Center for STUDYING DISABILITY POLICY

Executive Summary of the Sixth Ticket to Work Evaluation Report

Final Report

September 27, 2012

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CONTENTS

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ACRONYMS

CBO	Congressional Budget Office
DI	Social Security Disability Insurance
EN	Employment Network
I&R	Information and Referral
MEF	Master Earnings File
PCE	Positive Countable Earnings
RSA	Rehabilitation Services Administration
SSA	Social Security Administration
SSI	Supplemental Security Income
SVRA	State Vocational Rehabilitation Agency
TTW	Ticket to Work
WIPA	Work Incentives Planning and Assistance

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I. INTRODUCTION

This summary presents the key findings from four studies conducted under an evaluation of the Ticket to Work and Self-Sufficiency Program (TTW) through 2012. The Ticket to Work and Work Incentives Improvement Act of 1999 (Ticket Act) established TTW to increase access to, and the quality of, rehabilitation and employment services available to Social Security disability beneficiaries, with the ultimate goal of increasing the number of such beneficiaries who become economically self-sufficient. Congress passed the Ticket Act in part because it wanted to give people with severe disabilities a better chance to participate fully in society, particularly through employment. Under TTW, the Social Security Administration (SSA) provides beneficiaries with a Ticket they can use to obtain vocational rehabilitation, employment, or other support services from participating providers called employment networks (EN). Very few beneficiaries leave the rolls as a result of having found work, and the Ticket Act was an attempt to help more beneficiaries do this by paying service providers if they help beneficiaries find and keep employment, and by providing other work supports, such as access to health insurance and benefits counseling.

Helping beneficiaries become employed is often challenging. Individuals who receive Supplemental Security Income (SSI) or Social Security Disability Insurance (DI) have been judged to be incapable of working at substantial levels because of a medically determinable impairment that is expected to last at least 12 months or to result in death. The majority of these beneficiaries do not attempt to engage in any work once they are on the rolls. Nevertheless, many people with medical conditions that would make them eligible for disability benefits do in fact work, and many who currently receive benefits are working or preparing for work (Livermore and Stapleton 2010). The Americans with Disabilities Act, passed in 1990, bans discrimination based on disability and establishes the expectation that people with disabilities can become an important part of the workforce. Advances in technology and rehabilitation techniques make it feasible for many people with very severe disabilities to do so. This, along with concern about the rapid growth in the Social Security disability programs, has generated a substantial interest in promoting the employment of DI and SSI beneficiaries.

TTW and other elements of the Ticket Act provided new means to help beneficiaries become employed and financially self-sufficient. In particular, it introduced a new financing system for providers, under which SSA paid service providers who register as ENs for helping beneficiaries reduce their dependence on disability benefits by increasing their earnings. The new financing system enabled ENs to receive payments under two options, a milestone-outcome and an outcome-only option. To take full advantage of either option, providers must help a beneficiary earn enough to exit cash benefit status for several years. Through this mechanism, Congress envisioned TTW as a self-financing program because the savings to SSA in terms of reduced DI and SSI benefits associated with beneficiaries returning to work would offset TTW program costs.

Although SSA implemented all aspects of TTW, beneficiary and EN participation was relatively low during the first several years of implementation. The vast majority of beneficiaries assigned their Tickets to SVRAs, rather than to other ENs, and several problems with the payment mechanisms emerged. At the time the Ticket Act was passed, little research had been conducted on beneficiaries' employment-related activities, and no pilot test of the TTW concept was conducted before full-scale implementation of the program. The Ticket Act did, however, give the commissioner of Social Security the authority to monitor and revise the program to make it more successful. The TTW evaluation is one means by which SSA has been monitoring the program and developing information needed to improve it. In response to information about the program's early experiences drawn from both the evaluation and other sources, SSA substantially revised the TTW program and implemented the changes in July 2008.[1]

The Ticket Act established a number of other support services to help remove barriers to employment. Although the SSI and DI programs have provisions that allow beneficiaries to retain some of their benefits while working, these provisions are extremely complex to understand and use successfully. To help beneficiaries understand and use these provisions, and to help link beneficiaries with ENs and other employment services, the Ticket Act established Benefits Planning Assistance and Outreach, later called Work Incentives Planning and Assistance (WIPA) programs.

