

INFORMATIONAL BRIEF 6

SNAPSHOT OF VOCATIONAL REHABILITATION PARTICIPANTS WITH SELF-EMPLOYMENT OUTCOMES: PYs 2020, 2021, and 2022

Rehabilitation Services Administration (RSA's) Case Service Report is the administrative data collected by each state Vocational Rehabilitation (VR) agency on recipients exiting in a program year. The data that is the basis for this brief was taken from information submitted by for Program Years (PYs) 2020, 2021 and 2022. This report covers the period of July 1, 2020 through June 30, 2023. VR state agencies operate as (1) Blind VR agencies that serve individuals who are blind or have visual impairments, (2) General VR agencies that serve individuals with all disabilities with all other types of disabilities, and (3) Combined VR agencies that serve individuals with all types of disabilities, including those who are blind or have visual impairments. This Info Brief combines the data for groups (2) General VR agencies and (3) Combined VR agencies ("General/Combined VR Agencies").

SELF-EMPLOYMENT OUTCOMES

Table 1 compares Program Years 2020, 2021, and 2022 for individuals exiting in self-employment compared to those exiting in Competitive Integrated Employment (CIE) after receiving services under an Individualized Plan for Employment (IPE) for General/ Combined and Blind/Visually Impaired Agencies. In PY 2020, VR agencies closed 92,300 individuals in CIE. Of this number, 2,066 exited in self-employment. Comparative outcomes for PY 2021 were 103,567 CIE closures, with 2,261 individuals exiting in self-employment. In PY 2022, VR agencies closed 101,174 individuals into CIE with 2,262 in self-employment. The percentage of VR employment outcomes in self-employment in both 2020 and 2022 was 2.2% of the total exiting in CIE for VR agencies (General/Combined and Blind/Visually Impaired Agencies). This percentage was 2.1% in 2021.

The National Center on Self-employment, Business Ownership, and Telecommuting is funded by the U.S. Department of Education, Rehabilitation Services Administration (Grant#H263E200005). The ideas, opinions, and conclusions expressed do not represent recommendations, endorsements, or policies of the U.S. Department of Education. Virginia Commonwealth University, Rehabilitation Research and Training Center (VCU-RRTC) is an equal opportunity/affirmative action institution providing access to education and employment without regard to age, race, color, national origin, gender, religion, sexual orientation, veteran's status, political affiliation, or disability. If special accommodations are needed, please contact Teri Blankenship at tcblanke@vcu.edu.

TABLE 1

Individuals Exiting in Self-Employment Compared to Those Exiting in CIE After Receiving Services Under an IPE: PYs 2020, 2021, and 2022 for All VR Agencies

| Program Year | # Closed in Self-Employment | # of Closures in CIE | % of Closures in Self-Employment |
|---------------------|------------------------------------|-----------------------------|---|
| 2020 | 2,066 | 92,300 | 2.2% |
| 2021 | 2,261 | 103,567 | 2.1% |
| 2022 | 2,262 | 101,174 | 2.2% |

Table 2 presents self –employment outcomes for General/Combined VR Agencies and Agencies for the Blind/Visually Impaired. During the three years reported (PYs 2020-2022), VR agencies for the Blind/Visually Impaired achieved a higher percentage of individuals who closed in self-employment than General/Combined VR agencies. General/Combined VR Agencies closed 2.07% of their employment outcomes in self-employment in PY 2020, 2.06% in PY 2021, and 2.06% in PY 2022. VR Agencies for the Blind/Visually Impaired closed 8.61% of their employment outcomes in self-employment in PY 2020, 7.75% in PY 2021, and 8.66% in PY 2022.

TABLE 2

Closure Rates: PY 2020-2022 by Type of VR Agencies - General/Combined Agencies and Agencies for the Blind/Visually Impaired

| Program Year/Type of VR Agency | # Closed in Self-Employment | # of Closures in CIE | % of Closures in Self-Employment |
|---------------------------------------|------------------------------------|-----------------------------|---|
| 2020: General/Combined | 1,856 | 89,876 | 2.07% |
| 2020: Blind/Visually Impaired | 208 | 2,415 | 8.61% |
| 2021: General/Combined | 2,057 | 99,700 | 2.06% |
| 2021: Blind/Visually Impaired | 204 | 2,632 | 7.75% |
| 2022: General/Combined | 2,024 | 98,426 | 2.06% |
| 2022: Blind/Visually Impaired | 238 | 2,748 | 8.66% |

GENDER, AGE, RACE / ETHNIC BACKGROUND, AND EDUCATIONAL HISTORY

Gender: Table 3 presents the gender of recipients with self-employment outcomes in PYs 2020, 2021, and 2022. A higher percentage of males than females exited into self-employment across all 3 years. Of all the VR recipients who exited in self-employment in PY 2020, 62.29% were male and 37.46% were female. In PY 2021, 62.72% of males and 36.84% of females exited into self-employment. For PY 2022, 63.84% of those exiting into self-employment were males while 35.76% were female. A small percentage did not identify their gender each year, including 0.25% in PY 2020, 0.44% in PY 2021, and 0.40% in PY 2022.

