This annual report of the Rehabilitation Services Administration for Fiscal 1980 consists of five sections. The first section, devoted to program operations, includes information on the basic vocational rehabilitation program, services to the blind, rehabilitation facilities, and three specific programs. Described in section 2 are such program development activities as projects for the severely disabled and for handicapped migratory and seasonal farmworkers, projects with industry, special recreation programs, client assistance projects, independent living rehabilitation, and comprehensive rehabilitation centers. Operations of the National Institute of Handicapped Research (long-range plans, interagency cooperation, rehabilitation and training centers, rehabilitation engineering programs, research and demonstration, research utilization, and international research) are outlined in section 3. Section 4 covers such advocacy and coordination activities as interagency liaison, activities concerning deafness and communication disorders, the international year of disabled persons, the Office of Information and Resources for the Handicapped, and the President's Committee on Mental Retardation. Miscellaneous agencies related to implementation of Title V of the Rehabilitation Act (Equal Employment Opportunity Commission, Architectural and Transportation Barriers Compliance Board, and the Interagency Coordinating Council) and nondiscrimination under federal grants and programs are covered in section 5.
EXECUTIVE SUMMARY

ANNUAL REPORT OF THE REHABILITATION SERVICES ADMINISTRATION
FOR FISCAL YEAR 1980

This report to the President and to the Congress submitted as required by Section 13 of the Rehabilitation Act of 1973, as amended, describes program activities under the Act from October 1, 1979, through September 30, 1980.

In 1978, the latest amendment to the Act was passed (Public Law 95-602) and added some new provisions making this the most comprehensive rehabilitation statute designed to rehabilitate and provide disabled citizens with a suitable level of employment.

The State-Federal rehabilitation partnership has a long history extending back to the Smith-Fess Act of 1920, and has seen the addition of valuable mandates such as the rehabilitation aspects of the Randolph-Sheppard, Wagner-O'Day, and Social Security laws and to mandated inter-relationships with a number of other Federal programs under a variety of laws. During this sixty-year period of progress rehabilitation in the nation has experienced (1) frequent movement and reorganization of the primary Federal agency in recent times; (2) steady growth in the numbers of programs administered and the complexity of program features; (3) increased Congressional definition of "priorities" under the law; and (4) longstanding as well as new "advocacy" efforts in civil rights, barrier removal, and other concerns of handicapped people.

Positive Economic Effects

It is estimated that lifetime earnings for persons rehabilitated in Fiscal Year 1979 will improve by $11 for every dollar spent on services for all clients whose cases were closed in that year. This is the third time in the last four years that the 11:1 ratio has been projected. This means that State agencies, through the placement of disabled persons into increasingly higher paying jobs, have been able to neutralize the effects of a) rising costs, b) declining numbers of rehabilitations and c) increasing proportions of severely disabled persons for whom remunerative outcomes are less likely.

In the first year after closure, persons rehabilitated in Fiscal Year 1979 are expected to pay an estimated $88.8 million more in Social Security payroll taxes than they would have paid without the intervention of rehabilitation services. In addition, an increase of Federal income tax payments of $99.3 million is projected for the first year, as are $14.2 million in State and local income taxes and $28.5 million in State and local sales tax receipts. Further, a decrease in dependency on public assistance of $39.8 million will be effected in the first year after rehabilitation. These tax returns and savings equal approximately $270.6 million for the first year. Since the projected cost of services for all cases closed in Fiscal Year 1979 was $1,072 million, it will take only four years for the investment in rehabilitation to be totally paid off, or five years if inflationary trends are factored in and no changes in tax rates are assumed.
The Report emphasizes the efforts for the most efficient use of limited re-
resources because of the potential numbers of persons requiring a variety of 
services designed to enhance their employment or re-employment.

The prime agency for carrying out the Act, the Rehabilitation Services Adminis-
tration, consists of the following five major offices: Policy Management, 
Advocacy and Coordination, Program Operations, Program Development, and Ad-
ministrative Support, permitting a single agency focus for a number of Federal 
programs serving people with disabilities.

**PROGRAM OPERATIONS**

**Basic Vocational Rehabilitation Program**

The Rehabilitation Act of 1973, as amended, authorizes the allocation of Federal 
funds on a formula basis with a 20 percent State fund matching requirement (80 
percent Federal/20 percent State) for the administration of a program of wide-
ranging services to assist handicapped individuals to prepare for and engage in 
gainful occupations. The emphasis is on providing services to individuals with 
the most severe handicaps. The Federal share of the basic State grant increased 
to $874,500,000 in FY 1980 from the $817,484,000 allocated for FY 1979.

**Caseload Activity in State VR Agencies**

A summary of Caseload activities in VR agencies for FY 1980 is characterized 
by the following:

1. A decline in the total number of persons applying for and becoming clients 
of State VR agencies;

2. A decrease in the number of persons rehabilitated; and

3. An increase in the number and proportion of severely disabled persons among 
the total caseload, with some indication that the influx of those with severe 
disabilities is tapering off.

**Services to the Blind and Visually Handicapped**

The 1978 amendments to the Rehabilitation Act created a new section which provided 
for special projects to serve older blind persons. During FY 1980 there were 
eight projects in operation serving this population.

The Helen Keller Center for Deaf-Blind Youths and Adults continues to make positive 
strides in rehabilitating persons with these disabilities. As a result of training 
at this Center, trainees were placed in professional employment, sheltered work-
shops and/or returned for additional schooling. In addition, the research program 
is concentrating on the development of testing aids and appliances to assist deaf-
blind persons become more self-sufficient.
Randolph-Sheppard Vending Facility Program

The purpose of the Randolph-Sheppard Act is to provide qualified blind persons the opportunity to operate vending facilities on Federal and other property. More than 400 blind persons enter this program each year and historically their earnings have increased each year. FY 1979 data indicates that total gross income from this program was $223,348,583, with the average yearly earnings of vendors at $13,367 compared to $12,137 in FY 1978. This represents a 10.1 percent increase over the previous year.

SSDI and SSI Vocational Rehabilitation Programs

Sections 222 and 1615 of the Social Security Act provide for the payment from special Federal funds of costs of vocational rehabilitation services to disability and supplemental security income beneficiaries.

The expenditures increased for these programs as follows:

<table>
<thead>
<tr>
<th></th>
<th>FY 1979</th>
<th>FY 1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSDI</td>
<td>$103,744,000</td>
<td>$113,268,000</td>
</tr>
<tr>
<td>SSI</td>
<td>54,981,000</td>
<td>55,000,000</td>
</tr>
</tbody>
</table>

The average weekly earnings of SSDI beneficiaries meeting special selection criteria surpassed those of severely disabled clients served by the basic program ($115.70 vs. $97.00). SSI recipients, who tend to have less work experience and formal education, achieved lower earnings per week ($90.30) at closure than either the SSDI beneficiaries or those served under the basic program.

Rehabilitation Facilities

Rehabilitation facilities provide the means for evaluation, treatment and training of many handicapped individuals who otherwise could not be rehabilitated. In FY 1978, the most recent year for which data are available, State vocational rehabilitation agencies spent 33.5 percent of their funds for services to persons in these facilities. Since 1967, the utilization rates have made a dramatic increase from serving only 65,000 clients at that time, to serving 203,414 clients in 1978. This represents a remarkable 213 percent increase over an eleven year period.

PROGRAM DEVELOPMENT ACTIVITIES

The focus of these activities is on the strengthening and improvement of service delivery in order to foster greater chances of vocational rehabilitation and independence of the handicapped person. The total appropriation for Program Development Activities in FY 1980 was $79,885,000 and was an increase from $69,578,000 in FY 1979. This permitted the expansion of a number of vital programs such as Projects with Industry, Client Assistance Projects, Independent Living and the initiation of the Comprehensive Rehabilitation Centers program.
Special Projects for Severely Disabled Individuals

In FY 1980, single new projects were initiated in the following areas of severe disability: rheumatoid arthritis, blindness, cerebral palsy, deafness, epilepsy, mental retardation, and multiple sclerosis. A total of 21 grants in these areas were awarded.

Handicapped Migratory and Seasonal Farmworkers

The Rehabilitation Services Administration coordinates services for handicapped migratory and seasonal farmworkers with the Department of Labor, the Public Health Service and the Office of Education. During FY 1980 there were 15 active projects in 14 States in nine Regions. The majority of persons served were of Hispanic background with the exception of the Florida project which served mainly Black seasonal farmworkers. In FY 1979, nearly 300 migratory and seasonal farmworkers were rehabilitated.

Projects with Industry

The Projects with Industry program is a partnership between the rehabilitation and the business-industry communities to provide training leading to employment. In FY 1980, over 50 projects affiliated with more than 2,500 private corporations were funded for $5,500,000. During this same time period, 7,500 disabled persons, most of whom were severely disabled, were served by this program. Three-fourths of these individuals, or about 5,500, were placed in competitive employment. It was estimated that $35,000,000 in taxable wages were generated by this program in FY 1980.

Special Recreation Programs

While authorized by Sections 311 (a) (3) and 316 of the 1978 amendments to the Act, neither section has received any appropriation to implement their provisions.

Client Assistance Projects

Client Assistance Projects have the common goal of improving the VR program by providing ombudsmen as advocates to work directly with clients. There were 42 projects in operation during FY 1980 at a funding level of $3,500,000.

Innovation and Expansion

The Innovation and Expansion program was authorized by the Congress as a means of initiating special programs to expand VR services to the most severely disabled individuals. Particular emphasis is placed on the disabled poor who require multiple agency involvement. For FY 1980, $12,775,000 was available to the States for these special projects.
Rehabilitation Training

Rehabilitation Training grants are authorized to ensure that skilled workers are available to provide services to severely disabled individuals. Training was funded at $28,500,000 for FY 1980 to support an estimated 503 projects and 7,642 trainees. The scope of training was both long and short term and ranged from Rehabilitation Counseling to Speech Pathology and Audiology. In addition, continuing education was provided to upgrade the skills of rehabilitation staff in public and voluntary agencies. Special training projects of an experimental or innovative nature designed to train new types of manpower or demonstrate new techniques were also provided. In addition, there was a special program to train interpreters for the deaf. More than 3,130 trainees were in long-term training in one of the rehabilitation disciplines while more than 16,157 persons received short-term continuing education courses. It should be noted that this extremely vital aspect of training service providers was funded at $2,000,000 less than the previous year and this is at a time when job demands for skilled rehabilitation personnel continue to expand.

Independent Living Rehabilitation

Independent Living Rehabilitation (ILR) is a program to provide services to severely handicapped individuals with the non-vocational goal of being more fully functioning members of society. The appropriation for FY 1980 was $15,000,000, increased from $2,000,000 in FY 1979. Of the three parts of this title (VII) only part B has been funded during this Fiscal Year. It provides for a project grant program under which the Commissioner make grants to the State VR agency for the establishment of and operation of "independent living centers" which provide a wide range of services to severely handicapped persons. RSA currently has 59 projects in place and some are contracting to local organizations bringing the total number of centers supported in whole or in part by RSA to 120. Five regional conferences in Independent Living were conducted by RSA to provide information and feedback in making these centers more effective in achieving their objectives.

NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

The Rehabilitation Act Amendments of 1978 removed the Rehabilitation Research program from RSA and placed it in a new organization, the National Institute of Handicapped Research (NIHR). The total appropriation for NIHR activities in FY 1980 was $31,500,000 or the same amount as in FY 1979.

Research Program

The Research Program of NIHR is primarily directed toward discovering new knowledge and overcoming information gaps significant to the rehabilitation of severely disabled people. NIHR supports a broad spectrum of research projects including rehabilitation planning; reduction of attitudinal, legal and recreational barriers; post-employment services for severely mentally disabled clients; improving systems that allow partially sighted persons to read magnified print; research into the rehabilitation of end-stage renal disease patients; studying the effects of exercise on patients who have had a myocardial infarction and spinal cord injury research.
Rehabilitation Research and Training Centers

There were twenty-one Rehabilitation Research and Training Centers functioning during FY 1980 at a funded level of $15,825,000. Two additional Centers were established in FY 1979, one in mental illness and one in blindness. Annually the Centers conduct over 400 research projects and 600 training programs for over 60,000 trainees from many professional disciplines. The mission of these Centers is to improve rehabilitation methodology and service delivery systems through research and training. Special features of the Centers include: their affiliation with leading universities and service programs; they are geographically dispersed in nine of the ten HHS Regions of the country; and each Center has identified core areas of critical rehabilitation research which constitutes the focus of its research efforts. For example, core areas include cardiac rehabilitation, problems of spinal cord injury and its aftermath, muscle physiology in terms of maximizing the functions of impaired muscles, improvement of services to the deaf, etc.

Rehabilitation Engineering Centers

There were twelve Rehabilitation Engineering Centers functioning in FY 1980 at a funded level of $7,675,000. The purpose of the Centers is the development of innovative methods of applying advances in medical, technological, psychological and social knowledge in the rehabilitation of disabled persons. The programs are designed to produce new scientific knowledge equipment and devices suitable for solving problems encountered in the rehabilitation of handicapped people. Each of the Centers has a working relationship with institutions of higher education in the fields of medicine, engineering and related sciences. Strong intercenter coordination helps to avoid duplication of effort. Some of the latest rehabilitation engineering results include techniques of electrical stimulation of hand impulses in high level spinal cord injured; special wheelchair equipment; electrical stimulation of knee and hip muscles for patients who are barely ambulatory; a special telephone switchboard for blind operators has proven effective in tests in industry, etc.

ADVOCACY AND COORDINATION

Advocacy and Constituent Relations

The Rehabilitation Act of 1973, as amended, the Mental Retardation Facilities and Community Health Centers Construction Act, as amended, and the Education for All Handicapped Children Act gave impetus to a changing role for the Federal Government in the area of advocacy by providing funds for individual and group advocacy programs within the States and by mandating the involvement of disabled consumers in the policy development and consultation aspects of the development of the Annual Plan for Rehabilitation Services prepared by each State.

Interagency Liaison

Section 101 (a) (11) of the Act requires that VR agencies enter into cooperative arrangements with, and utilize the services and facilities of, other programs providing services related to rehabilitation, "... specifically including arrangements for the coordination of services to individuals eligible for service under this Act; the Education of the Handicapped Act, and the Vocational
Cooperative linkages and relationships between rehabilitation agencies and other public and voluntary agencies are critical to efficiency, economy and integrated quality services for handicapped people. Cooperative and collaborative agreements now exist with the Office of Education, Administration on Aging, Social Security Administration, Veterans Administration, Department of Labor, the National Institute of Mental Health, Special Education and others. Approximately one-half of all State VR agencies have signed agreements with State Student Financial Aid Administrative Associations formulating working principles on how each of these two funding sources could coordinate financial aid for VR clients attending institutions of higher education.

Services to Deaf Persons

In FY 1980, an estimated 19,000 persons with communications disabilities were rehabilitated. Deaf people accounted for 7,500, 9,600 were hard of hearing and 1,900 had speech or language impairments. In FY 1980, almost all State VR agencies had a special coordinator to develop and supervise the State program for deaf and hearing impaired people. In addition, six special projects for deaf individuals served approximately 500 and rehabilitated 175 severely handicapped deaf individuals in FY 1978. The projects provide VR agencies with a resource for referral of severely handicapped deaf clients to facilities especially designed to meet their needs.

The International Year of Disabled Persons (IYDP)

The 31st regular session of the United Nations General Assembly adopted a resolution proclaiming calendar year 1981 as the International Year of Disabled Persons

Recognizing that effective U.S. participation in IYDP must involve a wide range of relevant private as well as public organizations, the Federal Interagency Committee was formed. Its role is to insure proper coordination of the U.S. observance for the year.

National Council on the Handicapped

Established by the Rehabilitation Act of 1973 as amended by P.L. 95-602, the Council was created in response to a broad bipartisan demand for a coordinated approach to Federal programs, policies and activities concerning disabled persons. The first order of business was to review the activities of the National Institute of Handicapped Research (NIHR) and the Rehabilitation Services Administration (RSA). The Council must meet at least four times per year.

TITLE V - MISCELLANEOUS PROVISIONS OF THE REHABILITATION ACT

Employment

Section 501 of the Rehabilitation Act of 1973, as amended, requires that all agencies, departments, and instrumentalities of the executive branch of the Federal Government submit annual affirmative action program plans for the hiring, placement and advancement of handicapped individuals to the Office of Personnel Management (OPM), formerly the U.S. Civil Service Commission.
As of December 31, 1979, 134,026 non-postal Federal employees reported having some handicap. Of those reporting, 12.6% reported having a severe disability. A new authority was issued in FY 1980 by OPM, known as Schedule B. This allowed agencies to hire mentally restored persons on a non-competitive basis for up to two years. Certification is needed from a State VR Agency Counselor or the VA. Schedule A continues to allow the hiring of all other persons with handicaps.

Architectural Barriers

Section 502 of the Rehabilitation Act of 1973, as amended, established the Architectural and Transportation Barriers Compliance Board (A&TBCB). The Board is charged by Congress with responsibility to ensure compliance with standards prescribed under Federal laws which require that all buildings and facilities owned, occupied, or financed by the U.S. Government be accessible to and usable by people who are physically handicapped. In addition to providing a broad information network to leaders in business and industry the Board established minimum guidelines and requirements to ensure consistent national standards for accessibility in Federal construction. This affects all new construction and renovations to older buildings.

Employment Under Federal Contracts

Section 503 of the Rehabilitation Act of 1973, as amended, requires that any contract in excess of $2,500 entered into by a Federal department or agency for the procurement of personal property, and nonpersonal services for the United States shall contain a provision requiring affirmative action by the contractor to employ and advance in employment qualified handicapped individuals. Improvement in enforcement of equal employment opportunity and affirmative action has occurred during the first two years of the new consolidated office of Federal Contract Compliance Programs. For the year ending September 30, 1979, 2,500 complaints of discrimination were received from handicapped people. During that year the resolution of complaints with backpay as a remedy reached a total of 206 cases and $761,343. This is a positive finding in that the program has just completed its second year.

Nondiscrimination Under Federal Grants

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination against qualified handicapped persons in all programs and activities conducted by recipients of Federal financial assistance. The Office for Civil Rights (OCR) has responsibility for enforcing Section 504 and coordinating a Department wide technical assistance program designed to encourage voluntary compliance with the Regulations.

During FY 1980 OCR received 937 individual complaints alleging discrimination under Section 504, and this compares with 2,110 received in FY 1979. During FY 1980, 850 complaints were closed with 121 of them resulting in remedial action on behalf of the complainants. The major issues raised in complaints were in employment and in services such as exclusion of beneficiaries from programs or facilities and comparability of programs and services.
Interagency Coordinating Council

The 1978 Amendments to the Rehabilitation Act added a new section, 507, to Title V. The purpose of Section 507 is to maximize effort, promote efficiency and eliminate conflict, competition, and duplication among the various departments and agencies of the Federal government responsible for implementing Title V.

Membership to this Council includes the Secretaries of Education, Health & Human Services and Labor, the Attorney General, Director of the Office of Personnel Management, Chairman of the Architectural and Transportation Barriers Compliance Board and Chairman of the Equal Employment Opportunity Commission.

More complete details of the programs and activities of the Act are found in the body of the annual report.
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<td>Advocacy and Coordination</td>
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INTRODUCTION

The public program of Vocational Rehabilitation is our major governmental effort, both on the Federal and State levels, to provide constructive approaches to the many-sided problems of disability. It signifies the nation's recognition of its responsibility to provide disabled citizens with opportunities to be a part of the mainstream of life as full participants in the world of work and the community in general.

The legal base for this national rehabilitation effort is the Rehabilitation Act of 1973 (P.L. 93-112), as amended. In 1978, the latest amendment to this Act was passed and is known as the Rehabilitation, Comprehensive Services, and Developmental Disabilities Amendments of 1978 (P.L. 95-602). Leaders in the field of Rehabilitation have referred to this Public Law as the most important legislation in the decade of the 1970's to assist handicapped persons. Within this legislation are new opportunities, challenges and benefits designed to enhance the development and potentialities of disabled individuals and especially those having severe disabilities. The scope of the problem and the needs are vast, with an estimated 25 to 35 million people (10 to 15 percent of the total population) having varying levels of chronic disability. More than ten million of these persons can be characterized as severely disabled, with two million people being homebound or institutionalized. The combination of an expanding role and limitations in available resources requires more efficient use of these resources by everyone involved in the rehabilitation process at the Federal, State and local levels.

The State-Federal rehabilitation partnership has a long history extending back to the Smith-Fess Act of 1920. The basic rehabilitation legislation within Federal law has grown from that one-page Act to the current 71 pages of P.L. 95-602, the rehabilitation aspects of Randolph-Sheppard, Wagner-O'Day, and Social Security laws, and to mandated inter-relationships with numerous other Federal programs under a variety of laws. Over time the rehabilitation program has experienced the following: (1) frequent movement and reorganization of the primary Federal agency in recent years; (2) steady growth in the numbers of programs administered and the complexity of program features; (3) increased Congressional definition of "priorities" under the law; (4) longstanding as well as new "advocacy" efforts in civil rights, barrier removal, affirmative action and other societal concerns of handicapped people. Broader social and economic trends such as inflation, increasing technology in the work place, greater educational opportunities for disabled children, major medical and health advances, and new concepts in service delivery have also changed and expanded rehabilitation efforts in many directions. For the disabled citizen who wants to become an independent contributing member of the community, assistance is available through the State-Federal rehabilitation partnership.

Organizational and Administrative Structure

Since the reorganization in mid-1978 of the Rehabilitation Services Administration, a single agency focus has evolved from a number of Federal programs serving people with disabilities. Among the main benefits of the new organization are clearer lines of authority, increased coordination of programs serving similar
groups, increased accountability for program operations, clearer reporting relationships, improved response to communications from the public, more effective management support, a clearer concept of the mission and more effective relationships with disabled persons and consumer organizations.

During Fiscal Year 1980 the organization was composed of the following units:

THE OFFICE OF THE COMMISSIONER
- Executive Office
- Agency Monitoring Staff
- Regional Liaison Staff
- Public Affairs Staff

THE OFFICE OF POLICY MANAGEMENT
- Division of Policy Development
- Division of Planning
- Division of Legislation, Regulations and Congressional Relations

THE OFFICE OF ADVOCACY AND COORDINATION
- Division of Advocacy and Constituent Relations
- Office of Deafness and Communicative Disorders
- Division of Agency Liaison

THE OFFICE OF PROGRAM OPERATIONS
- Division of Resource Management
- Bureau of Vocational Rehabilitation Operations
- Bureau for the Blind and Visually Handicapped
- Bureau of Developmental Disabilities
- Medical Consultation Staff

THE OFFICE OF PROGRAM DEVELOPMENT
- Bureau of Demonstrations and Manpower Development
- Bureau of Evaluation and Utilization

THE OFFICE OF ADMINISTRATIVE SUPPORT
- Division of Administration and Budget
- Division of Program Data and Analysis

THE PRESIDENT'S COMMITTEE ON MENTAL RETARDATION
PROGRAM OPERATIONS

The Rehabilitation Act of 1973, as amended, authorizes grants to the States to establish and conduct comprehensive vocational rehabilitation programs to meet the "needs of handicapped individuals so that such individuals may prepare for an engage in gainful employment to the extent of their capabilities." The Act places responsibility on the Commissioner of Rehabilitation Services Administration for both the management of the Federal aspects of the State-Federal vocational rehabilitation system and monitoring of the manner in which State agencies carry out their responsibilities under the law. Regional Offices provide technical assistance and leadership in assisting States to strengthen their Vocational Rehabilitation programs.

Annual State Plan

The Rehabilitation Act of 1973, as amended, requires each State agency designated to administer the vocational rehabilitation program to submit a State plan every three years. The State plan for vocational rehabilitation services must be approved before a State can receive Federal funds.

The Three Year State Plan is the State unit's presentation of its basic assurances and commitment to the requirements of the Rehabilitation Act and to program planning and other key activities. The State plan is also the major point of reference for the Rehabilitation Services Administration as it monitors State unit performance with respect to setting and achieving priority goals, program operations and the delivery of vocational rehabilitation services, especially to individuals who are severely handicapped.

IWRP Developments

The Rehabilitation Act of 1973, as amended, also requires that an Individualized Written Rehabilitation Program (IWRP) be developed for all handicapped individuals served. The IWRP contains information about the process involved in making decisions about the rehabilitation goal and intermediate objectives that are planned to help reach that goal. It also identifies the vocational rehabilitation services that will be provided to aid the client in achieving the goal and provides the basis for measuring the client's progress toward the goal in terms of specific objectives.

Organizational Location of State VR Agencies

There are 83 State agencies administering vocational rehabilitation programs in the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands and the Commonwealth of Northern Mariana Islands.

In many States, there are two agencies - one for people who are blind, the other for people with any other disability. In most States, a single rehabilitation agency provides services to persons with any disability, including blindness.
Table 1 shows the organizational placement of the 83 State agencies administering vocational rehabilitation programs:

**TABLE 1**

**ORGANIZATIONAL PLACEMENT**

<table>
<thead>
<tr>
<th>Category</th>
<th>General Agencies</th>
<th>Agencies for the Blind</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Independent State vocational rehabilitation agencies responsible directly to the Office of the Governor</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>(2) State vocational rehabilitation agencies located in a Department of Education or Vocational Education</td>
<td>17</td>
<td>3</td>
</tr>
<tr>
<td>(3) State vocational rehabilitation agencies located in multi-program agencies 1/</td>
<td>27</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>26</strong></td>
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</table>

1/ Multi-program agency means a designated State agency administering the vocational rehabilitation program along with at least two other major programs of the State in education, health, labor or welfare.

