

Developmental Disabilities Worker's Guide

Office of Developmental Disabilities Services

Topic:	Supported Self-Employment
Date Issued/Updated:	10/01/2021

Commented [EA1]: Estimate.
Post on E&I for 08/06-08/20.
Estimate Publish September or October.
Align w VR publication of guidance for microenterprise.

Questions:
Add checkbox for self-employment in EXPRS.

Overview

The purpose of this worker's guide is to:

- Outline information and requirements related to ODDS services for supported self-employment.
- Outline information regarding the transition from VR to ODDS for supported self-employment services; and support a coordinated delivery of supported employment services available through Vocational Rehabilitation (VR) and the Office of Developmental Disabilities Services (ODDS).
- Ensure individuals with intellectual and developmental disabilities have support and opportunities to pursue self-employment on the same basis as individuals who do not have or experience a disability.

Procedure(s) that apply:

I. Service Requirements

ODDS-funded Job Coaching for self-employment may include ongoing support after a job or business has been launched. Requirements for approving **ODDS funded job coaching for self-employment** are outlined below (see also OAR 411-345 and the ODDS Expenditure Guidelines).

A. Activities of an ODDS-funded Job Coaching for Self-Employment.

ODDS-funded Job Coaching for self-employment may include the following types of ongoing support after a job or business has been launched:

- Training, cuing, or assistance with operating the the business subject to limitations described below.
- Assistance making small updates to a business plan after a business has been launched.
- Support to develop and carry out the marketing plan after a business has been launched; developing and carrying out the business plan; ordering supplies and stocking the business; developing schedules, establishing business routines, and scheduling tasks, etc.
- Support to identify natural supports that may be needed to implement business plans or operate the business.

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- Support to identify business resources (may be natural supports or those paid by the business). This might include support to hire an accountant for tax or payroll support, support to find an attorney for legal advice, web designer, etc.

B. Essential Functions.

The individual must be performing a core or essential function of the job or business. Essential functions are the fundamental duties of the job or business. The reason the job exists is to perform the function. Whether a particular job function is essential also depends on factors such as the time spent performing the function, the consequences of not performing the function, the degree of expertise or skill, if other employees are present who can perform the function, etc.

As a business owner, the person may hire someone to perform an essential function. The expense to hire someone to perform essential functions is an operational business expense and cannot be paid by ODDS services. A job coach may also support the person to learn how to perform essential functions of the business, or identify natural supports that can complete essential functions of the business. The job coach shall not provide essential function(s) in lieu of the business owner, natural supports or hired help, either short or long term.

C. Not for operational expenses.

Job Coaching for self-employment may not be provided to defray the operational expenses of the business (except for the activities of a job coach outlined under "Section I" above).

Operating expenses include the costs to keep the business running (e.g. rent, office supplies, utilities, marketing costs, insurance, and taxes). A Job Coach might support the person to update or implement a marketing plan. If Job Coaching services are being used, then the person must be present and supported through cuing, training, etc., to perform the activity.

D. Income Requirements.

To close successfully with VR and be eligible for ODDS-funded Job Coaching for Self-Employment, the income and wage standard for "Competitive Integrated Employment" must be met. This means the person must be able to demonstrate that the business is profitable and they are able to pay themselves minimum wage or better within 2 years of starting the business (minimum wage based on the highest of the federal, state, or local minimum wage requirements). If the person cannot meet this wage requirement to close successfully with VR within 2 years, then the person should be supported to find other employment opportunities.

The person must also be able to demonstrate that the business continues to be profitable (and the person is able to pay themselves at least minimum wage) for a minimum of 3 out of every 5 years. This is in alignment with IRS standards.

E. Team Planning

If a need for long term supports for self-employment is anticipated, then the Employment Team (including individual, VR counselor, DD case manager, and other members of the team) must work together to ensure the business plan, ISP, and IPE all align. The ISP and IPE must specifically address the long term supports that are needed, and their specific roles (i.e. support (cuing, training, etc) learning functions of the business, with transportation, with business paperwork and other administrative functions, etc). The plans must also document the functions the person will be performing, and any supports needed (funded or unfunded).

II. Requirements for Approval:

A. ODDS initial approval

The case manager must submit the documentation outlined below to ODDS for review and approval along with the exception request form [0514DD](#). The request and supporting documentation must be submitted to: ODDS.FundingReview@state.or.us.

- a. Service planning documents (ISP/CDP, IPE, etc).
- b. Business Plan.
- c. Anticipated date for stabilization with Vocational Rehabilitation, and transfer to ODDS long term services (initial job coaching).
- d. Evidence of the business including but not limited to: business filings with the Secretary of State, tax records submitted to the Internal Revenue Service, business plan, marketing plan and materials, etc.
- e. Documentation of the following (may be documented in items a-d):
 - i. The long term supports needed, and their specific roles (e.g. training to learn functions of the business; support with transportation; cuing to complete business paperwork; etc). This must be documented before transfer to ODDS services.
 - ii. The business functions the person will be performing, and any supports needed (funded or unfunded).
 - iii. Documentation that the income and age requirements are met.

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Under review: Whether to require ODDS approval. Submit as exception? Or just for ODDS approval? Send to employment path email?