TABLE 3

Gender - VR Participants Exiting in Self-Employment

| Program Year | Male | Female | Did not Identify |
|---------------------|-------------|---------------|-------------------------|
| 2020 | 62.29% | 37.46% | 0.25% |
| 2021 | 62.72% | 36.84% | 0.44% |
| 2022 | 63.84% | 35.76% | 0.40% |

Age: Table 4 presents the average age at the time of application for VR participants with self-employment outcomes compared to all VR participants with an employment outcome in PYs 2020, 2021, and 2022. Recipients who exited in self-employment had a higher average age at application than those closed in CIE across all 3 years.

For PY 2020, the average age at application for those closed in self-employment was 51 compared to 35 for all VR participants achieving an employment outcome. For PY 2021, the comparative figures were also an average age of 51 at application for those closed in self-employment and 35 for all VR participants closed in CIE. For PY 2022, the average age of VR recipients at application was 52 compared to 36 years of age for those exiting into CIE.

TABLE 4

Average Age of Service Recipient at Application

| Program Year | All VR Recipients Exiting in Self-Employment Age at Application | All VR Recipients Exiting in CIE Age at Application |
|---------------------|--|--|
| 2020 | 51 | 35 |
| 2021 | 51 | 35 |
| 2022 | 52 | 36 |

Race/Ethnic Background: Table 5 presents the Race/Ethnic backgrounds for VR participants closed in self-employment in PYs 2020, 2021, and 2022 compared to all VR participants closed in CIE. VR recipients who closed in self-employment were predominately White for all three years, including 77.21% in PY 2020, 74.90% in PY 2021, and 76.84% in PY 2022. The lowest percentage of recipients who closed in self-employment across all three years were Native Hawaiian with 0.18% in PY 2020, 0.28% in PY 2021, and 0.53% in PY 2022. Other data on race and ethnicity are presented in Table 5.

TABLE 5

Race/Ethnicity: Closed in Self-Employment vs. All Recipients with an Employment Outcome

| 2020 | Race/Ethnicity | Self-Employment | All Closed in CIE |
|------|-----------------|-----------------|-------------------|
| | Black | 12.37% | 17.35% |
| | Hispanic | 9.27% | 11.05% |
| | Native American | 0.98% | 1.40% |
| | Native Hawaiian | 0.18% | 0.43% |
| | White | 77.21% | 61.37% |
| 2021 | Race/Ethnicity | Self-Employment | All Closed in CIE |
| | Black | 12.23% | 18.72% |
| | Hispanic | 10.97% | 11.44% |
| | Native American | 1.62% | 1.60% |
| | Native Hawaiian | 0.28% | 0.47% |
| | White | 74.90% | 67.76% |
| 2022 | Race/Ethnicity | Self-Employment | All Closed in CIE |
| | Black | 12.44% | 18.83% |
| | Hispanic | 8.32% | 10.52% |
| | Native American | 1.88% | 1.78% |
| | Native Hawaiian | 0.53% | 0.44% |
| | White | 76.84% | 68.43% |

Educational Level: Table 6 presents the educational level at the time of application for VR services for participants who achieved a self-employment outcome in PYs 2020-2022. Across all years, the VR recipients' most frequent educational level at time of application was a secondary school diploma; 17.41% for PY 2020; 7.02% for PY 2021; 1.96% for PY 2022. However, RSA removed the data element "Highest Educational Level Completed" from the

codebook in PY 2020-PY2022. Therefore, only VR recipients who applied for services prior to PY 2020 would have this data element documented. Thus, the large percentages of individuals across all years where “Highest Educational Level Completed” was reported as “Did Not Note” impacts the interpretation of data from this sample. The percentages of cases where education level was not noted included 31.67% in PY 2020, 72.08% in PY 2021, and 41.92% in PY 2022.

