

Ticket to Work and Work Incentives Advisory Panel

**Building on the Ticket: A New Paradigm for
Investing in Economic Self-Sufficiency for
People with Significant Disabilities**

**Final Report to the President and Congress
Year Eight of the Panel**

December 2007



Front row, from the left: Mary Katie Beckett, Cheryl Bates-Harris, Libby Child, Berthy De La Rosa-Aponte

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A Message from the Chair

On behalf of the Ticket to Work and Work Incentives Advisory Panel (the Panel), I am privileged to issue this Final Report to the President, Congress, and the Commissioner of the Social Security Administration (SSA). The passage of the Ticket to Work and Work Incentives Improvement Act (the Act) eight years ago represented the culmination of efforts by diverse stakeholders who recognized the importance of removing barriers to employment and labor market activity for individuals with disabilities. Their contributions, in an inclusive workforce, benefit not only the individuals themselves, but also employers, communities, and our nation. In passing the Act, Congress recognized that the contributions of individuals with disabilities cannot be fully realized without choice and access to needed services, workplace supports and health care.

The charge to the Panel was to provide advice on the Act's implementation and make recommendations that would result in increased employment and greater economic self-sufficiency for individuals with disabilities. Through literature review, dialogue and discussion at quarterly meetings, open forums, and field visits across the country, the Panel has obtained substantial public input. The voices of beneficiaries and other stakeholders have played a critical role in shaping the Panel's final recommendations. These recommendations build on findings from the Panel's Adequacy of Incentives Report, the \$1 for \$2 Benefit Offset Report, the Employment Network Summit Report, the Beneficiary Summit Report, the Work Incentive Utilization Report, as well as the Panel's seven Interim Annual Reports.

Across federal agencies, efforts to coordinate and integrate services and supports at a community level must improve and be united by a consistent policy goal of work as a preferred option to promote independence and enhanced community participation. No single set of policy and practice actions can address all of the challenges identified by beneficiaries and confirmed by other diverse stakeholders in the public and private sectors. However, a key recommendation articulated at the beneficiary summit and recommended by the Panel is the creation of a National Disability Beneficiary Work Advocate's Office and a Beneficiary Work Council within SSA. The purpose of these offices is to elevate and incorporate the beneficiary voice on a permanent basis to impact future policy development and procedures related to the disability programs.

I appreciate the dedication and commitment of Panel members and staff to advance a comprehensive vision of employment and economic self-sufficiency for current and future generations of youth and adults with disabilities who receive disability benefits.

This final report shares what the Panel has learned, documents the diverse experiences of beneficiaries, recommends short-term, incremental improvements to current programs, and identifies critical investments that must continue to be made on a national basis to advance and modernize the current disability programs.

Following the Panel's sunset, I encourage Congress and relevant federal agencies to maintain their focus on employment for people with disabilities. Congress should conduct hearings annually on the progress of the Ticket to Work program, design and execution of demonstrations, and Medicaid Buy-In implementation. These hearings should solicit recommendations from beneficiaries and other stakeholders, and should highlight adequacy of incentives issues, including addressing the needs of people receiving sub-minimum wages, those with high-cost accommodations and individuals with a need for ongoing support and services.

Respectfully Submitted,

A handwritten signature in black ink that reads "Berthy De La Rosa-Aponte". The signature is written in a cursive, flowing style.

Berthy De La Rosa-Aponte, Chair
Ticket to Work and Work Incentives Advisory Panel

Executive Summary

The Ticket to Work and Work Incentives Improvement Act (the Act) was signed into law on December 17, 1999. The overwhelming bipartisan support of the legislation demonstrated the evolution of thinking and attitudes about the interest in and capacity of people with disabilities to work, contribute to our nation's economy, and reduce their reliance on public benefits. Congress made clear its intent "to redesign government programs to help individuals with disabilities return to work," which "may result in significant savings and extend the life of the Social Security Trust Fund."¹ Congress calculated that if only an additional one-half of one percent of the current Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) beneficiaries were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Fund and the U.S. Treasury would exceed 3.5 billion dollars over the work life of such individuals.² These savings would far exceed the cost of providing incentives and services needed to assist the beneficiaries in entering work and achieving financial independence to the best of their abilities.³ To achieve these savings, Congress authorized the Ticket to Work and Self-Sufficiency Program (the Ticket to Work program) to allow individuals with disabilities greater choices to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs. To respond to the documented fear of losing health care and related services, Congress authorized new options to encourage states to adopt Medicaid Buy-In programs to allow individuals with disabilities to purchase Medicaid coverage after becoming employed. Congress also extended Medicare coverage to SSDI beneficiaries who are working up to 8 ½ years. Further, section 121 of the Act authorized investment in a national infrastructure for work incentives outreach to ensure that beneficiaries have access to information and protection and advocacy services as they navigate the return-to-work progress.⁴

Section 101(f) of the Act established the Ticket to Work and Work Incentives Advisory Panel (the Panel) within the Social Security Administration (SSA). Panel duties include advising the President, Congress and the Commissioner of SSA on issues related to work incentive programs, planning and assistance for individuals with disabilities, and the Ticket to Work program. This final report presents the findings and conclusions of the Panel, together with its recommendations for legislative and administrative actions. The Panel's recommendations take into account the complexity and interrelationships of the multiple support programs and entitlements serving people with disabilities.

The final Panel recommendations are organized into three major groups⁵:

1. Elevate and incorporate the beneficiary voice in all aspects of program and policy development, evaluation and improvement;
2. Optimize current work incentives through short-term and incremental policy improvements; and
3. Increase economic self-sufficiency through investment in disability program modernization.

These recommendations not only focus on policy changes, but also recognize the need for a more effective infrastructure to reach beneficiaries and to respond and adapt to their evolving individual needs. In order to achieve more dramatic reductions in barriers to work, the Panel's final set of recommendations call for a continued national dialogue and investment in fundamental changes needed in disability policy and systems through which services are delivered.

Elevate and Incorporate the Beneficiary Voice

Since its inception, the Panel has contributed to the national dialogue about employment for people with disabilities. While the Panel listened to and learned from many stakeholder groups, they gained a valuable and as yet underutilized perspective from program beneficiaries about the need for changes in policy and program implementation. At the beneficiary summit conducted by the Panel in February 2007, several recommendations were identified as key to individuals participating in all aspects of American life.

In the Advice Report to the Commissioner of Social Security issued by the Panel in 2002 pertaining to the design of the Adequacy of Incentives Study, the Panel recognized the value and importance of the beneficiary voice, recommending that SSA develop a policy and practice for incorporating the input and experiences of consumers, their families, and/or their representatives as SSA develops new research designs, including the Adequacy of Incentives Study.

Beneficiary summit delegates further reinforced this early Panel recommendation by clearly stating the importance of establishing a permanent way for SSA and Congress to hear beneficiary voices to help drive future policy and program design.

Recommendation 1: *Create through legislative authority within the Social Security Administration, an Office of the National Disability Beneficiary Work Council (Council) and a National Disability Beneficiary Work Advocate (Advocate).*

Modeled after the Internal Revenue Service (IRS) National Taxpayer Advocate (NTA) and Taxpayer Advocacy Panel, the Council and the Advocate would:

1. Identify difficulties that SSDI and SSI disability program beneficiaries' experience when trying to work that could be addressed via more effective SSA customer service.
2. Propose changes in the administrative practices of SSA to mitigate those customer service issues, to the extent possible.
3. Identify potential legislative changes to improve SSA's service to disability beneficiaries who want to work.

Optimize Current Work Incentives through Short-Term and Incremental Policy Improvements

Ticket to Work Program Improvements

No subject has dominated the attention of the Panel more than the challenges of implementing the Ticket to Work program. During every public meeting over the past seven years, the Panel has included presentations by SSA on the status of implementation, strategies to increase the level of participation by beneficiaries, and the expansion of the number of ENs to serve them. Each quarterly meeting has also included diverse stakeholders offering testimony on experiences with the program and suggestions on how to improve it. The Panel has heard examples of successful participation which offer hope about the possibilities for the future and have led to suggested amendments to the reimbursement system to attract more entities to become ENs and recommendations to place more attention on marketing and outreach to attract beneficiary interest. The Panel has submitted multiple recommendations based on stakeholder input urging SSA to move forward with a sense of urgency to enable beneficiaries to realize the promise and full potential of the Act. Appendix C includes tables of Panel legislative and regulatory recommendations made to-date, separated into Panel recommendations for which Congress or SSA has not taken final action and recommendations for which Congress or SSA has taken action.

Improving the employment outlook and labor market activity of beneficiaries with disabilities requires continuous improvement in our nation's largest disability programs. This requires not only continued national dialogue regarding modernization of these programs but also continued removal of disincentives inherent in the current programs and immediate improvements to current work incentives to promote greater utilization. For this reason, the Panel recommends the following short-term improvements, outreach and ongoing oversight to build on current Ticket to Work program outcomes and improve the lives of more beneficiaries:

Recommendation 2: Congress should appropriate the funds necessary for the Social Security Administration to support effective service delivery, particularly related to the Ticket to Work program and return-to-work such as work report processing and overpayments.

Recommendation 3: The Social Security Administration should publish revised final regulations pertaining to the Ticket to Work program (September 2005 Notice of Proposed Rule Making) no later than April 1, 2008.

Recommendation 4: The Social Security Administration should plan for and, upon promulgation of the revised final regulations pertaining to the Ticket to Work program (September 2005 Notice of Proposed Rule Making), immediately implement a marketing plan for beneficiaries and Employment Networks that is informed by evidence-based best practices, the results of the Ticket to Work program evaluation, as well as previously reported Panel recommendations.

Recommendation 5: Congress should extend the Medicaid Infrastructure Grant and Demonstration to Maintain Independence and Employment program authority through 2014 to stimulate innovation by states seeking to refine comprehensive systems of employment supports for people with disabilities.

Recommendation 6: Congress should renew, with greater Congressional oversight, the Social Security Administration's demonstration authority to design and evaluate additional strategies that overcome multiple barriers to employment and support economic self-sufficiency for individuals with significant disabilities and place urgency on getting the demonstrations done.

Recommendation 7: Provide states flexibility in devising Medicaid programs to reduce the marriage penalty for persons with disabilities.

Recommendation 8: The Social Security Administration should identify business models for investing in independent living centers as Employment Networks.

Work Incentive Improvements

The Panel finalized a set of recommendations in its report entitled “UPDATE, SIMPLIFY, AND EDUCATE: A National Call to Optimize Incentives to Work”²⁶ to encourage Congress and federal agencies to make incremental changes to current disability programs fostering a greater investment in the work efforts of all beneficiaries. The recommended actions were divided into three primary categories: Update, Simplify, and Educate.

Update Existing Work Incentives. Update existing work incentives to make them more applicable to the realities and employment support needs of beneficiaries in 2007 and beyond.

***Recommendation 9:** The Social Security Administration should change the order in which impairment-related work expenses are deducted when calculating the Supplemental Security Income cash payment to allow for up to a 100 percent cost recovery.*

***Recommendation 10:** The Social Security Administration should allow health insurance premiums to be used as impairment-related work expenses, when the beneficiary can document that the coverage is disability-related and supports work.*

***Recommendation 11:** The Social Security Administration should eliminate the condition that family members must suffer financial loss for their compensation by the beneficiary to count as impairment-related work expenses if they provide attendant care and/or transportation to/from work to a person with a disability.*

***Recommendation 12:** Congress should increase and index the key income exclusion amounts and the resource limits under the Supplemental Security Income program.*

***Recommendation 13:** The Social Security Administration should approve proposed rule changes to the Ticket to Work program to enable Employment Networks to receive ticket outcome-only payments while a beneficiary is receiving a Supplemental Security Income cash payment resulting from an active Plan for Achieving Self-Support.*

***Recommendation 14:** The Social Security Administration should allow state vocational rehabilitation agencies to receive traditional cost reimbursement if and when an individual is receiving a Supplemental Security Income cash payment resulting from an active Plan for Achieving Self-Support or claim of Blind Work Expenses.*

Simplify Work Incentives Programs. Simplify the maze of work incentives programs that exist not only within SSA but also in other federal benefit programs so that those programs mutually support a common work agenda and make work pay, while at the same time reduce the risk of overpayments for beneficiaries and other unintended adverse program interactions.

***Recommendation 15:** The Social Security Administration should reduce the complexity and improve the consistency of work incentives across the Supplemental Security Income and Social Security Disability Insurance programs and other federal entitlements so that they universally support work.*

Recommendation 16: *The Social Security Administration should establish mechanisms to monitor post-entitlement workloads, develop performance standards (similar to those established for initial claims in terms of processing time and decisional accuracy), and allocate sufficient resources to address post-entitlement workloads.*

Recommendation 17: *The Social Security Administration should establish a cross-component internal Social Security Administration Task Force on post-entitlement workload issues to identify resources needed to perform critical program integrity activities that address post-entitlement workloads such as processing work reports and preventing and detecting overpayments. Publish these findings annually.*

Recommendation 18: *The Social Security Administration should continue to expand systems for reporting wages electronically, ensuring that concurrent beneficiaries have a single point of earnings reporting and that timely receipts are sent to all beneficiaries.*

Educate Stakeholders. Educate and equip the array of stakeholders supporting the return to work process, to ensure that beneficiaries interested in going to work have access to customized, responsive, timely, relevant and accurate information and services, including accessible technology, to support their efforts.

Recommendation 19: *The Social Security Administration and Congress should strengthen both the Work Incentives Planning and Assistance and Protection and Advocacy for Beneficiaries of Social Security networks by establishing performance standards, adjusting funding levels and resources to levels necessary to achieve the desired results, and investing in ongoing training and technical assistance that improves the accuracy of information and quality of services provided with particular attention to underserved populations and valued employment outcomes.*

Recommendation 20: *The Social Security Administration should identify clear, objective performance standards and indicators to evaluate the activities and impact of Area Work Incentives Coordinators and Work Incentive Liaisons, and collect, analyze, document, and publish evidence annually (by Social Security region and system-wide) of customer satisfaction, improved employment outcomes, and advanced self-sufficiency.*

Recommendation 21: *The Social Security Administration should collect workload information on the number of Plan for Achieving Self-Support applications submitted and approved, including the processing (wait) time by state, and publish this information annually in the Social Security Administration's SSI Disabled Recipients Who Work report. The Social Security Administration should provide high quality training and support, and fiscal resources for the effective administration and outreach of the Plan for*

Achieving Self-Support program. The Social Security Administration should recruit, develop, and support Plan for Achieving Self-Support specialists (travel, technology, et al).

Recommendation 22: *The Social Security Administration should improve reporting of data and analysis pertaining to Social Security Disability Insurance (including Disabled Adult Children and concurrent Social Security Disability/ Supplemental Security Income beneficiaries) and issue an annual report comparable to the Social Security Administration’s SSI Disabled Recipients Who Work report.*

Recommendation 23: *The Social Security Administration should establish a performance management and return to work tracking system, providing benchmarks for each state, and track utilization over time as part of a continuous quality improvement plan.*

Recommendation 24: *The Social Security Administration should increase beneficiary awareness of earnings reporting requirements including the waiver process for overpayments, and promote greater self-efficacy.*

Increase Economic Self-Sufficiency through Investment in Disability Program Modernization

Enactment and implementation of the Act has not produced the results that Congress envisioned upon its passage.⁷ SSA has mailed more than 12 million tickets to individual beneficiaries in the last seven years. Less than 184,000 tickets have been assigned as of September 30, 2007; this amounts to an assignment rate of less than 1.5 percent. SSA reported that, during the week of June 18, 2007, it made its first 60th outcome payment to an EN for one of its beneficiaries with disabilities. This means that this beneficiary has been successfully employed at over the substantial gainful activity limit and off the beneficiary rolls for 60 months. This is the first such payment SSA has made since the program began.⁸ This contrasts with the estimate made by the Congressional Budget Office (CBO) during the writing of the Act:

“Specifically, CBO estimates that the number of net additional suspensions in DI--that is, suspensions that would not occur in the absence of the new program--would equal 500 in 2003, 2,200 in 2004, and an average of 4,600 annually between 2005 and 2007...Over the 2003-2007 period, CBO estimates that there would be a total of 35,000 gross rehabilitations of ticket holders...”⁹

The Panel believes that incremental changes to the Ticket to Work program and Social Security work incentives, while vital in the short term, must be coupled with more sweeping policy changes and further national dialogue regarding modernization of disability programs. As long as eligibility for federal income support and health care programs is based on the inability to engage in substantial gainful activity that results from a medical impairment expected to last for at least one year, the clear message to people with disabilities will be that they are inherently unable to support themselves through work. This problem was also cited in the U.S. House of Representatives Committee on Commerce Report accompanying the Ticket to Work legislation.¹⁰ In short, our largest public programs consistently tell our working-age population with disabilities that we don't expect them to work or participate fully in their communities.