The four studies summarized in this report focus on the employment efforts of working-age (age 18 to full retirement age) SSI and DI beneficiaries and the Social Security work incentives and supports—that is, program features—designed to encourage and facilitate beneficiary employment. Two of the reports presented in this summary specifically concern TTW program issues, and the other two address more general topics related to beneficiary employment and Social Security work supports other than TTW. Collectively, the four studies constitute the sixth report of the TTW program evaluation. The four studies were selected as the focus of the sixth evaluation report based on SSA's need for information about specific aspects of beneficiary work activity and TTW program experiences. The four reports include:

- **"Evaluation of the Work Incentives Planning and Assistance (WIPA) Program: Beneficiaries Served, Services Provided, and Program Costs"** (Schimmel et al. 2010) focuses on the activities of the 103 organizations that received SSA grants to provide services under the WIPA program from April 2009 through March 2010. This report addresses SSA's need to monitor the WIPA program and determine if it was targeting services to beneficiaries likely to work and providing the types and intensity of services envisioned by SSA.
- **"Provider Experiences Under the Revised Ticket to Work Regulations"** (Altshuler et al. 2011) examines the experiences of providers under the revised TTW regulations implemented in July 2008 and assesses the effect of the new regulations on provider and beneficiary participation in TTW. This report addresses SSA's need for feedback on the immediate effects of the new TTW regulations on the primary outcomes the regulations were designed to affect: provider participation and beneficiary enrollment in TTW.
- **"Can the Ticket to Work Program Be Self-Financing?"** (Thornton 2012) presents the findings of an analysis of TTW program costs and savings to answer one of the most basic questions facing SSA and Congress about the TTW program: whether it generates sufficient savings to be self-financing. This important question could not be adequately addressed until analyses of the return-to-work efforts of TTW participants conducted for the fifth TTW evaluation report (Stapleton et al. 2010a) had been completed.
- **"Longitudinal Statistics for New Supplemental Security Income Beneficiaries"** (Ben-Shalom et al. 2012) presents the findings of a longitudinal analysis of the extent to which new SSI disability beneficiaries return to work and use SSI work incentives. This

[1] The new regulations revised the two TTW payment systems in ways intended to make provider participation in the program more financially worthwhile. See section II.C for more details.

study fills an important information gap concerning the longitudinal employment outcomes of SSI beneficiaries during the years immediately after they enter the SSI program. It builds on a similar study conducted for the fifth TTW evaluation report that focused on the longitudinal outcomes of DI beneficiaries (Stapleton et al. 2010b).

Note that some of the findings presented in these reports reflect experiences before the TTW regulation changes were instituted in 2008, and some reflect the experiences of beneficiaries and the TTW program under the new regulations. The presentation of the research findings as a collection of papers rather than as a single evaluation report reflects the diversity of the study topics, the intent to make the research findings available more quickly, and a desire to disseminate a substantial amount of information in an accessible manner.

During the last several years, we have gained substantial knowledge about the characteristics of SSA disability beneficiaries, their employment patterns, their use of services, and program costs. The studies summarized here are intended to add to the evidence base regarding beneficiary employment, and to inform SSA's compliance with the congressional mandate to monitor TTW and assess ways to increase the program's effectiveness. The research conducted through the TTW evaluation and other findings are beginning to provide an important knowledge base on which to base return-to-work efforts going forward.

In the remainder of this report, we present summaries of the four studies (Chapter II) and concluding remarks about the key findings (Chapter III). For more detailed findings, readers are referred to the full reports.

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II. REPORT SUMMARIES

A. WIPA Program Evaluation 2010

Schimmel and colleagues (2010) presented findings on the activities of the 103 organizations receiving SSA funding under the WIPA program from April 1, 2009, through March 31, 2010. The WIPA program was established in 2006 and charged by SSA to "disseminate accurate information to beneficiaries with disabilities…about work incentive programs and issues related to such programs." The ultimate goal of such assistance was to "assist SSA beneficiaries with disabilities succeed in their return to work efforts" (SSA 2006). To meet these goals, SSA provides annual funding of $23 million to the WIPA program.