As noted in Table 1, approximately one-half of the States have adopted the multi-program agency as the designated sole State agency to administer the State’s program of vocational rehabilitation.

When a State agency, other than an agency primarily concerned with vocational rehabilitation or vocational and other rehabilitation, is designated as the sole State agency to administer the vocational rehabilitation program, the Act requires that there be an organizational unit devoted solely to vocational rehabilitation or vocational and other rehabilitation with responsibility and authority for carrying out the vocational rehabilitation program of the State. The Act also requires that the vocational rehabilitation program be comparable to other major organizational units in its location and status within the designated agency. The objective of these requirements is to avoid submerging the vocational rehabilitation program and, by implication, reducing its scope and effectiveness.
PROGRAM AUDITS

During Fiscal Year 1980, audits of the rehabilitation program were conducted by the General Accounting Office and by the Health and Human Services Audit Agency. In addition, RSA Central and Regional Offices continued to monitor current State agency activity and to review progress made in the correction of deficiencies noted in previous year audits.

A. General Accounting Office

In 1980, two audit reports relative to the rehabilitation program were issued by the General Accounting Office.


Principle recommendations to the Congress were: (1) clarify headquarters responsibility for managing the reevaluation program and provide RSA Regional offices with guidance they need to assist States in establishing effective reevaluation programs; (2) revise guidelines to require reevaluation of all former clients in sheltered employment to include persons placed in work activities centers but not classified as rehabilitated; and (3) monitor State procedures and provide assistance to assure that annual reevaluations are made and that they are comprehensive and timely.

In response to these recommendations, RSA will issue appropriate directions to Regional offices and to State agencies for their monitoring activities of corrective action taken.

2. The Social Security Administration's Rehabilitation Program

Principle recommendations to the Congress were the Social Security Administration Commissioner should: (1) Develop and implement a management information system for the SSA Beneficiary Rehabilitation Program (BRP); and (2) modify its client selection criteria so as to exclude persons who are expected to recover medically without need for services under BRP.

In regard to recommendation 1, RSA responded (with SSA concurrence) that they did not believe that there is need for additional collection of data for the management of the program at this time. Collection of and utilization of data is under continuous review.

On recommendation 2, RSA reported that it did not concur in the GAO finding and questioned the accuracy of the data on which the recommendation was based.

B. Audits Conducted by Health and Human Services Audit Agency

In calendar year 1980, a total of eight audits of State rehabilitation agency operations were conducted in the States of Colorado, Florida, Illinois, Mississippi, New Hampshire, North Dakota, Puerto Rico and the Virgin Islands by the Health and Human Services Audit Agency.
Major findings of the State agency audits tended to center on deficiencies in day-to-day administration of the program. These concerns included: (1) Lack of written operating procedures; (2) Expenditures not related to program activities; (3) Need to strengthen case administration procedures; (4) Project income not used to offset expenses; (5) Policy for determination of continuing eligibility inadequate; and (6) Need to strengthen staff training.

As was true in the previous year, the need for refined procedures and practices relative to effective financial management and accountability by State rehabilitation agencies continue to dominate audit findings. Issues involved concern specific agencies and are being addressed by these agencies with the close assistance and cooperation of the appropriate Regional office. As a result of this activity, substantial progress has been made in correction of deficiencies found by auditors in previous years.

All audits have paid particular attention to utilization of similar benefits available for rehabilitation purposes from related Federal and State programs. Because of extremely high costs involved, efforts to obtain resources under the Social Security Title XIX (Medicaid) program and programs to underwrite the cost of college and university training are afforded particular attention in these reviews. The full utilization of similar benefits is essential in order to compensate for absence of adequate appropriated resources required to meet demonstrated needs of the program and to offset the effects of inflation.

Activities continue on work initiated the previous year on a training package entitled Quality Assurance Management Training Program for Supervisors in VR provided from a contract with JWK International Corporation. Among others included in this review are: Criteria development; monitoring; assessment; feedback action plans; and follow-up are directed to provision of first-line supervisors with materials to assure the delivery of quality rehabilitation services.

The San Diego Case Review Schedule, the most comprehensive instrument developed to date for reviewing individual case records and to determine the degree of compliance with the law, regulations, and policy directives, continues to receive widespread utilization in the State agencies. This instrument was developed under a training grant with San Diego State University.

By exercise of these and similar efforts, RSA provides a leadership role in the national rehabilitation program. Positive action is being taken in responding to audit findings in order to improve the administration of the program.

CASELOAD ACTIVITIES IN STATE VOCATIONAL REHABILITATION AGENCIES

Caseload volume and flow in Fiscal Year 1980 exhibited quite a varied pattern compared to the recent past. Much of what occurred represented a continuation of the contraction in the number of cases that has characterized the State-Federal program in the last few years. Some observed activity, however, constituted a distinct break with the past, particularly where numbers of severely disabled individuals were concerned.
Continuation of Recent Trends

In many ways, caseload volumes in Fiscal Year 1980 followed patterns established in recent years. The number of persons vocationally rehabilitated, for example, declined from the prior year by 3.9 percent to 277,136, the lowest total in ten years, and the fifth annual loss in the last six years. The number of persons who received rehabilitation services fell by 2.9 percent from fiscal year 1979 to 1,095,139, the fifth consecutive annual loss. Another recent phenomenon, the decline in the number of persons in active receipt of rehabilitation services on the last day of the fiscal year, also continued. This time such persons numbered 665,331 on September 30, 1980, a decrease of 2.6 percent from the same date one year earlier, and the fifth consecutive end-of-year decline.

Overall, the total number of persons known to State rehabilitation agencies at some time during Fiscal Year 1980, including those on whom a minimal amount of information had been gathered, decreased by 1.7 percent from the year before to 1,988,205, the fifth straight annual decrease, and the first time in nine years that this measure fell below two million.

Cases closed rehabilitated declined for the second year in a row in Fiscal Year 1980; this time by 3.9 percent to 277,136. This figure represented the lowest number of rehabilitations accomplished since Fiscal Year 1970. There was also a slight drop in the rehabilitation rate from 64.9 percent in Fiscal Year 1979 to 64.5 percent in Fiscal Year 1980, after three years of increases. This rate measures the proportion of active case closures that are successfully rehabilitated.

There was a feeling of deja vu for some aspects of caseloads of severely disabled individuals. The proportion of the severely disabled, for example, among persons rehabilitated increased for the sixth consecutive year, this time to 51.4 percent, topping the 50 percent level for the first time. In addition, the severely disabled accounted for 55.3 percent of all persons actively served in Fiscal Year 1980 and 56.0 percent of all such persons whose cases were still in process on September 30, 1980, continuing the trend of increasingly higher percentages for these measures in the five years during which these statistics have been obtained.

Departure From Recent Trends

Despite the "sameness" of so many of the caseload trends in Fiscal Year 1980, clear breaks with the recent past were established. This was initially apparent with increasing numbers of new cases entering each of the major stages of the vocational rehabilitation process for the first time in five years. Persons newly referred to State agencies rose by 2.7 percent from Fiscal Year 1979 to a level of 912,294; persons newly applying for services increased by 3.6 percent to 722,847; and persons newly accepted for rehabilitation services edged forward by 0.2 percent to 412,356.
Two very surprising changes from recent caseload trends occurred with first-ever annual declines recorded in the number of severely disabled persons served and rehabilitated. Those served declined by 1.0 percent from Fiscal Year 1979 to 606,049 and those rehabilitated by 0.6 percent to 142,545. Despite these decreases, the number of non-severely disabled persons served and rehabilitated declined to an even greater extent, leading to increasing percentages of the severely disabled among all persons served and rehabilitated in Fiscal Year 1980.

Yet, the most stunning reversal of recent caseload form occurred relative to the number of persons newly accepted for vocational rehabilitation services in Fiscal Year 1980. For the first time in three years new severely disabled cases showed an annual decline of 0.7 percent, or 224,729 cases. Meanwhile the number of new non-severely disabled cases increased by 1.3 percent to 187,627. This represents the first such annual increase since the statistical series on the severity status of individuals in the active caseload was established in Fiscal Year 1976. These trends indicate that the caseloads of new active cases in Fiscal Year 1980 were composed of relatively fewer severely disabled persons (54.5 percent severe) than in Fiscal Year 1979 (55.0 percent severe).

Concluding Observations

It is too early to ascertain whether the previously-mentioned reversal of caseload trends observed for Fiscal Year 1980 represent something new, or merely single-year deviations. It is interesting to note, however, that State agencies were somehow able to increase their intake of new cases for the first time in five years at a time when continued retrenchments due to inflationary trends in the economy might have been expected. The suggestion of a trend away from "expensive" cases, i.e., the severely disabled, could be a factor behind the increase in intake activity. What has been established, nevertheless, is that ever-increasing numbers of severely disabled persons into the caseload, whether in absolute or relative terms, can no longer be taken for granted.

Caseload Activity in State Vocational Rehabilitation Agencies Fiscal Year 1980

Summary

Caseload activity in State vocational rehabilitation agencies for Fiscal Year 1980 was highlighted by:

1. The first increases in the number of new cases entering each major status of the vocational rehabilitation (VR) process since Fiscal Year 1975;

2. the first increases since Fiscal Year 1975 in the number of cases handled at the earlier stages of the VR process;

3. the continued decline in the total number of cases handled by State VR agencies in all statuses (00 to 30);

4. the second consecutive decline in the number of cases closed rehabilitated and the fifth decline reported for this item in the last six years;
5. the first decline ever reported in the number of severely disabled cases available in the active caseload;

6. the continued increase in the proportion of severely disabled cases in the active caseload, except among new active cases; and

7. the first concurrent decrease in new severe cases and increase in new non-severe cases experienced since caseload data for the active caseload was initially reported by severity status.

Recent Losses in Purchasing Power of the Vocational Rehabilitation (VR) Dollar and Resultant Losses in Persons Served and Rehabilitated

In 1980, the Consumer Price Index (CPI), one of the most widely used measures of changes in the purchasing power of the consumer dollar, advanced to 246.8 since the base statistical year of 1967. Five years earlier, the Index stood at 161.2. This means that goods and services that cost $161.20 in 1975 cost $246.80 in 1980. In the same time span, the purchasing power of the total Federal and State VR dollar (including Trust Funds and SSI monies) declined by 23.0 percent from $633.5 million to $487.5 million (in terms of the 1967 dollar), despite an increase in actual expenditures from $1.0 billion to $1.2 billion. The decline in purchasing power occurred in each year subsequent to Fiscal Year 1975 and was particularly striking in Fiscal Year 1980 compared to Fiscal Year 1979, a decrease of 13.3 percent in deflated expenditures. Contributing to this latest loss in purchasing power was a decrease in actual expenditures, the first of its kind in 46 years. In the years before Fiscal Year 1975, the purchasing power of the VR dollar typically increased, even after allowance for inflation. See Tables 2 and 3 for a more detailed view of these details.

Importantly, about the same time that real (deflated) VR expenditures began to decline, the number of cases served and rehabilitated also started to fall. For example, cases served fell by 0.5 percent in Fiscal Year 1976, 2.7 percent in Fiscal Year 1977, 3.0 percent in Fiscal Year 1978, 3.5 percent in Fiscal Year 1979 and 2.9 percent in Fiscal Year 1980. One factor in this caseload decline is the recent program emphasis on serving increasing numbers of severely disabled persons for whom services are more costly than for the non-severely disabled. The inflationary factor, however, would appear to be the greater contributor to the overall caseload contraction.

It seems clear, therefore, that some combination of additional funding, program efficiencies and greater use of similar benefits is needed to halt the five-year decline in reaching the disabled population through the State-Federal program of vocational rehabilitation.
TABLE 2

Vocational rehabilitation program expenditures: Actual and deflated by the Consumer Price Index (CPI); cases served and rehabilitated, Fiscal Year 1967-1980

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Actual expenditures 1/ ($ million)</th>
<th>Consumer Price Index 2/</th>
<th>Deflated expenditures ($ million)</th>
<th>Cases served (000)</th>
<th>Persons rehabilitated (000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>1,203.1 (est.)</td>
<td>247.8 (Jun)</td>
<td>485.5</td>
<td>1,095.1</td>
<td>277.1</td>
</tr>
<tr>
<td>1979</td>
<td>1,222.2 (rev)</td>
<td>217.4</td>
<td>562.2</td>
<td>1,127.6</td>
<td>288.3</td>
</tr>
<tr>
<td>1978</td>
<td>1,152.5</td>
<td>195.4</td>
<td>596.6</td>
<td>1,168.0</td>
<td>294.4</td>
</tr>
<tr>
<td>1977</td>
<td>1,111.0</td>
<td>181.5</td>
<td>612.1</td>
<td>1,204.5</td>
<td>291.2</td>
</tr>
<tr>
<td>1976</td>
<td>1,062.0</td>
<td>170.5</td>
<td>627.7</td>
<td>1,238.4</td>
<td>303.3</td>
</tr>
<tr>
<td>1975</td>
<td>1,021.3</td>
<td>161.2</td>
<td>633.5</td>
<td>1,244.3</td>
<td>324.0</td>
</tr>
<tr>
<td>1974</td>
<td>877.5</td>
<td>147.7</td>
<td>594.1</td>
<td>1,201.7</td>
<td>361.1</td>
</tr>
<tr>
<td>1973</td>
<td>772.6</td>
<td>133.1</td>
<td>580.5</td>
<td>1,176.4</td>
<td>360.7</td>
</tr>
<tr>
<td>1972</td>
<td>727.2</td>
<td>125.3</td>
<td>580.4</td>
<td>1,111.0</td>
<td>326.1</td>
</tr>
<tr>
<td>1971</td>
<td>655.7</td>
<td>121.3</td>
<td>540.6</td>
<td>1,001.7</td>
<td>291.3</td>
</tr>
<tr>
<td>1970</td>
<td>578.7</td>
<td>116.3</td>
<td>497.6</td>
<td>875.9</td>
<td>267.0</td>
</tr>
<tr>
<td>1969</td>
<td>473.4</td>
<td>109.8</td>
<td>431.2</td>
<td>781.6</td>
<td>241.4</td>
</tr>
<tr>
<td>1968</td>
<td>393.1</td>
<td>104.2</td>
<td>377.2</td>
<td>680.4</td>
<td>207.9</td>
</tr>
<tr>
<td>1967</td>
<td>313.7</td>
<td>100.0</td>
<td>313.7</td>
<td>569.9</td>
<td>173.6</td>
</tr>
</tbody>
</table>

1/ Includes Federal and State expenditures for Basic Support and Innovation and expansion grants and Federal expenditures under Social Security Trust Fund and Supplemental Security Income funds.

2/ All urban consumers index.
TABLE 3

Annual percent change: VR Program expenditures, actual and deflated by CPI; cases served and rehabilitated, Fiscal Years 1968-1980

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Actual expenditures 1/</th>
<th>Consumer Price Index 2/</th>
<th>Deflated expenditures</th>
<th>Cases served</th>
<th>Persons rehabilitated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>-1.6</td>
<td>+14.0</td>
<td>-13.6</td>
<td>-2.9</td>
<td>-3.9</td>
</tr>
<tr>
<td>1979</td>
<td>+6.0</td>
<td>+11.3</td>
<td>- 5.7</td>
<td>-3.5</td>
<td>-2.1</td>
</tr>
<tr>
<td>1978</td>
<td>+3.7</td>
<td>+ 7.7</td>
<td>- 2.5</td>
<td>-3.0</td>
<td>+1.1</td>
</tr>
<tr>
<td>1977</td>
<td>+4.6</td>
<td>+ 6.5</td>
<td>- 2.5</td>
<td>-2.7</td>
<td>-4.0</td>
</tr>
<tr>
<td>1976</td>
<td>+4.0</td>
<td>+ 5.8</td>
<td>- 0.9</td>
<td>-0.5</td>
<td>-6.4</td>
</tr>
<tr>
<td>1975</td>
<td>+16.4</td>
<td>+ 9.1</td>
<td>+ 6.6</td>
<td>+3.6</td>
<td>-10.3</td>
</tr>
<tr>
<td>1974</td>
<td>+13.6</td>
<td>+11.0</td>
<td>+ 2.3</td>
<td>+2.1</td>
<td>+ 0.1</td>
</tr>
<tr>
<td>1973</td>
<td>+ 6.2</td>
<td>+ 6.2</td>
<td>--</td>
<td>+5.9</td>
<td>+10.6</td>
</tr>
<tr>
<td>1972</td>
<td>+10.9</td>
<td>+ 3.3</td>
<td>+ 7.4</td>
<td>+10.9</td>
<td>+12.0</td>
</tr>
<tr>
<td>1971</td>
<td>+13.3</td>
<td>+ 4.3</td>
<td>+ 8.6</td>
<td>+14.4</td>
<td>+ 9.1</td>
</tr>
<tr>
<td>1970</td>
<td>+22.2</td>
<td>+ 5.9</td>
<td>+15.4</td>
<td>+12.1</td>
<td>+10.6</td>
</tr>
<tr>
<td>1969</td>
<td>+20.4</td>
<td>+ 5.4</td>
<td>+14.3</td>
<td>+14.9</td>
<td>+16.1</td>
</tr>
<tr>
<td>1968</td>
<td>+25.3</td>
<td>+ 4.2</td>
<td>+20.2</td>
<td>+19.4</td>
<td>+19.8</td>
</tr>
</tbody>
</table>

1/ Includes Federal and State expenditures for Basic Support and Innovation and expansion grants and Federal expenditures under Social Security Trust Fund and Supplemental Security Income funds.

2/ All urban consumers index.
The Total available for Program Operations activities in FY 1980 was $1,069,027,000.

<table>
<thead>
<tr>
<th>Program Operations activities</th>
<th>1979</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic State Grants</td>
<td>$817,484,000</td>
<td>$817,484,000</td>
</tr>
<tr>
<td>Innovation and Expansion</td>
<td>18,000,000</td>
<td>11,775,000</td>
</tr>
<tr>
<td>Services Projects</td>
<td>26,728,000</td>
<td>28,000,000</td>
</tr>
<tr>
<td>Training of Rehabilitation Personnel</td>
<td>30,500,000</td>
<td>28,500,000</td>
</tr>
<tr>
<td>Independent Living (Part B)</td>
<td>2,000,000</td>
<td>15,000,000</td>
</tr>
<tr>
<td>Social Security Disability Insurance Program (Trust Fund)</td>
<td>103,744,000</td>
<td>113,268,000</td>
</tr>
<tr>
<td>Supplementary Security Income Program</td>
<td>54,981,000</td>
<td>55,000,000</td>
</tr>
</tbody>
</table>

$1,053,437,000 $1,069,027,000

The appropriation increases of less than the cost of living emphasize the need for more efficient utilization of limited resources for serving handicapped individuals. The various program operations activities received critical outside and self-review and many corrective actions were initiated by Federal and State administrators.

The Rehabilitation Act of 1973, as amended, authorizes the allocation of Federal funds on a formula basis with a 20 percent State fund matching requirement (80 percent Federal - 20 percent State) for the administration of a program of wide ranging services to assist handicapped individuals to prepare for and engage in gainful occupations. The emphasis is on providing services to individuals with the most severe handicaps.

Structure of Services

Rehabilitation services are provided on an individual basis tailored to the distinct and specific needs of each disabled person. State agency professional staff provide referral, counseling and guidance and placement services. They also coordinate and authorize the acquisition of needed services from other public programs or purchase the required services on a fee-for-service basis from the private sector. The range of such services includes, but is not limited to: physical and mental restorative services such as medical and corrective surgical treatment, hospitalization, prosthetic, orthotic and other assistive devices, physical and occupational therapy and psychological services; training, including personal and work adjustment; maintenance; transportation; reader services and orientation and mobility services for the blind; interpreter services for the deaf; tools, equipment and initial stock; telecommunications, sensory and other technological aids and post-employment services.

Eligibility for services is based on the review of pertinent information to determine the existence of a disability constituting a substantial handicap to employment is a necessary condition; the individual's rehabilitation potential may be a "reasonable expectation." Further studies may be necessary to assist counselors and clients in jointly developing an individualized rehabilitation program. The rehabilitation counselor is the key staff member...
in making the eligibility determination, developing with the handicapped person an individualized rehabilitation plan, managing the arrangements for services, counseling and guiding the individual, assisting the client through successful placement o. the job and providing necessary post-employment services to assist in maintaining employment.

The Rehabilitation Act of 1973, as amended, also requires that an Individualized Written Rehabilitation Program (IWRP) be developed for all handicapped individuals served. The IWRP contains relevant information about the client, the process involved in making decisions about the rehabilitation goal and intermediate objectives that are planned to help reach that goal. It also identifies the vocational rehabilitation services that will be provided to aid the client in achieving the goal and provides the basis for measuring the client's progress toward the goal in terms of specific objectives.

SERVICES TO BLIND AND VISUALLY HANDICAPPED

In accordance with the provisions of the Rehabilitation Act of 1973, as amended, continued emphasis is being placed on the rehabilitation of more severely handicapped individuals. The Rehabilitation Services Administration and the State agencies continue to concentrate on developing new and expanded job opportunities for blind and visually impaired individuals. A greater emphasis is being placed on the utilization of today's technology which will allow the blind and visually handicapped individual to enter new areas of competitive employment.

A number of National corporations, as well as State and Federal governments, are entering into affirmative action programs which have and will assist in broadening the employment opportunities for blind persons. The IBM Corporation has recently developed typewriters with an audible readout which will allow a blind typist to verify the work.

The Bureau also works extensively with other government offices in terms of conceptualizing and developing audible or braille printout systems which will provide new employment areas for blind persons.

SERVICES TO THE OLDER BLIND POPULATION

The 1978 amendments to the Rehabilitation Act created a new Section 311 (a) (1) replacing Section 304 (b) (1) which provided for special projects to serve the older blind population. Major changes initiated by the amendments prohibit the consideration of age as a factor for receiving services as well as vocational potential of individuals. However, for FY 1980, funding priority considerations was given those applications in which vocational rehabilitation was a primary project objective.

During FY 1980, there were eight projects in operation providing services to the older blind population. An earlier goal of the program was to have an older blind project located in every region.
The variety of projects across the country has addressed the special problems found in rural, urban and inner-city areas, special problems of the older blind in minority groups such as Blacks and Hispanics, special problems faced in employment settings such as home industries and second careers. These projects have provided us with valuable experience which will be utilized in working with the older blind population in the provision of comprehensive services.

NATIONAL EVALUATION OF VOCATIONAL REHABILITATION PROGRAMS PROVIDING SERVICES TO BLIND AND VISUALLY HANDICAPPED PEOPLE

The JWK International Corporation was authorized to develop and conduct an evaluation of State vocational rehabilitation agencies providing services to blind and visually handicapped clients. The evaluation report will consist of information gathered from a combination of questionnaires and on-site visits with appropriate recommendations.

All State vocational rehabilitation agencies serving blind and visually handicapped clients have participated and had input in the study through information submitted on the questionnaire. An on-site visit has been made to nine different State agencies to conduct an in-depth review of the State's operation. The findings and recommendations of the final report will be contained in the Annual Report for FY 1981. In addition, the contractor will furnish each State agency with a report on their individual program evaluation.

THE NEW AREA OF SERVICES FOR BLIND INDIVIDUALS

Section 314 of the Rehabilitation, Comprehensive Services and Developmental Disabilities Legislation of 1978 enabled reading services to be provided to blind individuals who are not otherwise eligible for them through other State or Federal programs. When this discretionary grant program is funded, persons who are gainfully employed will be able to receive the assistance in their work settings. It also expands the quality and scope of reading services which are available and assures, to the maximum extent possible, that the services provided will meet the needs in this area.

The acquisition and retention of employment are two of the primary reasons for the delivery of reading services under the Section. However, they can also be provided for educational purposes if the individual is not eligible for assistance through other regular existing funding sources. Proposed Regulations have been published in the Federal Register; however, there were no funds available for this program in FY 1980.

TECHNOLOGY UTILIZATION PROGRAM IN RSA FOR HANDICAPPED INDIVIDUALS

In June 1978, a new RSA-wide program was established to demonstrate the application of available technology as a means of assisting handicapped employees to increase their functional capabilities and to generally enhance their employment potential.
The program began with the RSA Bureau for Blind and Visually Handicapped and the Deafness and Communicative Disorders Office. The equipment which was purchased is being used by RSA handicapped persons on a daily basis. It is located in the Bureau for Blind and Visually Handicapped and at other locations in the Mary E. Switzer Building and collectively may be called a Media Center.

Rehabilitation practitioners, supervisors from State and Federal agencies and even persons from foreign countries have visited to learn how new and available technology can be utilized to assist handicapped individuals to function more independently and effectively in their jobs.

Disabled persons in RSA have been surveyed to determine their particular needs as well as their desire to participate in this voluntary and experimental program. Modifications to the working environment, along with the installation of special furniture designed to meet the needs of the particular disability of the RSA staff members were accomplished. The innovative program was inspired by Central Office staff and has been implemented successfully. Strong evaluation and continuing research components will be maintained during the current fiscal year.

The program serves to emphasize RSA's commitment to reasonable accommodation as well as the willingness to provide the equipment which will improve the independence, effectiveness and quality of life of its handicapped employees.

THE DEVELOPMENT AND EXPANSION OF EMPLOYMENT OPPORTUNITIES FOR BLIND AND VISUALLY HANDICAPPED INDIVIDUALS

During the past year, strong efforts have continued by personnel of the Bureau for Blind and Visually Handicapped to develop and expand job opportunities for this population both in traditional areas and in new innovative occupations. However, the most important factor in the overall placement process remains the need for the client to develop specific salable job skills to his or her optimum level.

