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Testimony of

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On

**Promoting Work Opportunities for
Social Security Disability Insurance Program Beneficiaries**

To

**United States House of Representatives
Ways and Means Committee**

Thursday, July 9, 2015

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Chairman Ryan, Ranking Member Levin, and Members of the Ways and Means Committee thank you for the opportunity to provide testimony regarding “Promoting Work Opportunities for Social Security Disability Insurance Program Beneficiaries”. My name is Jill Houghton and I am the Executive Director of the US Business Leadership Network (USBLN®), the nation’s leading, non-partisan business to business network that helps business drive performance by leveraging disability inclusion in the workplace, supply chain, and marketplace. We provide business with opportunities to network and gain information and resources on disability inclusion practices to enable them to:

- Recruit, hire and advance the best talent regardless of disability;
- Broaden their supplier bases to include diverse supplier groups, such as Disability-Owned Business Enterprises (DOBE®s), including service-disabled veteran-owned businesses; and,
- Increase their companies’ share of the emerging disability market.

The USBLN® serves as the collective voice of over 50 Business Leadership Network affiliates across the United States, representing over 5,000 businesses.

As the USBLN® Executive Director, I’m here today because our corporate members from across the nation are deeply committed to recruiting, hiring, retaining and advancing employees with disabilities.

As the former Executive Director for the Ticket to Work and Work Incentives Advisory Panel, between 2005 and 2008 I had the pleasure of working with bipartisan members and staff on this Committee. I applaud your principles to:

- Ensure benefits continue to be paid to individuals with disabilities and their family members who rely on them;
- Prevent a 20 percent across-the-board benefit cut;
- Make the Disability Insurance program work better; and
- Promote opportunity for those trying to return to work.

My testimony is grounded in my professional experience working with business who represent the demand side of the employment equation.

Promoting Work Opportunities by Moving to a Social Model

While our members are not experts on the Social Security programs they strongly believe that the foundation of any changes in our current system needs to be rooted in moving our nation’s view of people with disabilities from a **medical** model to a **social** model.

The medical model of disability can be observed daily by the manner in which Americans with disabilities are depicted through language choices, media portrayals, program eligibility requirements, etc.

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A social model defines disability as different from the average, and located in the interaction between individuals and society. The social model of disability focuses on changes required in society. Some workplace examples include:

- Providing information in accessible formats;
- Making workstations accessible; and,
- Offering flexible work hours.

There are signs that the social model is emerging in our nation's workplace practices and policies. However, as long as our largest public programs maintain current eligibility requirements it will be very difficult to effect sustainable change and to ensure that individuals with disabilities that are trying to return to work are fully included in employment.

The USBLN® is based on the premise that businesses respond to their peers. We bring companies and leaders together to learn how to include people with disabilities in all aspects of their corporate enterprises. The USBLN® and our BLN affiliates have become an important organization to help businesses realize the wide range of opportunities available and the potential for replicating success.

The benefits of building a workforce of diverse people who are empowered to positively contribute to a company's success are numerous – from better financial performance and more innovative problem-solving to easier employee retention and greater appeal to customers.

In preparation for my testimony today we asked USBLN® members about recent challenges and successes related to recruiting, hiring and retaining employees with disabilities and my testimony summarizes these responses.

CHALLENGES

Sourcing Talent with Disabilities

The most frequent challenge identified was “where can we find candidates with disabilities that can perform the essential functions of the job with or without accommodation?”

While the issue may appear clear it's plagued with a wide range of complexities varying from:

- Navigating government and non-profit organizations to identify qualified candidates;
- Forging connections between disability student services and university career centers to build a pipeline of talent; and,

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- SSDI program eligibility requirements that aren't supportive of those who want to remain employed and increase their hours worked;

The bottom line is that there are a myriad of government and private organizations in every community across America attempting to help connect youth and adults with disabilities to jobs. Unfortunately, many of these entities don't view business as a customer and yet they have the jobs. Rather their primary focus is on, "placing their client." This becomes a huge challenge for companies who want to recruit and hire qualified candidates with disabilities.

While Social Security Disability Insurance provides a safety net to those with disabilities who meet the eligibility requirements. The complexity of the rules appears to cause some individuals who want to remain employed to have to reduce and/or limit hours worked, limit their earnings and in some instances to quit their jobs. This becomes an additional challenge that businesses face. In fact, we frequently hear from mid-level managers who are perplexed by how to assist their employees.

SSDI Program Obstacles

Finally, while our members would be the first to admit that they aren't the experts on the Social Security Disability Insurance program they've shared that there seems to be significant obstacles for beneficiaries related to:

- Losing program eligibility;
- Loss of healthcare benefits; and,
- Fear of overpayments

These types of challenges significantly hamper businesses ability to retain and/or hire qualified employees with disabilities.

Self-Identification of One's Disability

The U.S. Department of Labor's, Office of Federal Contract Compliance Programs (OFCCP) issued new regulations to update Section 503 of the Rehabilitation Act of 1973, effective March 24, 2014. Section 503 prohibits discrimination against people with disabilities and puts in place additional affirmative action (AA) requirements with regard to recruitment, hiring, promotion, and retention of individuals with disabilities.

To assist employers with federal contracts in measuring and achieving results, the most significant change is the establishment of a nationwide 7 percent utilization goal. Those that meet the threshold must measure each of their job groups, or their entire workforce if they have 100 or fewer employees, against the 7 percent goal. In the first year, employees are invited to self-identify as having a disability. Employers must issue that invitation at least every five years, with at least one reminder in the intervening years. Additionally, the new regulations require that contractors invite applicants to self-identify

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as individuals with disabilities at both the pre-offer and post-offer phases of the application process, using language prescribed by OFCCP.