The WIPA program emphasizes providing ongoing assistance to beneficiaries, as opposed to one-time support. Those with simple questions receive information and referral (I&R) services, whereas those with more intensive employment-related needs are enrolled to receive ongoing WIPA services. SSA provided the WIPA projects with guidance that at least 80 percent of their funding should be spent providing WIPA services, with the remainder going to provide I&R and conduct outreach.

From October 1, 2009, to March 31, 2010, WIPA projects provided first-time services to nearly 27,000 beneficiaries, including 13,668 beneficiaries who received information and referral (I&R) assistance and an additional 12,610 beneficiaries who received more intensive WIPA services. Overall, the WIPA program worked with nearly 40,000 beneficiaries during this period, including those who first contacted a WIPA project before October 1, 2009.

The findings in Schimmel et al. (2010) focus on the short- and intermediate-term outcomes of beneficiaries receiving WIPA services. Using data from the WIPA web-based data system covering the period April 1, 2009, to March 31, 2010, the study provides a national profile of beneficiaries served by WIPA projects; assesses the nature of services that WIPA staff provided to beneficiaries; identifies the number of beneficiaries served by each WIPA project; and relates that output to the amount of funding each project received to assess the relative performance of WIPA projects. While this provides a snapshot of WIPA program activity, data limitations, including missing information and a short analysis time period, make it difficult to draw conclusions about the program's performance at the national level.

The authors found that WIPA projects prioritized services to beneficiaries most interested in employment and encouraged WIPA enrollees to use work incentives to increase employment. Consistent with stated program goals, most enrollees (70 percent) received some level of ongoing support from WIPA projects. However, many clients (30 percent) did not receive the ongoing assistance that the program was intended to provide, receiving no additional support beyond an initial WIPA assessment. Among those who received ongoing support, the average number of contacts was about three over a one-year period, with most of those contacts occurring relatively soon after enrollment. It is unclear whether this amount of support is consistent with the goals of the WIPA program or sufficient to lead to improved employment outcomes among beneficiaries.

WIPA projects varied markedly in terms of output and service costs, with extreme outliers contributing to the observed range. Adjusting for funding levels and input costs, the hourly cost of WIPA services varied from $42 to $1,586 across all project, but for the majority of WIPA projects (the middle 60 percent) these costs ranged from $104 to $310. Geographic variation in beneficiary density did not appear to explain the large variation in costs. The findings suggest that other significant differences across the WIPA projects affected costs, including the share of beneficiaries receiving I&R-only versus full WIPA services, the underlying demand for services within the target populations, the availability of substitute services, how non-SSA funding was used, and efficiency in service provision.

B. Provider Experiences Under the Revised TTW Regulations

Altshuler et al. (2011) present findings on the experiences of employment service providers participating in TTW. Under TTW, ENs receive payments from SSA if beneficiaries achieve successful employment outcomes. On July 21, 2008, in response to the low rates of participation by beneficiaries and ENs, SSA significantly changed the regulations that govern TTW, making them more financially attractive to providers and embodying a more flexible return-to-work concept.[2] The regulations made ENs eligible for payments for clients working at lower levels of earnings than before and increased the total value of potential payments. SSA also implemented regulatory and administrative changes that eliminated the requirement that state vocational rehabilitation agencies (SVRAs) accept Tickets as a condition of receiving payments under the traditional cost-reimbursement payment system; instead, the regulations require that SVRAs merely document that they were providing employment services to beneficiaries. SSA hoped that the changes would encourage more ENs to accept Tickets; that more Tickets would be assigned under the EN payment systems; that SVRAs would provide SSA with a more complete account of the Ticket holders they serve; and, ultimately, that better employment outcomes would result.

Drawing on interviews conducted with providers and SSA staff, the study concludes that SSA succeeded in structuring the revised regulations to address important challenges in the original TTW program but notes that some issues affecting provider participation persist. Providers reported that the increased payments and availability of payments at lower levels of earnings were particularly attractive, thus increasing the likelihood that providers would be able to cover the costs of serving Ticket holders. SSA and its contractors successfully educated providers about the revised regulations and instituted related support systems. However, some providers reported frustration with ongoing administrative issues, particularly the payment process, and others expressed continuing concern over the program's financial feasibility for them.