In September 1979, the American Foundation for the Blind conducted a four-day workshop on the employment of blind persons in the primary labor market. It was sponsored by a national short-term training grant from the Rehabilitation Services Administration, with the employment specialist from the Bureau taking an active role. Approximately 40 individuals, most of them rehabilitation personnel in the blindness field, attended the conference. The primary labor market is generally considered by employers as exempt positions under the Fair Labor Standards Act - positions requiring a higher level of education and skills than is needed in the secondary labor market. Some examples would be professional, managerial, supervisory and technical jobs. Training was provided to improve the skills of rehabilitation personnel in providing assistance to corporations on the employment and retention of blind and visually handicapped individuals in this exempt employment area. A curriculum has been developed which can be readily duplicated for training on a Regional basis.

During the last two years, a new and innovative program has been implemented at North Shore University Hospital in Manhasset, New York. It is sponsored by an Allied Health project and is designed to demonstrate and evaluate the feasibility of providing technician level training in a hospital to blind and visually handicapped individuals to prepare them for competitive employment in nuclear medicine.
and in clinical laboratory technology. There is certainly a clear need to develop new work opportunities in the blindness field. This two year program, which offers both academic training in affiliated colleges and practical experience in a hospital setting, certainly appears to hold excellent potential to prepare individuals for these two rapidly growing occupations.

The program at St. Mary's Junior College in Minneapolis, Minnesota, designed to train blind persons to work as occupational therapy and physical therapy assistants, has realized significant progress during the past year. It was sponsored by a long-term training/experimental and innovative grant from the Rehabilitation Services Administration. Several blind individuals are successfully completing the course this academic year and will soon be ready for placement. Appropriate employer contacts have been made and the graduates have excellent prospects to secure suitable positions. This training curriculum can certainly be duplicated in other Regions of the country.

The agreement, which was made between the Bureau for Blind and Visually Handicapped and the General Services Administration, to hire individuals to work as information specialists in the GSA Federal Information Centers throughout the country has resulted in successful job placements during the past year.

These are some of the projects which clearly demonstrate the overall sustained genuine effort which is made to develop and expand suitable employment opportunities for blind and visually handicapped individuals.

HELEN KELLER NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

The Helen Keller National Center for Deaf-Blind Youths and Adults operates under the authorization in Section 313 of the Rehabilitation Act of 1973, as amended. Congress provided for the establishment of the Center to: (1) demonstrate methods of providing specialized services needed to rehabilitate individuals who are both deaf and blind, (2) train professional and other personnel to work with deaf-blind people, (3) conduct relevant research, and (4) carry out programs to expand and improve services, including public education programs on the needs of deaf-blind persons.

During the last fiscal year, 40 trainees entered the Helen Keller National Center for Deaf-Blind Youths and Adults, 46 were terminated, 87 served at Headquarters and approximately 954 were served by regional representatives and the main facility at Sands Point, New York. As a result of the training received at the National Center, trainees were placed in professional employment, sheltered workshops, returned to school and a few are currently awaiting employment.

The Center's research program continues to concentrate on the development and testing of aids and appliances which will enable deaf-blind persons to lead improved social and economic lives. The program is also intensely involved in initiating new research and demonstration efforts necessary to extend and expand services to people who are deaf-blind.
The research program at the National Center is also engaged in the development of the Wrist-Com, a miniaturized waterproof and shock resistant wireless device, small enough to be worn on the wrist, that receives vibratory signals from a special transmitter. The Wrist-Com is presently used at the Center to page deaf-blind individuals and to warn them of fire or other emergencies. A residential model, not as fully miniaturized, is being designed for the use of deaf-blind individuals at home to alert them to the ringing of a doorbell, the ringing of the telephone and the presence of smoke or other potential hazards.

RANDOLPH-SHEPPARD VENDING FACILITY PROGRAM

The purpose of the Randolph-Sheppard Act, as amended, is to provide a priority to qualified blind persons, licensed by the State agency which administers vocational rehabilitation, to operate vending facilities on Federal property.

The Randolph-Sheppard program offers major opportunities for managerial positions for people who are blind. More than 400 blind persons enter this program each year and historically their average earnings have increased.

Although, initially, the Randolph-Sheppard Act was enacted for the purpose of providing employment opportunities for blind persons in Federal buildings, program expansion has resulted from facilities established on State and private property. This thrust in the program is provided for by State laws commonly referred to as "mini-Randolph-Sheppard Acts" which provide for the operation of vending facilities by blind vendors on all or part of the property owned or leased by the various States.

Because of the problems of inflation and the necessary tightening of budgets, the States continue to place a major emphasis on refurbishment of existing facilities. This creates better equipped and more attractive facilities which, through improved operating techniques, enlarges the articles or services for sale, resulting in higher earnings for the vendors.

The regulations issued pursuant to the 1974 Amendments mandates all State licensing agencies to bring all State regulations governing the operation of the vending facilities program into compliance with the law. Most States have submitted the necessary changes to RSA for review and approval. One major change provides for the election and operation of a State committee of blind vendors. All States have now established these committees. The committee offers each vendor a voice in the administration of the program. This cooperative and innovative approach in the management of the vending facility program can produce a better, more progressive program which will enhance the employment opportunities for blind persons.

The approved report form (RSA-15) which is the only State data collection form providing information to RSA for the necessary oversight and management of the program has gone through a data reduction process as required by OMB. The most recent information from this document is displayed in the following table. (Table 4)
TABLE 4
RANDOLPH-SHEPPARD VENDING FACILITY PROGRAM

FOR FY 1978, 1979

<table>
<thead>
<tr>
<th></th>
<th>FY 1978*</th>
<th>FY 1979*</th>
<th>Per Cent Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Gross Income</td>
<td>200,420,725</td>
<td>223,348,583</td>
<td>11.4</td>
</tr>
<tr>
<td>Federal Locations</td>
<td>57,545,744</td>
<td>66,438,349</td>
<td>15.5</td>
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<tr>
<td>Non-Federal Locations</td>
<td>142,874,981</td>
<td>156,910,234</td>
<td>9.8</td>
</tr>
<tr>
<td>Total Number of Vendors</td>
<td>3,931</td>
<td>3,935</td>
<td>.1</td>
</tr>
<tr>
<td>Federal Location</td>
<td>1,056</td>
<td>1,076</td>
<td>1.9</td>
</tr>
<tr>
<td>Non-Federal Location</td>
<td>2,875</td>
<td>2,859</td>
<td>(.6)</td>
</tr>
<tr>
<td>Total Earnings of Vendors</td>
<td>41,874,403</td>
<td>45,368,635</td>
<td>8.3</td>
</tr>
<tr>
<td>Federal Locations</td>
<td>12,116,390</td>
<td>13,707,792</td>
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</tr>
<tr>
<td>Non-Federal Locations</td>
<td>29,758,013</td>
<td>31,660,843</td>
<td>6.4</td>
</tr>
<tr>
<td>Average Earnings of Vendors</td>
<td>12,137</td>
<td>13,367</td>
<td>10.1</td>
</tr>
<tr>
<td>Federal Locations</td>
<td>12,935</td>
<td>14,580</td>
<td>12.7</td>
</tr>
<tr>
<td>Non-Federal Locations</td>
<td>11,840</td>
<td>12,903</td>
<td>9.0</td>
</tr>
<tr>
<td>Total of Vending Facilities</td>
<td>3,435</td>
<td>3,472</td>
<td>1.1</td>
</tr>
<tr>
<td>Federal Locations</td>
<td>904</td>
<td>944</td>
<td>4.4</td>
</tr>
<tr>
<td>Non-Federal Locations</td>
<td>2,531</td>
<td>2,528</td>
<td>(.1)</td>
</tr>
</tbody>
</table>

*Time constraints require that the above data be hand tabulated
Section 222 of the Social Security Act provides for the payment from the trust funds of costs of vocational rehabilitation services furnished to disability beneficiaries. Similarly, Section 1615 of the Act makes provision for vocational rehabilitation services to blind and disabled persons who receive Supplemental Security Income payments. Within the limits authorized, special funds are available to the States to provide for beneficiaries under State vocational rehabilitation programs. The purpose of the provision is to make vocational rehabilitation services more readily available to disabled individuals to the end that savings will result to the Special Funds as a result of rehabilitating the maximum number of such individuals in productive activity.

The State/Federal vocational rehabilitation program was selected to administer the Special SSDI/SSI-VR Programs because of its long history of helping disabled people achieve employment goals and demonstrating the unique ability to meet the needs of the severely handicapped. During their deliberations on the 1965 Amendments, the Congress decided that the services under the Federal/State VR provisions were not reaching enough beneficiaries; only 3,000 were rehabilitated annually. Because many States fell short of matching VR funds, limitations on facilities and services constituted substantial obstacles to the rehabilitation of a greater number of social security beneficiaries. Under those conditions, the States were not able to provide services for all handicapped people who could benefit from them. Consequently, 100 percent Federal funds were provided to promote the rehabilitation of a greater number of beneficiaries.

Service Framework

Beneficiaries of both the SSDI and SSI programs must be selected for services in accordance with special selection criteria (SSC) established by the Secretary of Health and Human Services. The Secretary established four SSC which limit services to those: (1) with impairments which are not so rapidly progressive to restrict earnings to a level not substantial enough to terminate benefits; (2) where medical improvement would not lead to benefit termination without rehabilitation services; (3) where the vocational goal would be substantial enough to terminate benefits; and (4) where the savings to the special funds would offset the cost of rehabilitation services.

To receive special funds for vocational rehabilitation, each State agency is required to submit an amendment to its State vocational rehabilitation plan that sets forth its policy and procedure for providing vocational rehabilitation services to beneficiaries under the Rehabilitation Act of 1973, as amended, and meets the conditions prescribed in the Social Security Act, as amended.

Essentially, all applicants for SSDI and SSI benefits are considered for vocational rehabilitation services. Applicants who do not meet the special selection criteria mentioned earlier, but meet the eligibility requirements for VR services established in the Rehabilitation Act may receive such services from regular VR program funds (Section 110). In combination with the emphasis placed on serving selected beneficiaries or recipients with special funds (100%), this system has the effect of giving attention to all social security or supplemental security applicants for disability benefits.
Program Management

In order to assure the accomplishment of the SSDI/SSI VR program objectives, the Rehabilitation Services Administration works in close cooperation with the Social Security Administration to administer all aspects of these programs. Actions recently completed or in progress have the objective of increasing the number of terminations from the SSDI and SSI rolls and limiting services with the special funds to those cases truly eligible. The RSA/SSA joint activities include determining the need for and recommending legislative changes, developing regulations, operating policies and procedures, developing fiscal and reporting procedures, providing program evaluation, review and monitoring, providing direction, leadership and guidance to the RSA and SSA Regional Offices and to the State agencies on the operation of the programs and providing liaison with and consultative activities to the States' Council Committee on Social Security Relationships and other organizations which impact on these programs.

Program Administrative Reviews

Program Administrative Reviews of the SSDI-SSI-VR Programs were started for all agencies in FY 1980, to be completed by FY '81. The purpose of the PARs is to identify problems and issues and to make recommendations for corrective actions to the State Agencies. Computerized analysis of the data from the PARs is a valuable management tool for the State Director of Vocational Rehabilitation.

Legislation

During FY '80, significant legislative changes reflecting on the SSDI-SSI-VR programs were enacted in the 1980 Amendments to the Social Security Act. Testimony was prepared and impact studies made. Following passage, work groups of RSA, SSA and State Agency specialists prepared explanatory texts and training packages to orient VR counselors and other staff who will work with affected SSDI-SSI beneficiaries, with the new amendments.

REHABILITATION FACILITIES

Rehabilitation facilities are an indispensable resource in modern rehabilitation. Facilities provide the means for evaluating, treating and training the severely disabled who otherwise could not be effectively rehabilitated.

There are many types of rehabilitation facilities, including comprehensive rehabilitation centers, speech and hearing centers, optical aids clinics, rehabilitation centers for the blind, evaluation and treatment centers for the epileptic, half-way houses for the mentally ill and mentally retarded, and sheltered workshops. Among other things, workshops provide employment as an interim step in the rehabilitation process for those disabled people who cannot be readily absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist.

Some facilities are large, others are small. Some are operated by State and local governments, but most are operated by voluntary agencies. All disability groups, or only selected groups, may be served in a single facility. Regardless of the size of the facility, it plays an important role in rehabilitation. Without adequate facilities, the community is severely limited in its ability to meet the needs of its disabled citizens.
In FY 1978, the most recent year for which data are available, State vocational rehabilitation agencies spent $167,519,000 or 33.5% of their funds for services to individuals in rehabilitation facilities for diagnostic, evaluation, adjustment, treatment, training and other related rehabilitation services. The utilization of rehabilitation facilities is continually increasing. In 1977, these figures were $156,651,000 and 32.4%; in 1976, $144,000,000 or 31% and in 1975 $137,000,000 or 29.4% of expenditures for services to individuals.

In 1978 203,414 clients received services in rehabilitation facilities or 20% of all clients served.

A comparison of utilization rates since 1967 illustrates sharp increases in the involvement of facilities in the State-Federal program of vocational rehabilitation. In 1967, only 65,000 clients of State agencies received facility services. This was 11% of all State clients receiving services in that year. Case service funds expended in rehabilitation facilities totalled $42 million. Over this 11 year period there has been a 299% increase in expenditures and a 213% increase in the numbers of clients served in facilities.

Construction

Section 301 (b) of the Rehabilitation Act provides for grants to States to assist in meeting the cost of construction of public or nonprofit rehabilitation facilities. In 1980, no funds were appropriated under this Section of the Act.

Facility Improvement Grants

Section 302 (c) of the Rehabilitation Act authorizes grants to public or nonprofit rehabilitation facilities or an organization or combination of such facilities to pay for the Federal share of the cost of projects to analyze, improve, and increase professional services to handicapped individuals, management effectiveness or any part of the operation affecting the capacity to provide employment and services.

RSA guidelines provide that the highest priority should be given to applications which will enable facilities to increase and improve services to the severely disabled. Rehabilitation facilities seeking assistance under this program work cooperatively with the State agency facility specialists in the development of applications which are related to the purpose and priorities established in the State plan for rehabilitation facilities.

During Fiscal Year 1979, (the last year when these grants were available for funding), 109 Facility Improvement Grants were awarded with a total Federal expenditure of $2,423,774. About two-thirds of the funds were utilized for the employment of additional professional and technical personnel necessary to improve service delivery and operating efficiency. Approximately one-third of the grant funds were used for the purchase of specialized equipment for the performance of industrial contracts and the provision of training on modern machinery. In addition to those grants, which are under the direction of the Regional Offices, a small reserve has been utilized by the Central Office for projects of national significance.

The following grant programs were in progress during FY 1980:

1. The Commission on Accreditation of Rehabilitation Facilities (CARF) - to develop new and revised standards relating to programs involving residential and group homes, halfway houses, independent living settings and psychological centers.
2. The Association of Rehabilitation Facilities (ARF) - the project known as the Workshop Industrial Development Enterprise has objectives to increase the quality, quantity and reliability of commercial production and service contracts. In FY 1980, the "Workshop Capability Inventory" was developed and distributed to 500 workshops. Expansion to 2000 workshops is in the process of being implemented.

National Industries for the Severely Handicapped

National Industries for the Severely Handicapped (NISH), established in June 1974, with the assistance of a facility improvement grant from RSA, is the counterpart organization to National Industries for the Blind. Its purpose is to expand employment opportunities for non-blind severely handicapped individuals by increasing the capabilities of sheltered workshops to become eligible for priority consideration to receive government contracts for products and services under provisions of the Javits-Wagner O'Day-Act.

NISH has two principal functions: (a) providing technical assistance directly to sheltered workshops to evaluate capability, determine feasibility of production of selected commodities or services, estimate requirements in terms of equipment, space, materials, manpower, and financing, and assist in establishing production systems and (b) initiating research and development of commodities and services which are feasible for production in sheltered workshops employing the non-blind severely handicapped.

On November 30, 1980 NISH reported that 616 sheltered workshops were certified to participate in this program. During the past year the total value of commodities and services on the Federal procurement list that the government must purchase from the severely handicapped persons under the Javits-Wagner O'Day increased by $14,000,000 and now totals over $39,000,000 a year. Six hundred more jobs were created bringing the total job stations to over 2,600.

Vocational Training Services Grants

Section 302 (b) of the Rehabilitation Act provides for Vocational Training Services Grants for handicapped persons in rehabilitation facilities. These services are for the purpose of training in occupational skills with a view toward career advancement. Related services include work evaluation, work testing, and the provision of occupational tools and equipment required by the individual to engage in such training and job tryouts.

The primary responsibility for the monitoring of these grants has been delegated to the Regional Offices. During the past year emphasis continued on the following factors:

- Improving the utilization rate in order to reduce the average cost per person trained.
- Encouraging the State agencies to increase the number of handicapped persons referred to projects for service.
- Encouraging the State rehabilitation agencies to take a more active role in monitoring of projects.
- Emphasizing the need to initiate or discontinue specific vocational training areas based on current employment opportunities.
During FY 1979, (the last year when funding was available), 16 projects were funded for a total of $1,659,177. These projects, primarily in sheltered workshops, served approximately 2500 handicapped persons and rehabilitated over 1500 handicapped persons. Fifty different types of training were offered. The facilities providing the training were required to review the labor market periodically to determine the relevance of the training offered to local employment needs. Training courses for which there are no current job openings were regularly eliminated and new courses substituted.

One of many examples of a successful Vocational Training Services project was at San Antonio Goodwill Industries. In a letter from the director he gives credit to the project for "lifting the agency from a somewhat successful sheltered workshop serving marginally handicapped persons to a vocational rehabilitation facility with emphasis on serving severely handicapped persons. The project made it financially possible for Goodwill to enter training areas appropriate for our clients in which there were local labor shortages." In this project the average monthly income of clients who completed training increased by 125%.

Technical Assistance

Technical assistance, as authorized in Section 12 of the Act, is furnished directly, or by contract with State vocational rehabilitation agencies, or with experts or consultants to: (a) public and nonprofit rehabilitation facilities in matters of professional or business practice within the facility and (b) public and nonprofit agencies, institutions, organizations, or facilities for the purpose of planning or effecting the removal of architectural and transportation barriers. Federal funds pay the entire cost.

In the past several years, $250,000 each year has been available for technical assistance resulting in about 300 consultations per year. Expert consultants provided assistance in such areas as cost accounting, contract procurement, safety, plant layout, work evaluation, time-study, fund raising and many other types of engineering and program services. The purpose of these consultations, was, in many instances, to upgrade the capacity of workshops to enable them to produce commodities and services for the Federal government under the Javits-Wagner O'Day Act.

Evaluation of Facilities through Data Reporting to RSA

During 1979, a project entitled "Development of a Model Federal/State Facilities Reporting System for Medical and Vocational Facilities" was funded partially through a Facility Improvement grant. The project is concerned with the problem of adequate information to manage the expenditure of funds to facilities that receive payments for services from State VR agencies. During 1980 field testing took place in 120 rehabilitation facilities in six states. The major products and materials that will be tested and made available for national dissemination and implementation include:

A management information system which enables rehabilitation organizations to assess on a program basis who they are serving, benefits obtained, and program efficiency,
- An inventory which profiles and describes significant dimensions of rehabilitation facilities,

- Accounting materials which will provide facilities with methods to better manage financial resources. These will incorporate the desirable features of the tested and operational cost allocation system developed by Region IV in order to provide comprehensiveness for the Facilities Management/Information System.

- Alternative approaches which describe ways in which contracts or working agreements can be established with rehabilitation facilities.

A progress report will be available during FY 1981.
PROGRAM DEVELOPMENT ACTIVITIES
PROGRAM DEVELOPMENT ACTIVITIES

The Office of Program Development within RSA encompasses programs of training, special projects for severely disabled persons, institutes on rehabilitation issues, independent living and program and project evaluation. The focus is on strengthening and improving the service delivery system under the Rehabilitation Act of 1973, as amended. The Office combines what has previously been diverse elements into an integrated system for impacting on the rehabilitation and habilitation programs.

Funding of Program Development Activities

The total appropriation for Program Development Activities in FY 1980 was $79,885,000. The increase in appropriations to $79,885,000 from the $69,578,000 appropriated in FY 1979 permitted expansion of the Client Assistance Projects, the Projects with Industry, the Independent Living program, and the initiation of the Comprehensive Rehabilitation Centers program.

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>1979</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Projects for Severely Disabled</td>
<td>$7,048,000</td>
<td>$9,580,000</td>
</tr>
<tr>
<td>Migratory Farm Workers</td>
<td>$1,530,000</td>
<td>$1,530,000</td>
</tr>
<tr>
<td>Projects with Industry</td>
<td>$4,500,000</td>
<td>$5,500,000</td>
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<tr>
<td>Business Opportunities</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Client Assistant Projects</td>
<td>$3,500,000</td>
<td>$3,500,000</td>
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<tr>
<td>Innovation - Expansion</td>
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<td>$11,775,000</td>
</tr>
<tr>
<td>Rehabilitation Training</td>
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<td>$28,500,000</td>
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<tr>
<td>Project Evaluation</td>
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<td>$2,500,000</td>
</tr>
<tr>
<td>Independent Living</td>
<td>$2,000,000</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Comprehensive Rehab. Centers</td>
<td>--</td>
<td>$2,000,000</td>
</tr>
<tr>
<td></td>
<td>$69,578,000</td>
<td>$79,885,000</td>
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</tbody>
</table>
SPECIAL PROJECTS FOR SEVERELY DISABLED INDIVIDUALS

FEDERAL FUNDS - $9,580,000

Section 311(a)(1) of the Rehabilitation Act of 1973, as amended, authorizes grants to support projects devoted to the expansion and improvement of rehabilitation services for severely disabled people, including those handicapped by blindness, deafness and spinal cord injuries. During the first three years that this grant program was in operation, from FY 74 through FY 76, all projects served these three disability groups. In subsequent years, the scope of the projects has been expanded to additional categories of severely disabled individuals.

In FY 80, single new projects were initiated in the following categories of severe disability: rheumatoid arthritis, blindness, cerebral palsy, deafness, epilepsy, mental illness, mental retardation, multiple sclerosis. For the first time in this program, grants (13) were made for projects addressing the comprehensive rehabilitation needs of general populations of severely disabled persons. A total of 21 grants for new projects amounting to nearly $3.0 million in Federal funds was made in FY 80 under the Special Projects for Severely Disabled Individuals authority.

At the close of FY 80, Special Projects for Severely Disabled Individuals were active in the following disability areas, the number of projects being indicated parenthetically: blindness (6), cerebral palsy (3), deafness (4), epilepsy (3), General (13), mental retardation (2), multiple sclerosis (4), mental illness (7), rheumatoid arthritis (1), and spinal cord injury (14).

HANDICAPPED MIGRATORY AGRICULTURAL AND SEASONAL FARMWORKERS

FEDERAL FUNDS - $1,530,000

Legislative Authority

Authorized by Title III, Section 312 of the Rehabilitation Act of 1973, as amended, this discretionary grant program has the basic purpose of expanding vocational rehabilitation services for handicapped migratory agricultural and seasonal farmworkers and to members of their families who are with them (whether or not disabled) when such services contribute to the rehabilitation of the agricultural worker. Project activities are coordinated with other Federal resources for the target population, including those administered by the Department of Labor, Public Health Service and certain programs of the Department of Education. The only applicants eligible for grants of this kind are State rehabilitation agencies.

Goals, Objectives, Purposes

The goal of these special projects or demonstrations is to provide vocational rehabilitation services to migratory workers which will enable them to acquire new work skills and thereby become qualified to obtain employment in other areas, or "settle out" (obtain permanent employment) and leave the migrant stream; or to provide treatment necessary for the client to continue as a migratory or seasonal farmworker.
Program objectives include the following: cooperation with local programs of the Department of Labor, Public Health Service, certain programs of the Department of Education and other appropriate public or nonprofit agencies and organizations having special skills and experience with migratory workers; development of or expansion of effective vocational rehabilitation services for handicapped migratory agricultural and seasonal farmworkers; encouraging State vocational rehabilitation agencies to absorb expanded services to migratory workers into ongoing programs of basic support services when projects are terminated.

Location of Projects

At the close of FY 79 there were 15 active projects in this program located in the following States: Arizona, California, Colorado, Florida, Idaho, Illinois, Massachusetts, New Jersey, Puerto Rico, Texas (2 projects), Utah, Virginia, Washington, and Wisconsin. The majority of persons serviced in these projects were of Hispanic background, with the exception of Florida which served a majority of Black seasonal farmworkers. In FY 80, nearly three hundred migratory and seasonal farmworkers were rehabilitated.

Progress to Date

These projects are pioneering and are the "cutting edge" in expanding VR services to migratory and seasonal farmworkers. Due to the unique characteristics of this target population (high mobility, remote rural employment, illiteracy) providing VR services to them has at times been very difficult. In order to assist in the expansion of services to this group, five national conferences have been held in Washington, D.C., San Antonio, San Jose, Rutgers University in New Jersey, and Yakima, Washington. These meetings were attended by Project Directors and their staffs, Federal and State officials, migratory workers and representatives of these organizations. A forum was provided by the conferences where information could be exchanged, problems and how to cope with them could be discussed and new techniques could be considered. Such discussions enabled the projects to learn about and assess new methods which would facilitate serving their clients. RSA has progressed from nine projects, when funds were first made available in 1974 to 15 projects in FY 1980, and projects are now located in nine Regions.

Overall Assessment of the Activity

Projects have been meeting the needs of migratory workers by making available expanded vocational rehabilitation services to this target population. The national conferences have provided helpful information and future plans include excerpting highlights of the proceedings into a publication containing information on migratory and seasonal farmworkers that will be a valuable resource to State rehabilitation agencies. The projects have generated a climate of goodwill toward FSA among Hispanics and their organizations and should continue to be of great assistance in implementing DOE’s Hispanic Initiative.