This message has not changed in any meaningful way since the eligibility criteria for SSDI were developed in 1956,¹¹ and it is compounded by messages from family, friends, community, other government programs, and the media. Low expectations have combined with fundamental flaws in the largest public programs serving Americans with disabilities to relegate millions of Americans to the periphery of society. For many, our disability programs become a poverty trap that is almost impossible to escape. The statistics regarding people with significant disabilities and the programs that serve them reinforce the need for fundamental changes:

- The employment rates of men and women with significant disabilities have not improved and may have declined between 1986 and 2004.¹²
- According to the Current Population Survey, the employment rate of working age people with a work limitation dropped from 24.5 percent in 2000 to 19.3 percent in 2004.¹³
- Partially as a result of changing demographics, including an aging population, disability income support programs are growing at rates that are outpacing the general population growth. Between 1989 and 2005, the general U.S. population grew from 246.8 million to 296.5 million. During that same period, the number of SSDI beneficiaries increased from 4.1 million to 8.3 million, and the annual total expenditures rose from \$23.8 billion to \$88.0 billion. The number of individuals receiving SSI due to disability or blindness rose from 3.1 million to 5.9 million, and the annual Federal expenditures rose from \$9.2 billion to \$29.2 billion.¹⁴
- Between 1989 and 2005, the number of SSI recipients under age 18 increased from 299,200 to 1.0 million, growing as a percentage of the total SSI beneficiary population from 7 percent to 15

percent. On average, people who enter SSI prior to age 18 remain on the rolls for 27 years.¹⁵

This need to modernize disability programs has also been recognized by the bipartisan Social Security Advisory Board;¹⁶ by the National Council on Disability¹⁷ under Presidents Ronald Reagan, George H.W. Bush, William Jefferson Clinton, and George W. Bush; by the Comptroller General of the United States;¹⁸ and by disability advocacy groups like the American Association of People with Disabilities,¹⁹ the National Council on Independent Living and the World Institute on Disability.²⁰

People with disabilities are a diverse population with varying needs, access to intangible supports and work capacities. In addition, because there are variations in local labor markets, no single program or policy will be universally successful in promoting work and meeting the needs of all people with significant disabilities. Rather, mutually supportive and flexible programs and policies need to be designed and tested to determine how best to support people with significant disabilities at various stages of onset and disability management and levels of work capacity. These policies and programs should build on demonstrations and innovations that are producing results at the state and local levels, and should allow for modernization at all levels of government.

The Panel proposes the following set of recommendations to promote ongoing national dialogue regarding modernization and supports long-term investment in an employment strategy for Americans with disabilities. Key elements to this employment strategy are:

Raise Expectations

***Recommendation 25:** The President should take the lead to establish and provide financial support for a comprehensive, cross agency, culturally competent social marketing campaign to raise expectations about the productive employment potential of people with disabilities. This campaign should target people with disabilities, their families, educators, employers, health care professionals and those that serve people with disabilities and the community. This marketing campaign should use the most accessible and effective media, including television, radio, the internet, and mainstream and specialty magazines and newspapers.*

Promote Workforce Connection and Retention

***Recommendation 26:** Congress should create employer incentives to increase the availability of effective workforce retention policies and programs to keep working adults with newly-diagnosed or recently-exacerbated medical conditions connected to the workforce.*

***Recommendation 27:** The Social Security Administration should implement a demonstration that tests the costs and benefits of establishing a publicly supported short-*

term disability insurance program at the state level modeled on the best programs that have been developed in the private sector and by state governments, which would be available to individuals with work histories who do not have private disability insurance.

Enhance Job Opportunities

Recommendation 28: *The President should implement a job creation strategy that engages and incentivizes public and private sector employers in targeting people with significant disabilities for jobs that pay a living wage and have benefits that enable a beneficiary to move successfully from benefit receipt to employment, through a new level of collaboration among state and federal employment and economic development programs, the business community and disability organizations.*

Improve Access to Health Care and Long-Term Services and Supports

Recommendation 29: *Congress should work in a bipartisan fashion to build on the goals of the Medicaid Buy-In and the Medicaid Infrastructure Grant to ensure that people with significant disabilities have access to affordable coverage for health care and long-term services and supports that is comprehensive; portable; supported by beneficiary contributions, where appropriate; independent from qualifying for income support; and coordinated with employer-sponsored benefits.*

Create a Transition to Economic Self-Sufficiency Large-Scale Demonstration Program

Recommendation 30: *The Social Security Administration should design and implement a large-scale demonstration project that studies the feasibility, cost-effectiveness, and any unintended consequences of a voluntary Transition to Economic Self-Sufficiency Program for young people who are between 14 and 30 years old and qualify for Supplemental Security Income and/or Social Security Disability Insurance. This demonstration project would build on the goals of the Ticket to Work program and evaluate the feasibility of a program that would transform Supplemental Security Income and Social Security Disability Insurance by establishing unified rules that: provide a graduated cash payment to address the effects of disability-related barriers on income; build on the Ticket to Work program to increase the availability of and consumer control over employment-related services; promote optimal educational outcomes; and enable program participants to maximize income and assets without fear of losing critical supports.*

Modernize the Social Security Definition of Disability

Recommendation 31: *Congress and the Administration should take action to evaluate the impact of modernizing the Social Security definition of disability by defining*

disability in a manner that acknowledges the interaction between the person's impairment and the environment and does not require the individual to prove their inability to engage in substantial gainful activity.

Coordinate Disability Programs at the Federal Level

***Recommendation 32:** The Domestic Policy Council should ensure ongoing communication and collaboration among federal programs that provide employment services and supports.*

A Call to Action

Eight years ago, the President, Congress, and SSA agreed to invest in human potential and to reduce or eliminate remaining barriers to employment and economic participation for people with disabilities. Today, costs and frustration increase with the slow pace of progress. To an individual with significant disabilities, a timely intervention means the difference between an independent life and one of poverty and dependence.

The Panel urges Congress and SSA to take action on its recommendations, acknowledging that people with significant disabilities must play a central role in designing and implementing any new or modernized system. An investment focused on modernization rebalances risk and aligns public policy and systems in support of employment and self-sufficiency.

Introduction

“What more do we need to tell people that the system is broken? It’s an antiquated system...for individuals who were believed never to work again. Persons with disabilities are missing out on one of life’s most valued gifts, the ability to work and feel productive by contributing to society. Our disabilities must not also sentence us to a life of poverty. We crave the equality and are willing and able to work.”

Michelle Martini, Delegate from Wisconsin
Beneficiary Summit
Atlanta, Georgia
February, 2007

The Ticket to Work and Work Incentives Improvement Act of 1999 (the Act) is administered by the Social Security Administration (SSA) and the U.S. Department of Health and Human Services (HHS). It increases beneficiaries’ choices for rehabilitation, vocational services and other employment supports, reduces barriers associated with choosing between health care coverage and work, creates safety nets and protections that support work, and provides a vehicle to ensure that more Americans with disabilities are employed and reduce their dependence on public benefits. Appendix A provides a summary of the provisions of the Act.

The overwhelming bipartisan support for the legislation represented a continuing evolution in thinking and attitudes about the capacity of people with disabilities to work, contribute to our nation’s economy, and reduce their reliance on public benefits. Nine years after the passage of the Americans with Disabilities Act (ADA) of 1990, Congress recognized that multiple barriers still remained for the full participation of working-age adults with disabilities in the economic mainstream. Citing innovations in assistive technology, medical treatment and rehabilitation, as well as advances in public understanding of disability and the desire of many beneficiaries to work, the Act authorized a dynamic set of changes to policy and programs intended to reduce or eliminate several of the most significant barriers remaining to employment for

beneficiaries of Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI).

With passage of the Act, Congress made clear its intent “to redesign government programs to help individuals with disabilities return to work,” which “may result in significant savings and extend the life of the Social Security Trust Fund.”²¹ Congress calculated that if only an additional one-half of one percent of the current SSDI and SSI beneficiaries were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Fund and to the U.S. Treasury would exceed \$3.5 billion over the work life of such individuals. Such savings would far exceed the cost of providing incentives and services needed to assist beneficiaries in entering the workforce and achieving financial independence.²²

The SSA Strategic Plan for FY 2006-2011²³ states that the mission of the agency is “to advance the economic security of the Nation’s people through compassionate and vigilant leadership in shaping and managing America’s Social Security programs.” Millions of beneficiaries with disabilities expect services and supports that are responsive to a changing environment, including a choice to work with continued access to health care and other needed work supports.

In its Strategic Plan, SSA identified as a major strategic objective to “increase employment for people with disabilities by expanding opportunities” with a long-term outcome “to achieve greater financial independence through employment.” SSA’s Comprehensive Work Opportunity Initiative (Figure 1 below) affirms that most individuals with disabilities face multiple barriers to employment and need solutions that are flexible and can be customized to individual circumstances.

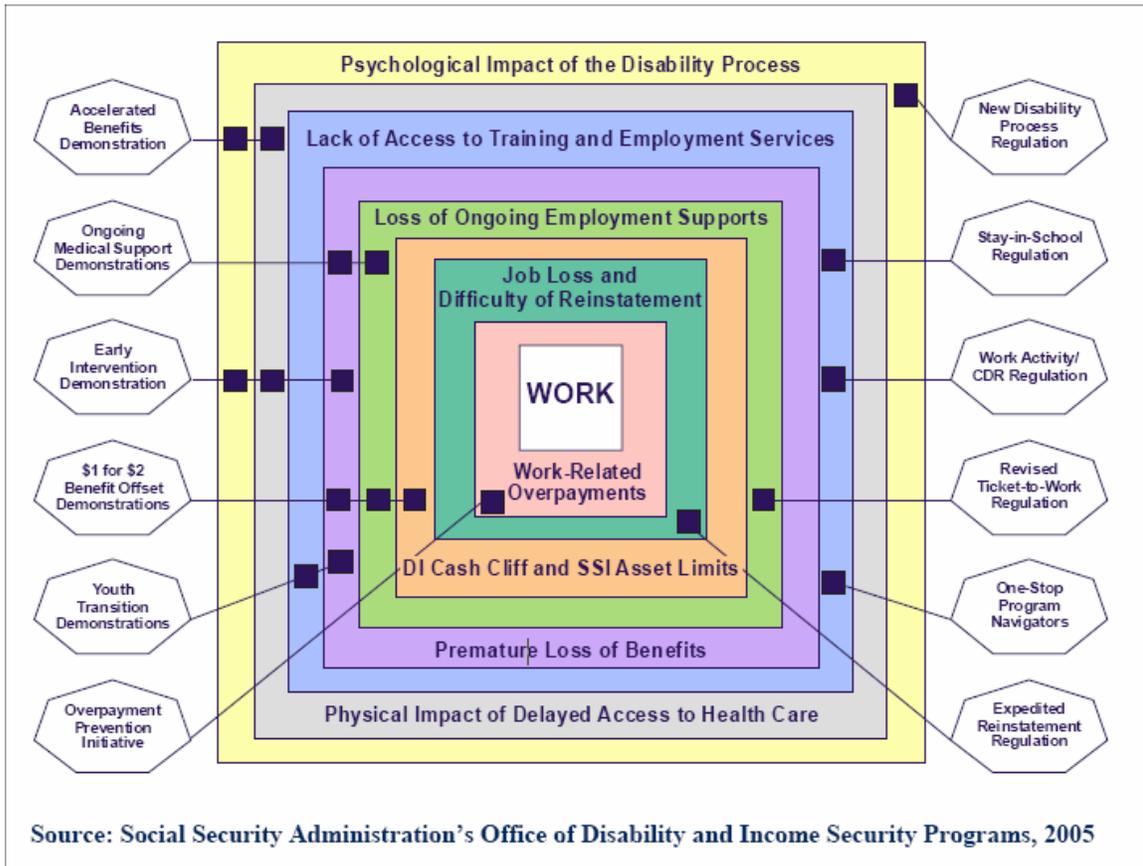
This final report shares what the Panel has learned during the past eight years and makes recommendations in three areas:

1. Elevate and incorporate the beneficiary voice in all aspects of program and policy development, evaluation and improvement;
2. Optimize current work incentives through short-term and incremental policy improvements; and
3. Increase economic self-sufficiency through investment in disability program modernization.

This final report offers short- and long-term recommendations that are informed by the knowledge gained from the personal experiences and professional expertise of Panel members, research findings culled from data analysis and open forum discussions, and the syntheses of hundreds of suggestions that reflect the diversity of the target population. The final Panel recommendations not only focus on fundamental policy changes, but also recognize the need for continued infrastructure development to

support implementation. Another consideration reflected in the recommendations is a belief that an investment of resources is required to reach beneficiaries and to respond and adapt to their evolving individual needs.

Figure 1. The Comprehensive Work Opportunity Initiative: Overcoming Barriers to Employment²⁴



While the Panel feels strongly that implementation of its short-term recommendations will help reduce the multiple barriers to employment; equally as important is a national dialogue and subsequent investment in a modernized disability policy and service system. The modernized system must achieve more dramatic reductions in barriers to work and improved employment outcomes.

History of the Panel

The Panel was established under the Act in March 2000. Twelve individuals serve on the Panel at a time: four appointed by the President, four by the U.S. Senate, and four by the U.S. House of Representatives. The appointees represent a cross section of experience and expert knowledge as recipients, providers, employers and employees in the fields of employment services, vocational rehabilitation, veterans programs, and other disability-related support services. Most Panel members are individuals with disabilities or their representatives, with several having had personal experience as beneficiaries of SSA disability programs. A list of current and former Panel members is provided in Appendix B.²⁵

Duties of the Panel include advising the President, Congress, and the Commissioner of SSA on issues related to work incentive programs, planning and assistance for individuals with disabilities and the Ticket to Work program. The Panel scheduled public meetings at least quarterly, alternating locations between Washington, D.C. and, in its early years, the Ticket to Work program roll-out states, to hear regional testimony. The Panel submitted interim reports on the implementation of the Act to the President and Congress on an annual basis. Appendix C includes two tables of Panel legislative and regulatory recommendations made to-date, separated into Panel recommendations for which Congress or SSA has not taken final action and recommendations Congress or SSA have acted upon. This is the eighth and final report. The Panel's legislated authority ends on January 17, 2008.

Listening to and Responding to the Needs of Diverse Stakeholders

The challenge the Panel faces in crafting recommendations to the President and Congress was articulated clearly in the recent report of the Social Security Advisory Board (SSAB) entitled "*A Disability System for the 21st Century*."

"The challenge is how to implement a strategy that meets the aspirations of the ADA, fulfills the needs of persons with disabilities, maintains the protections provided by the Social Security disability programs, and is fiscally responsible and sustainable."²⁶

To meet its responsibilities, the Panel has used multiple strategies to gather evidence and document results regarding the unmet needs, concerns, and challenges facing diverse stakeholders at a local, state, and national level.

During the past eight years, the Panel and other organizations such as the U.S. Senate Committee on Finance, the U.S. House of Representatives Committee on Ways and Means Subcommittee on Social Security, the SSAB, the Government Accountability Office (GAO), the National Council on Disability (NCD), and the National Academy for Social Insurance (NASI) have engaged policy experts, federal officials, practitioners, and persons with disabilities in public hearings, small group think tanks, and qualitative and quantitative research studies to identify improvements and, if necessary, transformative approaches to promote employment and a better economic future for individuals with significant disabilities. In addition to maintaining open and regular communication with Congressional staff, federal agency officials, and national disability organizations, the Panel conducted literature reviews and engaged diverse stakeholders to share their findings and recommendations. The Panel questioned stakeholders on the status of implementation of the Act, with particular attention to the Ticket to Work program, adoption by states of Medicaid Buy-In programs, and strategies to improve coordination of work-related supports among multiple federal agencies. The Panel sponsored targeted summits with employment service providers and beneficiaries to explore issues of critical importance to each group. Throughout all of these activities, the Panel conducted ongoing analysis of data and information received.

Through letters detailing recommendations and informal discussions with SSA and other federal agencies, the Panel has impacted program design, communications, and resource allocation. With public comment opportunities at each quarterly meeting and participation in a wide range of relevant regional and national conferences, Panel members have listened to and been part of discussions that helped inform future decision-making.

Panel members have met regularly with lead staff at SSA and relevant Congressional committees to advise them on ways to strengthen the Ticket to Work and related work incentive programs. Panel members have also participated extensively in a concerted effort to increase communication with and outreach to the disability community. In Washington D.C. and across the country, Panel members have engaged national organizations representing employment networks (ENs) and persons with disabilities, including multiple task forces of the Consortium for Citizens with Disabilities, in discussions promoting work for beneficiaries. Panel members have visited Social Security field offices, One-Stop Career Centers that are part of the federally funded workforce investment system, and workplaces where small business and large employers are benefiting from the productivity and contributions of workers with disabilities. Appendix D lists a sampling of the Panel's outreach efforts since 2001.

In various venues nationwide, policymakers, practitioners, and persons with disabilities have helped Panel members improve their understanding of the diversity of beneficiaries as

defined by age, level of disability, gender, race, culture, and economic status. At quarterly meetings, Panel members heard stakeholders from the public and private sectors share important recommendations to promote policy and program implementation improvements within SSA and other relevant federal agencies. The Panel has listened to different voices-- all sharing the common message that legislation must: a) ease the transition from SSA disability programs to work; b) ensure access to medical benefits, when needed; and c) encourage the advancement of financial/economic self-sufficiency. Across federal agencies, service and support coordination and integration at a community level must improve. In addition, there must be a government-wide acceptance of work as a preferred option to promote independence and enhanced community participation for individuals with disabilities.

Panel Strategic Plan for 2006-2007

In 2005, the Panel undertook a formal strategic planning process to guide final Panel action and decision-making. As a result, the Panel again affirmed and elevated principles that have guided it since its inception. First, all people should be afforded a meaningful opportunity to participate in the economic mainstream with or without ongoing supports and services. Second, the perspectives of beneficiaries must be heard, communicated and integrated into the recommendations of the Panel. The diversity of beneficiaries must be recognized to include people from various age groups, with different impairments, levels of education, work experience, capacities for working, culture, ethnicity, and socioeconomic status. Third, programs should not harm those they are designed to help.

The Panel recognized its important role promoting change specific to available work incentive options and to the Ticket to Work program. It also examined the larger context of programs and policies essential to increased employment and economic self-sufficiency for people with disabilities. The Panel identified three goals to frame final recommendations:

1. Elevate and incorporate the beneficiary perspective.
2. Improve implementation and marketing of the Ticket to Work program and other work incentives.
3. Develop a national employment investment strategy to transform approaches to assets, income, health care and supports for people with disabilities that is person-centered, culturally competent, and respectful of each person's values and experience.

Findings: History and Trends

To understand the Panel's recommendations, which highlight the value of work and examine the economic consequences of failing to improve and modernize current policies and program implementation, it is important to understand the historical context of the existing Social Security disability programs, work incentive options, and various national trends.