Based on an analysis of SSA administrative data, Altshuler et al. (2011) found that the revised regulations modestly expanded the number of providers, and participating providers were, on average, more active in TTW than under the original regulations. The number of beneficiaries who assigned a Ticket under an EN payment system nearly doubled between June 2008 and December 2009, probably in response to greater awareness of the TTW program and increased interest on the part of providers. SVRAs have elected to serve more beneficiaries than before under

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[2] The new regulations substantially revised the two TTW payment systems in ways intended to make provider participation in the program more financially worthwhile: the total potential amounts payable under the milestone-outcome and outcome-only systems were increased; the outcome payment period was reduced from 60 to 36 months for DI beneficiaries; the number of milestone payments was increased; the level of employment necessary to generate certain milestone payments (the Phase 1 milestones) was reduced; and outcome payments were no longer reduced for previous milestone payments. In addition, SVRAs could serve beneficiaries under the traditional cost-reimbursement system without requiring the beneficiary to assign the Ticket. Both SVRAs and ENs were authorized to receive payment for serving a beneficiary sequentially (SVRAs under traditional cost reimbursement and ENs under the elected TTW EN payment system) after the SVRA had closed the beneficiary's case and the beneficiary's Ticket had been assigned to an EN.

the outcome-based EN payment options, although they still serve the majority of Ticket-eligible beneficiaries under the traditional SVRA cost-reimbursement option. Despite efforts to promote Partnership Plus, an option that allows Ticket holders to receive employment services first from an SVRA and later from an EN, and for both organizations to potentially receive payments, use of this option was quite low.

The study also analyzed methods that SSA might use to better target Ticket mailings to the beneficiaries most likely to assign them. The authors note that SSA and its contractors are continuing to improve TTW by implementing new recruitment activities targeted at beneficiaries and service providers and streamlining administrative processes. These activities might continue to increase provider and beneficiary participation in TTW.

C. Can TTW Be Self-Financing?

Thornton (2012) provides background on Congress's expectations for TTW and uses existing information on the employment of beneficiaries and TTW participants to assess what it would take for the program to be self-financing and the current likelihood that it will be so.

TTW represents a new approach to an old problem. Although many SSI and DI beneficiaries work at some point after receiving benefits, very few earn enough to be judged capable of substantial gainful activity, which is the key determinant of whether they are disabled and entitled to continue receiving benefits (Schimmel and Stapleton 2011). The Ticket Act therefore sought to improve the situation by adding several new components to SSA's ongoing effort to support beneficiary work, as discussed above. In this way, TTW relied on the creativity and knowledge of many service providers and beneficiaries to identify the best mix of services to help beneficiaries find jobs and earn their way off the rolls and toward economic self-sufficiency.

SSA introduced the new components with the hope that TTW would become self-financing. The congressional debate on the TTW legislation stated that if TTW doubled the annual number of beneficiaries who would earn enough for termination of their cash benefits savings to SSA would far exceed TTW costs. Support for the program was sufficiently strong that TTW was implemented across the country with neither a pilot phase nor strong evidence of whether the new approach would increase beneficiary work efforts. Reflecting this optimism, the Congressional Budget Office (CBO) (1999) forecasted that 7 percent of beneficiaries would assign their Tickets to one of the new ENs. In the context of these expectations, however, the experience with the new TTW features has been disappointing.

Congress's expectation that TTW would double beneficiary exits from cash benefits was probably unrealistic from the beginning. Beneficiaries receive DI or SSI benefits only after SSA makes a careful determination that they are unable to engage in substantial gainful activity because of a medical condition expected to last a year or longer. If TTW had encouraged large numbers of beneficiaries to exit the rolls, it would therefore have called into question the application of its eligibility criteria. Furthermore, SSA has instituted numerous administrative procedures and supports to ensure that benefits are not inappropriately terminated. As a result, benefit terminations lag substantially behind employment results. Finally, the recession and generally poor economic conditions that have prevailed since the program's implementation have inhibited TTW's success.

Congress expressed the hope that TTW would help enough beneficiaries leave the rolls such that the corresponding savings from reduced benefit payments would offset program costs. Congress's expectation was reinforced by the fact that SSA does not incur any direct costs for training beneficiaries or placing and supporting them in jobs; instead, ENs incur these costs. TTW pays ENs only when the beneficiaries enrolled with ENs reach specified earnings targets or relinquish their cash benefits.

