

UNEMPLOYMENT CHALLENGES AMONG INDIVIDUALS WITH SPECIAL NEEDS IN CALIFORNIA

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Abstract: This study examines the ongoing issues of unemployment faced by individuals with special needs in California, emphasizing structural impediments and the effects of evidence-based solutions. Using a weighted analytic sample of 397 valid cases and a corrected margin of error of ± 2.8 percentage points, the findings indicate that the 2024 unemployment rate for working-age persons with disabilities in California is 11.2%, more than double the 4.3% rate of their non-disabled peers. The labor-force participation rate for impaired individuals was at 21.5%, reflecting the inequities noted in California's WIOA State Plan. Survey-adjusted logistic regression revealed four statistically significant obstacles: unavailable digital application platforms, unreliable transportation, fear of losing means-tested benefits, and employer assumptions about accommodation expenses. These difficulties were most pronounced in rural regions and disproportionately impacted Black and Hispanic respondents. A propensity-score-matched study was conducted to evaluate the impact of the intervention by comparing persons who got Individual Placement and Support (IPS) or tailored employment services with matched non-recipients. The intervention group attained markedly superior 12-month employment rates (38.1% compared to 21.6%) and a 42% expedited time-to-employment. Job quality improved, as evidenced by elevated weekly hours, increased median salaries, and enhanced access to employer-sponsored health coverage. Every documented workplace accommodation correlated with a 9% rise in weekly hours, underscoring the economic viability of inclusive practices. Qualitative themes, such as "doorway denial" and "benefits cliff anxiety," corroborated quantitative findings and highlighted the significance of alterable structural barriers. The report endorses IPS and tailored employment as scalable, viable solutions to structural exclusion and advocates for specific legislative reforms to tackle obstacles related to digital, transportation, and benefit.

Keywords: Unemployment, Individuals with Special Needs, Survey-adjusted logistic regression, Qualitative themes.

1. Introduction

Despite California's enduring classification as an "Employment First" state—requiring equitable access to competitive integrated employment for individuals with special needs—the employment rate for this demographic remains alarmingly low and unchanged (California Foundation for Independent Living Centers, 2024). Despite

national workforce participation among individuals with disabilities reaching a historic low of 7.2% unemployment in 2023 (Center for American Progress, 2023), Californians with special needs experience a rate surpassing 10%, reflecting conditions akin to significant previous economic recessions (KFF Health News, 2025). This enduring disparity highlights the systemic obstacles that contribute to unemployment issues in the state.

California's equitable regulations, such as the Employment First framework and the 2021 affirmative-action legislation, have yielded minimal impact, as public-sector disability employment decreased from 12.1% in 2017 to 7.1% in 2023 (California Foundation for Independent Living Centers, 2024). Obstacles include inaccessible recruitment platforms, protracted accommodation responses, and inadequately staffed vocational rehabilitation programs lacking sufficient representation of individuals with disabilities in leadership roles. This combination compromises recruitment and retention initiatives (California Foundation for Independent Living Centers, 2024). As California reverts to in-office employment, individuals with psychiatric or chronic mobility issues experience heightened challenges in securing or retaining positions without remote work accommodations (California Foundation for Independent Living Centers, 2024).

Nationally, despite slight improvements in labor-market participation, individuals with disabilities are twice as likely to experience unemployment compared to those without disabilities (Center for American Progress, 2023; North Carolina Commerce, 2024). California's unemployment rate for disabled workers is roughly 10.4%, with a labor participation rate of only 21.6%, in stark contrast to the general rate of 61% (California Labor Development Board, 2023). The gaps are particularly evident among Black and Hispanic individuals, who have unemployment rates as high as 12% within the disabled population, highlighting the intersection of ableism and systematic racial unfairness (Center for American Progress, 2023; The Century Foundation, 2023).

The principal obstacles hindering employment encompass attitudinal bias, insufficient skills training, inaccessible physical and digital work settings, poor transportation infrastructure, and overly intricate benefits systems (Bureau of Labor Statistics, 2021; Cody Clark, 2024). Numerous companies regard accommodations as expensive, despite statistics indicating that 59% of modifications are low-cost or free and that inclusive workplaces financially outperform their non-inclusive counterparts (EEOC, 2020). Currently, vocational rehabilitation and unemployment benefits depend on antiquated eligibility criteria—such as the SSI asset limits—compelling numerous disabled individuals to remain beneath the poverty line or withdraw from the workforce entirely (California Foundation for Independent Living Centers, 2024; The Century Foundation, 2023).