Social Security Disability Programs: SSI, SSDI, and Work Incentives

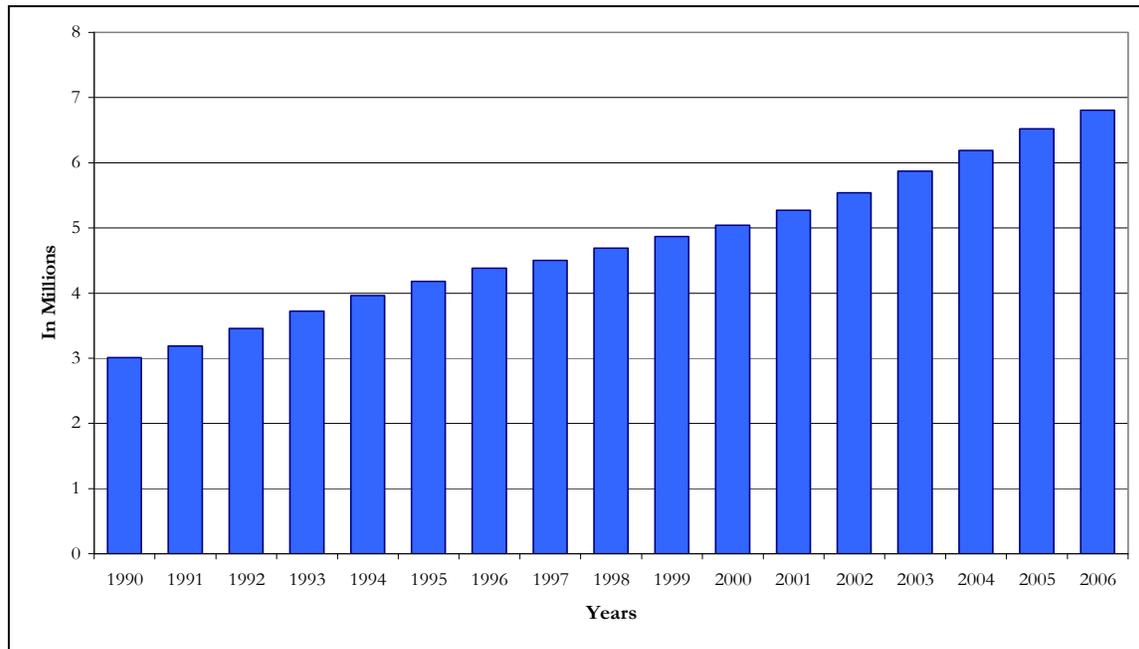
SSI and SSDI

SSA manages the nation's two largest federal disability programs: SSDI and SSI. The two programs provide safety-net supports of income and health care for millions of individuals nationwide. Since 1985, the number of individuals receiving disability benefits through the two programs has grown significantly.

In the past 15 years, according to findings of the SSAB, the working age population of the U.S. has grown by 18 percent. During that same period, the number of persons receiving SSDI benefits has grown by 117 percent and the number of working age SSI recipients has grown by 66 percent. The number of disabled workers on SSDI has more than doubled since 1990 from 3.0 million to 6.8 million in 2006 (Figure 2). The 2006 report of the SSAB indicated that 5.2 million individuals under age 65 receive SSI based on disability.²⁷

According to SSA statistics, 28 percent of SSDI beneficiaries depend on these benefits for 100 percent of their income and 47 percent of working age SSI recipients depend solely on their income from SSI. In both programs, the income payments represent more than 75 percent of the total income for a majority of such beneficiaries. On an annual basis, federal benefits paid to eligible individuals exceed \$125 billion.

**Figure 2, Social Security Disability Insurance,
Disabled Worker Beneficiaries, 1990 - 2006**



Source: SSA's Performance and Accountability Report FY 2005

Note: Source of 2006 data is Year 2006 Statement of Michael J. Astrue before the Senate Special Aging Committee, February 15, 2007.

After going through a long process to receive disability benefits, few people currently risk losing them by returning to work. According to the Office of Management and Budget's (OMB's) Program Assessment and Rating Tool, in 2006, the average processing time for initial disability claims was 88 days and the wait time for a hearing averaged 483 days.²⁸ After applying and finally being approved to receive benefits, only a small percentage of beneficiaries with disabilities work and earn enough to leave the disability rolls on a temporary or permanent basis. Policymakers struggle to reconcile a program for which eligibility requires individuals to prove a permanent inability to work with the needs of individuals who want to return to work, but require a flexible system that can provide supports that make work possible.

In 1956, Congress expanded the Social Security program to help people who were over age 50 who were unable to engage in any substantial gainful activity (SGA) by reason of a medically determinable physical or mental impairment that could be expected to result in death, or to be of a long continued and indefinite duration. The legislation combined cash benefits with referral to state vocational rehabilitation (VR) agencies to assist with services that might result in a return to work.

By June 1958, more than 800,000 individuals had been referred to VR agencies, but only about 550 beneficiaries (0.02 percent of the beneficiary population) had been successfully

rehabilitated. Subsequent amendments added benefits for younger workers, disabled widows, individuals who became disabled prior to age 22, and those whose working parent died or became eligible for Social Security retirement benefits. The original requirement of a disability of indefinite duration was reduced to include disabilities lasting as little as a year, and health insurance under Medicare was added for beneficiaries who complete a 24-month waiting period.

As the program evolved to include younger workers and shorter periods of disability, work incentive provisions were added to facilitate beneficiaries' return to work. In 1960, the first SSDI work incentive provision was enacted, which provided a nine-month Trial Work Period (TWP) during which a beneficiary could test his or her ability to work without suffering a loss of benefits. If the beneficiary continued to work above SGA following completion of the TWP, benefits would be terminated. Still, few SSDI beneficiaries returned to work. In 1967, 14,500 were rehabilitated, which was 1.2 percent of the beneficiary population.²⁹

In 1972, Title XVI of the Social Security Act created the SSI needs-based program. The program is a federally-administered income assistance program restricted to qualified individuals who have countable resources not exceeding \$2,000 for an individual and \$3,000 for married couples. The SSI program includes cash assistance for children and adults with disabilities. SSI recipients with earned and unearned income are allowed a \$20 general income exclusion and a \$65 earned income exclusion, as well as, a \$1 benefit offset for every \$2 earned. Additional income exclusions are also applied, recognizing the additional costs associated with employment and designed to ensure that a recipient will always have higher gross income from working than if they did not work.

Since the beginning of the SSI program in 1974, Congress has authorized work incentive provisions to provide beneficiaries with support to move from benefit dependency to independence through work. During the 1970s, the number of disability beneficiaries doubled. Ongoing beneficiary payments increased by a factor of five.³⁰ In response to rising disability rolls, Congress provided additional incentives to support work for SSI and SSDI disability beneficiaries through the 1980 amendments to the Social Security Act. These incentives included the ability to deduct Impairment-Related Work Expenses (IRWE) in determining whether earnings demonstrate SGA, an Extended Period of Eligibility (EPE) within which to test ability to work while retaining disability status after completion of the TWP, provisions for SSI recipients to continue to receive SSI payments beyond SGA under certain conditions, and extension of Medicare coverage for SSDI beneficiaries. The Section 1619 SSI/Medicaid work incentives began in 1981 and were made permanent effective July 1987.

Even with these changes, few SSI or SSDI beneficiaries were leaving the rolls for work. Loss of health care and other supports needed for work were viewed as being the primary reason. A 1992 study found that about 10 percent of beneficiaries entitled in 1980-1981 performed some work over a period of approximately 10 years, but only about 2 percent left

the rolls.³¹ Additional research showed that over 80 percent of beneficiaries were unaware of the work incentives and few used them.³² VR “seemed to have a positive effect on work resumption,” but only about 2 percent of beneficiaries received VR services. Physical therapy, vocational training, general education, and job placement efforts increased the tendency to go back to work.³³

Use of Work Incentives

The Panel has spent significant time learning about and listening to the perspectives of diverse stakeholders regarding SSI and SSDI eligibility requirements and the use of existing work incentives. For a more detailed overview and analysis of the SSI and SSDI programs and beneficiary use of work incentives, please see the Panel’s work incentive utilization report “*UPDATE, SIMPLIFY, AND EDUCATE: A National Call to Optimize Incentives to Work.*”³⁴

The Panel was dismayed to learn that, despite all the policy improvements and work incentives outreach efforts since the inception of the Act, work incentive utilization has been on a steady decline. Data provided by SSA demonstrates that the number of workers using IRWEs and Blind Work Expenses (BWE) has declined to its lowest level since 1990 (just 1.6 percent used IRWEs and 0.7 percent used BWEs). Plan for Achieving Self-Support (PASS) utilization also continued to drop through 2005 (1582 plans) and leveled off in 2006 (1583 plans). In December 2006, 0.5 percent of SSI recipients had a PASS plan and only 409 individuals nationwide had earnings. Little or no data is available on utilization of TWP, EPE, IRWEs or the provision of subsidies and special considerations for SSDI beneficiaries.³⁵

The Integration of Work Incentives: Complexity of Rules

“I’ve Googled, researched, read, and asked questions from the person who answers the phone at the help desk all the way up to the director of programs, agencies, and fellow researchers to gain a fuller understanding of the work incentives program. Yet, I am stopped dead in my tracks when it comes to knowing what to do and how to survive Social Security, access the Ticket program, and survive the mazes created from the bureaucratic layers that Andy and I must traverse for him to have a life like yours.”

Donna Martinez
Mother of Andy, Ticket holder
Ticket to Work and Work Incentives
Advisory Panel Quarterly Meeting
Washington, DC
August, 2006

SSI and SSDI beneficiaries have to deal with the complexities of work incentives. It is not a matter of being informed about and using a single work incentive, but rather understanding all the work incentives applicable to a specific situation, how they interact, and managing and utilizing them to avoid pitfalls.

For SSDI beneficiaries, the complexity includes:

- A five-month waiting period before payments can be started;
- A nine-month (not necessarily consecutive) TWP within a rolling 60 month timeframe, which allows unlimited earnings but requires a "work" continuing disability review (CDR) (Note that rules governing whether or not a month of work counts as a TWP month include both hours worked and earnings thresholds unrelated to SGA.);
- Restarting of benefits no later than the 37th month after the end of the 9-month (not necessarily consecutive) TWP;
- A 24-month waiting period before Medicare benefits begin;
- A 36-consecutive month EPE, during which earnings are limited to less than SGA, with no questions about why earnings dropped;
- A three-month grace period during the EPE before payments are stopped if the beneficiary has earned SGA;
- A five-year period during which benefits can be reinstated if earnings are less than SGA, but unlike the EPE, it applies only if benefits ended because of work; and
- A maximum of 93 consecutive months of Medicare after cash benefits stop, starting with the last month of the 9 month (not necessarily consecutive) TWP.

For SSI recipients, the complexities due to timing are not as great. The \$1 for \$2 reduction avoids the all-or-nothing situation tying cash benefits to health insurance, and the 1619 provisions provide for a smoother transition. However, in the SSI program the complexity extends beyond an earnings test to include an extensive set of initial and continuing eligibility rules that govern not only all types of income but also resources, living arrangements, and documentation for any changes.

The Panel has heard a great deal of testimony about the significant fear beneficiaries have of losing their benefits and their access to health care, as well as their reluctance to risk losing their benefits after undergoing a lengthy and rigorous eligibility process. Often, incentives do

not go far enough to offset the impairment-related expenses or the other expenses associated with going to work. It may not be reasonable to expect beneficiaries to deal with confusing and seemingly arbitrary time frames and dollar amounts as they try to understand the impact of earnings on their benefits.

Concurrent Beneficiary Efforts to Work and Use SSI and SSDI Work Incentives

Work incentives and eligibility for both the SSI and the SSDI programs are complex. This complexity is compounded for concurrent beneficiaries (individuals receiving both SSI and SSDI benefits), who must navigate two sets of often-conflicting work incentives and eligibility provisions.

According to a 2002 report by the GAO,³⁶ concurrent beneficiaries account for about 14 percent of SSA's disability population, and about 11 percent of concurrent beneficiaries work, compared to 8 percent of SSI-only recipients. While a greater percentage of concurrent beneficiaries appear to be working, the average median monthly earnings of concurrent beneficiaries is less: \$250 compared to \$400 for SSI-only recipients.

This GAO report explored the implications of uncoordinated program rules on SSA payment inaccuracies. The GAO found that information affecting benefits or eligibility is not reported timely and/or that information, once reported, is not processed timely. Field office employees generally specialize in only one of the programs, so the staff may not be fully aware of rules for both, making it difficult for them to offer sound guidance. Reliable public information materials clearly explaining the complex interaction of the two programs are not available, so it is difficult for beneficiaries to make informed decisions about working.³⁷

SSA Workloads

The primary focus of SSA workloads for FY 2006-2011 continues to be the disability program, which according to SSA's Strategic Plan³⁸ "is in need of the most improvement." The most significant external factors affecting SSA's ability to improve service to applicants with disabilities is the dramatic growth of workloads and the increasing complexity of those workloads.

SSI redeterminations and CDRs represent two of SSA's main efforts towards processing the information affecting benefits or eligibility in a timely manner and helping to prevent and detect improper payments. SSI redeterminations yield a savings of \$7 for every \$1 spent in administering them, and CDRs in the SSDI program save \$10 in program benefits for every \$1 spent.³⁹ SSI redeterminations assess whether an SSI recipient continues to meet the financial eligibility requirements or has experienced a change of circumstances that would affect his or her monthly benefit amount. SSA is implementing policies to increase the

number of SSI redeterminations processed and to improve the profiles that are used to select cases for review.⁴⁰ In FY 2005, SSA completed 1,724,875 redeterminations; it is estimated that this effort produced \$1.5 billion in overpayments.⁴¹ CDRs conducted in 2005 are estimated to yield more than \$5 billion in program savings.⁴² SSI redeterminations and CDRs have been identified as cost effective efforts to detect and to reduce overpayments in the SSI and SSDI programs. However, former SSA Commissioner Barnhart⁴³ determined that, due to budget cuts in FY 2006, workloads “such as processing retirement and disability claims have priority over other workloads, including...CDRs and SSI non-medical redeterminations.” According to testimony heard before the House Subcommittee on Social Security,⁴⁴ the lack of resources to conduct CDRs and SSI redeterminations will adversely impact SSA’s ability to significantly reduce overpayments.

More than 40 percent of SSA employees are expected to retire by 2014, while SSA’s workloads are expected to grow dramatically as the baby boom generation approaches their peak disability and retirement years. Consequently, the greatest human capital challenge facing SSA is to maintain a high performing, smaller workforce that is prepared to deliver quality service.

Future Financing Challenges

In a 2003 report, GAO⁴⁵ designated the federal disability programs as a high-risk area—one that requires urgent attention and organizational transformation to ensure that programs function in the most economical, efficient, and effective manner possible. This designation was based on more than a decade of research focusing primarily on the nation’s largest disability programs, which includes the SSA disability programs.

In several reports, GAO has identified the challenges of future financing of SSA programs. In a May 2005 report, GAO stated that SSA “faces a long-term actuarial deficit and that benefit reductions and/or revenue increases will be necessary to restore solvency.”⁴⁶ Further, GAO reported that while the program does not face an immediate crisis, it does have a \$4 trillion gap between promised and funded benefits in current dollar terms over the next 75 years. Social Security’s finances have important implications for the overall federal budget. The current Social Security surpluses will begin to decline in 2009, thereby putting additional pressure on the balance of the federal budget. In addition, in the near future, Social Security’s benefit costs will start to grow rapidly.

As a result of the aging population and slower labor force growth, fewer workers will be contributing to Social Security. According to another 2005 GAO report on Social Security reform,⁴⁷ while currently 3.3 workers support each Social Security beneficiary, only 2 workers are expected to be supporting each beneficiary by 2040. In 2017, Social Security is projected to pay out more in benefits than it receives in revenues. After 2017, the gap between costs and income is expected to grow continuously, and, unless action is taken to close this gap, the trust funds are projected to be depleted in 2041. At that time, annual income will only be

sufficient to pay about 74 percent of benefits and by 2079, income will only be sufficient to pay about 68 percent of benefits.

Implementation of the Ticket to Work and Work Incentives Improvement Act

To further encourage beneficiaries to work, Congress enacted the Act, which addressed the threat of losing health benefits by extending Medicare coverage for working beneficiaries to 102 months from 36 months, and established a state option to offer a Medicaid Buy-In program for workers with disabilities. The Act expanded work incentives, providing SSDI beneficiaries and SSI recipients with the option to receive a ticket. Ticket holders can use it to secure employment services, training, and other supports from ENs of their choice. This is a market-driven approach to expanding employment service options for beneficiaries.

The Act also eliminated work-triggered CDRs; created a work incentive outreach program to provide information, planning, and guidance to SSI and SSDI beneficiaries; and provided the expedited reinstatement (EXR) provision for both SSDI and SSI. The Act was generally viewed as greatly expanding both opportunities and incentives for people with disabilities to go to work. The Ticket to Work program is outcome-based, authorizing payments to ENs based upon employment outcomes.

This section analyzes the implementation of the three elements of the Act: Title I, Ticket to Work and Self-Sufficiency and Related Programs; Title II, Expanded Availability of Health Care Services; and Title III, Demonstration Projects and Studies.

Ticket to Work and Self-Sufficiency and Related Programs

The Ticket to Work program provides eligible SSDI beneficiaries and SSI recipients with a ticket voucher that can be used to access employment services and supports from VR or an independent private not-for-profit or for-profit entity that has been certified by SSA as an EN. The rollout of the Ticket to Work program with mailing of tickets to beneficiaries was staggered over a three-year period nationwide, beginning with Phase One states in 2002. By 2004, all fifty states, the District of Columbia and U.S. territories had become a part of the Ticket to Work program and over 10 million tickets had been distributed to beneficiaries. Program participation for beneficiaries is voluntary.