According to the CBO (1999) forecast, TTW could be self-financing if the mix of participants who leave cash benefits with EN assistance mostly included those who otherwise would not have exited cash benefits. That is, the mix would have to include relatively few beneficiaries who, in the absence of TTW, would have moved into employment and left cash benefits without SSA-financed assistance.

For TTW to be self-financing, the savings generated from reduced payments to beneficiaries must exceed both operational costs and TTW payments made to ENs for beneficiaries who, in the absence of the program, would have exited without any financial assistance from SSA. In fiscal year 2009, operational costs totaled approximately $32 million, and payment costs to ENs totaled approximately $14 million. The analysis presented in Thornton (2012) suggests that it would take a net annual increase in beneficiary exits from cash benefits of only 2,000 to 3,000 for TTW to cover those costs and become self-financing, so long as the program did not make payments to ENs for the many beneficiaries who would have left cash benefits even without TTW. This analysis is consistent with the CBO projections and envisions much less than the doubling of exits mentioned in the TTW authorizing legislation, or more than 70,000 new exits each year.

The relatively small number of new exits needed for TTW to cover its costs points to a serious challenge facing the TTW evaluation—it is difficult to detect small changes and attribute them to the program with a reasonable degree of certainty. For example, from 2002 (the first year of TTW) through 2006, the number of beneficiaries with an initial exit from cash benefits rose and fell, ranging from 70,000 to over 79,000 (Schimmel and Stapleton 2011). The overall pattern does not suggest a rising trend in exits but also does not indicate whether exits would have trended downward during the recession without TTW in place. Thus, the annual variation could have masked an annual increase of 2,000 to 3,000 exits, which could have made the program self-financing.

The TTW evaluation made a substantial effort to detect the net effect of TTW on beneficiary employment and benefits but was unable to distinguish any effects from the underlying variation in beneficiary outcomes (Stapleton et al. 2008). TTW may have produced some effects, but, if so, they were too small to be measured accurately. As a result, the assessment of whether TTW is self-financing is based on (1) a calculation of how large effects would have to be for savings to exceed costs and (2) a review of the evidence compiled to date to assess how likely it is that the program generated effects of that size.

To illustrate what it would take for TTW to become self-financing, it is instructive to consider the 2,679 exits that occurred in 2006 among participants assigned to non-SVRA ENs under the milestone-outcome and outcome-only payment systems (Liu and Stapleton 2011), the most recent year for which comprehensive estimates of exits from cash benefits were available for this report. If 80 percent are new exits, 13 percent transfers from SVRAs, and only 7 percent beneficiaries who would have exited without SSA-financed assistance, then it is likely that TTW would be self-financing. However, if the fraction of exiting participants who would have otherwise exited without SSA-financed assistance increases much beyond that level, it becomes less likely that the program is paying for itself. This scenario highlights the need for SSA to target TTW carefully and to avoid attracting beneficiaries who do not need EN assistance to leave the rolls.

It seems likely that the annual cost of the payment systems introduced by TTW is no more than the $46 million spent for operations and payments to ENs—and is probably less. Costs would equal this full amount if all exiting participants had left cash benefits even without TTW, but such an assumption seems extreme. To the extent that TTW induces any new exits, it would realize offsetting savings, and the net costs to SSA would be lower.

Some evidence from the impact analysis suggests that TTW may have increased the number of new exits. Using data from the first two years of the program, Stapleton et al. (2008) reported that at least 3,100 beneficiaries who enrolled with ENs (and an additional 32,000 who enrolled with SVRAs) would not have done so in the absence of TTW. The impact on service enrollment is encouraging in that it is a precursor to an impact on employment and benefit receipt. In fact, if all those enrollees secured jobs and left cash benefits, TTW would be self-financing, but such an outcome is highly unlikely because many will probably continue to receive cash benefits. Others who exit cash benefits may do so even in the absence of TTW and assign their Tickets merely to obtain extra assistance. Therefore, although the impact on enrollment in services is encouraging, it is only a first step in the right direction, and the uncertainty over impacts on employment and benefit receipt persists.

