

Lifeworks' Exit from Sub- Minimum Wage

Raquel Sidie-Wagner | Regional Manager

*Lifeworks*WORKS

A nonprofit serving
people with disabilities

Who is Lifeworks?

Lifeworks is a disability services provider that has been in business since 1965. Originally, Lifeworks was a provider of early childhood services, as we were founded by a group of families frustrated by the lack of options for their children. This was prior to the passing of IDEA – our services changed when Special Education was implemented.

Today, Lifeworks provides fiscal services and resource navigation throughout the state, and day and employment supports in the seven county metro along with Mankato and the surrounding region.

We operate two facilities that provide day support services, one in Brooklyn Park and the other in Apple Valley. These programs are largely for folks with more medical and physical support needs. We also provide DSS in the community and all of our employment supports are community-based.

In total, we serve more than 2,900 Minnesotans with disabilities and their families.

Where did I get the information being presented?

Personal Memory!

- I was a part of this transition throughout the process once the decision was made
- This included monthly meetings with the full team working on the transition

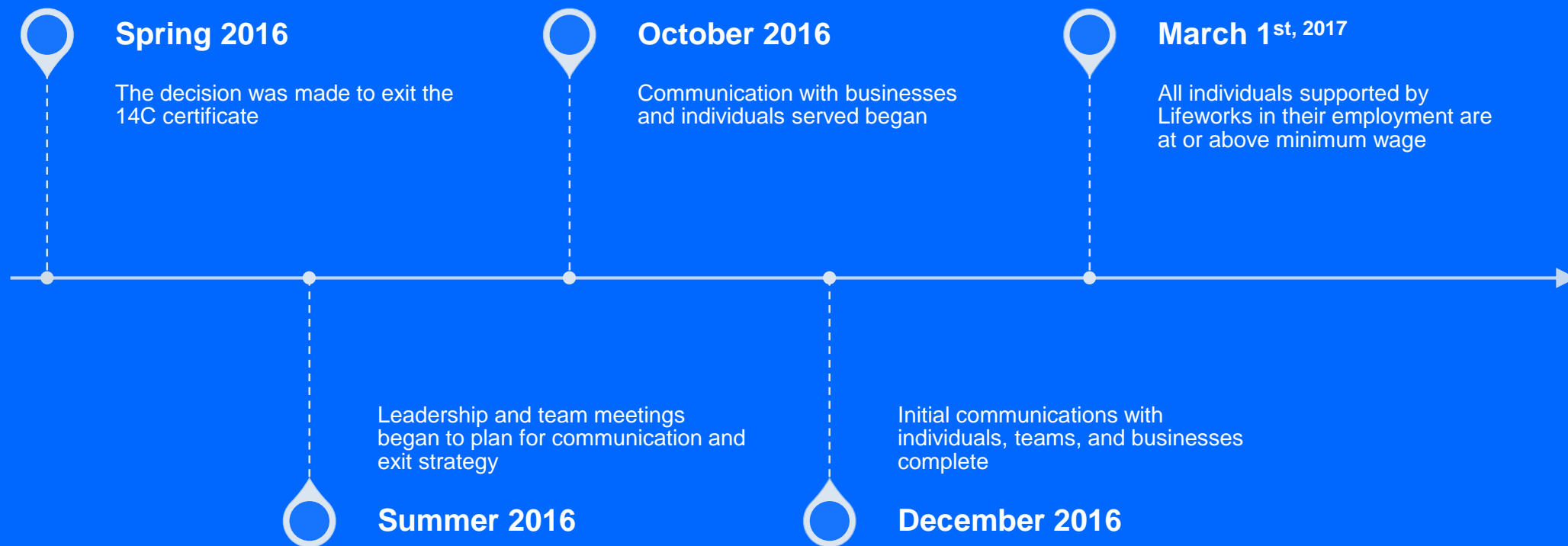
Meeting notes

- Every meeting that was held had detailed notes that have been saved which I reviewed for this presentation
- Notes included updates from the work, concerns we'd encountered, dates and timelines

Saved Documents

- Along with our meeting minutes, there were many documents outlining the data, process, and outcomes that I reviewed in order to present this information to all of you

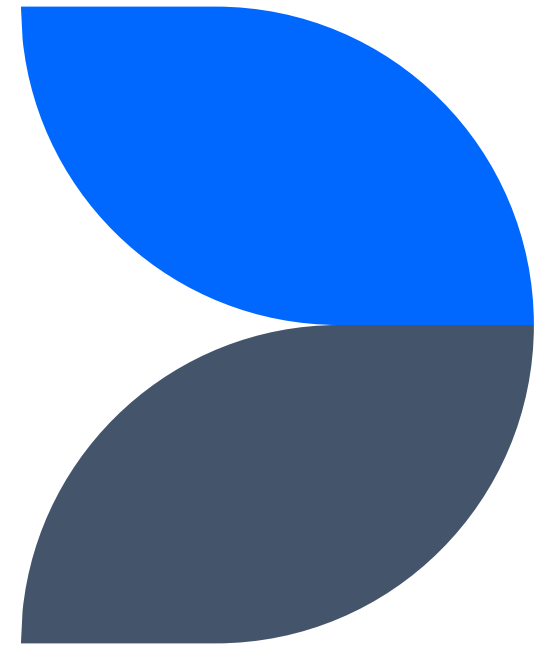
Timeline for the Exit



Why did Lifeworks decide to exit our 14C?