According to the latest evaluation data available from Mathematica Policy Research, Inc., “As of December 2004, there were 9.23 million ticket-eligible beneficiaries. About 30 percent of them are in the Phase 1 states, another 30 percent are in the Phase 2 states, and the remaining 40 percent are in the Phase 3 states.”⁴⁸

In addition, the most recent evaluation narrative reports that “[b]y December 2004, 83,568 tickets were in use. Reflecting the rollout schedule, 45 percent of the tickets were held by

beneficiaries residing in Phase 1 states, 30 percent in Phase 2 states, and 25 percent in Phase 3 states. Participation rates continued to rise steadily. The Phase 1 participation rate reached 1.38 percent in December 2004, the Phase 2 rate reached 0.90 percent, and the Phase 3 rate reached 0.56 percent.”⁴⁹

Since the inception of the Ticket to Work program, SSA has experienced great difficulty recruiting ENs. As of November 7, 2007, there are 79 VR agencies and 1,247 other community providers operating as ENs. In addition, SSA has yet to identify and implement effective means to encourage beneficiaries to participate in the program. As of August 17, 2007, SSA has issued 12,850,338 tickets: 11,950 or 0.1 percent have been assigned by beneficiaries to ENs that are not part of the VR system and 172,336 tickets have been assigned to VR agencies.⁵⁰ Combined, only 1.4 percent of eligible beneficiaries have participated in the Ticket to Work program. Based on employment outcomes achieved for a ticket holder, an EN currently receives payments from SSA through two options: a milestone payment system or an alternative five-year outcome-based set of measures. As of June 15, 2007, SSA has made milestone or outcome payments to ENs including VR agencies on behalf of only 3,061 beneficiaries.⁵¹

No subject has dominated the attention of the Panel more than the challenges faced by the Ticket to Work program. During every public meeting over the past eight years, the Panel has included presentations by SSA on the status of implementation, strategies to increase the level of participation by beneficiaries, and efforts to expand the number of ENs to serve them. Each quarterly meeting has also included diverse stakeholders offering testimony on experiences with the program and suggestions on how to improve it. The Panel has heard examples of successful participation, which offer hope about the possibilities for the future, leading the Panel to suggest amendments to the reimbursement system and a greater focus on marketing and outreach to beneficiaries. Based on stakeholder input, the Panel has submitted multiple recommendations encouraging SSA to make urgent progress toward a realization of the promise and full potential of the Act.

Evaluation of the Ticket to Work Program

The Act mandated that SSA conduct an evaluation study to determine successes and problems in implementation of the Ticket to Work program. Four broad areas are being studied via interviews, site visits, analysis of SSA and Rehabilitation Services Administration data sets, and other sources. The following areas of analysis are included in the evaluation: process, participation (beneficiary and provider), impact/outcomes, and adequacy of incentives. The evaluation contract was awarded to Mathematica Policy Research, Inc., and has yielded three reports to date.

In general, the Panel agrees with most evaluation findings. In fact, the Panel’s recommendations often mirror the concerns of evaluators. For instance, the evaluation has found that, in general, Ticket to Work program implementation has been successful, but the

implementation has not yielded the level of choice for beneficiaries that Congress envisioned.

“...While [the Ticket to Work program] has expanded beneficiaries’ choice of providers, most of the participation has been with VR agencies using the traditional payment system. Only 16 percent of Tickets are being used under the two new payment systems. The pattern suggests that [the Ticket to Work program] does not yet represent a dramatic break from the past. Instead, its progress so far represents the introduction of new choices and incentives whose ultimate effect will depend on the eventual level of participation and the extent to which ENs and VR agencies offer newer and more effective services.”⁵²

The evaluation also identified several reasons for the low participation rates of beneficiaries and ENs. The payment structure for ENs and the role of VR agencies in the Ticket to Work program were cited as problems in the evaluation. Many of the structural issues identified in the study can be mitigated if SSA’s September 2005 notice of proposed rulemaking is made final. For example, the evaluation predicted the following:

“[T]he new regulations allow ENs to accept Tickets from the Ticket to Work program participants who received employment services from an [state vocational rehabilitation agency] SVRA under the cost reimbursement system. In doing so, they will be able to reduce the upfront costs for outreach, screening, and employment services, focus on providing ongoing support services necessary for the Ticket to Work program participants to maintain employment, and thereby improve their chances of breaking even under the program.”⁵³

In their most recent report, the evaluators reported positive results with regard to SSA staff attitudes toward employment for beneficiaries. “Changes in administrative procedures appear to have started a shift toward an SSA culture that supports return-to-work. SSA staff members interviewed for this report suggested a positive shift toward an SSA culture that is clearly supporting return-to-work for beneficiaries. The reported shift appears to stem from the fact that many employees who serve beneficiaries with disabilities are learning about and becoming more substantially involved in efforts to improve beneficiary earnings. Many receive training in Ticket and, more broadly, the DI and SSI work incentive programs; many have been introduced to and are now using new data systems that track employment and other post-entitlement outcomes; and many were involved in the effort to clear the post-entitlement workload backlog.”⁵⁴

The Panel is pleased to know of this positive development; however, the anecdotal evidence heard through public comment and the beneficiary summit indicates to the Panel that there may still be some work to do in this area. Beneficiaries still report to the Panel that return-

to-work information imparted from SSA field offices is sometimes inconsistent and/or incomplete.

The Panel does continue to have concerns about the evaluation's analysis of the Adequacy of Incentives (AOI) Study. Congress recognized that the Ticket to Work program would not be equally available to all individuals with disabilities. In particular, some people with significant disabilities might be involuntary non-participants. That is, they might be willing to work but, because of their limited wage potential or their need for ongoing support and services, high-cost accommodations, and/or partial cash benefits, as well as outside factors, they might not find an EN willing or able to take their ticket under the existing financial incentives of the Ticket to Work program. These four groups are referred to as the AOI groups.

To address this equity issue, Congress included a requirement in the statute that SSA identify and implement a payment system that would allow this population to participate in the Ticket to Work program.

The Panel recommended in 2002 that “While there is a need to take advantage of what is known about the diagnostic categories with high proportions of those most likely to fall into one of the four groups relative to work capability, the Social Security Administration, in addition to diagnostic data, should use other information, such as survey information, information on earnings, onset date, and medical improvement assessments. SSA should also go to outside data sources, such as those identified in Expert Roundtable Recommendation 1, to identify members of the four target groups.”⁵⁵ Evaluators have examined the populations of beneficiaries targeted by SSA. The Panel remains skeptical that the four AOI groups are adequately identified.

On a related topic, the proposed Ticket to Work regulations of September 2005 represent a likely improvement in service provision for some of the AOI target populations. This is due to the decoupling of VR services from those of ENs, thereby providing the possibility for both front-end, more costly services/accommodations via VR and five years of follow-along by an EN. However, the needs of the AOI target group requiring long-term follow-along were not fully addressed in the proposed regulations. An open question is what happens to individuals requiring life-long or significantly long-term services and supports after the five year follow-along available via the Ticket to Work program.

Proposed Revisions to the Ticket to Work Program

Proposed revisions to the Ticket to Work program were published by SSA in the Federal Register on September 30, 2005⁵⁶ and included many recommendations made by the Panel. On September 28, 2006, the one year anniversary of the publication of proposed amendments, the Panel sent a letter to the Commissioner of SSA emphasizing the importance and urgency of issuing the final regulations. At the Panel's last quarterly meeting in 2006, SSA reported that the final regulations would be further delayed as a result of issues

that needed to be addressed in a new notice of proposed rulemaking (NPRM). The identified issue related to the “Ticket in Use” by beneficiaries in higher education and the procedures for suspension for a time-limited period of required CDRs. On August 13, 2007, the NPRM was published in the Federal Register⁵⁷ along with several additional proposed amendments. A final rule is not expected to be published until the spring of 2008. Without a final rule offering significant improvements and thereby renewing EN and beneficiary interest, efforts at marketing and outreach will remain challenging. In the interim, SSA is identifying ways to effectively market to beneficiaries. In the spring of 2007, SSA began holding pilot Work Incentive Seminars. These seminars are community level, small group informational sessions that give beneficiaries the opportunity to meet with representatives from the Work Incentives Planning and Assistance (WIPA) program, community work incentive coordinators (CWICs), ENs, and other public and private community-based groups. The seminars provide a customer-friendly environment for answering questions and demystifying fears related to return to work. While the initial beneficiary turnout for these events was minimal, response to the events appears positive. No outcome data regarding the pilot seminars are currently available.

Work Incentives Planning, Assistance, and Outreach

“I truly do believe that if a beneficiary can get a good benefit analysis and get the right community resources that they are going to see the value in wanting to go to work and become self-sufficient.”

Natalie Alden, Advocate
Advocacy Center, Jacksonville, FL
Testimony at the Ticket to Work and Work Incentives
Advisory Panel Quarterly Meeting
Washington, DC
June, 2006

Title I subtitle C of the Act authorized programs to inform, assist, and protect beneficiaries interested in pursuing work by establishing the Benefits Planning, Assistance and Outreach (BPAO) program and the Protection and Advocacy for Beneficiaries of Social Security (PABSS) program. The Act also authorized SSA to create an internal corps of work incentive specialists.

In 2000, SSA established 116 BPAO projects in all states, the District of Columbia, and U.S. territories. The purpose of the BPAO program was to provide SSI recipients and/or SSDI beneficiaries with accurate information about work incentives to help them make informed choices regarding work and its potential impact on their benefit status. BPAO programs

nationwide were administered by VR agencies, centers for independent living and other community-based organizations.

Data on the activities of over 500 benefit specialists in the 116 BPAO projects was reported to a centralized data management system at Virginia Commonwealth University. The BPAO program operated from 2000-2006 and served over 252,000 beneficiaries nationwide.⁵⁸ The BPAO program served individuals with disabilities across the full range of age and type of disability.

Over 84 percent of individuals served were between ages 22 and 59. One-third of the individuals served identified psychiatric or emotional disability as their primary disability. There was equal representation of women (50.2 percent) and men (49.8 percent). The range of services provided included information and referral (90.9 percent), problem solving and advocacy (31.9 percent), benefits analysis and advice (43.4 percent), benefit support planning (13.9 percent), and benefits management (5.3 percent).

The work incentives recommended most frequently included the Ticket to Work program (53.6 percent), EPE (49.9 percent), 1619(b) (31.9 percent), extended Medicare coverage for SSDI beneficiaries (28.9 percent), and Medicaid Buy-In (19.9 percent).

According to a customer satisfaction survey of 1,764 randomly selected beneficiaries who had received services from a BPAO provider, 89 percent rated the services provided as “excellent”, “very good”, or “good.” Before receiving counseling, 28 percent indicated that they were working, and 47 percent of respondents indicated that, after contact with the BPAO, they found employment, which represents an increase of 19 percent.⁵⁹ However, the Panel learned from beneficiaries about challenges within this program. Some beneficiaries reported having to wait weeks to get an appointment because there were not enough benefits planners. Because of the size of some geographic areas, some beneficiaries did not have access to benefits planners to address their needs. Other beneficiaries shared that benefits planners could not answer their questions or provided inaccurate information.⁶⁰ In response, the Panel sent a letter to the Commissioner of SSA in February 2005 recommending the development of minimum standards for effective service delivery and minimum qualifications for benefit planners. The Panel also suggested to SSA that all BPAO programs have agreements with ENs and Disability Program Navigators (DPNs) in their geographic catchment areas to better serve unserved and underserved populations.

In May 2006, SSA issued a new competitive Request for Application (RFA) for the former BPAO program. The program was renamed the Work Incentives Planning and Assistance (WIPA) program due to its increased emphasis on work incentives, return-to-work supports, and jobs for beneficiaries. This emphasis represented a shift from general information dissemination and outreach to strategic and intentional outreach. It also demonstrated a focus on practice and utilization that results in enhanced employment outcomes.⁶¹

The renamed program became effective September 30, 2006 with awards to 99 WIPA projects in 49 states. Of the 99 awardees, 84 previously served as BPAO organizations. A second solicitation was offered from October 17, 2006 through December 15, 2006, resulting in another five WIPA projects being awarded for states and territories that were previously without permanent work incentives assistance grantees. SSA has awarded a total of 104 WIPA grants.⁶² No administrative data is currently available regarding the new WIPA initiative. Concerns have been expressed by the Panel that it appears SSA has lessened data reporting requirements for WIPA projects, which could potentially limit the evaluation of this provision of the Act.

Protection and Advocacy for Beneficiaries of Social Security

In April 2001, SSA established a national system of services for the protection and advocacy of beneficiaries. The Act defined the role of PABSS programs as “providing information and advice about obtaining VR and employment services and advocacy or other services that a disabled beneficiary may need to secure or regain gainful employment.” Services are provided to individuals with disabilities across the full spectrum of age and type of disability. PABSS grants were made to 57 states, territories and Native American protection and advocacy agencies. Since December 2001, PABSS programs have provided information and advocacy services to over 9,500 beneficiaries. From Fiscal Year 2003 through 2006, PABSS programs documented over 14,003 client concerns across 13 major categories requiring individual assistance. The top four areas of beneficiary concern were related to: Social Security overpayments (36 percent), VR (20 percent), benefits planning (12 percent), and employment discrimination (10 percent). Outcomes achieved through the PABSS programs include obtaining information concerning rights, addressing overpayment situations, improving access to services from VR or an EN, and regaining or obtaining employment.⁶³ Diverse stakeholders have reported to the Panel that the PABSS funding level of seven million dollars is inadequate to meet the demand.⁶⁴

SSA Internal Corps of Work Incentive Specialists

Prior to the implementation of the Act, SSA recognized the importance of marketing and outreach to beneficiaries regarding existing work incentives. From July 2000 to September 2001, SSA piloted new field positions, Employment Support Representatives (ESRs),⁶⁵ to serve as work incentive specialists improving access to information for beneficiaries with disabilities who wanted to work. Thirty-two ESRs were assigned to serve 54 cities. ESRs were trained on all Title II and Title XVI employment support programs. An evaluation of the pilot program identified the importance of locating ESRs onsite in SSA field offices to provide expert assistance to beneficiaries in concert with other SSA field staff. In 2002, for the first time, SSA created a Strategic Partnerships and Outreach Team to be a part of its Office of Employment Support Program’s Division of Employment Policy. The team was created to develop a more comprehensive approach to outreach and public information focused on interdepartmental (federal, state, and local partners), employer, and advocacy group relationships.

In 2004, SSA replaced the ESR pilot with permanent full-time Area Work Incentive Coordinators (AWICs), which were no longer under the auspices of the Office of Disability and Income Support Programs, but rather the Office of Operations.⁶⁶ AWICs were placed in 54 SSA field offices nationwide to provide outreach to beneficiaries and timely and accurate information on work incentives. AWICs are also responsible for training Work Incentive Liaisons (WILs) in each field office. There are 1,335 individuals designated and trained as WILs to provide enhanced services to beneficiaries. The services provided by WILs complement the role of the AWIC with on-site assistance to other field office personnel regarding employment support programs and direct involvement with high profile individual cases. For the individual SSA staff member functioning as a WIL, however, those services are performed in addition to the individual's primary duties within the field office.

SSA has reported to the Panel on a quarterly basis on the outreach and meetings attended and training offered by AWICs and WILs within and outside SSA field offices to target audiences nationwide. To date, however, no performance-based indicators have been made public to objectively evaluate the individual performance of an AWIC or a WIL in a specific geographic area, or, collectively, the impact of the positions nationwide on improved customer satisfaction or change in employment status of beneficiaries through the use of specific work incentives.⁶⁷

As recently as August 2007, beneficiaries at a Panel meeting complained about receiving inaccurate information from staff in SSA field offices, and about the inadequate number of AWICs available to access timely and consistent information to make informed decisions about work. Another challenge to providing seamless work incentive assistance is that within SSA, the work of AWICs and WILs is managed through an organizational unit separate from the one responsible for WIPA and PABSS program management.

The challenges to generating new beneficiary interest in employment and work incentives through marketing, outreach, and the provision of accurate and consistent information are formidable. These challenges, as identified by stakeholders, include inadequate resources to support AWICs, WIPA and PABSS programs; inadequate quality assurance mechanisms to evaluate and improve service delivery; and a continuing need to improve coordination among these specialists (AWICs, WILs, WIPA, and PABSS) and other community partners.

Whether a beneficiary is seeking accurate information about the Ticket to Work program or other work incentives, the cumulative evidence shared with the Panel by individuals with disabilities indicates that these fragmented activities do not reach the intended audience with the necessary information. The Panel has repeatedly urged SSA to design, develop, and implement a comprehensive marketing and outreach strategy that effectively engages beneficiaries and ties in with other relevant service delivery systems.

The Act offers beneficiaries the opportunity to access a variety of supports and work incentives designed to reduce life-long dependence on cash benefits. However, without a

coordinated and comprehensive outreach strategy that focuses not just on the Ticket to Work program, but also on the range of work incentive options available, millions of beneficiaries remain afraid to attempt to work.

Expanded Availability of Health Care Services

“I can't help but wonder how many other people really would go back to work, but it's just so much easier in their mind to stay in that system because of that fear [of loss of medical benefits]...I just feel like you either have to be destitute or you have to be, you know, have been in the system and have private insurance if you are going to get diagnosed with something that's a chronic illness for life. And when you want to be a contributing member of society you feel like the system that is there to help you will only help you if you are completely down. It won't help you to help yourself.”

Velissa Cortessano
Testimony at the Ticket to Work and Work Incentives
Advisory Panel Quarterly Meeting
Miami, FL
November, 2005

Fear of losing health care coverage is one of the most significant barriers to employment identified by beneficiaries. Congress has taken several steps to mitigate the impact of health coverage on an individual's willingness to attempt work.