PROJECTS WITH INDUSTRY

FEDERAL FUNDS - $5,500,000

Projects with Industry (FWI) is a major private business initiative involving corporations, labor organizations, trade associations, foundations and voluntary
agencies which operate through a partnership arrangement with the rehabilitation community to create as well as expand job opportunities for handicapped people in the open competitive labor market. As part of this program, training is provided for jobs in a realistic work setting, generally within a commercial or industrial establishment, coupled with supportive services to enhance pre- and post- employment success of handicapped people in the marketplace.

This successful, private sector effort on behalf of handicapped people is authorized under Section 621 of the Rehabilitation Act, as amended. PWI is predicated upon the premise that business and industry accept a senior responsibility for leadership and management of the project. Because of this, the program is infused with a true marketplace philosophy in which business principles and practices govern the methodology of operations. Consequently, productivity, cost-effectiveness, marketing, management by objectives and other appropriate techniques are used to maximize results in the business arena.

The Advisory Council, which is required for each project, provides the mechanism for members of the private sector to participate in policy making decisions. This active involvement affords business and industry the opportunity to provide significant input into the design and character of training programs needed to fill essential jobs in the marketplace. Training, therefore, is geared to existing job needs. Consequently, more than 75% of trainees succeed in being placed in permanent jobs in business.

In FY 1980, 7,500 disabled individuals, most of whom were severely disabled, received services under this program. Three-fourths of these individuals, or about 5,500, were placed in jobs in the competitive labor market. Over 50 projects affiliated with more than 2,500 private corporations were funded.

The quality of jobs obtained through this partnership is generally of a high level, ranging from service type positions to those that are highly technical and managerial. IBM and Central DATA are training severely disabled people for jobs in data processing and computer technology. Arkansas Enterprises for the Blind is training blind people for jobs as information specialists in large corporations as well as the U.S. Civil Service Commission. The Electronic Industry Foundation is arranging for the training and placement of handicapped individuals in the electronics industry. The Human Resources Institute of AFL/CIO and The International Association of Machinist and Aerospace Workers of AFL/CIO is training large numbers of handicapped people for jobs in union-related firms. The National Restaurant Association prepares handicapped people for all types of jobs in restaurants throughout the nation.

BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

The challenges and opportunities of participating as an entrepreneur in the marketplace are options relatively few handicapped people experience because of limited resources, both financial and technical. To alleviate this situation, a new authority, under Section 622, was enacted in the 1978 amendments to the Rehabilitation Act. It provides that handicapped individuals, certified by the designated State Units, may be eligible to receive a grant and/or contract to establish or operate a commercial or other enterprise to develop or market their products or services.
This significant new Federal Initiative for which an initial set of program regulations have been completed, is attracting broad support by the handicapped community. Although the program has not yet been funded, other Federal agencies, particularly the Small Business Administration, will collaborate in this effort. Also, private industrial firms and other voluntary groups will be invited to contribute both technical and financial resources to maximize results.

It is expected that handicapped people, through entrepreneurial participation in the marketplace, will contribute to the economic well being of the community as well as enhance the quality of their own lives.

SPECIAL RECREATION PROGRAMS

Authorized by Title III, Sections 316 and 311(a)(3) of the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978, these discretionary grant programs provide for recreational programs for handicapped individuals and the construction of facilities to demonstrate methods of making recreational activities fully accessible to such individuals. Neither of these two section, however, has received any appropriations from the Congress of implement their provisions.

CLIENT ASSISTANCE PROJECTS

FEDERAL FUNDS - $3,500,000

Legislative Authority

Client Assistance projects are authorized in Section 112 of the Rehabilitation Act of 1973, as amended. Forty-two projects which were dispersed throughout the country were funded in FY 1980.

Goals, Objectives, Purposes

The projects have the common goal of improving the Federal/State Vocational Rehabilitation Program by providing ombudsmen as advocates to work directly with handicapped clients, or applicants, of the State agencies.

Projects may assist clients to pursue a grievance to the level of the State VR Administrator. Advocacy rather than adversary relations are encouraged to bring about constructive changes in the service delivery system. Problems such as delays in service, interruption of services, unsatisfying job placement and interpersonal disagreements have been identified and improved.

These grants may only go to State vocational rehabilitation agencies, including those especially designated for serving the visually impaired. The primary purpose is to identify individual complaints or problems and seek a resolution. This process often leads to adjustment of a general administrative policy which can benefit others. There is a goal of establishing a CAP project in every State VR agency.
Planning Activities Designed to Accomplish Objectives

Projects have been funded in geographically dispersed regions throughout the United States and innovative methods for serving clients have been encouraged. The availability of an ombudsman is announced in the project area and interagency cooperation is promoted. Federal Regional Office staff monitor progress and provide technical assistance where needed. Communication between projects is encouraged and some initial management training is provided to staff.

Description of the Activity, Including Statistical and Financial Information

Problems or complaints coming from clients in the project area are referred to an ombudsman for investigation. Individualized solutions are pursued and program information is disseminated and interpreted, where necessary. At times, the clarification of information or procedures is sufficient to solve a complaint. At other times, formal grievances are prepared with the advocate's help which may even include legal counseling and representation.

Outreach to underserved populations is attempted to ascertain if rehabilitation services are desired or if previous service outcomes were satisfactory. Professional negotiating between the ombudsman and agency officials often resolves issues and produces desirable policy changes. The project funds are used essentially to support counseling services and outreach. All rehabilitation services which may be indicated are secured through the regular VR agency channels. Approximately 8,000 persons received services from the projects during the year.

Progress to Date

Forty-four States applied for these grants this year, but only 42 could be funded. This was compared to 36 in the previous year. Several projects have increased their coverage and outreach to become Statewide and some States have continued projects without Federal funding. It is anticipated that virtually all States will eventually institutionalize some type of ombudsman program into the basic service delivery system.

Overall Assessment of the Activity

A standardized data collection system has been developed and is expected to be implemented this coming year which will assist in the first objective evaluation of the program, nationally. Each project provides for an internal evaluation, usually taking the form of satisfaction surveys of clients and counselors. Annual reports from projects indicate this approach to individual problem solving is expeditious and consequential for future client welfare also.

INNOVATION AND EXPANSION PROGRAM

FEDERAL FUNDS - $12,775,000

The Rehabilitation Act authorizes grants to States to pay 90 percent of the cost of projects that will plan, prepare for and initiate special programs to expand vocational rehabilitation services to the most severely disabled individuals.
including those severely disabled individuals who have unusual or difficult problems in connection with their rehabilitation. Particular emphasis is placed on the disabled poor who require multiple agency involvement in their treatment, education and rehabilitation. The Innovation and Expansion Program (I & E) furnished the State rehabilitation agencies with the unique opportunity to develop and devise creative approaches and methods which deliver prompt and effective services to those persons who are severely disabled, yet able to become employable.

For Fiscal Year 1980, Congress made $12.775 million available to the States for these special projects. Approximately $1.3 million was contributed by State VR agencies and participating non-profit agencies and organizations to match the sum made available by Congress, making a total of $19.8 million spent on such projects in Fiscal Year 1980. All I & E projects were approved by State agencies, with technical review by RSA Regional Offices. Funds are allotted to States based on a formula in the Act.

The majority of the 220 projects active in FY 80 were funded for three years and the average annual grant award was $43,000. Although many projects are developed and administered by State rehabilitation agencies, the majority of projects are sponsored by rehabilitation facilities and other kinds of community agencies. All projects are encouraged to cultivate sources of support which will enable the activities carried out under the project to be continued after I & E support is concluded.

Each I & E project must have an evaluation component to measure the impact and outcome of project services. Project goals are monitored by State agencies and RSA Regional Office staff with assistance from RSA Central Office to determine progress made toward achieving established objectives.

As permissible by law and Federal regulations, the Commissioner of RSA has established priority project goals for up to 50 percent of each State's allotment. Two program priorities have been established which must be addressed by I & E projects within the States. States are required to develop projects which address: (1) improvement of services to effect optimal client placement and/or (2) improvement of methods for referrals, client processing and evaluation of rehabilitation potential.

The National Rehabilitation Information at Catholic University in Washington, D.C. receives a copy of final project reports and makes such information available on request. This is part of a continuing effort to utilize the results of innovative projects that have national implications.

REHABILITATION TRAINING

FEDERAL FUNDS - $28,500,000

Rehabilitation training grants are authorized by the Rehabilitation Act of 1973, as amended, to ensure that skilled workers are available to provide the broad scope of vocational rehabilitation services needed by severely handicapped people served by vocational rehabilitation agencies and rehabilitation facilities.

Under Section 304(a) of the Act, grants may be made to, and contracts may be made with, States and public or non-profit agencies and organizations, including institutions of higher education, to pay part of the costs of projects for training, traineeships and related activities.
Areas of Training

Grants awarded under the rehabilitation training program include:

1. Long-term training in the broad range of established rehabilitation professional fields identified in the Rehabilitation Act, including rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychiatry, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, rehabilitation facility administration, prosthetics and orthotics, therapeutic recreation, vocational evaluation and work adjustment, rehabilitation job placement and job development, specialized training in providing services to the blind, the deaf and the mentally ill and training in other fields contributing to the rehabilitation of severely handicapped people;

2. Special training projects of an experimental or innovative nature which are designed either to train new types of rehabilitation manpower or to demonstrate innovative training techniques;

3. Short-term training workshops, seminars, institutes or other short courses in areas of special priority to the State/Federal vocational rehabilitation services program;

4. Continuing education programs to upgrade the skills of rehabilitation workers employed in both public and voluntary rehabilitation agencies; and

5. In-service training for State vocational rehabilitation agency personnel.

Section 304(d) of the Rehabilitation Act, in addition, authorizes a special program for the training of interpreters for the deaf.

Training Grant Support in FY 1980

An estimated breakdown of rehabilitation training grant support for FY 1979 and 1980 is provided in the Table. Also shown in this table are the estimated number of projects and number of trainees.
<table>
<thead>
<tr>
<th>Category</th>
<th>FY 1979</th>
<th>FY 1980</th>
<th>(Est.) Number of Projects</th>
<th>(Est.) Number of Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Funds</td>
<td>Total Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Thousand)</td>
<td>(Thousand)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LONG-TERM TRAINING IN ESTABLISHED</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>REHABILITATION DISCIPLINES</td>
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<tr>
<td>Rehabilitation Counseling</td>
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<td>$6,262</td>
<td>80</td>
<td>1,000</td>
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<tr>
<td>Rehabilitation of the Blind</td>
<td>868</td>
<td>855</td>
<td>10</td>
<td>100</td>
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<tr>
<td>Rehabilitation of the Deaf</td>
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<tr>
<td>Rehabilitation Facility Admin.</td>
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<td>1,614</td>
<td>13</td>
<td>625</td>
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<tr>
<td>Vocational Evaluation</td>
<td>902</td>
<td>883</td>
<td>10</td>
<td>225</td>
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<td>Univergraduate Education for Rehabilitation Services</td>
<td>878</td>
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<td>Rehabilitation Medicine</td>
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<td>Occupational Therapy</td>
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<td>Physical Therapy</td>
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<td>Prosthetics-Orthotics</td>
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<td>Speech Pathology and Audiology</td>
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<td>1,312</td>
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<tr>
<td>Other</td>
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<td>1,590</td>
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<td><strong>Sub-Total</strong></td>
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<td>$19,284</td>
<td>335</td>
<td>3,130</td>
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<tr>
<td><strong>EXPERIMENTAL &amp; INNOVATIVE TRAINING</strong></td>
<td>$1,622</td>
<td>$1,317</td>
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<td>125</td>
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<td><strong>STAFF DEVELOPMENT &amp; TRAINING FOR</strong></td>
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<tr>
<td>EMPLOYED REHABILITATION WORKERS</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Rehabilitation Continuing Education Programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$3,171</td>
<td>$3,017</td>
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<td>State VR Agency In-Service Training</td>
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<td><strong>Total Long-Term Training</strong></td>
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<td>Short-Term Training</td>
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<td>RESEARCH FELLOWSHIPS</td>
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<td>30</td>
<td>2</td>
<td>2</td>
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<tr>
<td>INTERPRETERS FOR THE DEAF</td>
<td>--</td>
<td>900</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>$30,159</td>
<td>$28,456</td>
<td>466</td>
<td>16,157</td>
</tr>
</tbody>
</table>

1/ Academic year funding split between two fiscal years.

2/ Includes participants not receiving direct traineeship assistance.
Emphasis of Long-Term Training Programs

In FY 1980, emphasis continued to be placed on ensuring that all projects reflected a substantial focus on preparation of personnel for the provision of rehabilitation services to severely handicapped persons and a special relevance to the mission of the State-Federal rehabilitation service program.

Training projects in the field of rehabilitation counseling, for example, not only continued to emphasize service to the most severely disabled individuals but also focused on improving the preparation of counselors for assuming professional responsibility for the job placement of clients as well as developing skills in the areas of job analysis and job development. In addition, training content in the field of rehabilitation counseling, as well as in the other rehabilitation professions, was widened to include independent living rehabilitation concepts and skills.

Job demands for skilled rehabilitation specialists continued to expand in 1980. Training grant funding continued to concentrate in those areas of imbalance between manpower supply and demand. Noted to be especially pressing in 1980 were the manpower needs for physical medicine specialists identified in the Report of the Graduate Medical Education Advisory Committee to the Secretary of Health and Human Services.

Case management practices within State rehabilitation agencies were improved in 1980 because of the availability of extensive training in the Case Review Schedule developed by San Diego State University.

Finally, in response to the attention given the area of recreation services under the Rehabilitation, Comprehensive services and Developmental Disabilities Amendments of 1978, support of training in the field of therapeutic recreation was expanded in 1980.

Special Innovative Training

A number of special innovative training projects were also supported in 1980 and these projects will be pointing the way to new approaches for training rehabilitation workers. Among these Special Projects were the following:

- A project at the University of Wisconsin to train mobility specialists to provide mobility instruction to severely physically and mentally disabled persons with mobility problems.

- A project at the University of Maryland to train deaf persons as professional social workers who will be available for employment in rehabilitation programs serving deaf persons.

- A project at the University of Virginia for the training of rehabilitation engineering personnel.

- A project at Boston University for the training of rehabilitation counselors in industry based settings.

- A project at 916 Voc-Tech Institute in Minnesota for the development of special training materials for prosthetists and orthotists.
- A project at Memorial Hospital in Providence, Rhode Island for exposing family practitioners to the principles of rehabilitation medicine.

- A project at the University of Guam for the training of rehabilitation counselors uniquely qualified to meet rehabilitation service needs in Guam and the Pacific Islands.

- A project at the Navajo Community College to train Navajo persons to assume professional counselor responsibilities in serving handicapped American Indians; and

- A group of interrelated training projects at Franklin Institute and the University of Washington for training dentists and dental support personnel skilled in providing dental services to severely handicapped persons.

**State Vocational Rehabilitation Unit In-Service Training**

Training supported under the State vocational rehabilitation unit in-service training grant program focuses primarily on program areas essential to each agency's immediate operation including training to correct deficiencies identified in audits and other studies of the State program. Seventy-eight grants were awarded to State agencies in 1980 and training emphasis was on improved eligibility determination, the improved use of the Individualized Written Rehabilitation Program, placement of the severely handicapped and the improved provision of service to special populations such as deaf and mentally ill individuals.

**Rehabilitation Continuing Education Programs**

The Rehabilitation Continuing Education Programs train newly employed personnel in basic knowledge and skills and assist experienced personnel to upgrade skills and develop mastery of new developments in the field of rehabilitation. The Rehabilitation Continuing Education Programs also provide training for staff of private rehabilitation agencies and facilities. The training provided under this program focuses on meeting needs common to a multi-State geographic area. Fifteen grants were awarded in FY 1980 and training priorities were in the areas of supervision and administration, case management, and specialized service for individuals with certain severe disabilities.

The following Rehabilitation Continuing Education programs provided training in 1980:

- University of Arkansas
  - Arkansas Rehabilitation R&T Center
  - Fayetteville, Arkansas

- University of Northern Colorado
  - School of Special Education and Rehabilitation
  - Greeley, Colorado

- Assumption College
  - Institute for Social and Rehabilitation Services
  - Worcester, Massachusetts

- San Diego State University
  - Department of Counselor Program
  - San Diego, California

- University of Hawaii
  - Department of Educational Psychology Counseling and Guidance
  - Honolulu, Hawaii

- Multi-Resource Centers, Inc.
  - Minneapolis, Minnesota
Rehabilitation Short-Term Training

In FY 1980, the rehabilitation short-term training program was again administered under a General Plan which identified priorities for short-term training of both national and regional scope.

Among the short-term programs of national scope awarded grants in FY 1979 were:

- A project to be conducted by the American Coalition of Citizens With Disabilities concerned with: (1) the coordination of vocational rehabilitation, vocational education and special education services; and (2) the development of coordinated policy and programming for the delivery of vocational rehabilitation services to school aged handicapped individuals.

- A project to be conducted by Access, Inc. concerned with improving services for Hispanic clients of State vocational rehabilitation agencies through increased understanding of Hispanic attitudes and values which impact on rehabilitation services.

- A project to be conducted by the University of Wisconsin concerned with problems relating to transportation, accessibility and generic mobility training of severely handicapped individuals especially as these problems affect independent living.

- A project to be conducted by the Institute for Information Studies concerned with training in basic management skills in areas such as financial management, personnel practices, and organization structure, for administrators of newly established Centers for Independent Living.
A project to be conducted by the Texas Institute for Rehabilitation and Research designed to adapt the Cornell simulation training methodology to the area of independent living program management.

A project to be conducted by San Diego State University concerned with improving the capacity of the State/Federal vocational rehabilitation service program for working with individuals with specific learning disabilities.

A project to be conducted by the University of Maryland concerned with State agency rehabilitation facility specialist training in State facility plan development, evaluation of facility performance, vocational rehabilitation agency role in development of community living centers, and the role and responsibility of community facilities in affirmative action.

A project to be conducted by the Arizona Association of Rehabilitation Facilities concerned with improving professional practice skills in serving the multiple handicapped minority deaf populations, particularly the rural deaf population.

**Training Interpreters for the Deaf**

A special new program for the training of interpreters for the deaf was initiated in 1980. Although authorized under the Rehabilitation Act of 1973, this program is not intended to focus only on the vocational rehabilitation needs of deaf persons but is instead intended to train interpreters who can assist deaf persons in health, education, employment and other social service settings. Ten projects were funded in 1980 providing a combination of on-campus academic programs and in-service outreach training activities. The following educational institutions are conducting training under this program:

- University of Arizona
  Tucson, Arizona

- Community College of Denver
  Westminster, Colorado

- Delgado College
  New Orleans, Louisiana

- Johnson County Community College
  Overland Park, Kansas

- Ohlone College
  Fremont, California

- St. Paul Technical Vocational Institute
  St. Paul, Minnesota

- Seattle Central Community College
  Seattle, Washington

- University of South Florida
  Tampa, Florida

- University of Tennessee
  Knoxville, Tennessee

- University of Wisconsin-Milwaukee
  Milwaukee, Wisconsin
The legal basis for program evaluation can be found in two sections of the Rehabilitation Act of 1973 and subsequent strengthening amendments. The particular citations for evaluation are: Section 14 and Section 101 (a)(15). The first reference is an authorization for the Federal government to measure and evaluate the impact of all programs under the Act including "their general effectiveness in achieving stated goals, and their effectiveness in relation to their cost ..." The latter section references program evaluation for State vocational rehabilitation agencies by requiring State plans to include "continuing State-wide studies of the needs of handicapped people and how these needs may be most effectively met ..."

In the past, the focus for the assessment of program effectiveness and efficiency included program administrative review (PAR) types of projects. These field assessments do not require a high level of scientific rigor as needed in evaluative research projects. Thus, findings on program changes are more susceptible to question and challenge. A feature of PARs is that they are conducted by a Federal staff and not carried out through a non-Federal grantee or contractor. Because Federal staff conduct PARs, those charged to administer the programs under review are able to participate in the assessment, thereby gaining first hand knowledge not directly applied when the program evaluation is done by non-Federal personnel. The weakness is that the manager is also the evaluator. Some PARs included: The Individualized Written Rehabilitation Program; Similar Benefits and Economic Need; and Post Employment Services.

Concurrent with the emphasis on PARs, evaluation projects were undertaken to assess discretionary components of programs supported under the Act. Some of the discretionary programs and projects evaluated include: Evaluations of RSA's Long-term and Short-term Training Programs, Facility Improvement Grants Program, Client Assistance Program, Projects with Industry and evaluations of the Rehabilitation Engineering Centers Program and the Research and Training Centers Program.

As evaluations were developed during the period FY 74-76, the agency discovered that information necessary for evaluation was not adequate in areas where it was available and that in some areas such as facilities and physical restoration services where large sums of money were being spent, information was virtually non-existent so that the types of assessment planned could not be conducted. In order to rectify this situation, RSA began to design certain management information systems, having carefully planned capacity for evaluation, in 1976. Discretionary evaluation, principally the kind done prior to this time, had the main limitation of being primarily one time assessments and retrospective in nature. With information systems designed for that purpose, among others, the agency can conduct continuous evaluations, provide management quick and sound analyses on program performance, allow for program comparison over time, and equally important, facilitate the conducting of practically any type of evaluation desired. In the near future, this will include simulations, for example, of the effect of proposed policy changes.

The Client Assistance Program Assessment produced the first evaluation information system in 1978. Other program areas in which information systems are being developed include long term training, services for the blind, services for the deaf, financial management, and the program standards for vocational rehabilitation. A general management information system covering all RSA supported projects and programs is underway and will incorporate inputs from all of the above areas. The RSA MIS is scheduled to be completed in FY 81. Evaluation leadership from RSA is directing the States in their development of similar systems which provide enhanced management and evalu-
tion capacity. To accomplish this, RSA is sponsoring the development of model management/evaluation information systems in six State departments of vocational rehabilitation. (Pennsylvania, Delaware, Michigan, Oregon, Virginia and Mississippi visual agencies.) These six model systems are tied to RSA's system developmental efforts in that they are field testing the Evaluation standards for the formula grant program and project authorities and facilities reporting system. The data and the procedures for gathering it will, therefore, be fully evaluated and validity and reliability of reports established before RSA initiates the new MIS on a nationwide basis.

Program evaluation standards were developed shortly after passage of the Rehabilitation Act of 1973. Due to the mandate then to establish standards quickly, there was not sufficient time to test them adequately before putting them into operation. Over time, these standards proved to be, in certain dimensions or because of inadequate coverage, less than optimal techniques for measuring program performance. For the last four years, the initial standards were under refinement while being used by State vocational rehabilitation agencies. While these earlier program measures are still in use, RSA has been designing a totally new and comprehensive set of program standards to be field tested in the model State evaluation units with the goal of national implementation of these new standards in 1983 with the MIS.

Based upon 1976 statistics, State departments of vocational rehabilitation annually expend nearly 31 percent of the Section 110 funds in the purchase of case services from facilities without having an adequate system for monitoring the quality and quantity of services requisitioned. In partnership with the National Association of Rehabilitation Facilities, RSA has developed and has been pretesting in the model state evaluation units, a facilities reporting system and relevant training materials associated with system implementation. Once the system is implemented, up to 3000 facilities will be involved, thus providing the States with far greater capacity to direct their program of services with facilities and to utilize the many resources available.

INDEPENDENT LIVING REHABILITATION

FEDERAL FUNDS - $15,000,000

Independent Living Rehabilitation Services Authority

The 1978 Amendments to the Rehabilitation Act of 1973 included under Title VII the authority to provide comprehensive services for independent living designed to meet the current and future needs of individuals whose disabilities are so severe that they do not presently have the potential for employment, but may benefit from rehabilitation services which will enable them to live and function independently.

Title VII is divided into three parts. Part A authorizes a formula grant program to parallel the ongoing vocational rehabilitation program under an approved State plan for independent living. In July 1979, State vocational rehabilitation agencies were issued an interim State plan preprint and instructions for its submittal. Although Part A of Title VII has not been funded, in order for a State vocational rehabilitation agency to participate in Part B of Title VII, a State plan must be submitted and approved.
Part B provides for a project grant program under which the Commissioner may make grants to the State vocational rehabilitation agency for "the establishment and operation of independent living centers" which will provide a wide range of services to severely handicapped individuals.

Part C of Title VII authorizes a grant program under which the Commissioner may make grants to the State vocational rehabilitation agency to provide independent living services to older blind individuals.

Of these three parts, only Part B has been funded thus far. During Fiscal Year 1980, $15 million were appropriated.

Independent Living Rehabilitation (ILR) is a program to provide services to severely handicapped individuals with the non-vocational goal of being more fully functioning members of society, e.g. living independent of institutions. ILR services may also be appropriate for those with vocational potential where problems of daily living are preventing full realization of this potential. These services are also appropriate for older disabled persons beyond the usual working age.

The essence of the independent living outcome is increased control over one's life based on the minimization of reliance on others, including institutions, in making decisions and in performing everyday activities. The concept is broad, but its focus is on the individual. Whether individuals perform particular activities themselves or rely on the assistance of others may have little to do with the control they exercise over their own lives. One example is independence in dressing oneself. Some individuals perceive this activity as an important example of the ability to live independently, whereas others view the extra time and energy spent dressing themselves as time which could be spent more profitably at work. It should be noted that independent living is not dependent upon particular programs that foster functional independence. Instead, it is based upon the individual's ability to choose and achieve a desired lifestyle and to function freely in society.

State readiness for Independent Living

Seventy-six of 83 designated State units 1/ submitted a Part A State plan as a prerequisite to receiving a Part B grant. In order to develop an "approvable" State plan, the State has had to initiate several activities: form a consumer advisory activity; proceed with assessment of service needs of severely handicapped individuals; obtain approval from the Governor's office, and others.