- This decision had been a long time coming, but delayed due to the fears we are seeing in this argument today – would people lose employment they loved? How would the community respond? Can we find work for everyone?
- Ultimately, the decision was made for two reasons
 - Holding this certificate no longer served our mission – we felt we could not continue to push ourselves and the industry forward if we held onto this outdated certificate that, we believe, violated the people we serve’s civil rights
 - The maintenance of a 14C certificate is cumbersome and expensive. It was taking resources that could be used to find competitive employment and putting them into the constant and difficult documentation necessary to keep the certificate

The Data Behind our Exit



Number of People Impacted by the Transition	Number of People Paid Sub-Minimum Wage at Time of Transition	Number of Businesses Utilizing 14C Certificate to Pay Sub-Minimum Wages at Time of Transition
~300	58	8



The Numbers Explained

Impacted

- Several of the employers using our 14C certificate had multiple employees being paid at or above minimum wage
- Lifeworks was employing people in our facilities at or above minimum wage to do various tasks, which had to be eliminated when we exited our certificate

Paid

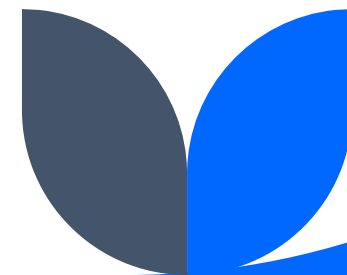
- These 58 people were the ones currently working under minimum wage
- All of these employees were working in the community, Lifeworks no longer had any sheltered workshops

Businesses

- We had many more businesses than this 8 utilizing our certificate over the years, but we had been phasing away from them for the last several years prior to the transition

Outcomes

Number of Businesses Who Chose to Keep Employees and Increase their Wages	Number of Individuals who Kept their Current Jobs with an Increase in Wage and Job Duties	Number of Individuals who Lost their Current Employment and Used Lifeworks to Obtain New Jobs	Number of Individuals who Chose to Move into Other Services with Lifeworks	Number of Individuals who Left Lifeworks to Seek Other Sub-Minimum Wage Work
7	29	6	19	4



Outcome Whys and Hows

Businesses

- The business that chose to lay off all of our supported employees was a fully segregated site at the business that we had been hoping to reduce/eliminate for some time
- The remaining 7 businesses chose to keep all or some of their employees and raise their wages

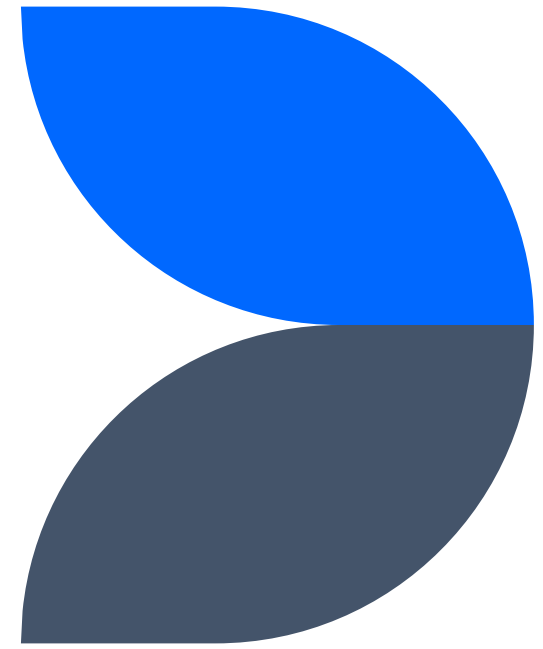
Individuals Moving into Other Services

- Many individuals were of retirement age and chose to retire into a community-based or center-based program to access more rec and leisure
- Several individuals chose to move into a program we called Small Group Career Development

Individuals Leaving Lifeworks for Other 14C work

- These 4 individuals almost exclusively moved into this work at a nearby “competitor” who has since eliminated that work
- The individuals’ teams wanted them to be heavily supported on the job site or be surrounded by who they viewed as their peer group

**How did the
process work?**



Exit Process

Identified goals

- Maintain maximum number of persons served and employers through transition
- Develop a plan for each individual and employer impacted
- Manage the change and communication throughout the process

Individuals

- Meetings were scheduled with each individual impacted and their team
- Staff/manager who has the strongest rapport with the person and their team was to attend the meeting
- Staff who attended the meeting were given a full list of resources, tools, and options for the person and their team to review in regards to what could be next for them

Businesses

- Letters were sent to businesses to alert them to the change
- Individual meetings with each business were scheduled – these were attended by the program manager or someone in executive leadership at Lifeworks
- The meeting started with an ask that all current staff are kept on and their wages increased

Tools Needed for the Process

- Scripts and talking points for staff
- Priority ranking tools to be used with individuals in their meetings
- Spreadsheets of business decisions and individual priorities for tracking
- Letters for businesses – different depending on the employment type
- Letters for individuals – different depending on job
- Visual flowchart of service options for individuals
- Access to consulting firms to offer insight around communication, data, etc

Where did we have issues in the process?

