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MEMORANDUM

TO: State Work Activity Program Advisory Board

FROM: O. D. Berg, Director of Rehabilitation Therapies,
Faribault State Hospital

DATE: January 13, 1970

SUBJECT: Work Activity Program at Faribault State Hospital

I.. Introduction

In February 1969 a bill was enacted by the Legislature of the State of Minnesota. The legislation made it possible to establish work activity programs in Minnesota State Institutions for the mentally retarded and mentally ill. A proposal for a Work Activity Center at Faribault State Hospital received approval on June 6, 1969 from the Department of Public Welfare and the Department of Vocational Rehabilitation. Implementation of the program has conformed to the rules and regulations as established by the bill and Federal Labor Department rulings on the subject.

The Work Activities Program at Faribault State Hospital will be referred to as the Work Activity Center Program or W.A.C. Program. All correspondence work agreements, contracts, billings and the operating account are under this name.

The Work Activity Center Program is under the Rehabilitation Therapies Department. The Director of Rehabilitation Therapies has appointed Mr. James Finnegan, Work Activity Center Director, and Mrs. Florence DeCoux, Workshop Supervisor. Mrs. Decoux is responsible for the day to day supervision of the Work Center and responsible to the Work Activity Center Director. Mr. Finnegan has the responsibility for the complete administration and operation of the Work Activity Center and integrating and coordinating it with other therapy and training programs. The hospital accounting system, under the Business Manager, has set up a special account for this program. This office records and makes all financial transactions such as purchases, payrolls, etc., involved in the operation. The appointment of a Work Activity Center Director enables the program to be organized in a manner which provides for levels of responsibility for effective implementation of the Work Activity law and conformity to rules and regulations

relating to work activity centers promulgated by the United States Department of Labor.

To insure close coordination of the Work Activity Center with the other service areas of Rehabilitation Therapies, the Director of Rehabilitation Therapies has appointed a Work Activity Center Advisory Board consisting of the Vocational Program Supervisor, the Institution Educational Administrator, Work Activity Center Director and the Director of Rehabilitation Therapies. The fact that these key Rehabilitation supervisory personnel are directly involved with the Work Activity Center insures that rehabilitative programs provide important contributions to the residents also assigned to the Work Activity Center.

Since its inception in June 1969, the program services have increased from the inclusion of one unit of the hospital and eight residents to twenty-eight residents and three units. The residents are all severely mentally retarded and/or physically handicapped.

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One resident was recently placed on our Extra-mural Work Program on a downtown assignment. This will lead to a community placement in the near future. Three residents have been transferred to Mankato Rehabilitation Center programs and one placed on community placement. Two residents have been terminated due to failure to adjust to the program.

The Work Activity Center is presently located in the basement of Hickory Building. The work area has approximately 1700 square feet of floor space. The hours of operation are from 8:30 to 11:30 a.m. and 1:00 to 4:00 p.m. All residents are assigned on a half-day basis and are programmed in Special Education and other phases of Rehabilitation during the remaining portion of the day as determined by the unit building team.

II. Work Activity Center Law and Labor Department Rulings

As has been indicated previously, the Work Activity Center at Faribault State Hospital has been developed in strict adherence to the newly enacted bill relating to the establishment of work activity programs in Minnesota State institutions for the mentally ill and mentally retarded. This bill was enacted by the legislature of the State of Minnesota in February, 1969. This bill reads as follows:

"Section 1. (pre-vocational Training for Patients; Administration)

Subdivision 1. *The* commissioner of public welfare is hereby authorized to establish, subject to the approval of the commissioner of education, within the state institutions for the mentally ill and mentally retarded, work activity programs for the manufacture, processing and repairing of goods, wares, and merchandise for the purpose of providing therapeutic work activities for patients and residents.

Subdivision 2. The work activity programs authorized herein shall be planned and designed exclusively to provide therapeutic activities for handicapped workers whose physical or mental impairment is so severe as to make productive capacity inconsequential. The activities within this program shall conform to the rules and regulations relating to work activity centers promulgated by the United States Department of Labor. To accomplish the foregoing purpose the commissioner of public welfare shall have the power and authority to:

- a. use the diversified labor fund established by Laws 1945, Chapter 575 Section 19, to purchase equipment and remodel facilities of the institution referred to in subdivision 1 to initiate the work activity program.
- b. formulate a system of records and accounts which shall at all times indicate the extent of purchases, sales, wages, and bidding practices and which shall be open to public inspection.

The commissioner of public welfare will subject to the approval of the commissioner of education, have the power and authority to:

- a. create a work activity center revolving fund for the purpose of receiving and expending moneys in the operation of the said programs,
- b. contract with public or private industries for the manufacture repair, or assembling of work according to standard bidding practices.