Government contractors that fall short of the target are asked to assess whether there are any impediments to equal employment opportunity for people with disabilities and take steps to correct them. This required outreach for the Section 503 milestone has encouraged even the most disability inclusive companies to challenge themselves to do better.

However, companies that have sent out an email asking for self-identification have found there is little response. Those companies that have launched self-identification campaigns have had more success but there is still much work to be done.

While the American's with Disabilities Act (ADA) was enacted 25 years ago this month, many negative stereotypes about individuals with disabilities remain. Stereotypes and biases serve to unfairly and sometimes unintentionally keep qualified, capable people out of jobs. The first step to changing a problem is admitting you have one. The beauty of a business to business network is that it provides a "safe" place for business to share their challenges and effectively learn from each other. Through this environment business can overcome attitudinal barriers and drive business success through disability inclusion.

Opportunities

Moving Disability Inclusion from Compliance to Competitive Advantage

Countless companies of all sizes are building inclusive workplaces where people with disabilities work side by side with people without disabilities, earning the same pay, doing the same jobs, held to the same standards of productivity and other workplace standards.

Driven by our members needs to advance disability inclusion the USBLN® formed a joint initiative of the American Association of People with Disabilities (AAPD) to create the Disability Equality Index (DEI).

The DEI is a national, transparent benchmarking tool that offers businesses an opportunity to receive an objective score, on a scale of zero (0) to 100, on their disability inclusion policies and practices. It was developed by an Advisory Committee of business leaders, policy experts, and disability advocates.

The DEI is an aspirational, educational, recognition tool that goes far beyond legal compliance, helping companies identify opportunities for continued improvement, while building their reputations as an employer of choice.

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The DEI was successfully piloted with 48 Fortune 1000 scope companies in March 2014. The 1st Annual DEI was launched to Fortune 1000 companies in October 2014 and was successfully completed in early 2015 with 80 companies.

Nineteen of these companies received 100 out of 100 on the survey, which recognizes a broad range of workplace, supply chain and marketplace activities. Points are awarded in four major categories: Culture & Leadership, Enterprise-wide Access, Employment Practices, and Community Engagement & Support Services. Companies receive points in any given category by demonstrating that they embrace a significant portion of the numerous best practices outlined in each section.

The nineteen top-scoring companies for the 2014 DEI were, in alphabetical order:

1. Ameren Corporation
2. AT&T
3. Booz Allen Hamilton Inc.
4. Capital One Financial Corporation
5. Comcast NBCUniversal
6. Ernst & Young LLP
7. Florida Blue
8. Freddie Mac
9. Highmark Health
10. JPMorgan Chase & Co.
11. Lockheed Martin Corporation
12. Northrop Grumman Corporation
13. Pacific Gas and Electric Company
14. PricewaterhouseCoopers LLP (PwC)
15. Procter & Gamble
16. Qualcomm Incorporated
17. Sprint Corporation
18. Starbucks Coffee Company
19. TD Bank N.A.

By scoring 100 points, these companies demonstrated significant business leadership, going far beyond compliance activities, driving their business success through leading disability inclusion policies and practices. However, 100 points on the DEI does not mean 100 percent, or “perfection.” We recognize there is no one “right” way to practice inclusion, and that some practices may be more practical for some companies or industries than others. A 100-point score on the DEI simply means that a company adheres to many of the numerous leading disability inclusion practices featured in the DEI.

Corporate commitment can impact the expectations of people with disabilities by demonstrating that America’s strongest companies are dedicated to hiring, retaining and promoting them. This commitment can change corporate culture by sending a top-down

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message that employees with disabilities are a vital part of the workforce and should not be overlooked.

Based on participation rates, survey responses and interest in the *next* DEI, we know that this simple tool, created by like-minded business leaders, advocates and disability experts, is already moving the needle in terms of disability inclusion across the country.

Promoting the Use of Disability-Owned Businesses

The USBLN® Disability Supplier Diversity Program (DSDP) is the nation's first and only third party certification program for disability owned businesses and includes service-disabled veterans. The certification is a rigorous process that includes a site visit. It offers the Disability Owned Business Enterprise the opportunity to market its certification and to connect with USBLN member companies.

The program advances economic opportunities for all entrepreneurs with disabilities, by working with America's top corporations to broaden corporate supplier diversity programs to include disability-owned businesses. The ultimate goal of the Disability Supplier Diversity Program is to develop and grow an infrastructure that will foster a mutually beneficial relationship between corporate purchasers and disability-owned businesses.

Take for example, a company like EY, starting with their founder, Arthur Young, they've always embraced differing abilities. Trained as a lawyer, Arthur was deaf with low vision and he wasn't able to comfortably practice. He turned to finance and the new field of accounting to build his career. His "disability" drove him to innovation and entrepreneurship, which played a pivotal role in the development of their firm.

CONCLUSION

In today's marketplace, great businesses distinguish themselves by the quality of service that they provide their diverse customers and the commitment that they have to their team members, suppliers and communities.

The truth is, that 25-years after the passage of the American's with Disabilities Act (ADA), we still haven't effectively leveraged the untapped potential of Americans with disabilities as employees, suppliers or customers. We're hopeful that the DEI's focus on encouragement and recognition, while still setting a high bar, will help move the disability Inclusion conversation from compliance to competitive advantage

At a time when policymakers predict a shortfall of workers as the baby boom generation retires, our nation cannot afford to squander the potential of Americans with disabilities who want to work. Nor can we continue to undervalue the future work potential of the

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millions of children and youth with disabilities who are making their way through our education system now, and in the future.

Our members represent the demand side of the equation and need the talents, dedication and creativity that people with disabilities bring to the workplace, supply chain and marketplace. Equally important are policies and programs that support the paradigm shift from a medical model to a social model and focus on talent that meets a business' need.