



# HIRING WORKERS WITH DISABILITIES

by Allan Checkoway

**R**egrettably, Americans with disabilities face a disproportionate higher rate of unemployment compared to Americans without disabilities. The U.S. Department of Labor reported recently that only 20 percent of people with disabilities are either employed or are actively seeking employment. Conversely, 69 percent of the unemployed population without disabilities are actively seeking employment.

We can draw the conclusion that with a higher percentage of disabled people not actively seeking employment, *that's* the reason for the unemployment totals. What people with disabilities need is alternatives to motivate them to consider returning to the workforce.

First and foremost, if someone is totally disabled and unemployable, they're naturally not actively seeking employment of any sort. Moreover, a significant portion of America's most seriously disabled may well be collecting disability benefits through Social Security or a previous employer's group disability program.

Yet, we can assume that many of America's seriously disabled population would prefer to return to meaningful employment. If this applies to you, then you need to be aware of Social Security's Ticket to Work Program.

**Social Security's Ticket to Work Program** is a free and voluntary program available to people ages 18 through 64 who are blind or have a disability and who receive Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits.



## Goals

The goals of the Ticket to Work Program are to:

- Offer beneficiaries with disabilities expanded choices when seeking service and supports to enter, re-enter and/or maintain employment
- Increase the financial independence and self-sufficiency of beneficiaries with disabilities
- Reduce and, whenever possible, eliminate reliance on disability benefits.

You do not need a paper Ticket to participate. Under this program, eligible beneficiaries with disabilities who are receiving monthly cash benefit payments are entitled to participate by signing up with an approved service provider of their choice. This can be an Employment Network (EN) or a state Vocational Rehabilitation (VR) agency. The EN/VR agency, if they accept the Ticket assignment, will coordinate and provide appropriate services to help you find and maintain employment. These services may be training, career counseling, vocational rehabilitation, job placement and ongoing support services necessary to achieve a work goal.

While participating in the Ticket to Work Program, you can get the help you need to safely explore your work options without immediately losing your benefits and find the job that is right for you. Beneficiaries also can use a combination of work incentives to maximize their income until they begin to earn enough to support themselves. Therefore, you can:

- Go to work without automatically losing disability benefits
- Return to benefits if you have to stop working
- Continue to receive healthcare benefits
- Be protected from receiving a medical continuing disability review while using the Ticket and making the expected progress with work or educational goals.



For a complete guide to the work incentives, visit: [ssa.gov/redbook](https://ssa.gov/redbook).

If you're not disabled seriously enough (and ineligible for Social Security disability benefits), you may be collecting from a prior employer's group disability program. Your next step should be to determine if you're eligible for partial disability benefits from your insurer's LTD program. There is a way for the insurer to use your income from full (or part-time) employment as an "offset" against your total disability benefits. At this point, we urge you to proceed with CAUTION: Before making any changes in benefits you're collecting, check with your human resources manager at your prior employer relative to collecting partial disability benefits from your LTD insurer.

A prospective employer may be concerned about an employee already disabled to some extent impacting the stability and cost of their employer-sponsored employee benefit program. Employers who offer employer paid benefits to all employees should understand the "pooling of risk approach" used by group disability insurers. An employer with 30 employees should understand that the cost of a single disability won't impact their costs based on the "pooling" principle. Groups

are "pooled" by demographics: similar businesses and employee factors, such as age, similar occupations and employee "mix" (number of males vs. number of females), are pooled together for a spread of risk.

Since group medical insurance is the most expensive employee benefit, employers frequently assume high claims costs will penalize their company's group rates. With the passing of the Affordable Care Act (ACA), there should now be a national "consistency" on the rules governing health insurance in each state. The ACA led to the pooling power of like groups, distinguished by size/number of employees. Point being, again, the cost of a single insured's high claims ration is pooled with others.

The following section, Resources: Hiring People With Disabilities, covers a wealth of resources available to U.S. businesses. On your job interview, you can share all these benefits. When going for a job interview, *you* can become a valuable resource for a prospective employer. 🌀

# Resources: Hiring People With Disabilities


As an employer, you can take advantage of various programs that encourage the recruitment and hiring of people with disabilities. This will also make you eligible for tax credits that help cover the cost of accommodations for employees with disabilities. While this is an excellent way to expand and enhance your business, keep in mind that you will need to comply with certain legal requirements concerning the accommodation of employees with disabilities.

If you are a new employer or new to employing people with disabilities, you should start by reading the Guide to Disability Rights Laws ([ada.gov/cguide.htm](http://ada.gov/cguide.htm)). This guide summarizes the major disability laws affecting employers, governments, schools and other organizations.

## Americans with Disabilities Act


The Americans with Disabilities Act (ADA) requires any employer with 15 or more employees to provide reasonable accommodation for individuals with disabilities, unless doing so would cause undue hardship. A reasonable accommodation is any change in the work environment that enables a person with a disability to enjoy equal employment opportunities. Explore these resources for more information on how to comply with the ADA.