Medicaid Buy-In Programs

The Act allows states to establish Medicaid Buy-In programs that expand health care coverage to workers with disabilities whose income and assets may otherwise make them ineligible for Medicaid coverage. Without access to a buy-in, many beneficiaries who do work depress their earnings because eligibility for Medicaid depends partly on income. Participation in a state's Medicaid Buy-In program can:

1. Ensure continued coverage for persons who can risk permanent loss of SSDI cash benefits because they only need the Medicaid benefits to supplement private health insurance.
2. Enable Medically Needy program participants to increase their net or disposable income by moving to the Medicaid Buy-In program.
3. Enable SSI recipients to move from Medicaid with a lower earnings limit under Section 1619(b) to higher earnings ceilings under a Medicaid Buy-In.

4. Enable persons to move to a category of Medicaid eligibility with higher resource limits than the SSI program and thus increase their level of independence.
5. Enable persons to increase their work hours and pursue career opportunities.

A report issued by Mathematica Policy Research, Inc., in May 2007, listed the following findings regarding what attracts Buy-In enrollees:

“About one-fifth of Buy-In participants who enrolled in 2005 were SSI recipients in the prior year... For them, the Medicaid Buy-In is not a pathway to new or additional health insurance but rather an opportunity to expand earnings without losing their Medicaid coverage.”

Slightly more than one-half (55 percent) of all participants in the Buy-In program between 1997 and 2005 were Medicare beneficiaries at enrollment... [and] may have enrolled in the Buy-In program to obtain health services that Medicare does not cover. For this group, the Buy-In program represents an opportunity to use Medicaid as a secondary wraparound health insurance plan.

Other working-age adults who have enrolled in Medicaid Buy-In programs include individuals who have a serious disabling condition but have not been deemed “disabled” under SSA guidelines because they have consistently worked or wanted to work... For these individuals, the Medicaid Buy-In program offers an opportunity to pursue their personal employment goals while obtaining access to affordable health insurance.”⁶⁸

In a separate Mathematica analysis, participants in the Medicaid Buy-In who also utilized the work incentive under Section 1619 increased their earnings by 56.6 percent, compared to an average 39.4 percent increase for individuals not participating in 1619 programs.⁶⁹

Taken together, these findings indicate that at least some of the benefits of the Buy-In are being realized, both for beneficiaries and for some individuals with disabilities who are working and do not receive SSDI or SSI.

States that have established Medicaid Buy-In programs allow workers with disabilities to pay premiums in order to buy into the Medicaid program. The Act gives states the flexibility to establish rules of eligibility in terms of both income and assets, as well as to create a sliding fee structure for participants who are required to pay more as earnings increase. As of December 2006, 33 states were operating Medicaid Buy-In programs, with total nationwide enrollment of nearly 80,871.⁷⁰

No two states have developed the same rules for participation. The variability includes criteria for eligibility, premiums charged, and limits on unearned income. According to

participation data through FY 2004, 71 percent (66,977) of enrollees were SSDI beneficiaries and only 1 percent (1,186) were SSI recipients. Twenty-five percent of enrollees were neither SSI nor SSDI beneficiaries.⁷¹

The Act and subsequent regulations prohibit states from setting minimum levels of work or earnings for participation in Medicaid Buy-In programs. This decision was intended to ensure that low earners (especially individuals with developmental disabilities) would not be denied eligibility. There are a variety of ways that states require participants to work. A common provision in a number of states requires that Medicaid Buy-In enrollees demonstrate that they are paying FICA taxes, or in the case of self-employment, show a quarterly IRS tax statement.⁷² A state can limit its Medicaid Buy-In program to those with substantial earnings and thereby require participants to work, by setting an unearned income limit that can be exempted for individuals with earnings generated through employment.

This is the case in Nebraska's Medicaid Buy-In program. Nebraska has crafted an unearned income limit equal to the federal SSI standard plus the \$8 state SSI supplement, but then exempts persons from the limit if they have earnings in a month that is sufficient to be considered a TWP month.

In Oregon, the Medicaid Buy-In program requires participants to pay as a monthly cost share any unearned income in excess of the SSI standard. A "special need" SSI state supplement can increase the applicable SSI standard for certain purposes, reducing payment liability. SSDI beneficiaries, with benefit amounts significantly above the SSI standard, only find participation in the Medicaid Buy-In program financially worthwhile if their earnings exceed the cost-sharing amount.

A random sample of state Medicaid Buy-In participant surveys reveals the reasons for the current level of employment and for beneficiaries' limiting work. In Iowa, 61 percent of survey respondents stated that they were limiting their work activity, and the reasons for doing so were as follows: The primary reason was the severity of their physical disability (78 percent). Thirty-one percent reported that working has caused their health to get worse, with 63 percent reporting that their health has gotten worse for reasons unrelated to working.

In Minnesota, survey participants identified that physical health problems (48 percent) and mental health problems (30 percent) prevented them from working sometime during the past year. In Vermont, when asked why they worked less than they believed they could over the last year, 22 percent of respondents reported it was due to their disability. Eighty-one percent of those who were continually enrolled in the Medicaid Buy-In program in Utah reported that their disability was what prevented them from working more hours.

States must devise their Medicaid Buy-In programs within the constraints of federal SSDI law. Policymakers and other stakeholders must recognize that most SSDI beneficiaries participating in Medicaid Buy-In programs may be unwilling to earn more than SGA because

of the SSDI cash cliff. For instance, four of the state Medicaid Buy-In surveys (Iowa, Kansas, Minnesota, and Utah) indicated that from 25 to nearly 55 percent of the participants in the Buy-In programs were adjusting their work activities to protect themselves against loss of SSDI benefits because of exceeding SGA.⁷³

Mathematica Policy Research, Inc. has found through its analysis that some states implementing the Buy-In have included components that appear to positively impact the earnings of participants. These include:

“In eight states—Nebraska, New York, Connecticut, New Jersey, Illinois, Maine, Kansas and Vermont—more than 50 percent of participants increased their earnings after they enrolled in the Buy-In program. Some program features in these states may have contributed to this finding. For example, Connecticut has the highest income limit for the Buy-In program among all states, which might have diminished a constraint to increased employment. Nebraska, Maine, and Vermont do not provide a grace period for those who lose work, which may signal that work is a strict condition for participation, thus attracting participants who are more likely to work.”⁷⁴

Demonstration to Maintain Independence and Employment

In addition to the Medicaid Buy-In discussed above, Section 204 of the Act authorizes the creation of the Demonstration to Maintain Independence and Employment (DMIE). By including this provision, Congress recognized that tying health coverage to cash benefits for many individuals with disabilities creates a “catch 22” in which individuals leave the workforce prematurely, experience declines in their overall health, and begin receiving cash payments through SSI and/or SSDI primarily as a means to secure access to health care.

The DMIE is designed to provide health care and other wrap-around employment supports to individuals with disabilities who are working and are not receiving cash benefits. Each state’s project is required to provide health care and supports to subgroups of individuals with disabilities such as those with mental illness or diabetes. States must set up the project with treatment and control groups and have a rigorous evaluation component.

The types of services being provided through the DMIEs vary according to the target population for each project. For example, in Kansas where participants are drawn from the high-risk insurance pool, services focus on broad cost reductions to individuals accessing care, while in Minnesota where the target is individuals with psychiatric disabilities, a wellness navigator is made available to the treatment group, as well as comprehensive medical and behavioral services.

At this time, four states are operating DMIEs—Hawaii, Kansas, Minnesota, and Texas, and the combined target size for all treatment groups is 2,767 individuals. In addition to the four states fully participating, a handful of others have either been unable to implement DMIEs for which they were approved or do not have sufficient evaluation components to allow for study of the project results.⁷⁵

The concept behind the DMIE is sound and a valuable addition to the policy discussion regarding return-to-work. While the Panel views the DMIE projects as potentially valuable in terms of what might be learned about achieving continued workforce attachment through provision of health care and other employment supports, the tiny number of states participating is disappointing.

Medicaid Infrastructure Grants

Current Medicaid Infrastructure Grants (MIGs) authorized under the Act and administered by the Centers for Medicare and Medicaid Services (CMS) allow the majority of states to expand beyond the Medicaid Buy-In to other strategies that support beneficiaries' entry into or return to work and advance their financial independence. Policy development, cross-agency collaboration, and new approaches to engage the employer community are part of a growing number of state efforts to establish a comprehensive system of policy and program supports that encourage work, improve access to health care, and customize solutions to meet individual needs.

More needs to be learned from Medicaid Buy-In participants about their fear of losing cash benefits and, as a result, limiting income to stay below the SGA level. In addition, more study is required regarding the impact of the variable state approaches to asset building and income growth.

CMS, in a study of Medicaid Buy-In implementation, has identified significant differences in the percentage of people who increased their earnings after they enrolled in their state Medicaid Buy-In program. States with the most restrictive asset limits had the smallest increase in participant earnings.⁷⁶

Beneficiaries nationwide have identified the need for protection for former Buy-In participants who are no longer able to work. These individuals with disabilities still need access to Medicaid, but many are prevented from receiving SSI and thus Medicaid because of the assets they accumulated while they were Buy-In participants.

Demonstration Projects and Studies

SSA oversees demonstration projects and other initiatives to test alternative strategies to reduce barriers for individuals with disabilities who want to enter or return to work. Each of the demonstration projects cover multiple sites over several years, with some extending out ten years to evaluate long-term impact and individual outcomes.

The **Benefit Offset Demonstration** will allow SSA to test the impact and cost of a sliding scale benefit offset for SSDI beneficiaries and applicants. Under this test, disability benefits will be reduced one dollar for every two dollars an SSDI beneficiary earns above a given threshold. An initial four-state pilot is underway in Connecticut, Utah, Vermont, and Wisconsin. The purpose of this pilot is to collect information that will be useful in developing a national study, which is expected to begin recruiting beneficiary participants in 2009.

The **Youth Transition Process Demonstration** is testing ways to increase self-sufficiency for youth with disabilities by modifying several work incentives to encourage increased income, savings, and asset development and improving coordination of service delivery among multiple government agencies, school systems, community providers, and employers. Currently, there are five pilots and possible expansion to pilots in three additional states by the end of 2007.

Homeless Outreach Project and Evaluation (HOPE) are assisting eligible, homeless individuals in applying for SSI and SSDI benefits. These projects will help SSA demonstrate the effectiveness of using skilled medical and social service providers to identify homeless individuals with disabilities and assist them in applying for benefits. SSA awarded funds to 41 projects to provide outreach services to the target population. Through July 1, 2007, HOPE grantees assisted 8,440 homeless individuals with their disability applications. Of those, 2,659 individuals have been awarded benefits.

The **Accelerated Benefits (AB) Demonstration Project** will provide immediate health benefits to a random sample of newly entitled SSDI beneficiaries. For the participants, the 24-month waiting period for Medicare will be waived, and participants will also be provided with appropriate employment supports based upon individual need. A project implementation and evaluation contract was awarded in January 2006. A health benefits plan for AB participants has been approved, and Phase I enrollments began in four sites (New York, Phoenix, Houston, and Minneapolis) in October 2007. Phase II enrollments are expected to begin in January 2008, and enrollment is expected to be completed by November 2008. An evaluation report is due by January 2011.

A **Mental Health Treatment Study (MHTS)** is currently testing the impact of better access to treatment and other supports on beneficiary outcomes related to medical recovery and employment. The targeted population is SSDI beneficiaries with psychiatric disabilities. The project is being implemented in 22 cities, and enrollment began in October 2006. As of July 2007, there were 732 beneficiaries enrolled in the study.

The Panel has received feedback from SSA, provider agencies, and beneficiaries about the development and implementation of these demonstration efforts. The Panel has noted consistent support for these initiatives, which recognize the diverse needs of beneficiaries and the importance of overcoming multiple barriers to employment. The strength of

current efforts has been their recognition of the need to pursue new approaches and new policies that are counter to current rules and system design. The projects also underscore the need to improve coordination and collaboration at a federal, state, and local level. Involvement should include government across agencies and the private sector including community organizations and employers to build a seamless system of support that is responsive to the needs of beneficiaries. Stakeholder testimony, however, repeatedly questioned the slow pace of projects from concept to design, and from implementation to evaluation; this has been frustrating to beneficiaries and to the Panel.

Are Beneficiaries Better Off Today?

To answer the question of whether beneficiaries are better off today, the Panel has sought comments and advice from beneficiaries, federal agency leadership, program managers, ENs, the workforce development system, and other relevant stakeholders in the public and private sectors and at all levels of government. Based on the body of evidence presented by SSA, CMS, external experts, and beneficiaries, progress has been made, but the full potential of disability employment programs has not been realized. A majority of states have established Medicaid Buy-In programs. MIGs, administered by CMS, have enabled states to design and implement a variety of policy and program reforms that respond to system fragmentation, complexity, and beneficiaries' fear of loss of health care benefits. Also, MIGs provide expanded access to benefits planning and new options to increase income and build assets.

For the Panel, the greatest disappointment has been in implementation of the Ticket to Work program. In September 2005, SSA published an NPRM on Amendments to the Ticket to Work and Self-Sufficiency Program.⁷⁷ The amendments incorporated many of the Panel's priority recommendations. The Panel was particularly pleased that the proposed amendments addressed the multi-step nature of returning to work by redesigning the payment system for ENs and offering more frequent and earlier payments. Commenters addressing the Panel regarding the NPRM universally agreed that the proposed changes would improve the program and stimulate new interest by both beneficiaries and ENs. Unfortunately, SSA has yet to publish final regulations, and does not expect to until the spring of 2008.

National Trends

The Panel's recommendations recognize the value of work and the economic consequences of failing to improve programs. In addition, they represent the Panel's contribution to an ongoing national dialogue regarding modernization of current disability policies and systems. The Panel's recommendations are informed by national trends related to education, employment, and health care.

Education

The enactment of the Individuals with Disabilities Education Act (IDEA) in 1975 mandated that youth with disabilities be provided a free and appropriate public school education. Between 1976-77 and 2005-06, enrollment in federally supported special education programs rose from 8 percent (3.7 million) to 14 percent (6.7 million) of children (three to 21 years old) in public schools. In addition, the percentage of students with disabilities spending 80 percent or more of the school day in a general classroom showed an overall increase from 45 to 52 percent between 1995 and 2005.⁷⁸

In today's economy, graduating from high school is more critical than ever to securing a good job and a promising future. Since an estimated 85 percent⁷⁹ of current jobs and almost 90 percent⁸⁰ of the fastest-growing and best-paying jobs now require some postsecondary education, a high school diploma and the skills to succeed in college and the workplace are essential. Nationally, however, one-third of students—about 1.23 million each year—leave high school without a diploma.⁸¹

According to the National High School Center, dropout prevention for students with disabilities is a critical need. Students with disabilities drop out of school at significantly higher rates than their peers who do not have disabilities. Of those who do not complete high school, about 61.2 percent are students with emotional/behavioral disabilities, and about 35 percent are students with learning disabilities. In the 2001-02 school year, only 51 percent of students with disabilities exited school with a standard diploma.⁸² As with students without disabilities who drop out, there are significant costs to individuals with disabilities who do not complete high school. These costs include unemployment, underemployment and higher rates of incarceration. There are also significant costs to society related to lost tax revenues and welfare expenditures.

The most recent data from the National Longitudinal Transition Study-2 (NLTS2) indicates that some progress is being made for youth with disabilities who are two years out of high school. Of this group, 30 percent have taken postsecondary school classes, and 20 percent are currently attending postsecondary school. However, this percentage is less than half that of their peers in the general population. Their rates of employment show that about 70 percent have worked for pay since leaving high school and more than 40 percent were employed at the time of the survey. This rate is substantially below the 63 percent employment rate of their peers in the general population. Although, many of these youth with disabilities have experienced an increase in their hours and wages, receipt of benefits as part of a comprehensive package is uncommon.⁸³

These mixed results have raised questions about the education integration policies of the late 1990s for all students with an emphasis on academics to the exclusion of vocational education, career education and other experiences related to the development of social skills and independent living.⁸⁴ These policies can have an adverse impact on youth with disabilities who are graduating from high school lacking essential employment and life skills.

The trends for youth with disabilities demonstrate that they are attaining educational achievement, but achieve lower employment rates than their peers without disabilities. For youth with disabilities, this can lead to increased poverty and greater reliance on income support programs and increased attachment to public health insurance programs. These outcomes are raising questions about the effectiveness of our current disability policies, which were aimed at creating greater economic independence and an improved standard of living for youth with disabilities.

Employment

Employment is one of the most complex subjects in the lives of Americans with disabilities. According to a report from GAO on 21st century workforce challenges and opportunities,⁸⁵ the U.S. workforce of the 21st century faces a very different set of opportunities and challenges than previous generations. Demographic and economic trends indicate that the size and composition of the labor force, as well as the characteristics of many jobs, are changing. A number of broad economic trends are changing the nature of labor markets and employment in the U.S. Three key factors have been identified that will affect workers and employers, including people with disabilities, in the next 10 to 15 years: demographics, technological change, and globalization.⁸⁶

As the baby boom generation (individuals born between 1946 and 1964) approach retirement, the U.S. workforce will undergo a substantial shift. In 2005, according to U.S. Census Bureau data, there were 193 million Americans aged 25 or older. This number is expected to increase by 22 percent to almost 236 million by 2025. However, the number of people 25 to 54 years old—the ages when labor force participation rates are highest—will increase by only 3.8 percent.⁸⁷ Looking at this in another way, the size of the U.S. labor force doubled from 62.2 million workers in 1950 to 140.8 million in 2000; however, through 2050, the labor force is projected to grow much more slowly. By 2010, the annual growth rate is expected to slow to 0.6 percent and by the 2020s, it is projected to slow to 0.4 percent. This represents a sharp decline from the 2.6 percent average increases experienced during the 1970s and 1.3 percent average annual increases in the 1990s.⁸⁸

The aging population and slower workforce growth will impact the federal government too. The proportion of the federal budget dedicated to programs such as Medicare and Social Security will grow significantly as more baby boomers reach their disability prone years. This will impact the amount of funding available for discretionary programs such as employment and training.