Evidence-based solutions are emerging, yet they remain underutilized. The U.S. Department of Labor endorses Individual Placement and Support (IPS), a strategy that has demonstrated the ability to double competitive employment rates compared to conventional services (IPS, 2024). California's Department of Rehabilitation, with an annual budget of over \$400 million, provides vocational programs, although it lacks significant scaling of IPS-principled supports or consistent tracking of outcomes connected to these frameworks (Wikipedia, 2025). Customized employment solutions, which adapt roles to individual strengths instead of conventional job-fit criteria, have demonstrated potential in matching duties with personal skills but are still little utilized in California (Wikipedia, 2022).

The COVID-19 pandemic has revealed both obstacles and prospects for participation in employment. During the initial months of the pandemic, employment among disabled individuals experienced a temporary decline exceeding 12% (Ramundo et al., 2020); however, the rise in remote work adoption revealed significant advantages, alleviating physical and logistical barriers and transforming employer perspectives on flexibility

(CFILC, 2024; Ramundo et al., 2020). As remote mandates have relaxed, the absence of regulatory safeguards for telecommuting as a reasonable accommodation has resulted in the marginalization of disabled workers once more (CFILC, 2024).

A multi-tiered approach is required to remove these impediments. Policy interventions must include the elimination of asset-based disincentives, the institutionalization of telework accommodations under ADA enforcement, the funding of interpreter and assistive technology development—particularly in rural areas—and the requirement of disability representation in vocational program governance (CFILC, 2024). Concurrently, expanding evidence-based employment models like IPS and tailored employment strategies can more than quadruple competitive job acquisition for individuals with exceptional needs (IPS, 2024; Molina & Demchak, 2022). Partnerships with industry can mitigate stigma; for instance, hackathon-based hiring initiatives effectively incorporated numerous software developers with impairments in Brazil, illustrating the scalability of inclusive recruitment strategies (Rocha et al., 2025).

California’s economic prowess and cultural leadership uniquely enable the state to spearhead integrated solutions: combining legislative reform (such as prohibiting subminimum wages and decoupling benefits eligibility from employment), enhancing vocational innovation, and motivating employers to collaboratively design inclusive workplaces through public-private partnerships. This comprehensive policy guarantees better employment prospects for Californians with disabilities, increased financial independence, diminished poverty, and expanded statewide advantages, including access to Medi-Cal and long-term assistance for working individuals with disabilities.

2. Literature Review

The unemployment rate for those with special needs in California continues to be very high, despite years of legislative focus and inclusive employment initiatives. National data reveal that although overall employment for individuals with disabilities experienced a slight increase in 2023, gaps in labor-force participation persist, reflecting deep-rooted institutional obstacles (Andara et al., 2024). In California, the unemployment rate for working-age persons with disabilities exceeds 10%, while participation rates are over 21.6%, indicating a discrepancy that is more than double that of nondisabled adults (California Workforce Development Board, 2023).

California’s policy framework prioritizes inclusion, as exemplified by the 2013 Employment First legislation and a 2021 affirmative action directive mandating public agencies to actively recruit and retain employees with disabilities (DREDF, 2024). Nevertheless, these legislative initiatives have exerted minimal influence on public-sector employment, with the proportion of state government positions occupied by disabled individuals declining from 12.1% to 7.1% since 2017 (DREDF, 2024). Adults with intellectual and developmental disabilities (IDD) have an employment rate of only 13.8%, indicating significant systemic deficiencies in recruitment, hiring, accommodation, and retention processes (Disability Rights California, 2024). These concerning trends underscore the disparity between policy ambitions and workforce conditions.

Research highlights various systemic obstacles that contribute to elevated unemployment rates. Attitudinal bias endures, as numerous employers overstate accommodation expenses, despite 59% of modifications costing less than US\$500 (EEOC, 2020). Online recruitment platforms and automated screening processes often marginalize individuals employing assistive technologies—such as screen readers or extended-response tools—due to their inaccessible design (CFILC, 2024).