### Americans With Disabilities Act: A Primer for Small Businesses

 [eeoc.gov/eeoc/publications/adahandbook.cfm](http://eeoc.gov/eeoc/publications/adahandbook.cfm)


Provides an easy-to-read overview of the ADA's basic employment provisions as they relate to employees and job applicants.

### Disability Discrimination

 [eeoc.gov/laws/types/disability.cfm](http://eeoc.gov/laws/types/disability.cfm)

Explains how to comply with the ADA's nondiscrimination standards when hiring and employing people with disabilities.

### Small Employers and Reasonable Accommodations

 [eeoc.gov/facts/accommodation.html](http://eeoc.gov/facts/accommodation.html)

Offers answers to key questions facing small businesses in connection with reasonable accommodations.

## Hiring People With Disabilities

Now that you are familiar with the ADA, you are ready to take the next steps in employing people with disabilities. The following resources will help you understand the ins and outs of hiring.

### Disability.gov

Under the Employment tab, the category Recruiting and Hiring People With Disabilities provides links to resources for recruiting, employing and accommodating people with disabilities in the workplace.

### Hiring Service-Disabled Veterans

 [benefits.va.gov/vocrehab](http://benefits.va.gov/vocrehab)

Covers the benefits and tax incentives for employers hiring veterans with service-connected disabilities.

### Job Accommodation Network (JAN)

 [jan.wvu.edu](http://jan.wvu.edu)

Offers a free consulting service designed to increase the employability of people with disabilities by providing individualized worksite accommodation solutions and compliance with the ADA.

## Worksite Accommodations

If you have decided to employ people with special needs, you must be sure that they will have a comfortable work environment. The Reasonable Accommodations in the Workplace Fact Sheet will help you ensure that all your employees have a safe and comfortable work environment.

 [disabilityrightsca.org/pubs/F06701.html](http://disabilityrightsca.org/pubs/F06701.html)

## Disabled Access Credit

The Disabled Access Credit provides a nonrefundable credit for small businesses that incur expenditures in providing access to people with disabilities. An eligible small business is one that earned \$1 million or less or had no more than 30 full-time employees in the previous year; they may take the credit each year they incur access expenditures. Refer to Form 8826, Disabled Access Credit for information.


 [irs.gov/file\\_source/pub/irs-pdf/f8826.pdf](http://irs.gov/file_source/pub/irs-pdf/f8826.pdf)

## Barrier Removal Tax Deduction

The Architectural Barrier Removal Tax Deduction encourages businesses of any size to remove architectural and transportation barriers to people with limited mobility. Businesses may claim a deduction of up to \$15,000 a year for qualified expenses for items that normally must be capitalized. Businesses may also use the Disabled Tax Credit and the architectural/transportation tax deduction together in the same tax year if the expenses meet the requirements of both sections.

## Work Opportunity Credit

The Work Opportunity Credit provides eligible employers with a tax credit up to 40 percent of the first \$6,000 of first-year wages of a new employee if the employee is part of a "targeted group," such as a person with a disability. Employers claim the credit on Form 5884, Work Opportunity Credit.

 [irs.gov/pub/irs-pdf/f5884.pdf](http://irs.gov/pub/irs-pdf/f5884.pdf)

## Expanded Tax Credit for Hiring Unemployed Veterans


The Work Opportunity Credit has been expanded to provide employers with new incentives to hire certain unemployed veterans.


On November 21, 2011, the President signed into law the VOW to Hire Heroes Act of 2011. This new law provides an expanded work opportunity tax credit to businesses that hire eligible unemployed veterans, and for the first time also makes part of the credit available to tax-exempt organizations. The credit is available for eligible unemployed veterans who begin work on or after November 22, 2011, and before January 1, 2013.


For more information on claiming this credit, go to the Expanded Work Opportunity Tax Credit Available for Hiring Qualified Veterans.

[nonprofitaccountingbasics.org/federal-tax-issues/expanded-work-opportunity-tax-credit-available-hiring-qualified-veterans](http://nonprofitaccountingbasics.org/federal-tax-issues/expanded-work-opportunity-tax-credit-available-hiring-qualified-veterans)

Get the latest information about Form 5884, Work Opportunity Credit, and its instructions, and Form 8850, Pre-Screening Notice and Certification Request for the Work Opportunity Credit.

 [irs.gov/businesses/small-businesses-self-employed/work-opportunity-tax-credit-1](http://irs.gov/businesses/small-businesses-self-employed/work-opportunity-tax-credit-1)

 [irs.gov/businesses/small-businesses-self-employed/work-opportunity-tax-credit-1Veterans](http://irs.gov/businesses/small-businesses-self-employed/work-opportunity-tax-credit-1Veterans)

 [irs.gov/uac/form-8850-pre-screening-notice-and-certification-request-for-the-work-opportunity-credit](http://irs.gov/uac/form-8850-pre-screening-notice-and-certification-request-for-the-work-opportunity-credit)

There is also a wide array of tax benefits available to people with disabilities, ranging from standard deductions and exemptions to business and itemized deductions to credits. Information about these issues is in Publication 3966, Living and Working with Disabilities.

 [irs.gov/pub/irs-pdf/p3966.pdf](http://irs.gov/pub/irs-pdf/p3966.pdf) 