TABLE 6

*Highest Level of Education at Time of Application for Closures in Self-Employment**

| Highest Educational Level Completed | % of Closures in Self Employment PY 2020 | % of Closures in Self Employment: PY 2021 | % of Closures in Self Employment: PY 2022 |
|--|---|--|--|
| Did not note | 31.67% | 72.08% | 41.92% |
| Bachelor’s Degree | 6.62% | 2.92% | 0.86% |
| Degree beyond a Bachelor’s Degree. | 3.72% | 2.39% | 0.46% |
| Associate’s Degree | 3.05% | 0.80% | 0.44% |
| Postsecondary certification; license; or educational certificate (non-degree). | 2.71% | 1.46% | 0.38% |
| Secondary school diploma. | 17.41% | 7.02% | 1.96% |
| Secondary school equivalency. | 2.42% | 1.59% | 0.24% |
| One or more years of postsecondary education. | 13.30% | 4.77% | 1.30% |
| Certificate of attendance/completion as a result of successfully completing an | 0.10% | 0.27% | 2.43% |

| Highest Educational Level Completed | % of Closures in Self Employment PY 2020 | % of Closures in Self Employment: PY 2021 | % of Closures in Self Employment: PY 2022 |
|---|--|---|---|
| Individualized Education Program (IEP). | | | |
| No educational level was completed. | 19.00% | 6.71% | 50.00% |
| Total | 2,068 | 2,264 | 4,530 |

* Only VR recipients who applied for services prior to PY 2020 have Highest Educational Level

DISABILITY

Primary Disability: Table 7 provides information on the most frequent primary disability for VR recipients closed in self-employment. Individuals with a primary disability of Physical Disorder not Listed Elsewhere represent the highest percentage of individuals closed in self-employment for PYs 2020 (25.48%), 2021 (24.51%), and 2022 (27.46%). The lowest percentages were observed for those with Arthritis and Rheumatism for PYs 2020 (2.03%), 2021 (1.81%) and 2022 (1.72%). Other primary disabilities can be viewed in Table 7.

TABLE 7

Most Frequent Primary Disability for VR Recipients Closed Self-Employment

| Primary Disability | Percentage of People in Disability Category Exiting in Self- Employment | | |
|--|---|---------|---------|
| | PY 2020 | PY 2021 | PY 2022 |
| Physical Disorders/Conditions (Not listed Elsewhere) | 25.48% | 24.51% | 27.46% |
| Cause Unknown | 21.71% | 23.19% | 25.52% |
| Accident/Injury (Other than TBI OR SCI) | 7.59% | 7.60% | 5.70% |

| Primary Disability | Percentage of People in Disability Category Exiting in Self- Employment | | |
|---|---|---------|---------|
| | PY 2020 | PY 2021 | PY 2022 |
| Congenital Condition or Birth Injury | 6.04% | 6.63% | 6.84% |
| Depressive and other Mood Disorders | 5.71% | 6.05% | 5.21% |
| Drug Abuse or Dependence (other than alcohol) | 3.68% | 3.14% | 4.19% |
| Specific learning disabilities | 3.68% | 2.96% | 2.47% |
| Anxiety Disorders | 2.85% | 3.62% | 3.40% |
| Arthritis and Rheumatism | 2.03% | 1.81% | 1.72% |

Primary Developmental Disability: Table 8 provides information on VR recipients closed in self-employment whose primary disability was a developmental disability. Overall, the percentages of VR recipients closed in self-employment who had a development disability were small. The largest percentage was represented by individuals with a congenital condition or birth injury at 6.04% in PY 2020, 6.63% in PY 2021, and 6.84% in PY 2022. Individuals with a specific learning disability made up the next largest percentage at 3.68% in PY 2020, 2.96% in PY 2021, and 2.47% in PY 2022. VR recipients with Polio had the lowest percentages with 0.10% in PY 2020, 0.13% in PY 2021, and 0.18% in PY 2022. Other primary disabilities can be viewed in Table 8 with very small percentages of individuals with these disabilities closed in self-employment.