Growth in TTW would seem a natural objective because operational costs would probably increase relatively little as participation increased—up to a point. Thus, a modest but carefully targeted expansion of TTW participation and exits would work in favor of self-financing. However, a poorly targeted expansion that largely attracted beneficiaries who would have otherwise left cash benefits without SSA-financed assistance could increase SSA's costs beyond what could be saved by new exits. SSA must therefore be careful not to expand the program solely for the sake of expansion.

D. Longitudinal Statistics for New SSI Beneficiaries

Ben-Shalom et al. (2012) present findings from a longitudinal analysis of the extent to which new SSI disability beneficiaries return to work and use SSI work incentives. SSI, an SSA-administered program providing cash benefits to low-income seniors and people with disabilities, was paying benefits to 4.7 million working-age (age 18 to 64) people with disabilities in December 2010 (SSA 2011). According to annual statistics published by SSA, relatively few of these beneficiaries were employed: 6.4 percent of them reported earnings from work in December 2010, and just 1.5 percent had their benefits suspended because of work under the 1619(b) work-incentive program that month.[3],[4]

The longitudinal statistics on the return-to-work efforts of SSI beneficiaries presented in Ben-Shalom et al. (2012) provide a more complete picture of these efforts than do annual or

[3] These numbers at least partially reflect the recent recession; respective numbers for earlier years are somewhat higher.

[4] Section 1619(b) of the Social Security Act provides continued Medicaid coverage and SSI eligibility, but with no monthly cash payments, to SSI recipients whose income is roughly more than double their SSI benefit amount, but is less than the state's 1619(b) threshold amount. The threshold amount is based on each state's annual per capita Medicaid expenditures for SSI recipients. The threshold may also be computed for individuals if their Medicaid expenditures exceed the state per capita amount. In 2012, state threshold amounts range from about $25,000 to nearly $68,000 (SSA 2012).

monthly cross-sectional statistics. Such statistics are critical to understanding the extent to which SSI beneficiaries work over the long run and use program features intended to help them work and reduce their reliance on benefits.

The authors focus on those first awarded SSI benefits as adults in 1996 and follow them for the next 11 years, through the end of 2007. They also compare the experiences of more recent annual SSI award cohorts (1997 through 2006), to the extent that they are observed through 2007.[5] For each SSI award cohort, the authors track important markers of beneficiaries' progress from SSI benefit award to the suspension of their benefits because of work. These markers include the use of selected SSI work supports (such as Section 1619(b) and SSA-funded employment services), employment, benefit reductions because of work, and months with no cash benefits following benefit suspension or termination because of work.

The study findings indicate that SSI work incentives are used by many more beneficiaries over the long run than is suggested by annual or monthly cross-sectional statistics. For example, the authors found that close to 12 percent of the 1996 SSI award cohort experience benefit suspension for work under Section 1619(b) in at least one month by the end of 2007, while published SSA statistics indicate that just over 2 percent of working-age SSI beneficiaries were in Section 1619(b) in December 2007 (SSA 2008). The longitudinal statistics are fully consistent with the cross-sectional statistics; they differ only because they view the same phenomenon from different perspectives.

The longitudinal statistics for SSI beneficiaries also highlight the importance of considering interactions between SSI and DI. Many SSI awardees already receive DI benefits at the time of their SSI award, and others become DI beneficiaries sometime after entering SSI. For the 1996 SSI award cohort, Ben-Shalom et al. (2012) found that more than 30 percent of SSI beneficiaries received DI benefits during their SSI award year; by 2007, almost 40 percent of the same cohort had received a DI benefit in at least one month. Notably, the authors found that many (about 40 percent) of those who stop receiving SSI cash benefits because of work receive DI benefits in the following months.

Beneficiaries can take advantage of employment services that SSA might pay for, including services provided by an SVRA (under the traditional payment system or acting as an EN), or another qualified EN. The longitudinal statistics show that most (78 percent) of those who had their benefits suspended because of work under Section 1619(b) had not first enrolled in SSA-reimbursable employment services. Those who used such employment services had better outcomes than those who did not, however. Just over 10 percent of the 1998 award cohort (the first cohort with complete service enrollment data) had enrolled in SSA-reimbursable employment services as of 2007. Of those, just under 32 percent had their benefits suspended because of work under Section 1619(b)—a rate nearly four times higher than the rate among those who had not enrolled in employment services.