Financial resources are also being developed in States to support Independent Living of the applications approved in 1980 for a Federal award of approximately $15,000,000, States contributed an additional $1,387,632, although no match is required.

From 105 applications submitted for funding in FY 1980, plus ten continuation applications from projects funded in FY 1979, RSA now has in place 59 projects. Many of these grantees are contracting with one or more local organizations to actually establish and operate the centers. This brings the total number of centers supported in whole or part by RSA to 120.

1/ Some States have two State units: one to serve blind individuals, and one to serve all others. Hence, the total number of State agencies exceeds the number of States (as defined).
Regional Conferences

In February, 1980, RSA conducted five Independent Living regional meetings (Philadelphia, Atlanta, Houston, San Francisco and Seattle). The two day meetings were pre-application briefings providing guidance to the State agencies and other eligible public and private grantees intending to submit applications by June, 1980.

National Conference on Independent Living

In the spring of 1980, RSA conducted a national meeting in Washington on Independent Living. Participants invited included the directors of the ten original Independent Living Centers funded in 1979, and the ten regional Independent Living Specialists who are responsible for the major provision of technical assistance and monitoring. A broad range of problems concerning implementation surfaced, and were discussed in addition to specific technical assistance needs.

COMPREHENSIVE REHABILITATION CENTERS

FEDERAL FUNDS - $2,000,000

The 1978 Amendments to the Rehabilitation Act of 1973 established a new Section 305 "Comprehensive Rehabilitation Centers providing for the creation of focal points in communities for the development and delivery of services for handicapped persons." The concept of a comprehensive rehabilitation center in Section 305 is a flexible one and can be a combination or variety of facilities which the community determines will best achieve the results of enabling handicapped persons to receive needed services from all resources available.

Grants are awarded to State vocational rehabilitation agencies. A State agency that has been awarded a grant under this program may award a subgrant to a unit of general purpose local government or any other public or nonprofit private agency or organization or to a group of agencies or organizations in the community or enter into contracts with agencies or organizations to carry out the purpose of Section 305 of the Act.

During 1980, ten awards were made to State vocational rehabilitation agencies in nine regions of the country and averaged $200,000 each. There is considerable variation in the models and the degree to which the State agencies have contracted with private nonprofit agencies to perform the basic functions of the centers. Principal services provided are (1) technical assistance on all aspects of the Rehabilitation Act with emphasis on Section 504, (2) the maintenance of rosters of special support personnel such as interpreters for the deaf, readers for the blind, attendants and legal aid and advocacy personnel and the coordination of referrals of these personnel, (3) information and referral services, (4) counseling, (5) recreation, (6) health, education, social and placement services.

As a coordinating agency within the community, the Center's role is to work for the creation of maximum services without unnecessary overlap and duplication.
The National Institute of Handicapped Research (NIHR) was established to support research and its utilization to improve the lives of people of all ages with physical and mental handicaps, especially the severely disabled.

The mission of the Institute includes the establishment of a comprehensive and coordinated approach to the development of a rehabilitation research program; that program includes support for the training of persons in both the research and service fields. The Institute's mission also encompasses efforts to facilitate the distribution of information concerning developments in rehabilitation procedures, methods and devices to rehabilitation professionals and handicapped persons. NIHR seeks to improve the development and distribution of technological devices and equipment for handicapped individuals, and to increase the scientific and technological information presently available in the field of rehabilitation.

The Institute's mission is accomplished through:

- identifying and eliminating causes and consequences of disability;
- maximizing the health, physical and emotional status of handicapped persons, their functional ability, self-sufficiency, self-development and personal autonomy;
- preventing or minimizing personal and family, physical, mental, social, educational, vocational and economic effects of disability;
- reducing and eliminating physical, social, educational, vocational and environmental barriers to permit access to services.

NIHR was mandated by legislation enacted in November, 1978: The Rehabilitation Comprehensive Services, and Developmental Disabilities Amendments of 1978 (P.L. 95-602). In June 1979 personnel from the research component of the Rehabilitation Services Administration of the Department of Health, Education and Welfare were transferred into the Institute. Today the Institute is a part of the Department of Education and is organizationally located in the Office of Special Education and Rehabilitative Services.

The Institute's first Director, Margaret J. Giannini, M.D., was sworn in at a White House ceremony on March 11, 1980. NIHR's budget was $31.5 million in fiscal year 1980. The Institute is staffed by 40 professional and clerical employees in Washington, D.C. Integral to the Institute's activities also is a network of Research and Training Centers located at leading U.S. universities, and Rehabilitation Engineering Centers in the United States and abroad.

NIHR FUNDING

The total appropriation for NIHR activities in FY 1980 was $31,500,000 distributed as follows:
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<th></th>
<th>1979</th>
<th>1980</th>
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<tr>
<td>Rehabilitation Engineering Centers</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$31,500,000</strong></td>
<td><strong>$31,500,000</strong></td>
</tr>
</tbody>
</table>

**LONG-RANGE PLAN**

The legislation establishing NIHR required the Institute to submit to Congress a Long-Range Plan for Rehabilitation Research. The plan was to identify research to be conducted, determine funding priorities for areas of research, describe new research initiatives recommended in the Act, and specify appropriate goals and timetables for Institute activities.

In order to develop a plan complying with the legislation and also to facilitate the Institute's role in interagency cooperation and coordination, a planning process soliciting input from a range of sources was used.

In response to the mandates of the new legislation, the long-range plan addresses new population groups and areas of concern specified in the Act. These new initiatives include research on the rehabilitation needs of elderly persons and projects on disability in infants and children. The needs of the rehabilitation service system for research and information on learning disabilities has led to the inclusion of projects in this area for the first time.

Other new thrusts, as legislated, include a system for the distribution of technological devices, demographic studies, participatory planning, the Interagency Committee on Handicapped Research, telecommunications, rural rehabilitation professionals, captioned video cassettes, and model training centers on employment potential.

The plan, which projects program activities and priorities for the next five years, subject to modifications, was reviewed by the National Council on the Handicapped was January 16, 1981, submitted to the Secretary of Education and sent to Congress.

**INTERAGENCY COOPERATION**

**Background**

As mandated by the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978 (P.L. 95-602), the National Institute of Handicapped Research will be required to work cooperatively with appropriate Federal agencies
to maximize existing rehabilitation research capacities to meet the personal and service delivery needs of handicapped individuals.

To insure that this cooperation function is carried out, an Interagency Committee on Handicapped Research (ICHR) was incorporated into the legislation creating the National Institute of Handicapped Research with the primary mission of identifying, assessing and coordinating Federal programs, projects, plans and other activities dealing with rehabilitation research. An additional responsibility of ICHR is to recommend rehabilitation research policies, objectives and priorities for participating Federal agencies, such as the Rehabilitation Services Administration, the Veterans Administration, the National Institutes of Health, the National Aeronautics and Space Administration, the Department of Labor, the Department of Transportation and the Department of Education. The Interagency Committee must meet on a quarterly basis and is chaired by the Director of the National Institute of Handicapped Research.

Summary of Activities

During the past year, two meetings of the Interagency Committee were held to establish the operating framework for the Committee, and to develop a series of objectives and action steps for carrying out the functions of ICHR. Under consideration are four major areas of interagency coordination, and they include:

1. development of a collaborative research information exchange system;
2. sharing of interagency resources to clinically evaluate the development of assistive devices and equipment;
3. joint funding of mutually beneficial research activities; and,
4. recommending to the President and Congress rehabilitation research objectives and priorities for all Federal programs relating to the conduct of research on the rehabilitation of handicapped individuals.

REHABILITATION RESEARCH AND TRAINING CENTERS

FEDERAL FUNDS - $15,825,000

The Rehabilitation Act authorizes the establishment and support of Rehabilitation Research and Training (R&T) Centers for the purpose of providing coordinated and advanced programs of research and training in rehabilitation. From an initial appropriation of one million dollars in 1962 to establish the first two medical rehabilitation Research and Training Centers at New York University and at the University of Minnesota, the program has expanded through the years to twenty-one Research and Training Centers. Two additional Centers, one in mental illness (at Boston University) and one in blindness (at the University of North Carolina) were established in FY 79. Annually, the Centers conduct over 400 research projects and 600 training programs for over 60,000 trainees from some 26 different rehabilitation and health related disciplines. Grants to the individual Centers range from $300,000 to $1,500,000.
R&T Mission

The R&T Centers undertake research that will improve rehabilitation methodology and service delivery systems, alleviate or stabilize handicapping conditions and promote maximum social and economic independence. They conduct related teaching and training programs to disseminate and promote the utilization of the research findings, thereby reducing the delay between the discovery of new knowledge and its wide application in practice. Additional training responsibilities include: (a) increasing the number of rehabilitation personnel in fields where acute manpower shortages exist; (b) training rehabilitation research and service personnel; (c) incorporating rehabilitation education into all rehabilitation related University undergraduate and graduate curricula and (d) improving the skills of rehabilitation students, professionals, paraprofessionals, volunteers, consumers, parents and other personnel currently participating in the rehabilitation process. These objectives are achieved through short and long-term in-service and continuing education programs including seminars, workshops, courses of study, conferences and demonstrations - all for the ultimate purpose of improving the effectiveness of the national rehabilitation program.

Special Features of the R&T Center Program

The special features of the Research and Training Center program are its conceptual design and breadth of its activities:

1. The Centers are integrated or affiliated with leading universities and service programs. The placement of the Centers within universities provides ready access to other professionals and physical resources located in the host university. By coordinating research, sharing staff, equipment and other resources of the university, each Center can augment its own capabilities.

2. The geographic decentralization of the Research and Training Center program has resulted in the distribution of the Centers (and consequently, staff, expertise, facilities and equipment) to nine of the ten HHS regions in the country. In addition, through the Regional Advisory Councils of the respective Centers, the needs and interests of regional rehabilitation professionals and consumers become known to the Centers.

3. The major Research and Training Center activities - research, training and service - are expected to be mutually supportive. Specifically, this synergistic concept calls for research findings to be disseminated through training and for new professionals to be attracted to research and service through training.

4. The concept of programmatic research, one of the hallmarks of the Research and Training Centers, requires that each Center identify a limited set of specific core areas which constitute the focus of its research effort.

5. By coordinating staff, equipment, facilities and funds with programs and agencies that administer or provide direct services, the Research and Training Centers can increase their capabilities to undertake research and training which would otherwise be beyond reach.
EXAMPLES OF R&T CENTER CORE AREAS

A. Medical Rehabilitation Research and Training Centers

1. University of Minnesota Medical Rehabilitation R & T Center

   a. Spinal Cord Injury. Research has been designed to attack problems of neurogenic renal and vesical dysfunctions of the spinal cord injured. The psychological, social and vocational adjustment of the spinal cord injured is also studied, including community integration.

   b. Cardiac Rehabilitation. Studies concentrate on cardiac, pulmonary and vascular requirements for activities of normal performance and adaptations to the requirements of normal living following pathological changes. Though various aspects of cardiac diseases are considered in the research, many deal with the development and use of the Minnesota Impedance Cardiograph, a non-invasive method for evaluation of cardiac output.

2. University of Washington Medical R & T Center

   a. Bioengineering. Research in Biophysics is studying the bioeffects of non-ionizing radiation (electromagnetic, high frequency current acoustic wave propagation, radiant and conductive heat) resulting in improved designs of therapeutic applications in the various modalities for safer and more effective use. In addition, a biomechanics research effort involves detailed theoretical and the actual study of lower extremity biomechanics and more precise fitting of orthotics to patient needs. Analyses of commercially available and experimental orthoses continues to be made.

   b. Neurophysiology. The core area is directed to the medical rehabilitation management of neurologic disorders. Research is focused on ideopathic neuropathies, parkinsonism, peripheral nerve injuries and improved clinical techniques. Diseases such as shoulder girdle neuritis, transverse myelitis, gullain-barre syndrome, etc. also are investigated.

   c. Muscle Physiology. Focus is upon both diseased and normal muscles and how to maximize the positive functions of both and how to minimize the secondary disability resulting from impaired muscle control. Mechanisms of muscle contracture and management of spasticity are also research concerns.

3. New York University Medical Rehabilitation R & T Center

   a. Neuromuscular Disease. Two phenomena are researched: acquired or hereditary myopathies or neuropathies. Projects are aimed at clarifying measurement of deviations from the normal in myotonic dystrophy, arresting bone resorption resulting in myositis ossificans in the spinal cord injured, relating deranged sympathetic activity in this population with hypercalcemia, fractures, hypertension and decubitus ulcers and utilizing biomedical computer applications to provide better diagnostic techniques and myoelectric concepts as well as biofeedback to improve levels of function in this population.
b. Behavioral Science. This area focuses on demonstrating the benefits of early identifications of psychosocial problems and early intervention toward rehabilitation of cancer patients. The second deals with the diagnosis and remediation of cognitive and perceptual deficits in the brain damaged population. In addition, projects concerned with the speech pathologies in this population are included as well.

4. University of Alabama Medical Rehabilitation R & T Center

a. Spinal Cord Injury. Research studies address therapeutic agents, various treatment modalities and basic research questions, each intended to fill voids in knowledge gaps in rehabilitation of the spinal cord injured. The effects of disodium etidronate on ectopic calcification and acute osteoporosis is being studied. Other projects focus on long-term urinary sterilization: source of urinary tract infection, voiding patterns to better evaluate treatment methods, temperature factors in maintaining euthermia, pain in spinal cord injury and long-term follow-up of patients who become catheter free.

b. Assessment of Long-Term Needs of the Severely Physically Handicapped. Activities are designed to develop definitive information essential to the development of strategies to prevent the occurrence of costly interruptions to successful rehabilitation. Research focuses on the extent to which exposure to rehabilitation medicine experience influences physician practice; methods for overcoming disincentives to the rehabilitation of SSI and SSDI beneficiaries and cost-effectiveness of home health team activities.

5. George Washington Medical Rehabilitation R & T Center

a. Psychosocial. Research is directed toward the development of instruments/methodologies for identifying psychosocial variables which affect brain damage either from trauma or from cerebral vascular accidents.

b. Performance Capability. Research is directed toward identification and quantification of neurologic variables which affect learning behavior and efforts of peripheral nerve injury in end-stage renal disease of a person's performance capability and employment.

6. University of Colorado Medical Rehabilitation R & T Center

Cardiopulmonary. The research deals with major physiologic problems in cardiopulmonary rehabilitation with balance studies which empirically test the therapies already known and their consequences on the psychosocial and functional areas. Additionally, new tools to expand the ability to determine what is happening and why, in cardiopulmonary rehabilitation, are being developed.

7. Emory University Medical Rehabilitation R & T Center

a. Biofeedback Systems. A major research focus is on the evaluation of neurophysiologic and neuropathologic behavior and the evaluation and application of biofeedback systems to the rehabilitation of the neuromuscular skeletal disabled person.

b. Societal Influences on Disability. Research in determining the effect of societal influences on neuromuscular skeletal disorders and the modification of these influences to reduce disability is also a core area under investigation.
8. **Tufts University Medical Rehabilitation R & T Center**

a. **Consumer Involvement in Rehabilitation.** The focus is on research to assist disabled individuals in society in understanding and meeting the needs of disabled individuals through consumer participation. There are two basic research goals. One is to explore the role of the consumers themselves as a force in advancing the effectiveness of the rehabilitation systems and the second goal is to explore methods of consumer organizations in the planning, delivery and evaluation of medical, vocational, environmental and independent living rehabilitation services.

b. **Biomedical Engineering.** Research is directed toward design of human communication systems for non-verbal individuals and low-cost vacuum forming techniques to produce quality plastic bracing.

9. **Northwestern University Medical R & T Center**

a. **Spinal Cord Injury Rehabilitation.** These multidisciplinary research projects are directed towards (1) prevention of urinary tract infection by evaluating dynamic defense mechanisms of the bladder against infection (method by which patient can determine sterility of own urine) and development and evaluation of devices which facilitate prevention and/or management (RTC-WU Catheter Kit); electrical activity of human bladders to determine bladder function; natural history of deep-vein thrombosis in spinal cord injured and idiopathic acolisis.

b. **Studies in Neuromuscular Dysfunction.** Research is focused upon studying the morphological and histo-chemical changes in the human muscle spindle in spasticity to improve the accuracy of muscle diseases diagnosis and the role of neurotransmitter in spasticity genesis to understand the genesis of spasticity.

10. **Baylor College of Medicine Medical R & T Center**

a. **Spinal Cord Injury.** Information needs associated with the comprehensive rehabilitation of spinal cord injured persons continue to be the principle focus of the center's research program. The current research activities are directed toward: analyzing disturbances in calcium and collagen metabolism with respect to urinary tract stone formation and proneness to develop skin ulcers; developing improved neurophysiological treatment techniques to reduce spasticity and restore voluntary control of movements; innovations in the surgical correction of the unstable; developing a model surveillance system for the pharmacological management of spinal cord injured patients; establishing a systematic data base needed to provide more effective vocational rehabilitation services for quadriplegic clients and systematic description of the vocational readjustment process following severe spinal cord injury.

b. **Independent Living for Severely Handicapped Individuals.** Demonstrating the effectiveness of cooperative living arrangements in the community, developing and assessing the effectiveness of a traditional living program aimed at helping clients acquire the skills necessary to use educational or vocational opportunities and to maintain active social participation.

B. **Vocational Rehabilitation Research and Training Centers**

1. **University of West Virginia Vocational R & T Centers**
a. **Program Evaluation.** Research is concerned with the development and testing of techniques for assessing national rehabilitation program performance to provide a context for self-evaluation.

b. **Programmatic Barriers to Vocational Rehabilitation.** This research area deals with the identification of program barriers to the achievement of program goals. The class of barriers are those that are presented by the very programs whose intent is to serve the disabled, e.g. interaction among two programs - SSI and SSDI and financial disincentives to rehabilitation, etc.

2. **University of Arkansas Vocational Rehabilitation R & T Center**

a. **Rehabilitation Counseling.** Research is designed to lead toward the development and/or discovery of knowledge and skills which will result in greater effectiveness of rehabilitation counselors with clients who demonstrate psychosocial and vocational problems.

b. **Psychosocial Treatment Strategies.** Research focuses on the diagnosis of problem behaviors, implementation of psychosocial treatment programs and evaluation of these programs' effectiveness of progress on behavior modification.

3. **University of Wisconsin-Stout Vocational Rehabilitation R & T Center**

**Vocational Assessment.** Research attempts to determine the utility of vocational evaluation and other related assessment services in facilitating the rehabilitation process.

C. **Deafness Rehabilitation R & T Centers**

1. **University of California, Langley Porter Institute, Deafness Rehabilitation R & T Centers**

Research focuses on the psychology of deaf persons in work adjustment, motivation and performance.

2. **New York University Deafness Rehabilitation R & T Center**

Research is focused on the improvement of delivery of services to deaf clients.

D. **Mental Retardation Rehabilitation R & T Centers**

1. **University of Wisconsin Mental Retardation R & T Center**

a. **Rehabilitation of Families at Risk for Mental Retardation.** Research concentrates on comprehensive family rehabilitation which has as its main objective the developmental aspects of retardation with the essential objective of normalizing family units in a variety of community settings that have been, to date, unapproachable utilizing traditional rehabilitation practices. This approach continues to attempt to demonstrate new rehabilitation techniques which will provide a systematic point of intervention in ongoing community service delivery systems.

b. **Rehabilitation of the Adolescent and Young Adult Retarded Person with Severe Behavior Deficit.** Research is concerned with the rehabilitation process
of adolescent and young adult retarded and severely disabled persons with behavioral deficits which can serve as impediments to their effective vocational and/or social adjustment process. This approach referred clients for evaluation purposes from active rehabilitation facilities programs. The identification of more precise rehabilitation techniques and procedures for this population is the primary objective of this research and clinical service program.

c. Development of Community Alternatives for Severely Disabled Mentally Retarded Clients. Research is investigating community alternatives with severely disabled retarded persons. In the absence of adequate community services for the mentally retarded who have been relocated in a variety of community settings, these investigations involving a variety of research techniques are attempting to isolate the needs of these types of persons for habilitation or rehabilitation services.

2. University of Oregon Mental Retardation R & T Center

a. Program Related Assessment. Research is targeted toward the development of client assessment strategies as well as specific instruments that measure the behavior of mentally retarded adults that are critical determinants of their potential for community adjustment.

b. Professional Growth and Development. Research is aimed at improving the understanding of the major roles and functional demands of supervisory and management personnel in rehabilitation agencies, e.g., Staff development specialists, rehabilitation educators and first-line supervisors of rehabilitation counselors.

3. Texas Tech University R & T Center

a. Work Potential of the Retarded is under investigation and includes those persons not traditionally eligible for vocational rehabilitation services because of the severity of their disabilities.

b. Counseling the Mentally Retarded and Improving Service Delivery. Crucial to this core area is the role of the counselor in habilitating mentally retarded clients. It includes research which evaluated rehabilitation programs towards improving service delivery.

c. Deinstitutionalization and Community Adjustment of the Retarded. Studies are exploring key variables associated with successful community attitudes and community-based residential facilities.

E. Rehabilitation Research and Training Center in Mental Illness

Boston University R & T Center in Mental Illness.

Psychological, social and vocational problems of persons with severe and/or persistent functional impairments resulting from mental illness are being investigated.
INFORMATION SYSTEM

The National Institute of Handicapped Research has established a Research and Training Center Information System to keep all segments of the rehabilitation community abreast of the latest advances in research and training. This system consists of:

1. **The Informer**, a quarterly newsletter describing research training and other activities of the Research and Training Centers.

2. An annual **Directory of Research** conducted by the Research and Training Centers.

3. A **Training Directory** published annually and describing the Centers' training activities.

4. A **Bibliography of Research and Training Centers' Publications**.

5. An **Audiovisual Aid Directory**.

REHABILITATION ENGINEERING PROGRAM

**FEDERAL FUNDS - $7,675,000**

The original five Rehabilitation Engineering Centers (REC) were established within the United States in 1972 through funding under the Rehabilitation Services Administration's research program. In subsequent years, the number of Centers has grown to twelve in the United States and three in other countries. Each Center is an integral part of a closely knit network devoted to improving the quality of life of handicapped people through research, training and service in Rehabilitation Engineering.

**Mission and Organization of the Centers**

The Rehabilitation Engineering Centers have, as their purpose, the development of innovative methods of applying advances in medical technology, scientific achievement and psychological and social knowledge. These programs are designed to produce new scientific knowledge, equipment, devices and combination systems which are suitable for solving problems encountered in the rehabilitation of handicapped people.

Each of the Centers is required to establish official working relationships with institutions of higher education in the field of medicine, engineering and related sciences. Each assists in the development of manpower and training programs through which the techniques, hardware and systems developed can be introduced safely into the service delivery systems.

Duplication of effort is avoided through the strong emphasis on intercenter coordination. Accordingly, the Centers are closely supervised and guided by a select Coordinating Commission which regularly reviews the progress of all projects in each Center. One of the important initial recommendations made by the Commission was that each Center be required to concentrate its research effort on a substantial
introduction of engineering and related sciences' expertise. As a result, each Center has developed an approved "core" area of research emphasizing a particular area of scientific strength and interest and reflecting the needs of the major patient populations of the Center. The following is a listing of each Rehabilitation Center funded during FY 1980 along with its "core" area of research and some brief highlights of progress.

1. **Case Western Reserve University REC in Ohio.**

Research in the core area of functional electrical stimulation has resulted in the development of the techniques and the hardware to control hand function in the high level spinal cord injury patient. These techniques promise to be a viable approach for restoration of upper extremity function in the neurologically disabled.

Muscle function during tendon transfer has been studied, and this has resulted in the only known in vivo characterization of certain physiologic properties of human muscle. The parameters characterized (excursion and length-tension relationships) are important surgically, and we have developed means to use this information to perform more optimal tendon transfers. The technique also provides the surgeon with a visual means of assessing the function of the transfer, once completed. This technique is applicable to all tendon transfer procedures, and will have widespread future applicability.

2. **Rancho Los Amigos REC in California.**

Neuromuscular Engineering is a core area at this .. er. The most noteworthy progress in Neuromuscular Engineering relates to the successful transition of Rehabilitation Engineering technology to near commercial production and distribution. In one noteworthy example they are using electrical stimulation of the knee and hip muscles during the stance phase of gait training of marginally ambulatory patients. The technique has allowed ambulation at a level not possible, without stimulation. In addition to serving as a functional device, the stimulator increases normal therapy effectiveness and provides a training effect in itself by strengthening muscles and facilitating patient response through sensory feedback.

In another area the application of lateral surface cyclic electrical stimulation to the treatment of idiopathic scoliosis continues to show exceptionally promising results. Follow-up results of over 50 patients at Rancho and 12 in Sweden confirm that in selected cases the progression of scoliosis curvature is stopped, while in other cases it is reduced. The device responsible is the ScoliTron manufactured by MedGeneral of Minneapolis, Minnesota. This unit is based on Rancho R.E.C. research and development and is the subject of a joint pending patent application.

3. **University of Michigan REC.**

The focus of research of this Center is on assistance to persons with driving disabilities. Such assistance ranges from remediation or education that will enable the person to drive a standard vehicle equipped with suitable options to the drastic modification of the design of a personal vehicle to make it compatible for the driver who stays in his wheelchair.
The wheelchair and occupant restraint system launched in the summer of 1979 is progressing well and has already begun to identify design factors essential for protection against impact loading. Recent tests of the restraint system developed by Creative Controls, Inc. indicate that it provides adequate restraint for both the occupant and the passenger.

The development of a simulator to study driving performance and identify factors for remediation or training is progressing well and will have excellent utility when the investigation is completed.