The projected slowdown in the growth of the nation's labor force has made it more imperative that those who can work are supported in their efforts to do so. The slow growth in the labor force should provide opportunities to attract new workers from currently untapped resource pools that are unrepresented or underrepresented in today's labor force (e.g., people with disabilities and older workers). It is well documented that labor force participation among people with a disability is lower than among those without a

disability. According to an August 2007 GAO report,⁸⁹ “economic, medical, technological, and social changes over the past several decades have increased opportunities for individuals with disabilities to live with greater independence and more fully participate in the workforce.” The changes in the dynamics of the 21st century workforce, including technological and medical changes, will further enhance opportunities for individuals with disabilities to participate competitively in the workforce.

For individuals who are participating in the workforce, wages determine economic self-sufficiency. Several local governments in the U.S. have enacted living wage ordinances that set a minimum wage higher than the federal minimum for the purpose of requiring all jobs to meet the living wage for a respective region. Living wage ordinances vary considerably across the country in coverage, the wage level mandated, and possible add-ons such as health care coverage mandates. What the living wage programs generally have in common are a requirement to pay workers a wage that reflects the market rate for the local economy, based on the poverty threshold, usually for a family of four. Employers covered by the statute are usually only those who receive contracts from the government or receive some favorable treatment from the government (e.g., a tax abatement or zoning change).⁹⁰

On May 25, 2007, President Bush passed legislation that amended the Fair Labor Standards Act (FLSA) to increase the national minimum wage in three steps: to \$5.85 per hour effective July 24, 2007; to \$6.55 per hour effective July 24, 2008; and to \$7.25 per hour effective July 24, 2009.⁹¹ For people with disabilities who earn either the minimum wage or close to it, these changes provide an opportunity for them to increase their income.

A significant employment issue for SSI and SSDI beneficiaries using VR services is that they have lower employment/earnings outcomes than other VR clients. An analysis of the Longitudinal Study of Vocational Rehabilitation Services Programs showed that only 23 percent of beneficiaries who received services had earnings above \$500 per month for at least nine months out of a 15-month period, compared to 54 percent of non-beneficiaries.⁹²

One likely explanation for a substantial portion of the remaining difference is work disincentives faced by beneficiaries receiving VR services. Another factor is the potential incongruity between SSA’s goal to see earnings maximized for as many beneficiaries as possible and Section 102(b)(2)(B) of the Rehabilitation Act of 1973, which requires state VR agencies to ensure that each individualized plan for employment includes an outcome that reflects the individual’s informed choice, even if that choice is to work below SGA.

Health Care

In 2005, the U.S. spent nearly \$2 trillion on health care, while in 1970, this figure was only \$75 billion. These figures represent a jump from 7.2 percent of the gross domestic product (GDP) devoted to health care in 1970 to 16.0 percent in 2005. CMS projects that by 2016 health care spending in the U.S. will comprise one-fifth of GDP.⁹³ According to data on per capita health care expenditures for developed countries from the Organisation for Economic

Cooperation and Development,⁹⁴ in 2004, health care spending in the U.S. was the highest of countries with above-average per capita national income. As a share of GDP, spending on health care in the U.S. exceeds that of its European counterparts.⁹⁵ However, 2004 data reveal that almost half of all health care spending in the U.S. was used to treat only 5 percent of the population.

Since 2001, according to data collected on income, poverty, and health insurance coverage,^{96,97} the number of people without health insurance coverage has increased. In 2001, 41.2 million individuals were without health insurance; this number rose to 45.3 million (15.6 percent of the US population) in 2004, with a slight decrease to 44.8 million (15.3 percent) in 2005, and another increase to 47.0 million (15.8 percent) in 2006. Present trends indicate that by 2013 the number of individuals in the U.S. without health insurance could reach 56 million.⁹⁸

Lack of insurance is much more common among people with low incomes. Some 24.4 percent of people with incomes below \$25,000 were uninsured in 2005, almost triple the rate of 8.5 percent among people with incomes over \$75,000.

The percentage of people covered by employment-based health insurance decreased to 59.7 percent in 2006, from 60.2 percent in 2005. In 1987, 70 percent were covered by employer sponsored insurance.

The decline in employment-based health insurance coverage for American workers is attributable to increasing health care costs, which are causing some employers to drop coverage or to hire contract employees who do not receive employee benefits. When health care premiums jumped 52 percent from 2000 to 2005, the rising cost of compensating workers led businesses to cut jobs. Health insurance premiums have increased from a range of eight to 14 percent per year since 2000; however, inflation and changes in earnings are typically in the 3 to 4 percent range. This means that workers have to spend more of their income each year on health care to maintain coverage.⁹⁹

The percentage of people covered by government health programs also decreased from 27.3 percent in 2005 to 27.0 percent in 2006. During this time period, the percentage of people with Medicaid coverage was 12.9 percent (38.3 million) and Medicare coverage was 13.6 percent (40.3 million).¹⁰⁰ Public programs account for about 45 percent of health care spending. Currently, the Medicare program represents the only universal, public health insurance program in the U.S. However, this program only applies to individuals who are of retirement age (65 and older) and to people receiving disability benefits after a two-year waiting period.

Since the 1990s, the concept of health care for all in America has been discussed by policy makers. Many countries have a united or national health care system. In the past few years, states have begun to look at strategies to expand health insurance coverage. The latest round of state reforms, most of them enacted or proposed in 2006, present a variety of new

approaches to covering the uninsured, including new mechanisms to subsidize coverage for low-income families, new variations on employer and personal responsibility for insurance coverage, and new strategies to facilitate the purchase of health insurance for small businesses and for individuals without access to employer-sponsored insurance. Several state efforts are characterized as comprehensive because they attempt to reach near universal coverage.

Three states—Massachusetts, Vermont and Maine—were highlighted in a report by the Commonwealth Fund, *State Strategies to Expand Health Insurance Coverage: Trends and Lessons for Policymakers*.¹⁰¹ The comprehensive reforms in these three states go further toward helping low-income families purchase health insurance than in any other states. One of the key elements shared by all three reforms is that they subsidize coverage for families with annual incomes up to \$61,950 (300 percent of the federal poverty level for a family of four in 2007). Each of these states uses Medicaid to partly fund its subsidized product, demonstrating the importance of Medicaid as a financing source. To reflect state specific priorities, each state combines this effort with other local reforms. The following table identifies the key features of the three state reforms.

Table 1. Key Features of Comprehensive State Reforms¹⁰²

Key Features of Comprehensive State Reforms		
State	Initiative	Key Features
Massachusetts	Commonwealth Care	Individual mandate Employer Fair Share assessment Free Rider surcharge Health Insurance Connector Insurance market reform Commonwealth Care*
Maine	Dirigo Health	DirigoChoice* Cost-containment reforms Maine Quality Forum
Vermont	Catamount Health	Employer assessment Premium assistance for low-income workers Catamount Health Plan* Chronic care initiatives
* Includes subsidies for low-income worker		

States that are attempting to cover the uninsured usually build these reforms on prior efforts. For instance, Medicaid eligibility levels for adults were expanded over time in these states to levels well above the national average. Likewise, they all had strategies in place to improve access to care or contain costs. These state-level efforts implement health insurance reforms to provide more coverage to all citizens including low-income and uninsured individuals.

Panel Recommendations

“Millions of us are using these programs and no one knows better than we do how they work or how they could work... We’ve got great ideas and insights.”

Jessica Lehman
Summit Planner from California
Beneficiary Summit
Atlanta, Georgia
February, 2007

The final Panel recommendations focus on policy changes and recognize the need for an effective infrastructure and the investment of resources to reach, respond, and adapt to evolving individual needs. Our nation’s largest disability programs will be modernized by the creation of conditions and a policy environment to better support work beyond the outcomes currently achieved with the existing work incentives. In addition to updating and simplifying current work incentives, the Panel recommends long-term strategies and an ongoing national dialogue regarding changes needed to achieve more effective employment outcomes. The Panel’s comprehensive policy agenda begins with the establishment of a permanent, elevated beneficiary voice.

Beneficiaries’ perspectives and recommendations have played a primary role in the development of Panel advice. Beneficiaries have presented a human voice of experience that affirmed to the Panel that most people with disabilities want to work, but are frustrated by the complexity of rules of eligibility for work incentives and benefits. The multiple systems of support offered by SSA and other federal agencies remain fragmented with information about available resources difficult to access, and, at times, unreliable. Well-intended policies have the effect of limiting economic security and creating barriers to advancing self-sufficiency.

The recommendations of the Panel to the President, Congress, SSA, and other federal agencies begin with the call to create a permanent mechanism to seek the advice and perspectives of beneficiaries impacted by SSA’s policies, procedures, and performance. The

Panel focuses on fundamental, comprehensive, systemic changes to align policy and program supports with the needs and interests of individuals with significant disabilities, so that individuals can work to advance their economic self-sufficiency.

The Panel offers recommendations for immediate improvements to current SSA programs; however, it also recognizes that continuous improvements will not modernize a system in need of fundamental change. The definition of disability must not be synonymous with the inability to work. Access to public benefits must not condemn an individual with significant disabilities to a life of poverty. Any new ideas and choices presented should not jeopardize the safety net of current programs that offer a fixed income and health care access. There are no simple solutions; as costs continue to rise and the number of people who want to contribute and be productive in our economy continues to grow, these challenges need urgent attention. The Panel's recommendations should further the ongoing dialogue and contribute to effective long-term solutions.

The final Panel recommendations are organized into three major groups:

1. Elevate and incorporate the beneficiary voice in all aspects of program and policy development, evaluation and improvement;
2. Optimize current work incentives through short-term and incremental policy improvements; and
3. Increase economic self-sufficiency through investment in disability program modernization.

Elevate and Incorporate the Beneficiary Voice

The number of SSI and SSDI beneficiaries has grown rapidly in the past 15 years, and the employment rate of individuals with significant disabilities has not improved. Conferences, public forums, and summits with stakeholders from the public and private sectors have been held to analyze the problem and propose solutions. Rarely, however, have individuals who are using the SSI and/or SSDI programs been asked to provide recommendations.

To better understand and address these issues, the Panel conducted a beneficiary summit, *Voices for Change: Beneficiaries Paving the Way to Work: A Roadmap to Program Improvement*. The summit, held in Atlanta, Georgia on February 6-7, 2007, was planned by and for beneficiaries and gave the Panel direct, unfiltered input from beneficiaries. Summit delegates discussed their experiences with Social Security disability and employment programs and recommended changes to policy, procedures, service delivery, information management, and systems collaboration.

The Panel selected seven beneficiaries with disabilities to assist in planning the summit. Delegates were selected from a pool of over 300 applicants to achieve the broadest possible

diversity in disability, culture, age, race, and gender, as well as geographic representation from all states, the District of Columbia, and most U.S. territories.

During the summit, delegates focused on four programmatic themes: employment and work incentives; health care and long-term services and supports; Social Security program communications, procedures, and service delivery; and on the overall summit theme of future strategies for raising the beneficiary perspective in policy development and program implementation.

The findings from the summit as summarized in the report¹⁰³ supported and amplified the testimony the Panel had received from beneficiaries over the past eight years. Key points included:

1. People with disabilities want to work and participate in their community.
2. People with disabilities are willing to take responsibility for their lives and are able to do many things with the right supports.
3. Existing work incentives are complicated, poorly understood, and underutilized, but they can be effective tools to return to work and achieve self-sufficiency.
4. For people with disabilities who are interested in working, it is difficult to get clear, accurate, consistent information about how to use Social Security and other government programs. Information should be accessible and culturally appropriate.
5. Social Security should consider the role of the family, as well as the person with a disability.
6. Beneficiaries have the potential to be a powerful voice for change.

The key recommendations made by the beneficiaries at the summit are provided in Figure 3.

The summit experience demonstrates that beneficiaries are a valuable resource for ideas and feedback. For example, they have had a powerful impact in shaping the Panel's final recommendations. While Congress and SSA hear from many experts and stakeholders in the disability system, to date, they have not heard from beneficiaries in an organized way.

National Disability Beneficiary Work Council and National Disability Beneficiary Work Advocate

***Recommendation 1:** Create through legislative authority, within the Social Security Administration an Office of the National Disability Beneficiary Work Council (the Council) and a National Disability Beneficiary Work Advocate (the Advocate).*

Figure 3. Key Summit Recommendations

Voices for Change: Beneficiaries Paving the Way to Work *Key Summit Recommendations*

Employment and Work Incentives

- Ensure access to health care and benefits
- Develop and implement a Work Support Program
- Raise the SSI resource limit to today's dollars
- Change the SSDI Extended Period of Eligibility (EPE)
- Remove the SSI marriage penalty
- Raise the Substantial Gainful Activity (SGA)
- Impose a statute of limitations on overpayments
- Create a short-term disability status and revise EXR provisions
- Improve the Plan for Achieving Self-Sufficiency (PASS) Program
- Involve beneficiaries in the development and implementation of any new program

Health Care and Long Term Services and Supports

- Support family caregivers who provide personal assistant and other services
- Ensure access to a health care package for work, including self-employment
- Remove the 24-month waiting period for Medicare

Program Communication, Procedures, and Service Delivery

- Make SSA policies and procedures easier to find, understand, and accessible
- Fund peer-to-peer mentoring to encourage work
- Enforce standards and accountability for schools, for SSA, and VR

Raising the Beneficiary Voice

- Advertise the results of the Summit
- Create a sustainable beneficiary organization
- Establish a beneficiary voice within the SSA, reporting to the Commissioner and Congress
- Fund, plan and conduct future beneficiary summits and conferences

Modeled after the Internal Revenue Service (IRS) National Taxpayer Advocate (NTA) and a Taxpayer Advocacy Panel, the Council and the Advocate would:

1. Identify difficulties that SSDI and SSI disability program beneficiaries' experience when trying to work that could be addressed via more effective SSA customer service.
2. Propose changes in the administrative practices of SSA to mitigate those customer service issues, to the extent possible.
3. Identify potential legislative changes to improve SSA's service to disability beneficiaries who want to work.

The Council and the Advocate would be the main components of an elevated, incorporated, permanent voice of beneficiaries within SSA. They would ensure that beneficiaries have a direct impact on policies and procedures related to the disability programs. The two entities would monitor service delivery, customer satisfaction, and beneficiary marketing and education related to employment.

The "business case" for including beneficiaries in the work of SSA to facilitate employment and economic self-sufficiency for disability beneficiaries can be drawn from the private sector. Private industry routinely seeks direct input from the public in order to create marketable products or services.

Before arriving at this recommendation, the Panel reviewed the way in which SSA currently makes policy, addresses individual complaints and cases, and receives feedback from beneficiaries. Panel members met with SSA staff and visited a teleservice center and several field offices across the country to learn how they currently address the employment needs of beneficiaries.¹⁰⁴ The Panel learned first-hand why the current system needs improvement.

In these discussions, Panel members perceived that managers and employees saw the provision of employment-related services as the responsibility of other entities, such as VR agencies and WIPA projects. Panel members learned that SSA gives an office credit for countable activities (filing claims for benefits) but does not give credit for spending time educating a beneficiary about employment and work incentives. Generally, activities that get counted are the activities that employees in the field offices focus on performing. It is clear from the number of beneficiaries participating in employment that these services, while technically available from a field office, are underutilized and could be better coordinated, marketed, and provided to beneficiaries.

With regard to customer satisfaction, teleservice callers are routinely surveyed by SSA, but information regarding return to work is scarce. Field offices rely on customer comment cards, proactively submitted by beneficiaries. The data are kept at the office level, and Panel members heard of no effort to aggregate or analyze the feedback received via the cards. The Panel expects that the Council and the Advocate would monitor and provide

recommendations regarding two issues: 1) the provision of accurate information and the treatment of employment issues by field offices, and 2) the improved, coordinated collection and analysis of customer satisfaction data at the local level.

SSA's Office of Public Inquiry (OPI) is responsible for front-line data collection regarding feedback from the public. In addition, OPI answers the public's questions and performs casework on behalf of beneficiaries. However, the office does not solicit feedback, and there is no apparent linkage between the volume and content of the requests received and SSA's marketing, policy-making, or program development.

The SSA Office of Quality Performance (OQP) designs and executes proactive consumer satisfaction surveys for both call center and field office contacts. These surveys provide the agency with valuable snapshots of how satisfied the overall SSA customer base is at a given point. However, because beneficiaries participating in return to work activities account for such a tiny subset of all SSA customers, OQP has not studied their satisfaction with those services.

Beneficiaries who are dissatisfied with the employment service they receive can request the assistance of the PABSS. It should be noted that PABSS programs perform a valuable function in this process; however, as outside entities, their ability to influence SSA's approach to overall beneficiary employment is limited.

Finally, SSA does have an existing process for receiving public comment when proposed regulations are published. The Panel's proposal is not designed to replace this vital part of the regulatory process. Unfortunately, the public comment process is not user-friendly, is limited to proposed regulations, and is mainly utilized by the stakeholders who already have a voice in the work of SSA. In addition, the regulatory process is focused on SSA priorities, not necessarily those of beneficiaries. The Panel believes that beneficiary input at the front end of regulatory or policy development would improve the final product.

The Panel is recommending creation of a Council and Advocate to enhance the work of SSA. In addition to identifying problems, they would be an active part of finding solutions.

The structure and functions proposed for the Council and the Advocate are similar to a model that exists within the IRS. In the 1990s, Congress determined that the IRS was not sufficiently accountable to taxpayers, so they created an Office of the National Taxpayer Advocate (NTA) and a Taxpayer Advocacy Panel. The NTA exists to represent the interests of taxpayers in the work of the IRS. It performs a vital function to build the public's trust and to act as an independent liaison between taxpayers and the IRS. In addition, NTA staff works side by side with IRS employees solving problems and offering support to the IRS mission. The same could be done for SSA via this proposal.