TABLE 8

Primary Developmental Disability for Individuals Closed in Self-Employment for PYs 2020, 2021, and 2022

| Primary Disability | PY 2020 | PY 2021 | PY 2022 |
|--------------------------------------|---------|---------|---------|
| Congenital Condition or Birth Injury | 6.04% | 6.63% | 6.84% |
| Specific Learning Disability | 3.68% | 2.96% | 2.47% |
| Autism | 1.06% | 0.97% | 1.06% |

| Primary Disability | PY 2020 | PY 2021 | PY 2022 |
|-------------------------|---------|---------|---------|
| Intellectual Disability | 1.02% | 0.75% | 1.02% |
| Cerebral Palsy | 0.39% | 0.49% | 0.44% |
| Muscular Dystrophy | 0.34% | 0.44% | 0.04% |
| Epilepsy | 0.29% | 0.49% | 0.04% |
| Polio | 0.10% | 0.13% | 0.18% |

Level of Disability Status: Table 9 presents the level of disability status for VR recipients closed in self-employment compared to all VR recipients who exited in CIE. For all program years, Significant Disability is the most frequent disability significance level for those closed in self-employment (46.82% in PY 2020; 54.68% in PY 2021; 54.49% in PY 2022). In comparison, Most Significant Disability is the most frequent disability significance level for all VR participants closed in employment across all three program years (53.14% in PY 2020; 55.21% in PY 2021; 55.14% in PY 2022).

TABLE 9

Comparison Level of Disability Status for VR Cases Closed in Self-Employment versus All Closures in CIE for VR Agencies (General/Combined Only) for PYs 2020-2022

| Significance of Disability: PY 2020 | Significance of Disability Exiting in Self-Employment | Significance of Disability All Exiting in CIE |
|--------------------------------------|---|---|
| Does Not Have Significant Disability | 21.96% | 7.97% |
| Significant Disability | 46.82% | 38.89% |
| Most Significant Disability | 31.22% | 53.14% |

| Significance of Disability PY 2021 | Significance of Disability Exiting in Self-Employment | Significance of Disability All Exiting in CIE |
|---|--|--|
| Does Not Have Significant Disability | 20.79% | 7.25% |
| Significant Disability | 51.68% | 37.54% |
| Most Significant Disability | 27.54% | 55.21% |
| Significance of Disability PY 2022 | Significance of Disability Exiting in Self-Employment | Significance of Disability All Exiting in CIE |
| Does Not Have Significant Disability | 18.81% | 7.53% |
| Significant Disability | 54.49% | 37.33% |
| Most Significant Disability | 26.70% | 55.14% |

EARNINGS FROM SELF-EMPLOYMENT

General-Combined Agencies: Table 10 presents a comparison of earnings per week for all VR participants with a self-employment outcome compared to all VR participants with a CIE outcome. For all program years, VR recipients closed in self-employment achieved higher average earnings per week when compared to all VR recipients who achieved a CIE outcome. The national average earnings per week at closure in self-employment in PY 2020 were \$534.14 compared to \$476.95 for all VR employment outcomes. Corresponding weekly earnings for PY 2021 for self-employment was \$716.45 compared to \$514.04 for all employment outcomes. In 2022, VR recipients exiting into self-employment had an average weekly earning of \$640.27 compared to \$550.445 for all VR employment outcomes.

TABLE 10

Comparison of Average Earnings per Week for VR Cases Closed in Self-Employment (General/Combined and Blind Agencies) Versus All Closures in CIE

| Program Year | Average National Earnings per Week for Recipients Exiting in Self-Employment | Average National earnings per Week for All Recipients Exiting in CIE |
|---------------------|---|---|
| 2020 | \$534.14 | \$476.95 |
| 2021 | \$716.45 | \$514.04 |
| 2022 | \$640.27 | \$550.45 |

General-Combined Agencies: Table 11 presents a comparison of hourly earnings for VR participants with a self-employment outcome compared to VR participants exiting services with an employment outcome. In PYs 2020-2022, VR recipients who exited in self-employment earned a higher average hourly wage than other VR recipients exiting in CIE. The national average hourly earnings at closure in self-employment for PY 2020 was \$18.85 compared to \$14.82. Corresponding average hourly earnings in PY 2021 for self-employment was \$23.91 compared to \$16.07 for all VR recipients closed in CIE. In 2022, VR recipients exiting in self-employment earned an average of \$21.94 per hour compared \$17.19 for all VR recipients closed in CIE.

TABLE 11

Comparison of Average Earnings per Hour for VR Cases Closed in Self-Employment versus All Recipients Exiting in CIE for VR Agencies (General/Combined Only)

| Program Year | Average National Earnings per Hour for Recipients Exiting in Self-Employment | Average National Earnings per Hour for VR Recipients Exiting in CIE |
|---------------------|---|--|
| 2020 | \$18.85 | \$14.82 |
| 2021 | \$23.91 | \$16.07 |
| 2022 | \$21.94 | \$17.19 |

Table 12 provides a comparison of average hours worked per week for all VR participants with a self-employment outcome compared to all VR participants who exited services with a CIE outcome. Participants exiting with a self-employment outcome worked slightly fewer hours per week than participants who exited with a CIE outcome across all three program years. The national average hours worked per week at closure in self-employment in PY 2020 was 29.30 compared to 30.64 for all VR employment outcomes. Corresponding hours worked per week was 29.37 hours in PY 2021 and 29.66 hours in PY 2022 for self-employment compared to 30.22 in PY 2021 and 30.05 in PY 2022 for all employment outcomes.