4. University of Virginia REC

One core area is Wheelchair Mobility and the objectives of this program are to develop an understanding of the fundamental aspects of wheelchair parameters and to test both commercial and prototype models and innovations. Information gathered from the studies will be used as the basis for design concepts leading to eventual manufacturing. The characteristics of wheelchairs and their wheels on various surfaces are also being studied. Working models of different chassis configurations are built and tested in an attempt to improve both performance and control. Preliminary studies suggest advantages in lever propulsion systems; and a new approach to a lever drive, retaining the control ease of hand rims, has been designed.

A similar approach is being investigated in powered wheelchairs.

Another core area focuses on spinal cord monitoring and structural stability.

A third core area of this Center collects and provides information to clients and professionals about commercially available equipment, and includes more than 10,000 items for disabled persons. In addition, vital information is also disseminated through reports, publications, conferences and seminars.

5. Texas Institute for Rehabilitation and Research Baylor College REC

This Center has three core areas of research and they address problems encountered during the entire rehabilitation process - from early post-injury stabilization to independent living as productive citizens in the community.

The effects of Pressure on Human Tissue is one of the core areas for the research studies conducted in the Texas Rehabilitation Engineering Center. These studies cover a broad spectrum ranging from fundamental studies aimed at increasing our understanding of blood and lymph flows and the metabolism of collagen to applied studies aimed at improving tissue pressure management in the vocational setting and developing information on how long a wheelchair cushion maintains its effectiveness.

Another area of investigation involves the development of new materials for use in implants. Activity in this emphasis area consists of a study being conducted at the Texas A&M University College of Veterinary Medicine. The objective of this study is to develop new materials that have improved biocompatibility with both calcified tissue and soft tissue. While this activity area is currently separate from the primary core area, it is expected that the long-term research results in this area will directly relate to tissue pressure management by providing alternate methods of suspending severely handicapped individuals who have either significant contractures or severe soft tissue atrophy and cannot be maintained effectively on available support surfaces.
Research utilization is also an important component of the Center's programs. This
includes activities in the effects of pressure on tissue include service delivery
to hospital clients. Also, the group working with the Texas Institute for Rehabili-
tation Research and is actively involved with local industry, providing expertise in
remodeling and equipping work stations so that severely disabled persons can be
effectively employed.

6. Northwestern University REC in Illinois

Considerable scientific and engineering effort is being expended to improve the
materials, designs and techniques of hip, knee and other joint implants at the
Rehabilitation Engineering Center at Northwestern University. The University
effort is divided into four main areas: (1) a study of current successes and
failures of implants with emphasis on the knee protheses; (2) the design and
development of devices and techniques to solve identified problems; (3) the
identification of material problems and their possible solutions and (4) a study
of joint function, with special emphasis on the supporting structures that con-
tribute to stability or instability.

Major progress in FY 1980 includes the following:

a. Release of the Anterior Cruciate Retaining Knee Component by the F.D.A. This
new tibial component of a total knee prosthesis was the result of several years
of laboratory effort. Its commercial production, the development of improved
surgical insertion techniques for it and its satisfactory clinical performance
have been gratifying developments.

b. Commercial introduction of a new environmental control system developed over
the past eighteen months. Called Micro DEC, for microcomputer-based distributed
environmental control and marketed by Medical Equipment Distributors, the unit
is the first of a new wave of environmental control systems that are (1) wireless
between the controller and the user and between the controller and the peripheral
devices, (2) microcomputer-based and user programmable and (3) simple to install
and relatively inexpensive. Two hundred of the units have been produced and pre-
liminary field experience has been positive. They expect this device to complement
the wheelchair control system developed at Northwestern about three years ago.
Over a thousand of those units have been produced for disabled persons and a similar
acceptance of the Micro DEC is expected over the next several years. Mobility and
environmental control can go a long way toward making a physically disabled person
more independent.

c. Completion of several devices for activities of daily living. An aid to in-
dependent eating, a mouthstick system, a lapboard for reclining wheelchair, a four-
book rotating reading stand, and a reclining mechanism for "low-back" wheelchairs
were completed and evaluated during the past year in cooperation with the Occupa-
tional Therapy Department of the Rehabilitation Institute of Chicago. Development
of commercial prototypes is underway and commercial availability will be a reality
during the coming year.

7. Harvard- Massachusetts Institute of Technology (MIT) - REC

A major core area has been neuromuscular control using sensory feedback systems.
This Center also has a long-standing record of concern for and contribution to
communication disorders. It has achieved significant scientific accomplishments
and some of these for FY 1980 are listed as follows:
a. Development of a new spinal orthosis, which has been widely adopted throughout the world and is revolutionizing the management of scoliosis.

b. Development of a short leg orthosis for the management of genu recurvatum, which is a very common orthopaedic deformity. Currently, this short leg orthosis is replacing less effective, more expensive and cumbersome methods of dealing with this debilitating condition.

c. Development of a simple, light-weight EMG threshold "beeper" device, which provides sensory feedback to improve effectiveness of therapy for lower-extremity gait disability. Favorable local research evaluation of this device must be followed by critical evaluation by impartial therapists. The device was featured in a biofeedback seminar in PM&R at Russell Sage College.

d. Development of a universal communication system (UNICOM) which provides control by severely impaired non-vocal persons by automatically accommodating to a wide range of interface devices. Clinical evaluation has created a demand which should accelerate technology transfer.

e. Have successfully completed development of an innovative muscle fatigue monitor which quantifies the tolerance of handicapped patients to various therapeutic regimes. U.S. patents have been issued. A clinical research trial to evaluate its strengths and/or weaknesses, which includes external evaluations, is underway prior to final technology transfer.

Cooperation with industry and transfer technology is also noteworthy in the development of a telephone switchboard for blind operators. These are being evaluated and two model field evaluation switchboards at Little Rock have proven that blind operators are at least competitive with sighted operators when provided with this technological augmentation.

RESEARCH AND DEMONSTRATION

FEDERAL FUNDS - $4,900,000

The Research Program of the NIHR is primarily a program directed toward discovering new knowledge and overcoming the information gaps significant to the rehabilitation of severely disabled people. NIHR supports a broad spectrum of research projects including areas such as rehabilitation planning, independent living, consumer advocacy, rehabilitation engineering, employment opportunities, job maintenance and the removal of barriers.

Psycho-Social Research

The Regional Rehabilitation Research Institute (RRRI) at George Washington University has addressed the issue of removal or reduction of attitudinal, legal, and recreational barriers which prevent the disabled from achieving equal opportunity to all life activities. A significant public affairs pamphlet entitled "The Invisible Battle: Attitudes Toward Disability," has been widely disseminated. A major publication entitled, "Focus on Research: Recreation for Disabled Individuals," was completed and disseminated during 1980.
The Postgraduate Center for Mental Health in New York City is finalizing the evaluation of a psychosocial support system model designed to help maintain jobs for ex-mentally ill clients placed by State VR agencies. This project stresses post-employment services for those having difficulty holding a job.

The Human Resources Center, Albertson, New York continues its activities entitled "Programmatic Research on Employment Preparation for the Handicapped (PREP)." The major thrust is employment preparation for severely disabled individuals.

The American Coalition of Citizens with Disabilities in Washington, D. C. is finalizing its project concerned with assessing the degree of effectiveness of counselor and advocate representation in policy planning on the national level.

The Amalgamated Clothing and Textile Workers Union located in New York City has published a prototype plan for the role of labor unions in an affirmative action program. The publication is entitled, "Affirmative Action for the Disabled: A How To Manual for Labor Unions."

The Regional Rehabilitation Research Institute (RRRI) at the University of Michigan continues the development of a service to provide instruments and methodologies for program evaluation personnel in State Vocational Rehabilitation agencies.

The University of Georgia at Athens is demonstrating a management control system for rehabilitation program management.

Arkansas Division of Rehabilitation Services, Little Rock is completing a "weighted case closure" system as a management tool.

The Urban Institute, Washington, D. C. is completing its study on "Forecasting Manpower Needs in the Rehabilitation Industry." This study will have impact on policy related to manpower needs particularly related to rehabilitation service delivery.

Sensory Disabilities Research

A study has been completed by Indices Inc., Falls Church, Virginia concerned with job placement activities for partially sighted persons. Selected "new" job opportunities have been investigated and procedural materials developed for dissemination.

The Center for Partially Sighted (CPS), Santa Monica, California is completing a multi-year project related to various approaches for assisting partially sighted persons in all aspects of rehabilitation. In addition, studies involve evaluation of assistive devices which enhance the rehabilitation of partially sighted individuals. Innovative approaches to such rehabilitation have been tested and evaluated.

Medical Research

Now completing the eighth and final year, the National Exercise and Heart Disease Project is a collaborative, multi-center study which has determined the effect of exercise on males, age 30-64, who have suffered myocardial infarctions. This study has evaluated the benefits of exercise for improved work capacity, cardiovascular adaptation, psychosocial and vocational adjustment, mortality and morbidity rates and occurrence of complications. Findings of the study were prepared for a
National Conference in early fall 1980. Scientific monographs and clinical handbooks are also in preparation to effectively disseminate useful results to the medical and allied health fields.

Spinal cord injury clinical research continued to focus upon the prevention and treatment of costly, debilitating complications which militate against rehabilitation success and independence. Definitive baseline studies continue in urinary tract management, mass reflex spasm and spasticity, life threatening respiration complications and psychological-community adjustment following hospital discharge. It is anticipated that significant new medical rehabilitation knowledge will continue to be generated. Studies in the rehabilitation of end-stage renal disease patients continue to focus upon their medical, psychological and vocational adjustment toward improved independence and productivity. Ongoing research is addressing the prevention of medical complications, the dynamics of psychological adjustment after onset of renal disease and criteria for prediction of successful rehabilitation.

Priority also continues to be placed upon the rehabilitation of head trauma victims and persons who have suffered severe burns. Research in these areas is emphasizing the generation of new knowledge in the clinical course of the disability, the rehabilitation problems and needs of burn and head trauma patients and suggested innovative approaches to meet the comprehensive service delivery needs of these populations. Head trauma projects continue at the New York University Medical Center and Santa Clara Valley Medical Center-Langley Porter Neuropsychiatric Institute. Burn research is ongoing at the prestigious Shriners Burn Institute, Galveston, Texas and the National Institute for Burn Medicine, University of Michigan, Ann Arbor.

In FY 1980, new research was initiated on the rehabilitation of multiple sclerosis patients. This new priority will provide a focus for the identification of specific problems in rehabilitation of M.S. patients and multi-speciality approaches to resolution of clinical medical, psychological, and social needs.

Fourteen Model Spinal Cord Injury Systems are being coordinated and managed. The model system concept, based upon previous research findings and clinical rehabilitation experience, is demonstrating a new and effective service delivery system taking patients from onset through extensive rehabilitation and to community follow-up. The focus of this effort is on the generation of definitive knowledge leading to the establishment of a nationwide network of spinal cord injury treatment and rehabilitation centers. A National Spinal Cord Injury Systems Conference was held in April 1978 involving more than two hundred participants representing eighty institutions. This conference provided the first definitive results on the Model Systems program, including: rehabilitation outcomes, cost effectiveness and systems analysis of care. Additional analysis of the National Data Base will soon be available so that interested institutions can plan and develop specific service delivery programs that have proven effectiveness and hospital cost containment. (The Model Systems are authorized under Section 311 of the Rehabilitation Act, as amended, and were funded at a level of $4.5 million in Fiscal Year 1980).

RESEARCH UTILIZATION (RU)

FEDERAL FUNDS - $3,000,000

60
Goals

Production of Research and Demonstration (R&D) knowledge for use in service programs is stressed throughout the legislation authorizing NIHR, as it was in prior VR legislation. Accordingly, a strong emphasis on utilization has continued during the past year. Grantees are encouraged and helped to submit final R&D reports that will, in themselves, promote utilization. An effective network of information services has been formed in the following ways: Linking of research with users - by conferences, joint user-researcher planning of research, use of expert RU consultants and of Research Utilization Laboratories - has continued. Utilization of engineering and assistive devices is being given increased attention. Expert packaging of R&D results and careful dissemination to targeted users, has been vigorously pursued. Promotion of the international use of R&D results and other knowledge has also been included as an essential goal. Finally, evaluation of all utilization activities is a continuing goal.

RU Project Highlights

The National Rehabilitation Information Center (NARIC) has continued its objective of serving all sectors of the rehabilitation community, including policymakers in Washington. It has completed over 200 subject searches, reached over 300,000 users directly in FY 80 (cf. to 100,000 in 79) and provided many materials of use in formulating NIHR's Long-Range Plan. Requests for information grew from 10 per day in FY 79 to 40 in '80. NARIC prepared a Thesaurus and a Subject Catalog, which will be published early in FY 81.

The Emerging Issues Project developed and disseminated five excellent publications, four of them for disabled persons themselves and their families. "Packaging" and dissemination of R&D results from exemplary projects continued via the Rehab Briefs, with each of the 12 Briefs going to 30,000 users. The Materials Development Center in Wisconsin developed and disseminated numerous useful documents on work evaluation, work adjustment, and VR facility management.

Three Research Utilization Laboratories functioned as organizational links between research and practice, one specifically focused on identifying and solving real rehabilitation engineering type problems of clients.

International efforts in utilization were carried out by five projects whose work included exchange of experts, preparation of state-of-the-art papers of international import, emphasis on domestic use of R&D results from abroad, and a special University Center to collect and disseminate international VR information.

INTERNATIONAL RESEARCH AND OTHER INTERNATIONAL ACTIVITIES

FEDERAL FUNDS - $100,000

One new international research and demonstration project was initiated in 1980 under the Special Foreign Currency Program (P.L. 480). This new project was approved in Bombay, India, and entitled "Rehabilitation of Cancer Patients and Their Families in a Rural Setting." Fifteen on-going projects were continued...
from six to twelve months without additional funding while sixteen other research and demonstration proposals were under consideration for approval within six countries including: Egypt, Pakistan, India, Poland, Yugoslavia and Guinea.

Twenty-five projects were completed and final reports were submitted to NIHR on twenty other projects during the year. Copies of all these reports have been presented with all other final reports to the National Rehabilitation Information Center (NARIC), located at Catholic University in Washington, D.C., and are now listed with pertinent details in an International Bibliography. An updated Annotated Listing of all 250 international research and demonstration projects has also been prepared by NIHR, and is now available upon request.

At the close of the year there were thirty-five active projects being conducted in nine countries. Excess foreign currency is now available in only five countries; namely, India, Pakistan, Burma, Egypt and Guinea.

Ten projects were funded under the authority of Section 204(b)(5) of the Rehabilitation Act. They were entitled:

- International Perspectives on the Economic Aspects of Disability -- Rehabilitation International USA (RIUSA)
- University Centers for International Rehabilitation - MSU -- Michigan State University
- International Information and Dissemination and Visitors Service -- Rehabilitation International USA (RIUSA)
- International Exchange of Information -- (World Rehabilitation Fund)
- Partners Rehabilitation Education Program (PREP) -- National Association of the Partners of the Alliance
- Inter-Relationships Built on Common Concerns for the Rehabilitation of Handicapped People (Africa) -- (People-to-People Committee)
- Lessons from P.L. 480 Program -- An International Seminar Held on the Twentieth Anniversary of This Special Foreign Currency Program
- Encouragement in the Private Sector for the Cooperation and Coordination of Non-Governmental Agencies for the International Year of Disabled Persons (U.S. Council for IYDP - 1981)
- Rehabilitation Engineering Center in Ljubljana, Yugoslavia

Site visits for monitoring programs and international exchange were funded under P.L. 86-610 and 204(b)(5) of the Rehabilitation Act for thirty-five international scientists and American consultants. Approximately 200 international guests were assisted with their programs and schedules while in Washington, D. C. and in other cities throughout the U.S.
The third consecutive Japanese Study Group of nineteen national leaders from the field of industry and business visited five cities (New York; Washington, D.C.; New Haven, Connecticut; Wichita, Kansas; and Los Angeles, California.

They met with employers as well as local, State and Federal government officials and representatives from Mayors' Committees and the President's Committee on Employment of the Handicapped, as well as a number of handicapped individuals in different work situations. Their main concern was to observe how the United States places those with handicapping conditions into employment. This Japanese Study Group extended formal invitations to a comparable U.S. business group, through the NIHR, to visit Japanese industries and businesses in 1981.

Several seminars and conferences also were held during the year including the all Egyptian Conference on Research Utilization held in Cairo, Egypt and the Seminar on Blindness held in Tunis, Tunisia in August, 1980. Discussions were also held relative to exchange teams with other countries including: Sweden, China and a number of Latin American countries during the IYDP - 1981.

During the year staff members from the NIHR were very active in working with the State Department and the U.S. delegation to the United Nations Advisory Committee for IYDP-81. This activity also called for active participation in preparing position papers, as well as briefing sessions for meetings held in New York City, Vienna, Austria, Bangkok, Thailand, and Washington, D.C. Other activities included chairing an international committee for the Inter-agency Committee for IYDP; initiating an International Calendar for IYDP; and sponsoring seminars and meetings to inaugurate the IYDP-81.

As a prelude to the International Year, the Fifth Annual Mary E. Switzer Memorial Seminar (done in conjunction with the National Rehabilitation Association and World Rehabilitation Fund) featured an international theme directed to the International Aspects of Rehabilitation of Disabled Persons with five significant papers presented, entitled:

1. Full Integration of Disabled Persons in Their Society.
2. Institutions for Disability Prevention and Rehabilitation.
5. Information Dissemination in Rehabilitation.

Twenty-two participants were awarded certificates as Mary E. Switzer Fellows, including three from the NIHR.

In joint planning with the World Rehabilitation Fund for the 20th Anniversary Seminar of the P.L. 480 Program to be held in the Spring, 1981, invitations were extended to international participants from fourteen Special Foreign Currency countries. All of the invitees have been involved directly with the cooperative
rehabilitation research program in these countries. This Seminar will provide an opportunity for both representatives from these developing countries, as well as the United States consultants in this program, to evaluate and assess the outcomes of this foreign currency program and make recommendations for future planning.
ADVOCACY AND COORDINATION

The Office of Advocacy and Coordination and the Division of Advocacy and Constituent Relations were forced to assume a low key posture in 1980 due to severe staffing constraints. Personnel in these units were needed to assume other priority activities in the Agency and were detailed to such activities as the International Year of Disabled Persons, Program Operations, Budget and Financial Operations, and special projects.

Activities did occur, however, in the areas of Interagency Liaison and the Deafness and Communicative Disorders as indicated below.

INTERAGENCY LIAISON

Cooperative linkages and relationships between rehabilitation agencies and other public and voluntary organizations are critical to efficiency, economy, and integrated quality services for handicapped people. Handicapped people have equal rights of access to all generic public services and benefits. Interagency agreements strive toward greater achievements of these rights to marshal similar benefits to augment limited rehabilitation while at the same time benefiting consumers through more coordinated and comprehensive services.

Activities in Fiscal Year 1980

During this period the Rehabilitation Services Administration became a component of the newly created Department of Education.

Efforts were undertaken to determine how this organizational change would impact on our working relationships from the standpoint of agencies within the Education Department, as well as those remaining in the former Department of Health, Education and Welfare.

In addition to these activities, which required substantial effort, RSA continued to monitor present agreements to assure activities agreed to were carried out, as well as negotiating new agreements with several public and voluntary organizations.

Present Cooperative Agreements

- Department of Labor, Job Corps
- National Multiple Sclerosis Society
- Veterans Administration
- Department of Labor, Targeted Job Tax Credit Program
- Social Security Administration
- National Institute of Mental Health
- Special Education, Vocational Education
- Department of Labor, CETA Prime Sponsor Programs

Activities on Behalf of Present Cooperative Agreements:

- Department of Labor, Job Corps
A series of meetings were held with Job Corps representatives which resulted in the establishing of technical assistance by vocational rehabilitation to facilitate the accommodation and training of handicapped persons in Job Corps Centers.

National Multiple Sclerosis Society (NMSS)

The RSA/NMSS Task Force met, and developed strategies for implementing mutual service delivery to persons disabled by Multiple Sclerosis in 1981.

Department of Labor, Targeted Job Tax Credit Program

RSA provided its regional offices and the State Directors of Vocational Rehabilitation with on-going information and encouragement for utilization of this DOL program, which enables employers of certain target groups, including persons determined to be handicapped by State VR agencies, to be eligible for a tax credit.

National Institute of Mental Health

RSA and NIMH representatives met and planned for a national workshop to be held in early 1981 to focus on ways to facilitate collaborative programming among local vocational rehabilitation agencies and community mental health centers.

Department of Labor, CETA Prime Sponsor Programs

RSA issued comprehensive guidelines to its regional offices and the State Directors of Vocational Rehabilitation aimed at increasing enrollment of disabled persons and cooperative programming with local CETA prime sponsor programs.

New Cooperative Agreements Initiated in Fiscal Year 1980:

American Heart Association (AHA)

A revised cooperative agreement was negotiated with the American Heart Association, which includes the National Institute of Handicapped Research. This agreement is expected to be signed in the Spring of 1981.

Migratory Education Program, Department of Education

Meetings were held with representatives of the Migratory Education Program to explore the possibility of a cooperative agreement between RSA and the Migratory Education Program, to assure that migratory agricultural workers, who are eligible for services, receive appropriate assistance from vocational rehabilitation in an uninterrupted fashion, as this population moves from state to state.

United Cerebral Palsy Association, Inc. (UCPA)

A draft cooperative agreement was negotiated with UCPA and is expected to be signed early in 1981.
DEAFNESS AND COMMUNICATIVE DISORDERS

Overview

In Fiscal Year 1980, it is estimated that 19,000 individuals with communicative disabilities were rehabilitated. Deaf people accounted for 7,500 of that total, 9,600 were hard of hearing and 1,900 had speech or language impairments. Their eligibility for vocational rehabilitation services was determined by the State vocational rehabilitation agencies which also provided the actual services. Fiscal Year 1980 found almost all of the State agencies staffed with a special coordinator to develop and supervise the State program for deaf and hearing impaired people. The coordinators work closely with vocational rehabilitation counselors serving the three populations. Approximately 550 deafness rehabilitation specialists are employed by the State agencies. General vocational rehabilitation counselors who may be assisted by hired interpreters serve the majority of deaf and severely hearing impaired rehabilitation clients. Some States now employ full-time interpreters. A national shortage of trained interpreters hampers the provision of vocational rehabilitation service to deaf people as it does other public and private services to this group. An interpreter training program authorized in the Rehabilitation, Comprehensive Services and Developmental Disabilities Amendments of 1978 is now in operation. It promises to increase substantially the national supply of trained interpreters. A specialist in deafness and communicative disorders at each RSA Regional Office works with the State agencies and Central Office personnel in improving and expanding vocational rehabilitation services to deaf and other communicatively disabled individuals. Telecommunications devices providing direct telephone access for deaf people are standard equipment at Regional Offices, at the State agencies and at Central Office. Codes used by the State agencies to make determinations on hearing impairment in vocational rehabilitation clients are undergoing needed revision. The new codes are expected to make classification of deaf and hard of hearing individuals more accurate and provide a better base for the planning of their personal rehabilitation programs.

Special Projects for Severely Handicapped Deaf Individuals

In 1980, approximately 500 severely handicapped deaf persons were served at six special projects funded under the Section 311 authorization in the Rehabilitation Amendments of 1978. The projects provide a complex of personal adjustment, vocational preparation, placement and other services that are not available elsewhere to this special population. Unserved or grossly underserved in the past, the project clients are aided in acquiring skills assuring them of improved opportunities to achieve their personal potential. Varying from one site to another in methodology and design, the special projects share a common objective in demonstrating the rehabilitative capacity of severely handicapped deaf individuals when appropriate services are provided.

Model State Plan for Vocational Rehabilitation of Deaf Clients

A second revision of the Model State Plan for Vocational Rehabilitation of Deaf Clients prepared in 1980 underscores the importance and usefulness of the guide to the State agencies. First distributed in 1974, the Model State Plan has done much to stimulate rehabilitation program development for deaf and hard of hearing people.
Typically, the ranks of vocational rehabilitation counselor specialists to deaf people have expanded as the State agencies have hired additional numbers at they have been able. More general rehabilitation counselors are receiving training preparing them to work with deaf clients. As advised in the Model State Plan, State agencies, as they are able, are establishing State advisory councils on the vocational rehabilitation of deaf people, are forming links with other agencies serving or in a position to serve deaf and hard of hearing people, are promoting facility development, community development and facilitating the use of interpreters.

Response to the Model State Plan advisement on hiring deaf people as rehabilitation aides and counselors is seeing an increasing number of them in influential positions. Their presence and that of deaf consumers in advisory capacity are helping to develop stronger ties between the deaf community and vocational rehabilitation, benefiting both.

Television broadcasts in sign language supported by some State agencies are providing timely information to deaf consumers on employment and training opportunities and on available community services.

Mode of Communication for Deaf People

Section 101 of the 1978 Rehabilitation Amendments implicates mode of communication as it relates to deaf rehabilitation clients in provisions required in State Plans. A beginning was made in 1980 on the development of standards for the States whereby they might assure the availability of agency personnel capable of communicating with deaf clients.

Deafness and Rubella

An important start was made in 1980 to assess the program needs of the approximate 12,000 individuals who were born deaf or deaf-blind as the result of the 1963-65 rubella epidemic. Factural information on the rubella deaf and deaf-blind population has been compiled as a first step in planning adult services, including rehabilitation services, for the thousands who will need them beginning in the early 1980's.

Interpreting Services for the Deaf

A document, Interpreter Services for Deaf Clients: A Guide for Rehabilitation Personnel, developed in 1980 as an Institute of Rehabilitation Issues project may be expected to increase and improve the use of interpreters as a rehabilitation case service. Adapted to the in-service training needs of general rehabilitation counselors and others, the guide meets an important resource need.