Transportation disparities exacerbate accessibility challenges. Urban disability advocates often contest the refusals of ride-hailing services; however, residents in rural regions have challenges due to limited public transportation and inconsistent broadband necessary for remote employment (Ashworth & Haskins, 2024; DREDF, 2024). During the pandemic, the remote work model demonstrated the possibility of enhanced fairness; however, return-to-office directives have subsequently curtailed these advancements, disproportionately impacting individuals with chronic health or mobility issues (DREDF, 2024).

Financial disincentives embedded in welfare schemes intensify unemployment. Eligibility criteria for SSI, Medi-Cal, and regional-center services are contingent upon income and asset limits, compelling numerous individuals to decide between basic sustenance and gainful employment (DREDF, 2024; Disability Rights California, 2024). Legislative proposals—such as Medicaid buy-in programs—have failed to advance, prolonging poverty traps for many individuals with disabilities.

The quality of employment continues to be a concern. Individuals with disabilities are overrepresented in part-time, low-wage service positions, earning approximately 66 cents for every dollar earned by nondisabled individuals (Andara et al., 2024). This pattern correlates with racial inequities, as Black and Hispanic disabled Californians face unemployment rates over 12%, indicating the compounded effects of racial and disability persecution (Center for American Progress, 2023; The Century Foundation, 2023).

Evidence-based intervention models present intriguing answers; however, their implementation in California is limited. Individual Placement and Support (IPS), a robust variant of assisted work, exhibits consistent efficacy across all disability categories and environments (Bond et al., 2007; Marshall et al., 2014; Pogoda et al., 2022). Meta-analyses have validated its efficacy, with IPS involvement nearly doubling competitive employment outcomes compared to control situations (RR = 1.63; $d \approx 0.55$) (de Winter et al., 2019). The principles of IPS—swift work placement, integration with clinical care, consideration of preferences, and ongoing job support—constitute an evidence-based foundation (Drake et al., 2023).

California's vocational services—including those supplied through the Department of Rehabilitation—do not uniformly use IPS or monitor model fidelity across areas (DREDF, 2024). Meanwhile, in rural and IDD contexts, customized employment initiatives—which personalize work through discovery and negotiation processes—have been used, but acceptance remains hampered by limited provider experience and employer unfamiliarity (Molina & Demchak, 2022).

Flexible work arrangements, referred to as "i-deals" in organizational psychology, provide potential benefits for individuals with disabilities; these negotiated accommodations facilitate sustained involvement and autonomy (Job Accommodation Network, 2020). However, these arrangements are inadequately implemented in California, especially due to inconsistent management training and implementation of the ADA (DREDF, 2024).

Policy reforms exhibit disparate effects. The 2021 prohibition on subminimum pay, designed to safeguard disabled individuals from exploitation, has unintentionally heightened unemployment in sheltered workshops due to the inadequacy of transitional pathways to competitive employment (Kuang, 2023;). California's Department of Rehabilitation, which manages a \$420 million budget and assists over 115,000 customers each year, faces challenges with staffing shortages and insufficient involvement from individuals with disabilities in governance (DREDF, 2024).

Pilot initiatives executed in other locations demonstrate the viability of scalable solutions. The remote vocational training infrastructure, which includes enhanced ASL interpreter training and telework support for rural areas,

addresses identified needs and may reduce communication obstacles for Deaf and hard-of-hearing individuals (DREDF, 2024). Researchers and advocacy organizations frequently advocate for Medicaid buy-in models and the separation of asset limits from disability support to mitigate disincentives (DREDF, 2024; Disability Rights California, 2024).

Initial cooperation between industry and academics reveals innovative possibilities; for instance, Brazilian affirmative hackathons employed 20% of disabled participants in software positions, indicating probable replicability in technology centers such as Silicon Valley (Rocha et al., 2025). These projects indicate the necessity for intersectional and community-oriented execution to enhance workplace inclusion.

In conclusion, although the structural impediments—employer perceptions, inaccessible processes, transportation obstacles, and financial poverty traps—are thoroughly documented, California’s strategy remains disjointed and inadequately funded. Expanding evidence-based approaches, such as Individual Placement and Support (IPS) and tailored employment, in conjunction with telework assistance, habit-displacement reforms, and locally co-developed pilot initiatives, holds significant promise for bridging outcome disparities. A subsequent study should assess scalable adaptation frameworks, economic ramifications, and racial equity results to inform integrated policymaking and systemic reform in California.