- Group sites were harder to navigate – for example, with individuals we often knew what the business had decided prior to the individual meetings, but this was not the case with group sites, so meetings were more complicated
- MAEPD and other benefits concerns – needing to plan for how to get ahead of people potentially being without a paycheck for a few months
- WIOA requirements – needing to ensure that all of our meetings met the requirements of WIOA took a lot of planning and communication
- Concerns around job-seeking in the Mankato area

Where did we have issues in the process? Cont...

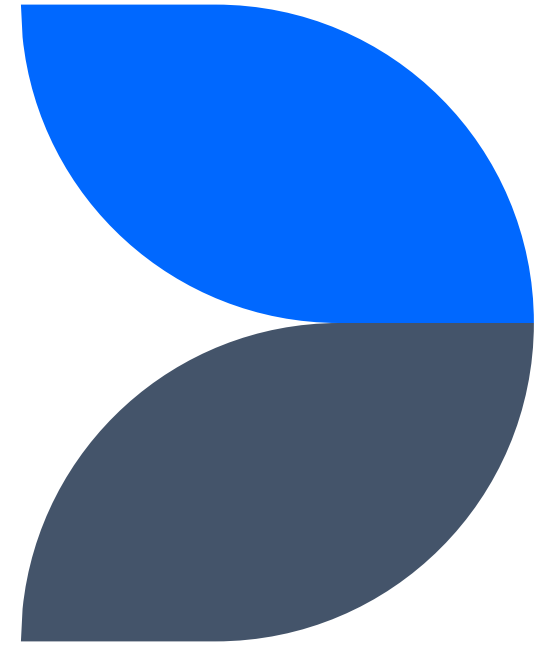
- Communication! Teams, employers, etc, had frustrations, concerns, and grievances with the premise. Some meetings were quick and easy, others were extensive
- Concerns over revenue loss – something we are seeing in a lot of the opposition to this work now
- Internal disagreements over the process and decision
- Heavy burden on staff and managers to communicate and mitigate any concerns/backlash

How did we respond to those issues?

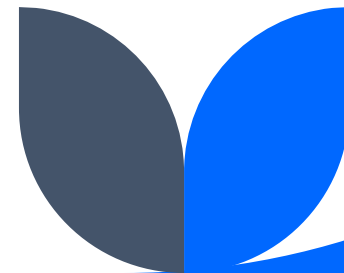
- Ongoing meetings with a team that included people from all parts of the company to respond to concerns
- Adjusting communication as we received feedback
- Establishing deadlines for decisions with teams and businesses
- Building out more tools, better talking points, etc for staff
- Connecting with lots of WIOA experts
- Connecting with other consultants
- Creating revenue projections to determine level of risk



How is Lifeworks Doing Post-14C Transition?



- We currently support ~ 650 people in finding or maintaining their employment – 165 of which are in the Mankato area
- Our capacity for employment supports AND our revenue increased in 2017, 18, and 19.
- We have expanded our business partnerships, allowing for more robust work together to find unique and meaningful job opportunities
- More of the individuals we support than ever before are directly hired at their jobs, creating a more inclusive environment where natural supports can come in to play




Benefits to the Exit

- We feel it allows us to live into our stated values – holding a certificate that deems people “less than” does not match with our mission
- Aligns us with self-advocates who Lifeworks believes should be leading the way
- Forces more individualized and creative employment searches – one of my favorite jobs that we’ve found in my region is two people who work at an Alpaca farm helping with the animals and materials
- Allows us to access Vocational Rehabilitation Services we wouldn’t be able to while holding the certificate
- Encourages more independence, which is the focus of all of our services
- Gives employers and individuals more freedom to do and try different tasks in their jobs
- Lifeworks no longer has to worry about the eventual law change impacting us

Summary

Lifeworks stands firmly behind our decision to exit our Special Wage Certificate. It has benefitted the organization, the people we support, and our community in profound ways. We also uniquely recognize the amount of work it will take to this on a broader scale, so we are excited to support other providers in obtaining the supports, resources, and funding necessary to make this change without the fewest negative repercussions to the communities we all serve.



**Thank you – happy
to answer any
questions!**

Raquel Sidie-Wagner

Rsidie-wagner@lifeworks.org

www.lifeworks.org