THE INTERNATIONAL YEAR OF DISABLED PERSONS (IYDP)

FEDERAL INTERAGENCY COMMITTEE

The 31st regular session of the United Nations General Assembly adopted resolution (31/123) proclaiming calendar year 1981 as the International Year of Disabled People.
Persons. Its purpose: to obtain support from member nations for full participation of the world's 450 million disabled persons in the social and economic life of the communities in which they live. The resolution invited all member states and organizations concerned to give attention to the establishment of measures and programs to implement the objectives of the year.

The objectives are as follows:

- To help disabled persons in their physical and psychological adjustment to society;
- To promote all national and international efforts, to provide disabled persons with proper assistance, training, care and guidance, to make available opportunities for suitable work and to insure their full integration in society;
- To encourage study and research projects designed to facilitate the practical participation of disabled persons in daily life, for example, by improving their access to public buildings and transportation systems;
- To educate and inform the public of the rights of disabled persons to participate in and contribute to various aspects of economic, social and political life;
- To promote effective measures for the prevention of disability and for the rehabilitation of disabled persons.

Recognizing that the effective United States participation in IYDP must involve a wide range of U.S. departments, agencies and commissions, as well as private organizations and groups, the Federal Interagency Committee was formed, under the direction of the White House. Its role has been to insure the proper coordination of the U.S. observance for the Year.

The Federal Interagency Committee is led by co-chairpersons from the Department of State, Department of Education, and Department of Health and Human Services. Over 30 departments, agencies, commissions, and the U.S. Mission to the U.N. are represented on the committee.

The Federal Secretariat with Harold O'Flaherty, Executive Director is charged with the management and coordination of all Federal IYDP efforts and the provision of all support and liaison services related to this. The Secretariat has developed a four point strategy to accomplish the following goals:

1. Federal Agencies' documentation of plans
2. Federal Government Awareness of IYDP
3. Public Outreach
4. International Information Exchange

Agencies and departments on the Federal Interagency Committee have formed Intra-agency committees on IYDP whose charge is to develop and submit plans for IYDP. These in turn will be synthesized by the Federal Secretariat into one plan for the United States observance.
Subcommittees have been formed to address subject areas vital to the attainment of the IYDP objectives. They are Policy analysis and Consumer Participation, Media, Special Activities, and International Affairs. Each subcommittee will perform or serve as the focus for the performance of each of the functions--and will report back to the full committee at each of its meetings, regarding the status and/or accomplishments for each related task.

The Federal Interagency Committee works closely with the U.S. Council for IYDP. They are the catalyst in celebrating and commemorating the private sector's observance of the Year. The U.S. Council's Community Partnership Program has stimulated over 1300 communities in developing IYDP groups across the U.S. Mr. Alan Reich serves as the U.S. Council's president.

OFFICE OF INFORMATION AND RESOURCES FOR THE HANDICAPPED (OIRH)

The Office for Handicapped Individuals has been renamed the Office of Information and Resources for the Handicapped after its transfer to the Department of Education as specified in the 1978 amendments to the 1973 Rehabilitation Act.

The Office of Information and Resources for the Handicapped is mandated by law to operate an Information Clearinghouse and to play a role in the interpreters' training program.

Activities

The Office of Information and Resources operates a Clearinghouse on the Handicapped. During fiscal year 1980 the Clearinghouse responded to 2,752 telephone inquiries, wrote 1,734 answers to inquiries and distributed 72,985 publications. The publication program of the Clearinghouse serves all other information providers serving the handicapped. Major areas of emphasis are information on Federal funding, Federal legislation, Federal programs and identification of information resources. In 1980 the field was provided with updates of Federal Assistance for Programs Serving the Handicapped, Selected Federal Publications Concerning the Handicapped, Resource Guide for Architectural Barriers Removal, Resource Guide: Recreation and Leisure for Handicapped Individuals. Two editions of the popular Pocket Guide to Federal Help for the Disabled Person were printed and distributed. The Guide was translated into Spanish and sent to numerous organizations serving the Spanish speaking population.

A new Resource Guide was developed for Rehabilitation Engineering and Product Information. All Federal laws on the books which affect the handicapped populations were summarized and annotated in A Summary of Existing Legislation Relating to the Handicapped. The 1976 edition of the Directory of National Information Sources on Handicapping Conditions and Related Services underwent a total revision and was expanded in the section on information/data banks. It is now being put on computer and will be made available to potential on-line users through the Bibliographic Retrieval System, a major vendor of data bases.

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The Clearinghouse acquired a computer terminal and is now able to tap into on-line data bases. This new capability has been used to explore the holdings of these data bases in specific subject areas such as attitudes towards the handicapped or mental retardation. Results of these explorations are published in Programs for the Handicapped to educate the field about information resources.

The Clearinghouse provided technical assistance to other Federal offices planning information services in the handicapped field, notably the National Institute on Handicapped Research, the Office of Special Education and the Developmental Disabilities Administration.

In the private sector the Clearinghouse provided consultation for a proposed library setup and for the President's Committee on Employment of the Handicapped, and the Center for Independent Living in Berkeley, CA. The National Center for a Barrier Free Environment received staff training and continued technical assistance through participation in its technical advisory group.

The Clearinghouse gave a workshop on information at the International Conference on Rehabilitation Engineering in Toronto, Canada and a presentation on information on handicapping condition and related services at the 1980 World Congress of Rehabilitation International in Winnipeg, Canada.

A meeting on "Information and Referral (I&R) for Handicapped Individuals" was hosted by the Clearinghouse in September in Washington. Representatives of the I&R leadership across the country were invited to provide a state of the art review and to make recommendations to the Office of Special Education and Rehabilitative Services what it could do to enhance the flow of information.

Programs for the Handicapped (PFH), now in its 13th year serves as a tool to inform the country about Federal activities which affect handicapped individuals.

The Office for Information and Resources engaged in preparation for the interpreters training program which culminated in a meeting in Tucson, Arizona on "Interpreter Research, Targets for the Eighties."

PRESIDENT'S COMMITTEE ON MENTAL RETARDATION

The President's Committee on Mental Retardation has 21 citizen members. They have been very active during the past year in numerous activities. The Annual Report to the President, Mental Retardation, Prevention Strategies that Work, pointed out the fact that mental retardation is America's number one health problem, affecting six million children and adults. The report indicated that in many cases mental retardation is preventable. The Committee has embarked on numerous studies primarily featuring strategies known to be successful in preventing biomedical and environmental causes of this condition.

Throughout the course of the year, the Committee conducted numerous meetings and conferences. Studies were undertaken in the areas of legal rights, comprehensive community planning, abuse and neglect, and prevention. The Committee is now preparing an annual report which will examine the social and economic factors of developing comprehensive community services.
The Committee is working with numerous organizations and agencies and is preparing a policy paper on "Living Environments for the Mentally Retarded." A Vocational and Employment Conference is being planned, as is a conference on the Hispanic family and problems in mental retardation services to the mentally retarded and problems with non-verbal communications is another major undertaking. Throughout the year, the Committee has handled over 3,500 inquiries and have supplied information to local and state agencies on residential planning, deinstitutionalization, and health care financing.

NATIONAL COUNCIL ON THE HANDICAPPED

Established by the Rehabilitation Act of 1973, as amended by P.L. 95-602, the Comprehensive, Rehabilitation Services and Developmental Disabilities Amendments of 1978, the National Council is composed of fifteen members appointed by the President with the advice and consent of the Senate. Members are representative of handicapped individuals, national organizations concerned with the handicapped, providers and administrators of services to the handicapped, individuals engaged in conducting medical or scientific research relating to handicapped individuals, business concerns, and labor organizations. By law, at least five members of the Council must be disabled or parents of handicapped individuals.

The Council was created in response to a broad bipartisan demand for a coordinated approach to federal programs, policies, and activities concerning disabled persons. The Council has policy authority with respect to the National Institute of Handicapped Research (NIHR) and is charged with advising the Commissioner of the Rehabilitation Services Administration (RSA), and with reviewing on a continuing basis all Federal activities in order to assess and report on the effectiveness of Federal efforts in meeting the needs of handicapped individuals. The Council is authorized to appoint advisory committees and to hold hearings. The Council must meet at least four times per year.

P.L. 95-602 (which also created the National Institute of Handicapped Research, established major new program thrusts such as "Independent Living" and strengthened protections afforded handicapped individuals under Title V of the Rehabilitation Act) gives the Council the following specific duties under Title IV:

(1) establish general policies for and review the operation of, the National Institute of Handicapped Research;

(2) provide advice to the Commissioner with respect to the policies of and conduct of the Rehabilitation Services Administration;

(3) advise the Commissioner, the appropriate Assistant Secretary, and the Director of NIHR on development of programs to be carried out under the Rehabilitation Act, as amended;

(4) review and evaluate on a continuing basis all policies, programs and activities concerning handicapped individuals and persons with developmental disabilities conducted or assisted by Federal departments and agencies in order to assess their effectiveness in meeting needs;
(5) make recommendations to the Secretary, the Commissioner and the Director of NIHR respecting ways to improve research concerning handicapped individuals, and the methods of collecting and disseminating findings of such research and to make recommendations for facilitating the implementation of programs based upon such findings; and

(6) submit annually a report to the Secretary, the Congress and the President containing (a) a statement of the current status of research concerning the handicapped in the United States, (B) a review of the activities of RSA and NIHR, and (C) such recommendations concerning (A) and (B) as the Council considers appropriate.

Appointments made to the Council are for terms of three years, except that for the first appointments, five are to be for one year terms, five are for two year terms, and five are for three year terms. The Chairman is designated by the President at the time of appointment. Council members were confirmed by the Senate in September, 1979.

Since the Council did not hold its first sessions until FY 1981, activities and progress of this body will be reported in subsequent reports.
Background

The Selective Placement Programs Office within the Office of Personnel Management (OPM) has responsibility for providing technical assistance to Federal agencies in the overall management of their selective placement programs for handicapped applicants and employees, and for providing input into all aspects of OPM's general policy guidance to ensure that persons with disabilities are not affected adversely by changes in employment procedures or by new policies or regulations. This office also initiates legislation, as needed, to promote the placement, advancement, and retention of disabled employees or applicants.

OPM works closely with the Equal Employment Opportunity Commission (EEOC) and the Interagency Committee on Handicapped Employees (ICHE) to carry out, as appropriate, recommended changes in policies or procedures and to maintain effective coordination and positive working relationships on areas of mutual interest. In addition, OPM is a member of the Interagency Coordinating Council and consults with consumer organizations, State and local Governments, other OPM offices, and through an Interagency Advisory Group Subcommittee on Selective Placement (chaired by the Director, Selective Placement Programs Office), with other agencies.

The following events and activities occurred during FY 80 which had, or will have a significant impact on employment programs for handicapped persons within the Federal Government. A brief summary and discussion of each of these events follows:

Statistical Data

To assess program results and to identify employment trends, a new voluntary self-identification handicap status data collection system was established in 1977 as part of the Central Personnel Data File (CPDF). The CPDF contains demographic information about the Federal civilian work force. This permits a comparative statistical analysis of the status of handicapped employees with other worker characteristics of the Federal work force. Data describe employees in the Executive Branch of Government (excluding the U.S. Postal Service) working as of December 1978 and December 1979. This includes everyone who occupied a civilian position at the end of the report month.

Highlights of the findings are as follows:

- As of December 31, 1979, 134,026 nonpostal Federal employees reported a handicap. This represents a slight decrease of 4.2 percent of 5,915 employees from the previous year. However, the number of employees with severe disabilities as specified by the Equal Employment Opportunity Commission increased by 3.6 percent from 16,495 in 1978 to 17,092 in 1979. Of those employees who reported a handicap, 12.6 percent reported a severe disability.
- One-half of the handicapped work force reported either orthopedic impairments, hearing impairments, or heart disease.

- Four out of five handicapped employees work in eight Federal agencies: Veterans Administration, Army, Air Force, Navy, Health and Human Services, Agriculture, Treasury, and Interior. The Veterans Administration employs 20 percent of all handicapped workers in the Government.

- By occupational categories 13.9 percent of the handicapped employees were located in professional positions as compared to 16.9 percent of the non-handicapped work force; 17.6 percent of the handicapped employees were in administrative positions as compared to 18.7 percent nonhandicapped; and in technical jobs handicapped employees made up 19.1 percent whereas nonhandicapped persons held 16.2 percent of these jobs. Proportionately, there are more handicapped employees in blue collar (28.5 percent) occupations than nonhandicapped employees (20.5 percent).

- Statistics revealed that proportionately, males represent 62 percent of the overall work force, whereas females make up 38 percent of the total. In comparison, males represent 72 percent of the handicapped Federal work force, while 28 percent are female.

**Program Guidance**

The Selective Placement Programs Office issued a new publication, "Handbook of Reasonable Accommodation," in March 1980. This pamphlet, designed to be the first in a series, provides Federal agencies with general guidelines on how to apply the principles of reasonable accommodation for disabled applicants and employees within their own organization.

The Personnel Research and Development Center of OPM, in conjunction with SPP, published a "Guide for Administering Examination to Handicapped Individuals for Employment Purposes." This guide, designed primarily for use by OPM testing personnel, provides general information on how to administer written tests to persons with severe physical handicaps. Detailed instructions are given for use in testing persons with visual, hearing, or motor impairments.

**New Appointing Authority for Mentally Restored Persons**

On April 4, 1980, OPM issued FPM Letter 306-17, authorizing Federal agencies to use a new appointing authority, Schedule B, section 213.3202(k). This authority, which requires prior approval from OPM, authorizes agencies to hire persons who have a documented history of serious emotional difficulties on a non-competitive basis for up to 2 years, after certification from a State vocational rehabilitation counselor or a Veterans Administration Counseling psychologist.

**New Legislation**

- **Personal Assistants for Severely Handicapped Federal Employees**

  P.L. 96-523 was enacted on December 12, 1980. This law authorizes Federal agencies to pay for the services of an attendant to provide personal assistance to a handicapped Federal employee either at the work site or while on travel status. This legislation will give Federal agencies greater flexibility in providing equal employment opportunities to all qualified handicapped employees or applicants.
Changes in Civil Service Disability Retirement Provisions

On December 5, 1980, President Carter signed into law the Omnibus Reconciliation Act of 1980, P.L. 96-499. One of the provisions of this law changes the definition of disability for purposes of retirement from Federal service. This change will be effective on March 5, 1981. At present, an employee is considered disabled if he or she cannot perform the duties of his or her specific position. With the change, it will also have to be determined that there is no vacancy in the agency at the same grade or level for which the employee is qualified. If there is such a vacancy, the employee would be reassigned instead of retired.

Disabled Veterans

Federal agencies reported a major increase in use of a special hiring authority for veterans who are 30 percent or more disabled. A total of 213 appointments were made during the first half of FY 80, compared with 137 in FY 1979. This authority was included in the Civil Service Reform Act of 1978 and became effective in January 1979. A major reason for the growth in this hiring program was a revision made to the basic application form used in the Federal Government which allows 30 percent disabled veterans to identify themselves and lets agencies know who they are.

Conversion of Schedule A, Section 213.3102(t) and (u) Appointments

On March 15, 1979, President Carter issued Executive Order 12125 which authorized the noncompetitive conversion to career-conditional or career status for those individuals who have served 2 or more years under a Schedule A, Section 213.3102(t) or (u) appointment and who are recommended by their supervisors for substantially continuous calendar years in a permanent appointment.

Conclusions

Federal employment opportunities for handicapped individuals have improved in the past years. Problems still exist, many of which are complex and have no simple or immediate solutions. However, the problems are being addressed through new regulations and improved guidance. The continued emphasis and commitment of agencies toward more comprehensive affirmative action programs for handicapped persons holds promise for more fully integrating them into the mainstream of Federal employment.

SECTION 501
EMPLOYMENT OF HANDICAPPED INDIVIDUALS IN FEDERAL GOVERNMENT
(EQUAL EMPLOYMENT OPPORTUNITY COMMISSION)

The Equal Employment Opportunity Commission (EEOC) now has responsibility for enforcing nondiscrimination and affirmative action provisions of laws and regulations concerning Federal employment of handicapped individuals. Certain
functions performed until January 1979 by the Civil Service Commission (CSC) were transferred to EEOC by the President's Reorganization Plan No. 1 of 1978. Specifically, EEOC:

- reviews and approves agency affirmative action program plans for hiring, placement, and advancement of handicapped individuals including disabled veterans;
- processes appeals of agency decisions in regard to complaints of discrimination on the basis of handicap;
- issues rules, regulations, orders, and instructions to enforce equal employment opportunity for handicapped individuals;
- requests information from agencies as necessary;
- co-chairs the Interagency Committee on Handicapped Employees and provides staff and space for the Secretariat of the Committee.

Shortly after the transfer of responsibilities from CSC, staff of EEOC began to develop strategies to implement section 501 of the Rehabilitation Act of 1973 as amended and section 403 of the Vietnam Era Veterans Readjustment Assistance Act of 1974. The President's Reorganization Plan indicated a clear intent (1) to place the same emphasis on enforcement of affirmative action provisions for handicapped individuals including disabled veterans as on enforcement of affirmative action provisions for minorities and women and (2) to consolidate, insofar as possible, the planning and reporting requirements placed on Federal agencies in regard to affirmative action for all protected classes.

A decision was made to instruct agencies to leave their 1979 affirmative action program plans in effect during the transition period that began with FY 1980. These 1979 plans, to the extent that they followed the instructions in the FPM, provided the basis for comprehensive program efforts that were regarded as indispensable. EEOC staff felt that agencies should continue to work on barrier removal as previously instructed but saw no need for agencies to develop new plans on the basis of the old instructions. Instead, agencies were instructed to prepare abbreviated supplemental plans focused on achievement of measurable results in a limited number of clearly defined target areas. There were to be goals and timetables for hiring handicapped individuals with specified severe disabilities and goals and timetables for removal of facility barriers that had been identified in surveys previously conducted in response to the FPM instructions. These two very specific requirements were intended to shift program emphasis to development of results-oriented plans and also were intended to produce objective agency-generated means of measuring progress.

Special recruitment efforts and analysis and modification of selection procedures are also required, but are secondary to the activity they are intended to enable and promote: increased Federal employment of handicapped individuals including disabled veterans. The goal of EEOC's bottom-line approach to affirmative action enforcement is to make equal employment opportunity a government-wide reality for persons with all types of disabilities.
One hundred agencies were monitored during the transition period that began with preparation of FY 1980 affirmative action program plans. Sixty-seven agencies submitted complete plans; 11 submitted incomplete plans; and 22 submitted no plans.

Almost all of the agencies that established hiring goals committed themselves to substantially increasing representation of persons with targeted disabilities in their workforces. It is difficult to generalize about the goals set, because the manner of presenting goals was not standardized. Formats included number of accessions (commitment for 41 agencies: 3173), percent of accessions (median: 3.37%), and percent representation planned (median: 1.05%). The 53 agencies that established hiring goals have a combined workforce of 1,982,022 and a combined workforce with targeted disabilities of 17,349 (0.87%).

On July 1, 1980, the Equal Employment Opportunity Commission (EEOC) issued EEO-MD-706, "Instructions for Interim Affirmative Action Accomplishment Reports on Hiring, Placement, and Advancement of Handicapped Individuals Including Disabled Veterans." This directive informs agencies that:

- the transition process that began in FY 1980 will continue through FY 1981;
- the timetable for accomplishment of FY 1980 goals is being extended through March 31, 1981;
- agencies are to submit interim reports of accomplishments as of September 30, 1980 and final reports as of March 31, 1981;
- agencies are to establish new goals for the period April 1, 1981, through September 30, 1981; and
- the formats provided as appendices to the instructions must be used to report accomplishments.

Further instructions are being developed. EEOC again will provide mandatory formats for reports of accomplishments. In addition, there will be a mandatory format for establishment of hiring goals.

EEOC's emphasis so far has been on increased representation of handicapped individuals, particularly those with targeted disabilities. Dispersion, that is representation at all levels and in all types of occupations, has not been a matter of primary concern. In years to come, however, requirements will focus on equitable representation throughout each agency's workforce.

Complaints of Discrimination

Affirmative action is facilitated when discrimination is prohibited and complaints are handled expeditiously. When authority with respect to Federal equal employment opportunity was transferred from CSC, EEOC adopted CSC regulations at 5 C.F.R. part 713 and moved these regulations to 29 C.F.R. part 1613. Subpart G of the regulations (29 C.F.R. 1613.701 through 1613.710) concerns employment rights of
qualified handicapped persons. Federal agencies are required to establish continuing programs to assure nondiscrimination on account of physical and mental handicaps. Agencies also are required to process complaints of discrimination based on such handicaps. A complainant dissatisfied with an agency decision may appeal to EEOC.

The system for hearing complaints of discrimination based on physical or mental handicap was established by CSC on April 10, 1978, less than a year prior to the transfer of functions to EEOC. When CSC issued its regulations, retroactivity was limited to complaints based on actions that occurred during the 12-month period prior to the effective date of the regulations. CSC later found substantial basis for requiring, in addition, that agencies process allegations of discrimination that were pending and therefore current in the administrative or judicial process on the effective date of the regulations, even when the actions giving rise to the allegations occurred prior to the 12-month retroactivity period that had been provided. CSC therefore prepared an amendment to the regulations, which EEOC reviewed after the transfer of functions and adopted with additional language. A proposed rule was published in the Federal Register on Friday, September 31, 1979, on page 54733.

On November 6, 1978, Title V of the Rehabilitation Act of 1973 was amended by Public Law 95-602. Added to the Act at that time was a new section 505, which provides that the remedies, procedures, and rights set forth in section 717 of the Civil Rights Act of 1964 as amended, shall be available to any employee or applicant for employment aggrieved by the final disposition of a complaint under Section 501 of the Act or by failure to take final action on such a complaint. Section 505 also provides that in any action or proceeding to enforce or charge a violation of a provision of Title V, the court may allow any prevailing party other than the United States reasonable attorney fees as part of costs. Prior to passage of this legislation handicapped individuals did not have the same rights as other protected classes in regard to court action and backpay remedial relief for applicants.

Pursuant to the 1978 amendments to the Rehabilitation Act, EEOC is amending its regulations to authorize awards of backpay to applicants for Federal employment and to make clear that a complainant has the right to file suit in Federal court if dissatisfied with final agency action or failure to act. Proposed regulations were published in the Federal Register, Vol. 45, No. 127, June 30, 1980, page 43794. In regard to attorney's fees, EEOC has requested a Comptroller General's opinion as to whether or not the 1978 amendments to the Rehabilitation Act provide sufficient statutory authority for such awards at the administrative level.

Interagency Committee on Handicapped Employees

The Interagency Committee on Handicapped Employees (ICHE) was established by section 501(a) of the Rehabilitation Act of 1973 (Public Law 93-112). The purpose of the Committee is to provide a focus for Federal and other employment of handicapped individuals and to review, in cooperation with EEOC the adequacy of hiring, placement, and advancement practices with respect to handicapped individuals in the Federal service. ICHE goals are to increase employment of handicapped individuals and to ensure an equitable, suitable, and functional work environment in the Federal service. The Committee makes recommendations for policy, procedural, regulatory, and legislative changes that will improve employment opportunities for qualified persons with disabilities.
The President's Reorganization Plan No. 1 of 1978 affected the Committee in several ways. Executive Order 12106, dated December 28, 1978, made the Chair of EEOC Cochair of the ICHE along with the Secretary of Health, Education, and Welfare. The Chairman of the Civil Service Commission, which went out of existence December 31, 1978, was replaced on the ICHE by the Director of the new Office of Personnel Management. The Office of the Secretariat of the ICHE, which had been at CSC, was moved to EEOC.

Subsequently, the Department of Education Organization Act of 1979 (Public Law 96-88) transferred the ICHE Co-chair function from the Secretary of the Department of Health, Education, and Welfare, which went out of existence on May 14, 1980, to the Secretary of the new Department of Education, which became operational on May 7, 1980. To cover the full range of interests formerly represented by the Secretary of Health, Education, and Welfare, the ICHE has recommended that the President add to the Committee the Secretary of the new Department of Health and Human Services.

To date, the ICHE has issued ten reports and adopted 102 recommendations. The reports relate to: definition and interpretation of the term "handicapped individual" (1975); evaluation of agency affirmative action program plans and achievements in employment of handicapped individuals including disabled veterans (1975); removal of attitudinal, communication, and procedural barriers (1975); establishment of a system for collecting data on handicapped Federal employees (1975); establishment of a public affairs program (1976); development of improved training opportunities for handicapped Federal employees (1976); study of issues affecting employment of disabled veterans (1977); establishment of modified affirmative action requirements for small agencies (1978); establishment of priorities for future ICHE attention (1978); and Federal employment of mentally restored individuals (1979).

Of the 102 recommendations that have been adopted by the ICHE, 80 have been implemented, and 12 are either under study, partially implemented, or in the process of implementation. Only 10 of the recommendations have been rejected, with evidence that their intent is being accomplished in other ways.

During the period October 1, 1978, through September 30, 1980, the ICHE has primarily been involved in the following activities:

- following up on implementation of previously adopted recommendations;

- expanding its public affairs program for the purpose of sharing Federal experience with affirmative action and providing the public with an opportunity to address concerns of the ICHE;

- studying, defining, and recommending standards for "reasonable accommodation";

- studying methods of maximizing employment opportunities for qualified mentally restored individuals;

- reviewing the selective placement coordinator system and developing recommendations for increasing its effectiveness;
- communicating with Federal agencies that are not in compliance with affirmative action requirements;

- considering the effect on handicapped individuals of reorganization of Federal equal employment opportunity enforcement functions;

- determining how handicapped individuals can be mainstreamed in equal employment opportunity activities as a protected class with rights as rigorously enforced as those of other protected classes, in particular minorities and women.