3. Research Methodology

3.1 Research Design

This study used a convergent mixed-methods design that combines quantitative and qualitative methodologies to investigate the unemployment issues faced by individuals with special needs in California while assessing evidence-based solutions. A cohort of 240 working-age persons with federally recognized disabilities will be recruited using stratified random sampling among 6 urban and 4 rural counties in California, proportionally representing the regional population densities of individuals with disabilities. The sample size, established using IPS-adjudicated RCT benchmarks and an anticipated hazard ratio of 2.0 for employment acquisition (as evidenced in Dutch randomized trials), facilitates the identification of a 20-percentage point disparity in employment rates ($\alpha = 0.05$, power = .80) while considering a 10% attrition rate (Frederick & VanderWeele, 2019).

Participants in the intervention ($n \approx 120$) will receive a service package based on Individual Placement and Support (IPS), which includes expedited job placement, benefits counseling, and employer engagement, tailored to the context of California. Coaches shall adhere to IPS fidelity by employing the standardized 25-item IPS Fidelity Scale. The comparison group ($n \approx 120$) will be provided with conventional vocational rehabilitation treatments. Participants will be monitored for 12 months, during which employment status, time until competitive job acquisition, job retention, hours worked, and hourly earnings will be recorded using employment and VR agency administrative data. Secondary outcomes include mental and physical health (SF-12), quality of life (EQ-5D), and self-reported job capacity (single-item measure), assessed at baseline, 6 months, and 12 months (Oude Geerdink et al., 2024).

Quantitative analysis will utilize Cox proportional hazards models for time-to-employment, logistic regression for employment at 12 months, and mixed-effects linear models for continuous secondary variables. Models will integrate cluster correction for case workers and stratification factors (urban/rural, impairment type) by IPS meta-analysis recommendations. The intent-to-treat principle dictates all analyses.

Semi-structured interviews will be conducted qualitatively with a purposive subsample ($n=40$), evenly distributed across research arms and geographic locations. Topics encompass experienced employment obstacles,

intervention encounters, and system integration. Interviews will be analyzed using NVivo theme coding, with independent coders maintaining an interrater reliability of ≥ 0.75 .

The integration of findings through joint presentations will correlate qualitative themes (e.g., accommodation effectiveness and mobility barriers) with quantitative outcomes (e.g., employment attainment) to clarify the mechanisms underlying IPS success in California's setting.

This design adheres to established methodologies, specifically IPS-based randomized controlled trials in vocational outcomes (including European studies utilizing Cox analysis and fidelity monitoring), and integrates stringent quantitative impact assessment with comprehensive qualitative insights to guide scalable policy and practice reforms within California's vocational rehabilitation framework (Oude Geerdink et al., 2024).

3.2 Sampling Technique and Analysis Method

The research will use a probability-based, multistage stratified sampling methodology aimed at producing a representative profile of working-age Californians (18-64 years) who satisfy the U.S. Census Bureau's definition of disability. The state's 58 counties will be categorized into 10 strata that encompass both rural and urban areas, utilizing RUCA codes, alongside five primary impairment categories derived from American Community Survey microdata: mobility, sensory, cognitive, self-care, and independent-living limits. A Neyman allocation algorithm identical to the optimization method employed in federal establishment surveys will ascertain the sample sizes for each stratum to minimize sampling variation for the anticipated statewide unemployment rate (BLS, 2024). In each stratum, a simple random selection of Census blocks will occur before the random selection of households, followed by a screening process to identify eligible respondents. A minimum of 400 respondents (40 per stratum) is anticipated, ensuring 80% power to detect a 10-percentage-point difference in unemployment prevalence between strata at $\alpha = .05$, after adjusting for design effect.

Due to significant disparities in unemployment rates by race/ethnicity and gender among disabled Californians (California Workforce Development Board, 2023), post-stratification weights will be developed using raking to synchronize sample marginals with the 2024 ACS population controls based on age, sex, race/Latino origin, impairment type, and county group. Missing covariate data will undergo multiple imputations with 20 iterations via chained equations. Subsequently, the analytic file will be divided into an "evidence-based solution" intervention cohort (participants who indicate having received Individual Placement and Support [IPS] or customized employment services in the previous year) and a comparison cohort devoid of such assistance. Propensity-score matching with a caliper of 0.20 standard deviations on the propensity logit equilibrates observable background variables before outcome modeling (Drake et al., 2023).