The need for the Council and Advocate is three-fold:

1. The perspective of beneficiaries is underrepresented in program and policy design within SSA.
2. After years of redesign and re-engineering, SSA's disability claims processing and return to work programs are still problematic for individuals attempting to use them.
3. There is no coordinating entity within SSA that aggregates, analyzes and utilizes the disability beneficiary feedback that the agency currently receives.

Staffing and Structure

The Council would be made up of current or recent beneficiaries of SSI and SSDI. Council terms should be staggered to ensure continuity and members would be selected along a time continuum, so that the interests of new beneficiaries (recent applicants), long-term beneficiaries, beneficiaries attempting work, and those transitioning off of benefits into the workforce are represented. At least one Council member should be an individual who requires the assistance of a representative payee or similar support person in order to participate on the Council. Council members would be appointed by the President and Congress.

Selection criteria for Council members should be structured to achieve representation from the broadest possible range of socioeconomic, cultural, ethnic, racial, geographic, and disability backgrounds. The Council should represent beneficiaries from all walks of life, and Council members who are employed should represent the broad spectrum of jobs that exist in our economy, including service, technology, and manufacturing. In order to be an effective voice, the Council will need staff support and its members should be paid. The Council's work could be supported through the Office of the National Disability Beneficiary Work Advocate.

The Advocate would be a current or former beneficiary not employed by SSA for two years prior and five years after being appointed as the Advocate. Qualified candidates must have demonstrated experience advocating on behalf of individuals with disabilities to agencies like SSA, HHS, VR agencies, and state human service agencies. The appointment of the Advocate would begin with the Council's identification of several qualified candidates. To ensure independence, the "short list" of Advocate candidates would be provided to the President who would appoint the Advocate for a six-year term, subject to Congressional consent. Only the President would have the authority to remove the Advocate. Within SSA, the Advocate would report directly to the Commissioner and to Congress.

The Advocate would have staff from SSA's headquarters to enable the individual to interact with the rest of SSA. Unlike the Advocate, the staff could be drawn in whole or part from current SSA employees. In addition to a headquarters presence, the advocate would have

one staff representative in each SSA regional office to conduct regular outreach to beneficiaries in their communities, as well as visits to SSA field offices. Current employees serving as AWICs or WILs in the field offices could perform this function. The purpose of the outreach and field office contact would be to identify emerging issues, challenges, and best practices. Regional staff advocates should be individuals with disabilities.

Joint functions of the Council and Advocate include:

1. Represent the interests of disability program applicants and beneficiaries in the work of SSA.
2. Supplement existing SSA research by conducting outreach and soliciting comments and recommendations from beneficiaries who represent geographic, cultural, ethnic, vocational, and socioeconomic diversity, as well as all age groups and disability types. Such outreach should include the planning and execution of a biennial beneficiary summit that includes diverse beneficiary representation.
3. Provide a joint written report annually to Congress and the Commissioner of SSA that identifies the systemic problems that have emerged through the work of the Advocate and Council, as well as recommendations that offer solutions.

Functions of the Council would include:

1. Identify highly qualified candidates as possible Advocate appointments.
2. Receive direct testimony from beneficiaries nationwide through public meetings and hearings.
3. Provide unfiltered feedback and recommendations to the Advocate regarding systemic issues that emerge through such contact with beneficiaries.
4. Meet annually with the Commissioner of SSA to inform the Commissioner of the systemic issues and feedback the Council has received.

Functions of the Advocate would include:

1. Assist in the development and/or review of SSA policies, procedures and marketing and training materials (for the public and service providers) related to employment. This assistance would focus on relevancy for the end user, accessibility, and assurance that documents are understandable and culturally appropriate.
2. Facilitate intra- and inter-departmental program coordination, as it relates to effectively serving individuals with disabilities who want to work. The Office of the Actuary and CMS are good examples of the organizations with which the Panel envisions the Advocate interfacing.

3. Identify, prioritize and advocate solutions to systemic problems impacting large numbers of beneficiaries, using data collected by the Council, the Advocate, SSA's Office of Public Inquiry and Office of Quality Performance and Office of Disability and Income Support Programs, PABSS, and other relevant programs.
4. Identify possible legislative and administrative actions to problems identified, and, whenever possible, cost savings or offsets.
5. Make recommendations for additions or changes to SSA's management information systems to better track internal issues affecting beneficiaries, particularly those working or trying to go to work.
6. Ensure that the Advocate's contact information is widely available to beneficiaries.
7. Present an interim annual report to Congress and the Commissioner, in addition to the joint report with the Council, which provides an update on the status of systemic issues and recommendations identified in the joint report. Both the joint report and the Advocate's status report should contain full and substantive analysis, including statistical information; steps taken by the Advocate to improve beneficiary services as well as SSA responsiveness; a summary of the most serious problems encountered by beneficiaries as well as recommendations for administrative and legislative action to resolve beneficiaries' problems; and other information as needed.

The Panel understands that resources are limited at SSA and across government programs. The same could be said about the IRS, yet Congress, in its wisdom, decided to invest in the NTA to make taxpayers more willing to pay their taxes and better able to comply with complex rules and regulations. In much the same way that the IRS benefits from the NTA, the Council and the Advocate will substantially improve SSA's customer service, create operational efficiencies and, for those who choose employment, reduce beneficiaries' reliance on cash benefits.

"I want to own my own business and make...money. This will not be easy, but I know it's possible if I get the supports I need so I can work and have a good life."

Joseph Benito
Delegate from Florida
Beneficiary Summit
Atlanta, Georgia
February, 2007

Optimize Current Work Incentives through Short-Term and Incremental Policy Improvements

A fundamental objective of the Act was to create new choices for beneficiaries in the assistance and support available through ENs. The revised final Ticket to Work regulations might expand such choices even further, but they will not be published until next year, well after the Panel ceases to exist. For this reason, the Panel suggests the following short-term improvements, outreach and ongoing oversight to build on current Ticket to Work program outcomes and improve the lives of more beneficiaries.

As a first step, we must improve SSA's current administrative funding shortfalls. As discussed earlier, SSI redeterminations and CDRs represent two of SSA's main efforts towards processing the information affecting a beneficiary's benefits or eligibility in a timely manner and helping to prevent and detect improper payments. SSI redeterminations yield a savings of \$7 for every \$1 spent in administering them, and CDRs in the SSDI program save \$10 in program benefits for every \$1 spent. Due to funding limitations, SSA has had to cut back on SSI redeterminations and CDRs. This demonstrates that, without enhanced funding, SSA will find it difficult, if not impossible, to perform tasks beyond its core functions.

Insufficient funding for SSA to administer the SSDI/SSI programs effectively has been well-documented for a decade. Budget constraints, staff reductions and a continuing list of new responsibilities have now taken a toll. The agency is facing increasingly difficult decisions as it seeks to balance its traditional workloads with its growing responsibilities that are outside its core mission, for example, workloads in support of the New Medicare prescription drug program and verifications of immigration status.

The Panel understands that SSA has done much to employ scarce resources efficiently and increase overall productivity. Even with significant improvements, however, there is a growing concern as expressed in recent Congressional hearings and in the media about the detrimental effect on service delivery of years of inadequate funding, staffing declines and rising workloads.

The SSAB has over the years highlighted the need for increased resources for SSA. In its August 1998 report, the SSAB made several references to the need for more adequate resources.¹⁰⁵ Every year since then, the SSAB has issued one or more reports or other statements pointing out the need for additional funding, and has issued some 21 different reports and statements along these lines during the past 9 years.¹⁰⁶

The Panel understands that the House and Senate appropriations committees have agreed to provide SSA with nearly \$10 billion for operations in fiscal year 2008. (Although this may be a large amount compared to funding for other discretionary programs, SSA's administrative budget represents less than 2 percent of SSA's total benefit outlays.)

If approved, the nearly \$10 billion might be enough to make some improvements for the short term, but is unlikely be enough to effectively administer what is in reality a new Ticket to Work program, develop/implement program modifications to better serve beneficiaries who are able to work, and keep up with post-entitlement work that includes SSDI/SSI overpayments.

During a 2003 hearing before the House Ways and Means Social Security Subcommittee, former Commissioner Barnhart highlighted SSA's challenges keeping track of earnings, preventing large overpayments and resolving them promptly when they do occur. Unfortunately, the Panel has heard from numerous beneficiaries who have willingly reported the required information to SSA in a timely way and have still received unexpected letters from the agency demanding repayment of thousands of dollars in overpayments that have occurred over a long period of time in one or both programs.

The Panel expressed its concern about wage reporting, overpayments and return to work in its 2001 Annual Report and again in its Year 3 report. The Panel expressed its misgivings that SSA's long-standing problems with overpayments will be exacerbated under the Ticket to Work program as increasing numbers of beneficiaries start or return to work. The Panel is aware that a 2003 pilot telephone wage reporting system for SSI beneficiaries offers a glimmer of hope; however, it is unlikely to be fully implemented when the enhanced final Ticket to Work regulations are published. The Panel continues to be troubled that, with inadequate resources, SSA may be unable to get beneficiary earnings posted to accounts timely, appropriately verify the amounts reported, or to make the needed adjustments in benefits. Overpayments create a disincentive for SSDI, SSI and concurrent beneficiaries to work and also for ENs to participate in the Ticket to Work program.

Recommendation 2: *Congress should appropriate the funds necessary for the Social Security Administration to support effective service delivery, particularly related to the Ticket to Work program and return-to-work, such as work report processing and overpayments.*

The principle of self-determination values choice and control as individuals with significant disabilities make decisions about employment and advancing economic independence. A fundamental framework of the Act was to create new choices for beneficiaries in the assistance and support to be available through ENs. As discussed above in Section 1, in an effort to create new choices, SSA published an NPRM on September 30, 2005, "Amendments to the Ticket to Work and Self-Sufficiency Program." The Panel submitted comments to SSA supporting the revised regulations, acknowledging that SSA had accepted many of the Panel's recommendations for improving the program and emphasizing that these changes should revitalize the program, stimulate the growth of ENs and greatly increase the level of participation of Ticket holders.¹⁰⁷

Unfortunately, for a variety of reasons, these regulations are not expected to be published until the spring of 2008. On numerous occasions, the Panel has urged SSA to publish the final revised Ticket to Work regulations expeditiously. On September 28, 2006, the one-year

anniversary of the publication of the proposed amendments, the Panel sent a letter to the Commissioner of SSA emphasizing the importance of issuing the final regulations.¹⁰⁸

The September 2005 NPRM identified but did not address “Ticket in Use” by beneficiaries in higher education and the suspension for a time-limited period of required CDR. The Administrative Procedures Act mandated a period of public comment on changes regarding the “Ticket in Use,” and SSA delayed the publication of the revised final regulations to address this issue. On November 30, 2006, the Panel urged SSA to reconsider the decision to delay release of the final Ticket to Work regulations and that SSA address the “Ticket in Use” as a separate issue.¹⁰⁹ SSA did not accept this recommendation and published an NPRM addressing “Ticket in Use” on August 13, 2007, “Amendments to the Ticket to Work and Self-Sufficiency Program (Volume 72, Number 155).” On October 5, 2007, the Panel submitted comments on this NPRM.¹¹⁰

The broader revised final regulations address critical deterrents to the participation of ENs in the Ticket to Work program. The Panel is gravely concerned that not having the revised final regulations published yet is severely dampening the enthusiasm of EN participation. Without a reenergized pool of providers to choose from, the Ticket to Work program remains a hollow promise for thousands of beneficiaries with disabilities who could be moving toward becoming economically self-sufficient.

The Panel hopes that Congress will continue to monitor program implementation and that beneficiaries and other relevant stakeholders will continue to suggest further program improvements.

Recommendation 3: *The Social Security Administration should publish revised final regulations pertaining to the Ticket to Work program (September 2005 Notice of Proposed Rule Making) no later than April 1, 2008.*

Coupled with publication of the revised final Ticket to Work regulations, SSA needs to implement an effective marketing plan for the enhanced program, as well as work incentive provisions.

Participation in the Ticket to Work program, by both ENs and beneficiaries has been a concern since implementation began. Following its EN Summit in May 2004, the Panel issued a report that stated, “Thousands of people with disabilities and their advocates shared a dream that the ...Act would greatly expand employment opportunities for people on the Social Security Administration (SSA) disability rolls. Three years after enactment of the law, it is clear that their dream is faltering.”¹¹¹ Recommendations from that summit are reflected in the proposed Ticket to Work regulations of September 2005, hence the Panel’s strong support for their full implementation. However, while the regulations are crucial to increasing the participation of both ENs and beneficiaries, even those improvements will not have the desired impact unless they are accompanied by a coordinated, tested marketing

strategy. The EN summit report discussed elements of such an approach,¹¹² and the Panel continues its call for effective marketing of the program.¹¹³

This marketing plan needs to be informed by evidence-based best practices, the results of the Ticket to Work program evaluation, as well as previously reported Panel recommendations. The effective implementation of this plan is critical to the future success of SSA's comprehensive return-to-work initiative.

To date, the Panel has received partial information about the Agency's progress developing the marketing plan. The roll-out of the Agency's marketing plan should correspond with the release of the final regulations.

Recommendation 4: *The Social Security Administration should plan for and (upon promulgation of the revised final regulations pertaining to the Ticket to Work program (September 2005 Notice of Proposed Rulemaking), immediately implement a marketing plan for beneficiaries and Employment Networks that is informed by evidence-based best practices, the results of the Ticket to Work program evaluation, as well as previously reported Panel recommendations.*

Implementation of Medicaid Buy-In programs continues to expand as additional states are moving forward with legislative approval to establish new programs. MIGs continue to promote linkages between Medicaid and other employment-related service agencies and to enable design and implementation of innovative approaches to support individuals with disabilities in ways that advance their employment and economic status. The MIG program will end in 2011 unless reauthorized by Congress.

More needs to be learned about Medicaid Buy-In implementation and state differences in eligibility and cost-sharing requirements. The MIGs should continue to provide learning laboratories that respond to beneficiary needs to become a part of the economic mainstream by promoting linkages between Medicaid and other related services agencies.

Recommendation 5: *Congress should extend the Medicaid Infrastructure Grant and Demonstration to Maintain Independence and Employment program authority through 2014 to stimulate innovation by states seeking to refine comprehensive systems of employment supports for people with disabilities.*

SSA's authority to begin new demonstration projects ended on December 18, 2005. All projects initiated before December 17, 2005 can continue, and SSA currently has several projects underway, including the Mental Health Treatment Study, the Benefit Offset Demonstrations, and the Youth Transition Demonstration.

Findings from these and other ongoing projects can help inform SSA about which employment supports, work incentives, health benefit packages, etc. are necessary for moving Social Security beneficiaries toward self-sufficiency through employment.

Unfortunately, progress in beginning these demonstrations and moving toward research-based findings has often been stalled. GAO cited this concern in a November 2004 report that was critical of SSA's processes for planning and conducting demonstrations.¹¹⁴

The Panel urges Congress to renew SSA's demonstration authority with greater Congressional oversight. In addition, Congress should require that CMS and SSA work to coordinate their demonstration activities.

***Recommendation 6:** Congress should renew, with greater Congressional oversight, the Social Security Administration's demonstration authority to design and evaluate additional strategies that overcome multiple barriers to employment and support economic self-sufficiency for individuals with significant disabilities and place urgency on getting the demonstrations done.*

The testimony of many individual beneficiaries and the beneficiary summit stressed that current SSI rules impose a significant "marriage penalty" that prevents many recipients from getting married. In 2002, SSA data were matched with that of the Survey of Income and Program Participation. It was found that the poverty rate of SSI recipients living alone is 78 percent, and the rate for two married recipients is 45.1 percent. This contrasts with the poverty rate for two SSI recipients who live together but are not married. That rate is 9.8 percent.¹¹⁵

SSA has studied the impact of marriage on SSI recipients, most recently in an issue paper published in December 2003. The report examined options for greater equity between married and unmarried recipients living together. Those options could be grouped into two broad areas: benefit rates or income exclusions and deeming.

It is important to note that establishing parity between the treatment of married and unmarried recipients does not necessarily hold all recipients harmless, particularly when it comes to cash benefits. The benefit rate option with the largest program cost increase would eliminate the couple rate under SSI and pay the benefit rate for individuals to both spouses. However, two other options under the benefit rate category would actually reduce the benefit amount for some SSI recipients.¹¹⁶

The income exclusion and deeming options appeared to have a greater impact on couples where only one spouse is an SSI recipient. In addition, it appears that some of the income exclusion/deeming options have a smaller impact in terms of program costs. Unfortunately, those options are likely to make the program more complex at the same time.¹¹⁷

The Panel hopes that SSA will continue to examine these issues and that Congress will attempt to equalize treatment of SSI beneficiaries, whether married or not, in the same way that it removed financial disincentives to marriage for all Americans via the tax code.¹¹⁸ Since attachment to health care and long term services and supports was the primary concern that most summit delegates cited about getting married, the Panel recommends an interim

measure that would provide states with the opportunity to remove the disparity at least in terms of Medicaid access. In addition to the Panel, the NCD also recommended eliminating the “marriage penalty” in its testimony to Congress in February 2007.¹¹⁹

***Recommendation 7:** Congress should provide states flexibility in devising Medicaid programs to reduce the marriage penalty for persons with disabilities.*

SSA’s Ticket to Work regulations, both existing and proposed, are partly designed to incentivize participation by ENs. Many unique entities, such as private employers and one-stop career centers, have stepped forward to serve as ENs, and the Panel is supportive of such innovations. To that end, the nation’s independent living centers (ILCs) are well-positioned to join the EN/SSA/beneficiary partnership.

ILCs have played a pivotal role in the empowerment of people with disabilities and their inclusion in the community. The ILC foundation is embedded in consumer control over the management and delivery of services. All ILCs provide the core services of individual and systems advocacy, information and referral, peer support, and independent living skills training. These services are the demonstration of the ILC philosophy of self-direction and independence.

ILCs, as consumer organizations, can assist beneficiaries in their efforts to achieve economic self-sufficiency. The staff members at these centers understand first-hand the barriers to employment, since many are former beneficiaries. It is that personal connection which places them in a unique position to offer peer support and skills training necessary for building confidence and informed choice.