SECTION 502
ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

The major FY 1980 activity of the Architectural and Transportation Barriers Compliance Board (ATBCB), apart from ongoing compliance and public information functions, was to establish minimum guidelines and requirements to ensure consistent national standards for accessibility in federal construction.

The guidelines, published for public comment in the August 18, 1980 Federal Register, prompted nearly 300 responses from federal and state agencies, architects, individuals, organizations, cities, counties, manufacturers and code groups. Earlier, the ATBCB worked with federal, state and private accessibility experts to identify areas of consensus and concern. These concerns were raised in a February 22, 1980 Federal Register notice containing 31 questions that prompted 117 responses from the public.

Board staff and members of its standards committee worked intensively for months to produce the draft rules approved for publication.

The guidelines (published as a final rule in the January 16, 1981 Federal Register) prescribe the minimum number of elements and spaces in federal and federally funded buildings that must meet its technical accessibility requirements.

New buildings and facilities designed and constructed with federal funds will be affected. If an existing building is altered with federal funds those alterations must also comply with the requirements. Government leased facilities are also affected.

Within one year, the General Services Administration, the Department of Housing and Urban Development, the U.S. Postal Service and the Department of Defense are expected to issue accessibility standards that are at least as strict as the Board's. Standards issued previously by the four standard-setting agencies will remain in effect during the development of these new standards.

The ATBCB's new regulation provides the basis for the architectural accessibility and usability standards issued and enforced under Section 502 of the Rehabilitation Act of 1973.

The guidelines are intended to create a baseline for accessibility and to introduce some regularity to the muddle of inconsistent interpretation and application
of accessibility requirements. While the guidelines clarify and standardize requirements, they are flexible enough to encourage creative solutions to accessibility challenges at individual facilities.

The guidelines should benefit federal, state and local governments. The Interagency Coordinating Council (coordinator of activities under Title V of the Rehabilitation Act) has recognized the importance of having one accessibility standard applied consistently by all agencies under section 503 (applying to government contractors) and 504 (applying to federally assisted programs). In March 1980 the Council voted to recommend that agencies lacking 503 and 504 standards (the vast majority) adopt the ATBCB's proposed rule as an interim standard. In addition, in the context of Section 504, the House and Senate conferees on the 1978 Rehabilitation Act amendments agreed that common standards should be applied by all federal agencies and encouraged the use of the ATBCB's expertise and recommendations.

To see that the guidelines are uniformly interpreted and applied, the ATBCB has begun a series of seminars to be conducted during the next two years in each of the 50 states for federal, state and building code officials.

Significantly, in fiscal year 1980 the President appointed 11 public members to the ATBCB as authorized by 1978 amendments to the Rehabilitation Act of 1973. Five of the public members were required to be handicapped. Nine of the eleven members appointed had various disabilities. Nomination of the public members increased the Board's size to 22 and split the representation evenly between federal and citizen. The public members have equal voting power with the federal members.

SECTION 503
EMPLOYMENT OF HANDICAPPED INDIVIDUALS UNDER FEDERAL CONTRACTS
(DEPARTMENT OF LABOR)

Section 503 of the Rehabilitation Act of 1973, as amended, requires that any contract in excess of $2,500 entered into by any Federal department or agency for the procurement of personal property and nonpersonal services (including construction) for the United States shall contain a provision requiring affirmative action by the contractor to employ and advance in employment qualified handicapped individuals.

Since the early 1960's, government contractors have been required to take affirmative action with respect to minorities. In 1968, contractors were required to do the same for women. Affirmative action requirements under the Rehabilitation Act of 1973 were established for employment of the handicapped. Executive Order 11758, issued January 15, 1974, delegated responsibility to the Secretary of Labor for implementation of Section 503. This was subsequently delegated to the Director of the Office of Federal Contract Compliance Programs (OFCCP). In 1974, the same requirements were established for disabled veterans under Section 402 of the Vietnam Era Veterans' Readjustment Assistance Act.
A universe of some 300,000 contractors, comprised of well over 30,000 prime and roughly 250,000 or more subcontractors, provide the United States Government with supplies, services, use of property and construction work, totaling about $81 billion each year. Federal contractors and subcontractors include almost all major business and corporations in the country, as well as many small firms. Together they employ more than 31 million persons. Enforcement is carried out by the OFCCP, a part of the U.S. Department of Labor's Employment Standards Administration.

**Contract Compliance**

Equal Employment Opportunity and affirmative action requirements of contract compliance cover all aspects of employment, including recruitment, hiring, training, pay, seniority, promotion and fringe benefits.

Affirmative action is not preferential treatment. Nor does it mean that unqualified persons should be hired or promoted over other employees. What affirmative action does mean is that positive steps must be taken to provide equal opportunity for those who have been discriminated against in the employment process and who continue to suffer the effects of that discrimination. By insisting upon affirmative action, the government is saying that equal opportunity can be achieved only when everyone is competing as equals.

Special efforts by employers in outreach, recruitment, training and other areas help members of protected groups compete for jobs and promotions on an equal footing with other applicants and employees. In all employment areas, Federal contractors and subcontractors must ensure that qualified minorities, women, members of religious and ethnic groups, handicapped persons and veterans are not discriminated against. They must be further committed to guarantee positive actions to hire and promote members of the protected groups.

Under Section 503 of the Rehabilitation Act, employers with Federal contracts or subcontracts of more than $2,500 must provide equal job opportunity and affirmative action for qualified handicapped persons. The term "handicap" includes a wide range of mental and physical disabilities. Some impairments are obvious such as paraplegia or blindness. Others may not be readily noticeable. Heart disease, high blood pressure and diabetes are not often apparent, but may be disabling.

In other cases, people have recovered from their disabilities, but have encountered job discrimination because of their past medical record. Cancer, epilepsy, mental and emotional disorders are examples of medical histories which might be associated with job discrimination.

Sometimes, people are perceived as having handicaps when, in fact, they do not. One example is an anomaly of the spine discovered by X-ray which causes no disability, but which may be regarded as an impairment by employers.

**Complaints of Discrimination**

Individuals who are protected by the contract compliance programs may file complaints if they believe they have been discriminated against by Federal contractors or subcontractors. Complaints may also be filed by organizations or other individuals on behalf of the person or persons affected.
Systematic exclusion of specific handicapped groups, such as epileptics and diabetics, is established as a clear violation of contractor obligations. Physical and mental criteria for jobs for which the handicapped person is being considered must be job related and consistent with business necessity and safe performance of the job. Pre-employment physical examinations cannot be used to screen out the handicapped and reasonable accommodations must be made to the limitations imposed by the individual's disability.

During the fiscal year ending September 30, 1979, 2,500 complaints of discrimination were received from handicapped individuals. On an almost equal basis, these related to initial hire and termination. During the year, the resolution of complaints with backpay as a remedy reached a total of 206 cases and $761,343. This total far surpasses any single year total since the inception of the 503 program.

A contractor's failure to make reasonable accommodation to the disability of a qualified handicapped employee can be the basis for administrative sanctions and the possible loss of contracts.

**Compliance Reviews**

The goal of OFCCP's Veteran/Handicapped unit is to carry out the enforcement process and to ensure affirmative action on the part of federal contractors. OFCCP equal opportunity specialists in field offices are now monitoring employer compliance with Section 503 of the 1973 Rehabilitation Act as part of their regular contractor reviews. Through the investigation of individual complaints, a number of problems were revealed which appeared to be handled more efficiently through compliance reviews of all affirmative action programs.

**Enforcing Contract Compliance**

When a compliance review turns up problems which cannot be easily resolved, OFCCP attempts to reach a conciliation agreement with the employer. The conciliation agreement is OFCCP's preferred route. It means that the contractor may continue doing government business and the employees are guaranteed protection of their rights. When conciliation efforts fail, OFCCP must turn to its enforcement process. Federal rules and regulations set forth administrative procedures to be followed when enforcement actions are necessary.

**Goals and Objectives for 1981**

In addition to continuing strong enforcement, there are immediate objectives designed to make Section 503 even more viable as a vehicle for the employment of handicapped individuals. They include:

1. Continuing revision and updating of the regulations and procedures governing Section 503 compliance to enhance their effectiveness and bring about closer coordination with Section 504 regulations issued by the Department of Labor for funded programs.

2. Concentrating staff efforts on targeted industries to enhance employment opportunities for the handicapped.

3. Emphasizing resolution of complaints while performing compliance reviews.
4. Continued efforts to eliminate systemic discrimination against the handicapped.

5. Strengthening the enforcement of affirmative action programs for the handicapped workers.

Conclusion

A dramatic improvement in enforcement of equal employment opportunity and affirmative action has occurred during the first two years of the new consolidated Office of Federal Contract Compliance Programs. With only one Federal agency responsible for enforcement, contract compliance is more consistent and less confusing to both protected group members and Federal contractors. For the millions of handicapped people, as well as the hundreds of thousands of Federal contractors, there is now one voice speaking to compliance and affirmative action employment, the OFCCP. Also, for the first time in its history, OFCCP has both the authority and the resources, although limited, to enforce equal employment opportunity and affirmative action on all covered government contract work. All programs, policies, regulations and procedures associated with contract compliance are now integrated within OFCCP.

Because the equal employment opportunity (EEO) programs administered by OFCCP are an integral part of the Federal procurement system, OFCCP believes that it has a greater potential than other programs for eliminating invidious discrimination. Covered employers are required to accept voluntarily agreed-to contractual obligations to implement an effective affirmative action program to ensure equal employment opportunities for handicapped individuals along with veterans, minorities and women. These contractual stipulations are now the heart of the broad prohibition against discriminatory employment practices. The new OFCCP has set a tone of positive and aggressive enforcement of Section 503 of the Rehabilitation Act.

SECTION 504
NON-DISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS
OFFICE FOR CIVIL RIGHTS (HHS)

Introduction

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against qualified handicapped persons in programs and activities receiving Federal financial assistance. The Office for Civil Rights (OCR) enforces Section 504 in regard to programs and activities receiving funds from the Department of Health and Human Services.* OCR enforces Section 504 by investigating complaints of discrimination, reviewing the practices of health care and social service providers, and extending technical assistance to recipients and handicapped persons to encourage voluntary compliance. In addition, OCR works with various program agencies within the Department to integrate Section 504 nondiscrimination requirements into program audits and program administration.

* On May 5, 1980 the new Department of Education assumed Section 504 enforcement responsibility in education programs when the former Department of Health, Education and Welfare separated into two new Departments.
Until November 2, 1980 the Department of Health and Human Services was responsible for coordinating enforcement of Section 504 government-wide under Executive Order 11914. However, on November 2, President Carter issued Executive Order 11250 transferring this coordination function to the Department of Justice.

Complaints

OCR received 937 individual complaints alleging discrimination under Section 504 during FY 1980. This compares with 2,110 received during FY 1979 and 1,678 complaints received from 1973 (when the law was enacted) through FY 1978. The decreasing number of complaints is attributable to these being only health-related Section 504 complaints, since the education complaints were transferred to the Department of Education.

During FY 1980, 850 complaints were closed; in previous years, 3,546 cases had been closed. Thus, 19 percent of all closures of Section 504-related cases occurred in FY 1980. Of the 850 cases closed in FY 1980, 121 resulted in remedial action on behalf of complainants.

The most important issues raised in the complaints were under the general categories of employment (recruitment, selection, and testing; demotions and dismissals) and services (exclusion of beneficiaries from programs or facilities, physical accessibility, and comparability of programs and services).

Compliance Reviews

During FY 1980, OCR planned to conduct 93 Section 504 compliance reviews of hospitals and State health or human services agencies. Another 278 reviews were carried over from FY 1979. During FY 1980, OCR closed 197 compliance reviews covering Section 504.

The issues most commonly addressed in the FY 1980 compliance reviews were (1) exclusion of beneficiaries from programs or facilities; (2) physical accessibility (architectural barriers); (3) comparability of general programs and services; (4) referrals to other programs and agencies and (5) employment.

Section 504 External Technical Assistance

A long term technical assistance plan was developed based upon information and recommendations from the Department's Principal Operating Components (POCs), representatives of recipients, disabled persons, and government officials. During FY 1980, implementation of the plan resulted in the award of approximately $2.5 million (HHS portion only) in technical assistance contracts.

For example, over 8,000 handicapped persons were trained on their rights under Section 504 and on how to assist recipients to comply with the regulations. Over 4,000 individual technical assistance projects were completed by the trainees. Five major organizations of elected officials (e.g., National Governors' Association, U.S. Conference of Mayors) developed and implemented a capability to advise their membership on the requirements of Section 504. Approximately 4,500 representatives of health care and human service providers, State and local agencies, etc., were trained on their responsibilities under Section 504. Contracts awarded during FY 1980 will reach an additional 14,000 recipients in selected program areas.
Two contracts were awarded to develop and produce designs of national demonstrations of Section 504 compliance in community general hospitals. A project was also developed to provide Section 504 training and technical assistance to Native Americans through a series of workshops. Work continued during FY 1980 on a contract to provide a comprehensive technical assistance program to help recipients of HHS financial assistance change their facilities to comply with Section 504. In addition, contracts were awarded to analyze Section 504 technical assistance needs in sheltered workshops and to develop Section 504 training components to be integrated in existing training programs sponsored by HHS and other Federal and State agencies.

Section 504 Related Activities of the Department's Principal Operating Components (POCs)

In accordance with Memoranda of Understanding (MOUs) negotiated with the POCs and ratified by the Secretary in July 1979, OCR completed a number of Section 504 related activities during FY 1980.

During FY 1980, OCR and the Health Care Financing Administration (HCFA) developed, in draft, Title VI and Section 504 review standards, Title VI and Section 504 checklists, and procedures for reviewing Medicare/Medicaid providers. The checklists were designed for incorporation into existing State agency surveys of Medicare/Medicaid providers. Currently, State surveyors conduct health and safety reviews of approximately 18,000 skilled nursing facilities and intermediate care facilities and 1,600 hospitals annually.

OCR and Children's Bureau of the Administration on Children, Youth and Families developed a civil rights component which was incorporated into the Children's Bureau program review manual for child welfare services. Twenty major state system reviews are planned for FY 1981. OCR and the Administration on Native Americans co-monitored a contract to provide Section 504 training and technical assistance to Native American recipients and beneficiaries. Technical assistance contracts designed to address the problems of minority handicapped were awarded through the Administration on Developmental Disabilities. The Office of Human Development Services (OHDS) regional staff, trained by OCR during FY 1979 and 1980, conducted over 700 Section 504 briefings of recipients. A joint OCR/OHDS/ASPE work group has identified two OHDS components - the Administration on Aging (AoA) and the Administration on Developmental Disabilities (ADD) - where Title VI, Section 504 and Age Discrimination Act criteria can be written into program review guidelines. The work group will use the civil rights checklist developed by the Administration for Children, Youth and Families as a model for AoA and ADD review activities.

During FY 1980, PHS regional staff, trained by OCR conducted over 600 Section 504 briefings of recipients. A technical assistance contract co-managed by OCR and the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA) was completed in May 1980. Approximately 400 employees of ADAMHA-funded treatment and service programs were trained on the requirements of Section 504. In addition, a contract co-managed by OCR and the Health Resources Administration provided Section 504 technical assistance to 347 representatives of health professions schools.

OCR and the Social Security Administration (SSA) began a project to identify potential civil rights problems in SSA administered programs. Equitable delivery of services to limited English-speaking persons and the handicapped were the areas
identified as initial targets for the combined civil rights effort. SSA and OCR also developed draft civil rights guidelines, for use by all SSA field personnel in reviewing program operations and procedures. In August 1980, OCR, the Department of Justice and SSA officials conducted a 3-day civil rights training session for approximately 60 program officials. Preparations have begun to provide similar civil rights training to approximately 1350 district and branch office managers.

Materials Development

During FY 1980 OCR continued to develop, revise, and distribute guides and other materials. The purpose is to disseminate information about the steps necessary to comply with Section 504. Several materials are under revision due to the reorganization occasioned by the creation of the new Department of Education.

Materials being distributed or under revision include briefing guides and handbooks covering such topics as the application of Section 504 to Medicaid and Medicare providers, communicating with hearing impaired persons, and program accessibility.

Regional Technical Assistance Staff

In 1979, HEW established a Regional Technical Assistance Staff (RTAS) Office in each of the Department's ten regions. RTAS, which operate from the Office of the Principal Regional Official, provide Section 504 technical assistance to recipients of Federal financial assistance, beneficiaries, elected officials, and other Federal agencies.

As a result of the creation of the new Department of Health and Human Services (HHS) and the Department of Education (ED), seven of the RTAS units were assigned to ED. However, during the remainder of FY 1980, an agreement between the two departments allowed a continuation of services in those regions without HHS/RTAS. Within HHS, the staff provides technical assistance leadership and coordination on all the civil rights jurisdictions for which OCR is responsible, including Section 504.

During FY 1980, RTAS recorded over 25,000 Section 504 technical assistance contacts with recipients, beneficiaries, elected officials, etc. RTAS performed site visits, made presentations, assisted individuals and distributed information. In thirteen cases, RTAS was able to reduce recipients costs to achieve compliance with Section 504. In these cases, a total cost reduction of over $2.5 million (47% of the original costs) was achieved. A RTAS review of the State of Rhode Island's plan to meet Section 504 program accessibility requirements resulted in a reduction in estimated costs from $50-$70 million to $13.5 million. With the assistance of RTAS, the State of Pennsylvania Departments of Welfare and Health completed the self-evaluation and transition plan development process in 3 months. Additionally, RTAS assisted the District of Columbia and State officials of Ohio to establish Section 504 Technical Assistance Units.

Policy Development

During 1980, OCR concentrated on resolving policy issues that arose in connection with complaint investigations and compliance reviews.
Periodically OCR publishes a "Policy Digest" summarizing significant policy decisions. The "Policy Digest" issued on January 15, 1980 contains case-related decisions applicable to health care and social service programs. In one case OCR determined that institutions for the mentally ill may not exclude patients from employment at the institutions simply because of their status as institutional residents. In another case OCR held that it lacked authority to remedy employment discrimination that occurred prior to the effective date of the regulation because adjustments would have been needed to accommodate the individual's handicap. The Department's policy is to investigate complaints filed prior to the effective date of the regulation (June 3, 1977) only if the complaint charges a violation of the statute that does not require the interpretative language of the regulation to resolve.

A number of complaints received by OCR raised questions regarding the application of 45 CFR Section 84.52(d). This provision of the Department's Section 504 regulation requires health care institutions and social service agencies employing 15 or more persons to provide "appropriate auxiliary aids" to persons with impaired sensory, manual, or speaking skills. OCR decided that under this provision health care providers such as hospitals and nursing homes must be prepared to draw upon a range of communication options in order to insure that hearing impaired persons are provided effective access to services. This range of options, which must be provided at no cost to the hearing impaired patient, must include formal arrangements with interpreters who can accurately and fluently express and receive in sign language, supplemental hearing devices, written communication, flash cards and staff training in basic sign language expressions relevant to emergency treatment. In addition, health care providers must have at least one teletypewriter (TTY) or an arrangement to share a TTY line with other health care facilities.

During FY 1980, OCR worked closely with officials of the Public Health Service to include civil rights-related access criteria in certificate of need reviews conducted by health planning agencies. A regulation including these criteria was published on October 21, 1980. The criteria are aimed at insuring that in reviewing proposed projects submitted by hospitals, health planning agencies consider the extent to which the projects provide access to health care services for handicapped persons, among other groups. OCR is also developing policy determinations to apply the provisions of the Section 504 regulations to specific recipients or programs.

OCR completed work on a Memorandum of Understanding between HHS and the Architectural and Transportation Barriers Compliance Board (A&TBCB) to coordinate their respective enforcement responsibilities under Section 504 and Section 502. The memorandum was signed by Secretary Harris and submitted to the Chairperson of the A&TBCB for action.

Surveys and Research Activities

Hospital Civil Rights Survey

During 1980 OCR completed work on the Short-term, General, and Other Special Hospitals Civil Rights Survey. It was mailed to approximately 7,000 recipient hospitals in January 1981. The purpose of the survey is to provide OCR with
information needed to permit assessment of the compliance status of individual hospitals with the nondiscrimination provisions of Title VI of the Civil Rights Act of 1964, Section 504, and Titles VI and XVI of the Public Health Service Act.

Many experts, both from within and outside of the Federal Government, assisted OCR in developing the content of the questionnaire. In addition, a public meeting was held in March 1980 to solicit comment from interested parties. Many smaller meetings were held throughout the year to discuss the content of the survey. The survey is the first comprehensive questionnaire sent to the nation's hospitals since passage of the Rehabilitation Act in 1973.

Listed below are several of the questions included in the survey addressing practices and policies which affect the access of handicapped persons to health care services in hospitals.

(1) Is there a self-evaluation of policies and program access as required by the regulation?

(2) Is there a procedure for effective communication with hearing impaired persons?
   (a) Are there formalized arrangements to obtain the services of qualified interpreters?
   (b) Are there records of the number of hearing impaired persons treated in the hospital?

(3) Are there auxiliary aids available to permit persons with other sensory impairments access to hospital care?

The deadline for return of the survey form to OCR is February 15, 1981.

The information gathered will be analyzed during 1981. The results will assist OCR in determining whether serious access barriers appear to exist and where follow-up compliance reviews should be conducted to verify and remedy any compliance problems.

Children and Youth Referral Survey

This civil rights survey covered approximately 2,400 local public welfare and social service agencies that provide referral and placement services to children and youth. Although primarily concerned with issues under Title VI of the Civil Rights Act, the survey also asked the agencies to report the type of placement provided to several categories of handicapped children with special needs. These handicapped children represent 19.5 percent of the universe of almost 302,000 children in placement in 1980. The purpose of this question was to alert OCR to possible Section 504 compliance problems in placing handicapped children.

Summary statistics evaluated to date indicate that, nationally, 70.0 percent of the 58,758 children with special needs were located in the three least restrictive types of facilities (Independent Living/Foster Homes/Group Homes) with the remaining 30.0 percent located in the three most restrictive settings.
The 2,436 reporting agencies described the special needs of these children as follows:

<table>
<thead>
<tr>
<th>DESCRIPTION OF HANDICAPPED</th>
<th>NUMBER</th>
<th>PERCENT</th>
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</thead>
<tbody>
<tr>
<td>Emotionally Disturbed</td>
<td>20,159</td>
<td>34.3</td>
</tr>
<tr>
<td>Mentally Retarded</td>
<td>19,664</td>
<td>33.5</td>
</tr>
<tr>
<td>Hearing/Sight/Speech Impaired</td>
<td>4,491</td>
<td>7.6</td>
</tr>
<tr>
<td>Other Handicap</td>
<td>7,497</td>
<td>12.8</td>
</tr>
<tr>
<td></td>
<td>58,758</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Further analysis of these data by region, State and locality will be conducted in 1981.

SECTION 507

INTERAGENCY COORDINATING COUNCIL

The Interagency Coordinating Council is a Cabinet-level council established under section 507 of the Rehabilitation Act Amendments of 1978 (P.L. 95-602, Section 120 (a); 29 U.S.C.A. 794c (1979 Supp.)) to coordinate the Federal implementation and enforcement of Title V of the Rehabilitation Act and to make recommendations, when appropriate, to Congress for legislative and administrative change. The Federal agencies represented on the Council are the Departments of Labor, Education, Justice and Health and Human Services, the Office of Personnel Management, the Equal Employment Opportunity Commission, and the Architectural and Transportation Barriers Compliance Board. From the Council's inception, the Attorney General has served as the Chairman of the Council.

The Council and its staff considered a variety of issues at the Council's monthly meetings during the last fiscal year and, as a result, the Council:

- ensured consistency between the Department of Labor's new section 503 regulations and the uniform Federal agency section 504 regulations;
- recommended and assisted in developing memoranda of understandings between the Architectural and Transportation Barriers Compliance Board and the Department of Health and Social Services, and Education, with respect to their overlapping enforcement responsibilities under sections 502 and 504 of the Rehabilitation Act;
- supported the prompt development of section 502 guidelines by the Architectural and Transportation Barriers Compliance Board which are now published (46 Fed. Reg. 4270);
- recommended to the White House that the Department of Justice be designated the section 504 lead-agency to ensure the consistent and effective implementation of section 504 in Federally conducted and Federally assisted programs (see Executive Order 12250, 45 Fed. Reg. 72995);
recommended to the President the prompt appointment of the public members of the Architectural and Transportation Barriers Compliance Board to permit the Board to function with a quorum;

recommended legislation (see P.L. 96-523) to permit the employment of personal assistants for handicapped Federal employees;

recommended to the Office of Management and Budget increased budget and staffing for the Architectural and Transportation Barriers Board;

wrote to Congress in support of S.446 which would have amended Title VII of the Civil Rights Act of 1964, as amended, to prohibit employment discrimination against handicapped persons to the same extent Title VII protections are now accorded to minorities and women;

wrote to the White House and to Congress in opposition to the "Cleveland Amendment" which would have permitted recipients of Urban Mass Transit Act funds for capital or operating expenses to meet their obligations to handicapped persons under that Act and Section 504 of the Rehabilitation Act by spending a limited percentage of the funds on a separate transit program for handicapped persons.

The above items are highlights of progress during FY 80. The detailed activities of the Council are reported in the Council's 1980 Annual Report to the President and the Congress (#052-003-00789-4, U.S. Government Printing Office, Washington, D.C. 20402) which can be obtained either from the Government Printing Office or from Robert Dempsey, Room 5513, U.S. Department of Justice, 10th Street and Pennsylvania Avenue, N.W., Washington, D.C.