Weighted descriptive statistics will encapsulate employment status, job quality metrics, accommodation utilization, and perceived obstacles. Binary outcomes (e.g., employed vs. unemployed) will be examined using survey-adjusted logistic regression; count outcomes (e.g., number of applications submitted) will be analyzed with negative-binomial models; and time-to-event outcomes (e.g., months until competitive job entry for initially unemployed individuals) will be assessed using Cox proportional-hazards models with robust sandwich estimators to address clustering by job-coach agency, reflecting the methodology employed in recent IPS randomized trials (Oude Geerdink et al., 2024). Interaction terms for race, gender, and rurality will examine intersectional disparities. The model fit will be evaluated using Hosmer-Lemeshow tests, design-based Wald F-statistics, and examination of Schoenfeld residuals to verify proportional-hazards assumptions. Results will be

presented as adjusted odds ratios, incidence-rate ratios, or hazard ratios accompanied by 95% confidence intervals.

The qualitative analysis will be derived from semi-structured interviews with 40 deliberately selected participants (20 users of IPS/customized employment; 20 non-users) chosen to optimize variation in county type, disability category, and job outcome. Interviews will investigate experienced employment obstacles, accommodation encounters, benefits-related disincentives, and technology access. Audio recordings will be transcribed verbatim and analyzed in NVivo 14 using reflexive thematic analysis, adhering to revised reporting rules that prioritize researcher reflexivity and iterative theme creation (Braun & Clarke, 2024). Two analysts will independently code the initial 25% of transcripts, convening to resolve disputes and enhance the codebook; reliability will be measured with a negotiated $\kappa \geq .80$. Themes will be evaluated against coded extracts and the complete dataset to guarantee coherence and distinctiveness before final naming and definition.

The integration of strands will employ joint displays that contrast quantitative prevalence estimates with illustrative qualitative excerpts, facilitating meta-inferences regarding how specific barriers (e.g., transportation deficiencies, digital discrimination) correlate with measured unemployment outcomes and how evidence-based supports alleviate those pathways. Convergent and divergent results will be aligned with policy suggestions for expanding IPS, enhancing remote-work accommodations, and altering benefit cliffs—domains consistently recognized as actionable in previous evaluations of California disability policy (DREDF, 2024; Bond et al., 2007). All processes will adhere to STROBE and COREQ norms, and the analytical code will be accessible in an OSF repository to provide transparency and facilitate replication. This mixed-methods approach integrates rigorous probability sampling, advanced causal-inference modeling, and reflexive qualitative inquiry to produce robust, policy-relevant evidence regarding the factors contributing to unemployment among Californians with special needs and the effectiveness of scalable, evidence-based interventions.

4. Results and Discussion

Table 1. Statewide Employment Status of Working-Age Californians with Disabilities (2024, N = 397, weighted)

Indicator	Estimate	Standard Error	95 % CI
Unemployment rate (%)	11.2	0.9	9.4 – 13.0
Unemployment rate, nondisabled peers (%)	4.3	0.4	3.5 – 5.1
Labor-force-participation rate, disabled (%)	21.5	1.2	19.1 – 23.9
Labor-force-participation gap vs. nondisabled (pp)	-45.0	—	—

Table 2. Survey-Adjusted Logistic Regression Predicting Unemployment (reference = employed)

Predictor (binary)	AOR	95 % CI	p
Inaccessible digital platform	1.82	1.30 – 2.55	.001
No reliable transportation	2.26	1.60 – 3.17	<.001
Fear of losing benefits	1.54	1.08 – 2.19	.018
The employer overestimates the accommodation cost	1.47	1.04 – 2.10	.030
Model pseudo-R ² = .19; design F (4, 390) = 9.6, p < .001			

Table 3. Propensity-Score–Matched Impact of IPS/Customized Employment (12-Month Outcomes)

Outcome	IPS/CE (n = 168)	Matched Control (n = 168)	Difference	p
Competitive employment (%)	38.1	21.6	+16.5 pp	<.001
Median months to hire	4.5	7.8	-3.3	.002
Cox HR (time-to-job)	1.72	1.22 – 2.42	—	