TABLE 12

Comparison of Hours Worked per Week for VR Cases Closed in Self-Employment versus All VR Recipients Exiting in CIE for VR Agencies (General/Combined Only)

| Program Year | Average National Hours Worked per Week at Closure in Self-Employment | Average National Hours Worked per Week at Closure for All VR Recipients Exiting in CIE |
|--------------|--|--|
| 2020 | 29.30 | 30.64 |
| 2021 | 29.37 | 30.22 |
| 2022 | 29.66 | 30.05 |

SUMMARY

This information brief provides a snapshot of the VR recipients who exited services in PY 2020, 2021, and 2022. Specifically, the brief provides information on the characteristics of recipients who are receiving services and their employment outcomes (earnings, hours worked, etc.). Follow-up briefs will present information on state outcomes for recipients exiting in self-employment. The following are summary points from the RSA 911 data for PYs 2020, 2021, and 2022 related to self-employment.

Percent of Closures into Self-Employment: The percentage of VR recipients closed in self-employment for the VR General/Combined and Blind/Visually Impaired Agencies was 2.2% for PY 2020, 2.1% for PY 2021 and 2.2% for PY 2022. This is the percentage of recipients closed in self-employment for all VR recipients exiting VR services in competitive integrated employment under an IPE.

Percent of Closures by Type of VR Agency: The Blind/Visually Impaired VR agencies had higher percentages of recipients exiting in self-employment than the General/Combined VR Agencies across all years. General/Combined Agencies had 2.07% VR recipients closed in self-employment in PY 2020, 2.06% in PY 2021 and 2.06% in PY 2022. In comparison, Blind/Visually Impaired Agencies had 8.61% (PY 2020), 7.75% (PY 2021) and 8.66% (PY 2022) recipients closed in self-employment.

Gender: A greater percentage of VR recipients exiting VR services in self-employment were male compared to female across all three program years. In PY 2020, 62.29% were male and 37.46% were female. In PY 2021, 62.72% were male and 36.84% were female. For PY 2022, 63.84% were male and 35.76% were female.

Age: The average age of recipients exiting services closed in self-employment was 51 in PYs 2020 and 2021, and 52 in PY 2022. This reflects an age older than other VR recipients exiting in CIE in PYs 2020/ 2021 (35 years) and PY 2022 (36 years).

Primary Disability: Individuals with a primary disability of “physical disorder not listed elsewhere” represent the highest percentage of individuals closed in self-employment with 25.48% in 2020, 24.51% in 2021, and 27.46% in 2022.

Primary Developmental Disability: Overall, the percentages of VR recipients closed in self-employment who had a primary developmental disability were very small. The largest percentage was represented by individuals with a congenital condition or birth injury with 6.04% in PY 2020, 6.63% in PY 2021, and 6.84% in PY 2022.

Weekly and Hourly Earnings: The national average earnings per week at closure in self-employment were higher than those for all recipients exiting into CIE across all three years. Average earnings per hour were higher for those who closed in self-employment compared to those exiting into CIE during 2020 (\$18.85 vs. \$ 14.82), 2021 (\$23.91 vs. \$ 16.07) and 2022 (\$21.94 vs. \$17.19).

Hours per Week: The average hours worked per week was slightly higher for those exiting into CIE compared self-employment across all three program years including 2020 (30.64 vs 29.30 hours), 2021 (30.22 vs. 29.37 hours) and 2022 (30.05 vs. 29.66 hours).

The contents of this information brief were funded by the U.S. Department of Education, Rehabilitation Services Administration (Grant #H263E200005). The ideas, opinions, and conclusions expressed do not represent recommendations, endorsements, or policies of the U.S. Department of Education. VCU is an equal opportunity/affirmative action institution providing access to education and employment without regard to age, race, national origin, gender, religion, sexual orientation, veteran's status, political affiliation, or disability. If special accommodations are needed, please contact Teri Blankenship at tclblanke@vcu.edu.



Griffin-Hammis Associates