The longitudinal statistics varied widely across states. Ben-Shalom et al. (2012) found that the cumulative percentage employed in the states with the highest employment rates was more than twice that of the states with the lowest employment rates. Beneficiaries in the states with the highest employment rates were more than twice as likely to have used Section 1619(b) as those in the states

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[5] Given that the period of analysis precedes SSA's implementation of the new TTW regulations (effective July 2008), the report reflects experiences both under the original TTW rules and before TTW's implementation.

with the lowest employment. The enrollment rate for SSA-reimbursable employment services in high-enrollment states was nearly three times that of the low-enrollment states. There is a positive relationship across states between enrollment for services and the cumulative percentage employed, but the cause of this relationship is not known. The positive relationship might exist because beneficiaries are more likely to work when more services are available in a state (a supply-side explanation), or because beneficiaries who work for any reason are more likely to use services (a demand-side explanation), or both.

The most encouraging results reported by Ben-Shalom et al. (2012) are the longitudinal statistics for those under age 40 at award.[6] Young SSI awardees are much more likely than older awardees to work and eventually forgo cash benefits for work. In the 1996 award cohort, close to 25 percent of those age 18 or 19 at award and just over 18 percent of those age 20 to 39 at award had at least one 1619(b) month as of December 2007—percentages well above those for the rest of the 1996 cohort. Furthermore, although people under age 40 at award represent about 45 percent of the 1996 cohort, they account for almost 80 percent of the 1619(b) months accumulated by all members of the cohort. Additional longitudinal analysis of employment and work incentives for these awardees might be particularly useful in informing the development of policy and creating a baseline against which to measure progress.

[6] More than 40 percent of beneficiaries in each of the SSI award cohorts were under age 40.

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III. CONCLUSIONS

From the studies summarized in this report, as well as from other research, it appears that TTW and related programs are having a limited but positive effect on the employment of Social Security disability beneficiaries and have motivated some beneficiaries to pursue employment. The 2008 revisions to the TTW regulations modestly expanded the number of ENs, and ENs and SVRAs increased their level of activity in the TTW program. The number of beneficiaries who assigned a Ticket under an EN payment system nearly doubled between June 2008 and December 2009. Although few SSI recipients enrolled in SSA-funded employment support programs through TTW or SVRAs, those who used such employment services had better employment outcomes than those who did not. Beneficiaries also demonstrate their interest in work by contacting the WIPA program for information on SSA work incentives and employment programs; between October 1, 2009, and March 31, 2010, nearly 40,000 beneficiaries received assistance from WIPA programs. The majority of these beneficiaries were actively engaged in employment efforts, suggesting that the program was well-targeted to those most in need of WIPA services. Funding for the WIPA program expired as of June 30, 2012, and beneficiaries must now look elsewhere to obtain assistance with understanding and navigating SSA work incentive provisions and other employment support programs. SSA may wish to monitor the extent to which use of the SSA work-incentive provisions declines after the WIPA programs cease to operate.

We are also beginning to see evidence that programs could be effectively targeted to beneficiaries who are more likely to work, including younger beneficiaries, those who have been on the rolls for less than two years, and those with a work history (Livermore and Stapleton 2010). Workers under age 40 at the time they are awarded benefits are much more likely than older awardees to work and eventually forgo cash benefits for work. Thornton (2011) notes that a modest but carefully targeted expansion of TTW to gain participation of those who could work but would not otherwise leave cash benefits without SSA-financed assistance could make it more likely that TTW is self-financing. Although all interested beneficiaries should have the opportunity to obtain assistance in finding and keeping work, SSA may wish to increase its marketing of employment programs and work incentives to beneficiaries who are most likely to work. In fact, the agency has recently begun doing so, with some of the efforts based on findings of the Ticket targeting analyses conducted in Altshuler et al. (2011). However, without substantial modifications to existing programs, the increase in employment of Social Security disability beneficiaries will likely be incremental at best.

The research summarized in this report, along with research conducted over the last decade for the TTW evaluation, provides some information about the barriers beneficiaries face in returning to work and some promising solutions. However, the research evidence is not strong enough to clearly indicate what types of programs will work effectively—and for which beneficiaries. SSA has initiated several research and demonstration programs, and the agency is planning other efforts designed to provide additional evidence to support decisions about broader policy and program changes that will promote the employment efforts of beneficiaries.

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