B. Evidence of self-employment must be reviewed annually by SC or PA:

The documentation above must also be reviewed annually by the SC/PA to ensure the service continues to support the person to reach their employment goals and also ensure the service requirements continue to be

met. If not, then the SC/PA should meet with the person and their ISP team to discuss what is needed to help the person achieve his or her goals.

If the person is not able to pay themselves minimum wage or better for two or more consecutive years, then a referral to VR may be needed for support to further develop the business plan, or explore other employment opportunities.

Frequently Asked Questions:

When are services transferred from VR to ODDS for long term supports?

Services are transferred from VR to ODDS at stabilization. This depends on a few factors, including whether long term services are available and can be provided without an interruption in services. [See VR-IM-15-01](#). For self-employment, stabilization and transfer to long-term services requires also requires that the person be able to pay themselves minimum wage or better, and also be performing an essential function(s) of the business. To transfer to ODDS job coaching for self-employment, the requirements outlined in this worker's guide must also be met.

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When VR prepares an Individualized Plan for Employment (IPE) for self-employment, information from the business plan is used as guidance for stabilization and transition to extended support. These milestones and other information about the business should be available from the VR counselor.

What are some examples of how the transition from VR to ODDS services might work?

- If, after VR counseling, a person's plan for employment ultimately includes support to develop a business, VR will provide services and supports (e.g. initial development of a business plan, feasibility study, support to explore options for financing, support to identify accounting support).
- If a person is stable and ODDS supports are available and can be provided without an interruption in services, then transfer to ODDS services may occur. Successful closure through VR and transfer to ODDS services requires that the person be earning equivalent to minimum wage or better (based on the highest of the federal, state, or local minimum wage requirements)
- If the business meets requirements for ODDS Job Coaching for self-employment (i.e. business profitable, person earning equivalent to minimum wage or better, etc), then the ODDS service may be Job Coaching. The activities of the job coach may include those things outlined above (e.g. assistance with the development of a business plans, support

to identify business resources or natural supports, training to manage or operate a business).

What if a person indicates interest in self-employment during Discovery?

If a person indicates he or she is interested in owning a business during Discovery, then this may be one area of exploration. For example, as one Discovery experience, the person might have an informational interview with a business owner to discover more regarding what is required to run a successful business. The person's employment interests will also be explored in multiple setting types (i.e. traditional employment as well as self-employment).

What VR Services might be used if a person is interested in exploring Self-Employment?

While at VR, a person must be informed the VR expectation that employment (including self-employment) must pay at least minimum wage. If someone is already a VR Participant, with a stated desire to pursue a business and self-employment, VR will provide assessments to inform this goal. If the person has no experience in the type of business they want to own, those assessments may demonstrate a need to gain skill, knowledge and/or experience before seeking self-employment.

If the person has no experience and they need to gain significant skills or experience, they may work with the VR Counselor to explore the comprehensive self-employment planning process. Support to establish a microenterprise may be available for people who need support with smaller aspects of establishing a business (for example, if a person only needs support with obtaining the business licensing, etc).

Does ODDS have to review self-employment annually?

No. ODDS only needs to review and approve self-employment before initial authorization. ODDS may verify income information in subsequent years through EOS. The case manager must also review evidence that the business exists as well as verify annually that the income requirements are met.

How are the hours the person works documented?

Both the person and the job coach should keep regular business records such as timesheets to document the actual hours worked by both the person using services and the job coach.

How does the person document that the income requirements are met?

Any of the following may document income requirements for self-employment: Wage and Tax Statement for Self-Employed (1099), Profit and Loss Statement or Ledger Documentation, Copy of Schedule SE (Form 1040 or 1040-SR) Tax Form, or a Self-Employment worksheet signed and attested to by the program client. Self-Employment documentation should be listed in the IPE for use of income verification.

What about individuals who are currently using ODDS Job Coaching for self-employment?

Individuals currently using Job Coaching or Employment Path Services for self-employment can continue to receive the service for support to develop the business. For individuals already using self-employment, the business must be profitable within two years.

If it is determined that the above requirements are not met for someone using Job Coaching for Self-Employment, then services must transition to employment path. The case manager must provide the person with 30 day advance written notice of planned action. Once the person is using Employment Path services for self-employment, he or she may use Employment Path for Self-Employment for up to two years. Within two years, the person must demonstrate the criteria for Job Coaching can be met.

Can a person utilize DSA, or another non-employment ODDS service, for support to participate in hobbies that generate some income or revenue but isn't profitable and/or the person is not earning at least minimum wage?

If the person is interested in working and making money, a referral to VR should be made.

ODDS services, including DSA, may be used for support to participate in an inherently fun skills building activity or hobby (e.g. creating art, photography, crafts, writing, antique or stamp collecting), that a lot of people who do not use HCBS services would do for fun or as a hobby, even where the person is making money.

Form(s) that apply:

Form #

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Definition(s):

Reference(s):

VR policy transmittal 15-06:

- VR Self-Employment Policy (09/18/2018):
<https://www.oregon.gov/DHS/EMPLOYMENT/VR/PolicyRuleDocs/PT-3.13.docx>
- VR Supported Employment Policy (04/21/2015):
<https://www.oregon.gov/DHS/EMPLOYMENT/VR/PolicyRuleDocs/VR-PT-15-01-Supported-Employment.pdf>

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Other Resources

Contact(s):

Regional Employment Specialist:

<https://www.oregon.gov/DHS/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/Map-ODDS-Regional-Employment-Specialists.pdf>

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