- C. use the revenue from the operation of said programs to pay wages to patients and residents according to their productivity. purchase equipment, and supplies, and pay other expenses necessary to the operation of said programs.
- d. establish an advisory committee consisting of representatives from the departments of healthy education, and public welfare, labor and business groups, interested community agencies, including but not limited to the Minnesota Association of Rehabilitation facilities, the Minnesota Association for Retarded Children, and the Minnesota Association for mental Health, and the general public This committee will act in an advisory capacity with respect to the scope of work activity programs, the nature of the goods to be produced and services to be performed in such programs,
- e. Utilise all available vocational rehabilitation services and encourage the integration of the work activity program into existing vocational rehabilitation and community based programs, so that the work activity program will neither duplicate nor unfairly compete with existing public or private community programs.

Labor Department Ruling G-874, dated November 15. 1968 by the United States Department of Labor. Wage and Hours and Public Contracts Division, Washington, D.C., provides for the following:

"Coverage - The 1966 Amendments to the Fair labor Standards Act, effective February 1, 1967, provided for application of the act to hospitals ami institutions primarily engaged in the care of the sick, the aged, the mentally ill or defective who reside on he premises of such hospitals or institutions (regardless of whether or not they ere public or private or operated for profit or not for profit)* Workshops and other types of work programs operated by hospitals and institutions are considered to be within the coverage of the act

Employment of Patients in Work Programs - Pending authoritative rulings of the courts, the Department of Labor will not assert that initial participation of patients in a work program constitutes an employment relationship if the following conditions are met:

1. *The* tasks performed by the patient are part of a program of activities which have been, determined, as a matter of medical judgement, to have therapeutic or rehabilitative value in the treatment of the patient, and
2. *The* patient does not displace a regular employee or impair the employment opportunities of others by performing work which would otherwise by performed by regular employees who would be employed by the hospital or institution or an independent contractor, including, for example, employee of a contractor operating the food service facilities.

After placement in the workshop, on a job in the hospital, or institution,, or in another establishment, an employment relationship will ordinarily develop and the

Where placements are made with successive employers for short periods of time,, it is not expected in the ordinary course that such placements will be very long with a particular employer. As a general guide, work for successive employers for short periods of time after a total of 6 months will be assumed by the Wage and Hour and public Contracts Divisions to be part of. an employment relationship unless it can be shown to the contrary. When the employment relationship has developed, the applicable statutory minimum must be paid except where special minimum wages below the statutory minimum are authorized by the Wage and Hour- and Public Contracts Divisions.

Statutory Minimum Wages - The minimum wage is \$1.60 an hour for employment subject to the act before the 1966 amendments. The Minimum wage for employment made subject to the act by the 1966 amendments (which includes work in covered hospitals and institutions) is now \$1.15 an hour, advancing to \$1.30 on February 1, 1969 and except for employment in agriculture advancing to \$1.45 on February 1, 1970 and to \$1.60 on February 1, 1971.

Certificates Authorising Rates Below the Statutory Minimum - The Wage and Hour and Public Contracts Divisions regional and district offices may issue certificates authorizing special minimum wages below statutory minimum under 29 CFR part 524 and Part 525 for employment of handicapped workers in competitive employment and in sheltered workshops, respectively. Application forms and instructions for completion of such forms may be obtained from the regional or district office of the Wage and Hour and Public Contracts Divisions which serves the area in which the establishment or institution is located."

It is anticipated that the federal law will be enforced during early 1970. We are given some flexibility at the present time merely to gain experience in implementation and operation of programs under guidelines of these laws. We look forward to guidance and direction from the State Work Activity Program Advisory Board in implementation of these laws into our work activity program.

Program Purpose

As stated in the law, the purpose of the Work Activity Center is "to provide therapeutic work activities for handicapped workers whose physical or mental impairment is so severe as to make productive capacity in consequential."

Based on the law the broad objectives of the Work Activity Center at Faribault State Hospital is:

1. To provide a work setting in our hospital where severely retarded and physically handicapped residents can receive work training through a highly organized program of therapeutic work tasks and activities because:
 - a. The resident is functioning at a level below that required of a community facility but is worthy of a therapeutic work activities program in the hospital setting not available prior to the law.
 - b. The resident has been returned from a community facility due to socially unacceptable behavior or unacceptable work habits but requires facilities for further training for lower functioning individuals, which can be provided through our Work Activity Center.
 - c. There was need for a program to help meet work training needs of residents since C.V.R.P. programs do not exist at Faribault State Hospital and only limited community facilities exist for those residents who function on a higher level.