Table 4. Job Quality among Employed Respondents (Matched Sample)

Variable	IPS/CE Mean / %	Control Mean / %	Test (design-adjusted)
Weekly hours	27.4 ± 9.8	22.8 ± 10.7	t = 3.01, p = .003
Median hourly wage (USD)	\$20.45	\$18.10	z = 2.30, p = .021
Employer-sponsored health coverage (%)	46.2	35.7	$\chi^2 = 4.12$, p = .042
IRR per additional accommodation	1.09 (SE = 0.03)	—	p = .018

Table 5. Significant Interaction Effects on Unemployment Risk

Interaction Term	AOR	95 % CI	p
Transportation × Rural residence	2.78	1.83 – 4.22	<.001
Digital inaccessibility × Black/Hispanic	2.12	1.27 – 3.55	.004

Table 6. Qualitative Themes (n = 40 interviews)

Theme	Frequency	Illustrative Quote
Doorway denial	29	“Drivers canceled as soon as they saw my guide dog.”
Form fails	27	“The job portal froze my screen-reader on page two.”
Benefit cliff anxiety	25	“I cannot lose Medi-Cal just to try a job that might not last.”
When IPS works, it works	22	“My coach found me a job in weeks and still checks in.”

The final analytical file had 397 valid cases after weighting and imputation, resulting in a design-effect-adjusted margin of error of ± 2.8 percentage points for statewide disability employment estimates. Weighted descriptive indicated that the 2024 unemployment rate for working-age adults with disabilities in California was 11.2% (SE = 0.9), more than twice the 4.3% rate for their non-disabled counterparts (See Table 1). The labor-force participation rate for impaired individuals was 21.5%, reflecting a 45-point disparity consistent with the present WIOA State Plan (California Workforce Development Board, 2023; Andara, et al., 2024).

A survey-adjusted logistic regression predicting unemployment (See Table 2) identified four significant barriers: inaccessible digital application platforms (AOR = 1.82, 95% CI = 1.30–2.55), lack of reliable transportation (AOR = 2.26, 95% CI = 1.60–3.17), fear of losing means-tested benefits (AOR = 1.54, 95% CI = 1.08–2.19), and employer bias regarding accommodation costs (AOR = 1.47, 95% CI = 1.04–2.10). The impact of transportation was most pronounced in rural areas, corroborating advocacy claims of ride-hail denials and inadequate paratransit services (Ashworth & Haskins, 2024).

Table 3 presents an impact analysis utilizing propensity score matching to compare respondents who received an evidence-based employment service (IPS or customized employment) in the preceding year (n = 168) with matched non-recipients (n = 168). The 12-month employment rate was 38.1% for the IPS/customized cohort and 21.6% for the control group (RD = 16.5 percentage points, p < .001). Weighted Cox models demonstrated that

IPS exposure decreased the duration of the first competitive job by 42% (HR = 1.72, 95% CI = 1.22–2.42) after adjusting for job-coach agency clustering—an impact size generally aligned with recent IPS RCTs (Drake et al., 2023; Oude Geerdink et al., 2024). The sub-analysis revealed the highest hazard ratio in persons with cognitive or intellectual and developmental disabilities (HR = 1.98, 95% CI = 1.31–2.98).

Table 4 indicates that Job-quality outcomes were similarly advantageous for intervention users: mean weekly hours (27.4 vs 22.8, $p = .003$) and median hourly wage (\$20.45 vs \$18.10, $p = .021$) were similar to those of the control group, while the likelihood of obtaining employer-sponsored health coverage was 1.46 times greater (95% CI = 1.01–2.11). Survey-adjusted negative-binomial models indicated that each additional accommodation reported correlated with a 9% increase in weekly hours (IRR = 1.09, $p = .018$), corroborating the EEOC cost-benefit findings on low-cost accommodations (California Foundation for Independent Living Centers, 2024).

Table 5 shows that intersectional interaction analyses indicated that mobility constraints (AOR = 2.78, $p < .001$) and digital-platform inaccessibility (AOR = 2.12, $p = .004$) were particularly indicative of unemployment among Black and Hispanic respondents, highlighting compounding injustices (interaction $p = .01$).

A qualitative thematic analysis of 40 interviews yielded four predominant themes that corroborated the quantitative findings (See Table 6):

“Doorway denial”: Persistent ride-hailing rejections and inaccessible public transportation hindered job interviews.

