Vocational Rehabilitation and Employment Networks
- Promotion of tax filing and the EITC
- Dissemination of the *resource directory* and *helpful hints*
- Coming in 2010: Financial Literacy for Adults with Disabilities

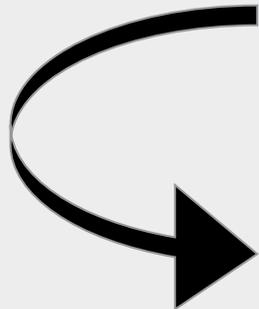
## Contacts and Resources

- Discussion paper, resource directory, and helpful hints can be found at:  
[www.healthcare.uiowa.edu/cdd/multiple/programs/employmentinitiatives.asp](http://www.healthcare.uiowa.edu/cdd/multiple/programs/employmentinitiatives.asp)
- Benefits interaction chart is sent as an attachment
- Tammie Amsbaugh, Policy Coordinator for the Iowa Department of Human Services Medicaid Infrastructure Grant and The University of Iowa Center for Disabilities and Development [tamsbau@dhs.state.ia.us](mailto:tamsbau@dhs.state.ia.us)

## Question-and-Answer Period: How to Submit Your Questions



Click **Raise Hand** to ask a question; the chairperson will then call on participants in the order that questions were received



Use **Chat box** to send your question(s) to the chairperson

# Question-and-Answer Period: How to Submit Your Questions



Send a tweet to:

**@ntar**

Remember:

Your tweet has to be less than 140  
characters!

# Question-and-Answer Period



## NTAR Leadership Center Contacts

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# **NTAR Leadership Center Website**

**[www.ntarcenter.org](http://www.ntarcenter.org)**