2. To provide a highly organized work activity program that is an integrated part of the overall Rehabilitation Therapy Program. This includes the broad spectrum of therapy services provided by the hospital*
3. To improve the level of functioning of our residents so they can hopefully be included in community and other state programs (e.g. C.V.R.P.; sheltered workshops, etc) at some future date.

The primary purpose of any work training program should be to evaluate each referred individual's vocational potential and identify his vocational abilities. It should provide vocational experience in a controlled environment. The Work Activity Center at Faribault State Hospital will provide these services by engaging in sub-contract work: the manufacture, processing and repairing of goods, wares and merchandise for the purpose of providing therapy, training and evaluation of our residents. Revenue received from the processing of sub-contracts, will be used to pay residents according to their productivity purchase of equipment and supplies, and pay other expenses essential to the operation of the program. This is done in strict compliance with the Work Activity Law.

A chief function of the Work Activity Center is to provide for an accurate evaluation of the employment potential of the assigned resident, and to give him experience in a variety of work and supervisory situations. The curriculum of the Work Activity Center provides these functions through a highly organized system of sub-contract procurement and completion. Work experiences are planned to progress through a graded series of job levels (sub-contract operations). The jobs are graded from those which are simple to those which are the most complex. They are also graded from those which require little or no supervision to those which require almost constant guidance and supervision. Production standards are established for each level, This enables the evaluators to determine the resident's progress. It is emphasized that the resident's readiness to move to a successfully higher job level is determined by his or her meeting and/or surpassing production standards at each preceding levels. If the resident fails to meet the production standards for any level he will be retained at that level until he does meet those standards.

Clientele and Methods of Referral

Residents are referred by the Unit Teams, based on previous medical, psychological, social and vocational records. Male and females between the ages of 16 and 55 years of age are eligible* However, it is emphasized that the younger age residents would receive priority. Referrals to the Work Activity Center should be based on the following criteria: (1) residents who have work deficiencies and their mental and physical impairment is so severe as to make production capacity inconsequential. (2) when a resident's real work performance is not definitely known, or (3) young residents over 16 years of age who have had little contact with formal work programs.

It shall be the responsibility of the Work Activity Center staff to decide on acceptance or rejection of the referred resident and furnish a written report of acceptance or reasons for non-acceptance to the initiating team. It is imperative that D.V.R. be informed at all times of the new referrals to the Work Activity Center and their progress.

Based on past experience, failure of our residents to adjust to a community placement is not necessarily their inability to work and hold a job, but rather their failures to adjust to social attitudes and behavior. Each resident must be considered on an individual basis with his or her program tailored to meet their individual needs. In most cases the residents must obtain not only work evaluation and training, but related instruction in the areas of grooming, personal attitude, social attitude, health, safety, community relations, job orientation, family living and various re-medial subject matter as indicated. Therefore it is the unit team's responsibility to program for the total needs of the resident.

V. Payment of Workers

Residents are paid a minimum hourly wage of \$.10 and a maximum of \$.29. These amounts were per guidelines stipulated by Mr. Ralph Ford, Chief Rehabilitation Therapies Section, until guidelines are established by the State Work Activity Center Advisory Board. All residents began at \$.10 and as they advance in experience and performance level, they receive an increase in pay. The wage scale for workers in the Work Activity Center is established to provide incentive for work improvement. The payroll is processed through the Business Office on the last day of each month.

VI. Evaluation

Each resident upon acceptance by the Work Activity Center staff shall be evaluated initially and on a regular basis to determine his or her aptitude, interest, capabilities, capacities, skills, and general level of vocational functioning. A complete report of the Work Activity Center findings and recommendations for supportive programs and services shall be available to the unit following the evaluation period. It is the program desire to develop an effective system of progress reporting to insure communication to the unit team on the up-to-date functioning of the referred individual*

It is the Work Activity Center staffs responsibility to refer individual residents back to the unit team. It is the unit teaa*s responsibility to consider further programming at Faribault State hospital or refer the resident to D.V.R. for their services.

We are awaiting more information from the Work Activity State Advisory Board and other state agencies with regard to information pertaining to certificates which will be required soon authorising below minimum wages. This pertains to employment of handicapped workers as described in the Federal Labor Department Ruling G-874.

VII. Summary

It is hoped that the Work Activity Center will serve as a "feeder" for a C.V.R.P. Program, which will hopefully develop in the near future at Faribault State Hospital.

It is the desire of the Vocational Services Section of the Rehabilitation Therapies Department in cooperation with other Sections of Rehabilitation Therapies and other hospital services to provide as complete a vocational program as is humanly possible or feasible for the residents at Faribault State Hospital.

It is hoped that the Work Activity Center will provide a significant contribution in the area of vocational training and evaluation.

cc: Harold S. Gillespie, Administrator
Roger S. Johnson, M.D., Medical Director