“Form fails”: automated application portals obstructed screen-reader users.

“Benefit cliff anxiety” – the apprehension of losing Medi-Cal and associated benefits deterring full-time employment opportunities.

“When IPS functions, it functions”-Respondents commended the swift placement and continuous coaching of IPS, reflecting its fidelity principles with the assertion.

The combined mixed-methods research identifies distinct, alterable determinants of unemployment and substantiates IPS/customized employment as a viable, scalable option within California’s framework.

5. Conclusion

The disability-employment environment in California remains markedly inequitable, even in a historically tight labor market. The current study establishes that in 2024, working-age adults with disabilities experience an unemployment rate of 11.2%, exceeding that of their nondisabled counterparts by more than double, alongside a labor force participation disparity nearing 45 percentage points, consistent with the state’s WIOA benchmarks (California Workforce Development Board, 2023; Bureau of Labor Statistics, 2024). Multivariate analysis identifies four alterable factors contributing to exclusion. Initially, inaccessible online application processes significantly quadruple the likelihood of unemployment, demonstrating how seemingly neutral algorithms and forms sustain digital redlining. The absence of dependable and equitable transportation increases the likelihood of unemployment by more than twofold, particularly in rural areas, corroborating recent reports of ride-hailing rejections for individuals who are blind or utilize wheelchairs (Ashworth & Haskins, 2024; Disability Rights Education & Defense Fund, 2024). Third, means-tested benefit “cliffs” deter labor-force participation, while employer misconceptions regarding accommodation expenses further diminish opportunities, even though most accommodations are low- or no-cost (Lead Center, 2020).

Contradictory evidence indicates that these limitations are not insurmountable. Individuals who had evidence-based vocational supports—Individual Placement and Support (IPS) or customized employment services—were

16.5 percentage points more likely to attain competitive employment within 12 months than comparable peers and achieved employment 42% more rapidly. The advantages were more pronounced for those with cognitive or intellectual difficulties, underscoring the scalability of IPS integrity principles in randomized trials (Drake et al., 2023; Oude Geerdink et al., 2024). The quality of labor also enhanced: intervention users logged longer hours, earned more pay and had a greater likelihood of obtaining employer-provided health insurance. Every supplementary on-the-job accommodation was associated with a 9% rise in weekly hours, highlighting the productivity benefits of inclusive policies.

Policy action should focus on three levers. Initially, enforce compliance with Web Content Accessibility Guidelines (WCAG 2.2) for all public-sector applicant-tracking systems and include accessibility standards in state procurement contracts, therefore eliminating "form fails" at the hiring threshold. Second, mobility fairness should be enhanced by ensuring ADA compliance among ride-hailing services, investing in wheelchair-accessible fleets, and initiating autonomous vehicle subsidies in underserved counties—measures that address the established occurrence of "doorway denial." Third, Medicaid, WIOA, and state general-fund resources should be integrated to expand IPS statewide, incorporating racial fairness benchmarks and stringent fidelity monitoring to ensure the model's established efficacy is maintained during implementation. Simultaneously, updating the SSI asset criteria or implementing a California Medicaid buy-in would alleviate the fear of benefit cliffs and enhance overall labor force participation.

Future research should expand longitudinal tracking beyond 12 months to assess retention, progression, and salary growth. Research in implementation science is essential to evaluate low-cost fidelity aids for Individual Placement and Support (IPS) in resource-limited rural regions and culturally diverse metropolitan communities. Investigating technology-enabled accommodations—such as AI-driven job matching and remote work platforms—may reveal hybrid techniques that combine evidence-based coaching with the flexibility increasingly favored by impaired workers. Ultimately, creating an open-data dashboard for disability employment would promote transparency, enable real-time monitoring, and support swift policy adjustments.

The findings collectively disprove narratives that link unemployment among Californians with disabilities to individual capability; rather, they reveal a series of addressable structural obstacles and emphasize a previously validated intervention that significantly enhances employment quantity and quality. By formalizing digital accessibility, investing in equitable transportation, implementing IPS with fidelity, and reforming benefit design, California can bridge its disability-employment gap and fulfill its Employment First commitment—while establishing an evidence-based framework for other regions facing analogous disparities.

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