ILCs are well-positioned to become ENs. However, their mission and services are broadly directed at independence, inclusion and civil rights. Consequently, their staff lacks the specific skills and training necessary to assist in job development and placement. In order to participate as ENs, ILCs would need additional financial support to secure staff equipped to provide these services and other upfront costs. SSA has an EN Capitalization Education Program which would be beneficial to ILCs becoming ENs. The purpose of this program is to enable more organizations to participate in the Ticket to Work program as ENs by increasing access to funding sources that can support upfront costs of providing employment and support services. This program has four target segments of the disability and workforce development communities. The Panel proposes that ILCs be added as a target segment. By doing so, this will expand the options beneficiaries can access for needed services and supports to obtain, regain, or maintain employment.

***Recommendation 8:** The Social Security Administration should identify business models for investing in independent living centers as Employment Networks.*

Update, Simplify and Educate: Improve Beneficiaries' Experiences with Work Incentives

Our nation's largest disability programs can be helped in the immediate term by creating the conditions and a policy environment that would better support work beyond the outcomes currently achieved with the underutilization of existing work incentives. The recommendations contained in the Panel's work incentive utilization report, *UPDATE, SIMPLIFY, AND EDUCATE: A National Call to Optimize Incentives to Work*, are intended to be incremental and achievable in the short term. The Panel believes these recommendations will lay the foundation for the proposed modernization activities and systems changes more applicable to employment supports needed in the long run.

The recommended short-term actions are divided into three primary categories:

1. **UPDATING** existing work incentives to make them more applicable to the realities and employment support needs of beneficiaries in 2007 and beyond. This should include improving existing work incentives and ensuring that they accommodate the dynamic nature of disability while assuring access to health care as work incentives are utilized.
2. **SIMPLIFYING** the maze of work incentives programs that exist not only within SSA but in other federal benefit programs so that those programs mutually support a common work agenda and make work pay, while at the same time reducing the risk of overpayments for beneficiaries and other unintended adverse program interactions.
3. **EDUCATING** and equipping the array of stakeholders involved in the return to work process so that it is multi-pronged, focused on ensuring that beneficiaries interested in going to work have access to customized, responsive, timely, relevant and accurate information and services to support their efforts. The stakeholders that need to be included in order for work incentive provisions to be effective include: SSA field personnel, ENs and other community providers, educators, and beneficiaries. Education should include increasing the awareness of beneficiaries regarding work incentives through information dissemination, expanded outreach, and increased numbers of work incentive practitioners available and providing ongoing training of SSA personnel. It should also include putting in place systems to inform SSA regarding return-to-work efforts by improving the collection, organization and use of data about work incentive utilization for decision making.

UPDATE Existing Work Incentives

Improve existing work incentives and ensure that they accommodate the dynamic nature of disability while assuring access to health care as work incentives are utilized.

Update Impairment Related Work Expenses

IRWE applies to both SSDI and SSI beneficiaries. However, under the SSI program the reimbursement for expenses paid for by the beneficiary only allows for up to a 50 percent cost recovery – not dollar for dollar with work expenses such as BWEs or PASS. This poses a considerable barrier to work for those beneficiaries starting their work efforts in entry-level positions that do not provide adequate income to offset the loss of income associated with paying for these work-related expenses and the potential loss of SSI cash benefits resulting from earnings. This is important to beneficiaries trying to survive on limited income.

Recommendation 9: *The Social Security Administration should change the order in which impairment-related work expenses are deducted when calculating the Supplemental Security Income cash payment to allow for up to a 100 percent cost recovery.*¹²⁰

While the definition of IRWE is the same regardless of the program, items and/or services can be allowed as IRWE even if they are also needed for normal daily activities. However, the cost of *routine* drugs and routine medical services, such as a yearly physical, are not deductible *unless* they are needed to control the impairment and enable the person to work.

The cost of health insurance premiums is listed in the Program Operations Manual System as a “non-deductible” item.¹²¹ One could argue that because Medicare is *only* available to individuals who have a disability (or are retired), the premium cost should be recognized as an impairment related expense and necessary for work. Certain individuals will purchase supplemental coverage due to co-insurance or deductibles.

Recommendation 10: *The Social Security Administration should allow health insurance premiums to be used as impairment-related work expenses, when the beneficiary can document that the coverage is disability-related and supports work.*

The assistance of family members in providing transportation to and from work and attendant care services is essential. Delegates to the beneficiary summit selected “Support family caregivers who provide personal assistant and other services” as one of their key recommendations. Many beneficiaries rely on family members to drive them to and from work because they are unable to drive themselves, cannot afford a car, public transportation is not available, and/or they are unable to take public transportation due to their disability. They also rely on family members to provide attendant care services because other providers are difficult to find and often are unreliable. If a person with a disability pays a family member to perform attendant care services, the payment will generally not be deductible as

an IRWE *unless* it is established that the family member has been “otherwise employed and suffers economic loss by reducing the number of work hours or terminating his or her own employment in order to perform such service.”¹²² This is the case even though, at age 18, parents no longer have a legal responsibility to care for their son or daughter unless there is a court decision.

Recommendation 11: *The Social Security Administration should eliminate the condition that family members must suffer financial loss for their compensation by the beneficiary to count as impairment-related work expenses if they provide attendant care and/or transportation to/from work to a person with a disability.*

Update Income Exclusions

The four key income exclusions are: \$65 earned income, \$20 general income, \$30 infrequent/irregular earned income, and \$60 infrequent/irregular unearned income; in addition, there is a \$2000/\$3000 resource limit. These amounts were not indexed when the SSI was enacted in 1972 and have not changed despite the 1996 Disability Advisory Panel’s call to action regarding the annual indexing of all work incentives. “Raise the SSI resource limit to today’s dollars” was a key recommendation of the delegates to the beneficiary summit.

In March 2000, an SSA report on SSI exclusions mandated by the Act included a range of detailed options for updating the dollar amounts and the estimated costs.¹²³ In a recent statement, the SSAB calculated that if the earned income and the general income exclusions had kept pace with inflation, they would exceed \$90 and \$290 per month, allowing disabled beneficiaries to earn up to \$380 per month without reducing their benefits.¹²⁴ The upcoming increase in minimum wage means that beneficiaries will be able to work even fewer hours before impacting their benefits. The Panel recognizes, as did the SSAB that changes could be expensive and it is impossible to predict what the effect and costs would be of interacting with one another, as well as how they would affect other SSI provisions and related programs such as Medicaid and state supplementation. Nevertheless, the current exclusions are failing to meet congressional intent because of their significantly reduced value. Currently, for example, \$65 earned income exclusion is worth less than \$15; \$20 general income exclusion is worth less than \$5; and \$3000 resource limit is worth less than \$400 value.

Recommendation 12: *Congress should increase and index the key income exclusion amounts and the resource limits under the Supplemental Security Income program.*

Update PASS and the Ticket to Work Program

Disincentives for use of PASS can be found in existing policies that regulate the interaction of PASS and rehabilitation programs. PASS could be used to supplement the Ticket to

Work program by providing the initial investment in employment supports, which the ticket payments can then maintain. Under current policies, an EN cannot receive a ticket outcome-only payment while the individual is receiving an SSI cash payment resulting from an active PASS. This creates a disincentive for ENs to support PASS use. Also, PASS funds cannot be used to pay an EN for services.

Recommendation 13: *The Social Security Administration should approve proposed rule changes to the Ticket to Work program to enable Employment Networks to receive ticket outcome-only payments while a beneficiary is receiving an Supplemental Security Income cash payment resulting from an active Plan for Achieving Self-Support.*

Update the Traditional Cost Reimbursement Program

The Traditional Cost Reimbursement Program administered by SSA with VR agencies is based on sustained individual participant gross earnings over SGA.¹²⁵ While utilization of most work incentives do not count against the agency seeking reimbursement, two specific incentives can impact an agency receiving their reimbursement if the programs are used by the beneficiary: BWE and PASS. These are work incentives excluded by the SSA under current procedures as they are not impairment-related. The use of either of these incentives negatively impacts the ability of VR agencies to claim reimbursement because earnings often fall below SGA once BWE and PASS have been accounted for. The unintended negative consequence is that the policy provides a disincentive to VR service providers in promoting use of BWE and PASS because their claim for reimbursement may be disallowed.

Recommendation 14: *The Social Security Administration should allow state vocational rehabilitation agencies to receive traditional cost reimbursement if and when an individual is receiving an Supplemental Security Income cash payment resulting from an active Plan for Achieving Self-Support or claim of Blind Work Expenses.*

SIMPLIFY Existing Work Incentives

The myriad of work incentives programs that exist not only within SSA but also within other federal benefit programs are complex, difficult to understand, challenging to manage and do not appear to support a common, universal approach to work. Beneficiaries may understand and know how to use the work incentives, but other disincentives keep them from working.¹²⁶

Align Existing Work Incentives

The two general types of governmental programs concerning disability are employment support and income support. When the term “benefits” is mentioned, many assume the reference is to either the SSDI or SSI programs administered by SSA. Although these two SSA programs are the primary public disability support programs in this country, the scope

and complexity of the broader benefits circumstances for individuals with disabilities frequently extends beyond Social Security. Other equally important income support and employment support programs that provide benefits to individuals with disabilities include, but are not limited to Housing and Urban Development (HUD), Temporary Assistance for Needy Families, Veterans' Benefits, Worker's Compensation, Unemployment Insurance, Food Stamps, Energy Assistance, and programs operating under the authority and funding connected with the Workforce Investment Act. Adding to the complexity is that most programs are fully or partially funded with federal resources; however, many are administered at the state or local level.

The interplay between employment earnings and public benefit programs is very individualized. Although both programmatic constraints and work incentives within public programs are consistently available to participants, the multiplicity and diversity of program participation make the issue complex. In other words, no two beneficiary or recipient situations are the same. The work incentive provisions in one program may be generous, while they may be limited in another, which unintentionally negates the potential of the work incentives available in the first program.

There are two primary ways that work incentives can be simplified. First, SSA should conduct a careful review of their existing work incentives and develop legislative proposals to remove the complexity.¹²⁷ As discussed earlier, the dollar amounts governing specific incentives vary greatly. For example, the SGA and TWP amounts are different. Simply adjusting and aligning existing work incentives would go a long way toward simplifying and minimizing the amount of information beneficiaries need to maintain and manage as they attempt to go to work. Second, SSA and their federal partners who administer other means-tested entitlements should evaluate their existing work incentives and ensure that they all mutually and universally support a common work agenda. For example, a beneficiary who receives SSDI and is also residing in HUD-sponsored housing has specific complexities to manage when first attempting to work. When that individual decides to begin working they are entitled to a nine-month TWP during which there are no limits on their earning potential and impact on their cash benefit. In comparison, for HUD, the first 12 months of earnings are subject to 100 percent income exclusion and not counted against in the computation of their rent share. This requires the beneficiary to know in great depth how earnings are treated by each public entitlement or benefit they receive and they must track using different time tables the points at which their gross monthly income may be impacted. This is one example across two programs where the work incentives provided do not clearly align and support a universal work agenda.

SSA and their other federal partners should consider how to streamline the work incentives and reduce their complexity. Making work incentives easier to understand will make it easier for beneficiaries to use them successfully in their path to work, as well as make them easier to administer.

Recommendation 15: *The Social Security Administration should reduce the complexity and improve the consistency of work incentives across the Supplemental Security Income and Social Security Disability Insurance programs and other federal entitlements so that they universally support work.*

Address Post-Entitlement Issues

Existing work incentive provisions demonstrate a commitment by SSA to support the employment efforts of people with disabilities. The work incentives, however, also illustrate how complicated the issue of benefit levels and eligibility become when a disability beneficiary pursues employment and experiences changes in earned income. SSA recognizes that while many individuals may want to return to work, there are multiple barriers that may hinder employment. Work related overpayments are identified as one of these barriers.^{128, 129} Overpayments are benefits that an SSI and/or SSDI beneficiary receives for which Social Security determines the beneficiary was not entitled. There are two primary reasons why an overpayment situation would occur in either program: beneficiaries do not report information affecting benefits or eligibility in a timely manner, and/or SSA does not process the information affecting a beneficiary's benefits or eligibility in a timely manner.¹³⁰ Overpayments, or the risk of experiencing an overpayment, can affect a beneficiary's decision to go to work, or the decision to continue working.

SSI redeterminations and CDRs represent two of SSA's main efforts towards processing the information affecting a beneficiary's benefits or eligibility in a timely manner and helping to prevent and detect improper payments.

Recommendation 16: *The Social Security Administration should establish mechanisms to monitor post-entitlement workloads, develop performance standards (similar to those established for initial claims in terms of processing time and decisional accuracy), and Congress should allocate sufficient resources to address post-entitlement workloads.*

Recommendation 17: *The Social Security Administration should establish a cross-component internal Social Security Administration Task Force on post-entitlement workload issues to identify resources needed to perform critical program integrity activities that address post-entitlement workloads such as processing work reports and preventing and detecting overpayments. Publish these findings annually.*

Simplify Wage Reporting

SSI recipients are required to report changes in their income, resources and living arrangements that may affect eligibility or payment amount. SSA conducted wage reporting pilots for workers at risk for wage-related overpayments to develop easier ways for recipients to report their wages in a timely manner. Through a pilot conducted in 2003 and again in 2006, SSA is using telephone voice recognition/touchtone technology as a means to

improve wage and income reporting by determining if, given an easily accessible automated format, individuals will increase compliance with reporting responsibilities. The initial SSI Monthly Wage Reporting Pilot¹³¹ was conducted in 2003. Evaluation of the pilot^{132, 133} determined that the telephonic wage reports were much more accurate than traditional reporting techniques, and the use of a system like this could prevent approximately \$200 in annual SSI overpayments for every person who reported wages monthly. Further, it was estimated that if 10,000 beneficiaries participated, \$2 million in overpayments would be prevented per year. This pilot required a password authentication process, which half of the participants found difficult to use. As a result, SSA made software changes and in January 2006^{134, 135, 136} began a new telephone wage reporting pilot using a knowledge-based authentication process. No data on the impact of the new pilot was found. In SSA's FY 2008 budget,¹³⁷ reference is made to "expanded telephone wage reporting" as one way that SSA is developing easier ways for SSI recipients to report their wages.

***Recommendation 18:** The Social Security Administration should continue to expand systems for reporting wages electronically, ensuring that concurrent beneficiaries have a single point of earnings reporting and that timely receipts are sent to all beneficiaries.¹³⁸*

EDUCATE Beneficiaries and their Supporters Regarding Work and Use of Work Incentives

There are a myriad of stakeholders who interact with and support the return to work process—including the beneficiary, their family members, service providers, and other entities. Going to work is a multi-pronged process that should be focused on ensuring that beneficiaries interested in going to work have access to customized, responsive, timely, relevant and accurate information and services, including assistive technology, to support their efforts. These efforts need to include SSA field personnel, ENs and other community providers, educators, and beneficiaries to effectively use work incentive provisions. Emphasis should be placed not only on continuing to increase the awareness of beneficiaries regarding work incentives, but also on educating families and service providers in supporting their use, and enabling SSA to effectively administer them and keep informed regarding the return to work efforts of beneficiaries through the collection, organization and use of data about work incentive utilization for decision making.

Expand Current Work Incentives Marketing and Outreach

SSA's Strategic Plan for 2006-2011 recognizes the importance of increasing the awareness of beneficiaries of opportunities to achieve greater financial independence through employment. As part of the Strategic Plan and in support of the President's New Freedom Initiative, SSA details three specific objectives: 1) provide improved marketing materials to beneficiaries with disabilities to increase awareness of the Ticket to Work program; 2) make beneficiary planning services more available and useable for beneficiaries to increase their

awareness of return to work options; and 3) focus on the improvement and expansion of the agency's partnerships with other public and private community-based organizations.¹³⁹ Title I, subtitle C of the Act authorizes important strategies to inform, assist, and protect beneficiaries interested in pursuing work by establishing the BPAO program (currently known as the WIPA program), and the PABSS program. The Act also authorized that SSA create an internal corps of work incentive specialists.

In the SSA Strategic Plan, there is no specific mention of the WIPA or PABSS programs as a method to ensure that individuals with disabilities who want to work have the opportunity to do so, or even to increase awareness of opportunities to achieve “greater financial independence through employment.” No measures are offered as to how SSA will track the level of achievement of these proposed long-term outcomes through internal staff capacity or external (WIPA and PABSS) program relationships.

The challenges of marketing and outreach to beneficiaries to provide accurate, consistent information to enable beneficiaries to make informed decisions about work and to attract a new level of interest in and use of available work incentives and supports are formidable. Challenges identified by diverse stakeholders include inadequate resource allocation to support either the internal infrastructure at SSA of AWICs or the external support systems of WIPA and PABSS programs, inadequate quality assurance mechanisms to continue to evaluate and improve timely and effective service delivery systems, and a continuing need to improve coordination and clarify complimentary roles and responsibilities among these specialists (AWICs, WILs, WIPA, and PABSS) and other relevant community partner agencies and organizations.

The Act offers beneficiaries a new opportunity to access a variety of supports and work incentives that will change expectations about life long dependence on cash benefits for subsistence. Without a coordinated comprehensive outreach strategy that focuses not just on the Ticket to Work program but also on the range of work incentive options, millions of beneficiaries remain afraid to attempt to work and increase income.

The Panel continues to recommend a broad marketing and outreach strategy addressing these challenges.

Recommendation 19: *The Social Security Administration and Congress should strengthen both the Work Incentives Planning and Assistance and Protection and Advocacy for Beneficiaries of Social Security networks by establishing performance standards, adjusting funding levels and resources to levels necessary to achieve the desired results, and investing in ongoing training and technical assistance that improves the accuracy of information and quality of services provided with particular attention to underserved populations and valued employment outcomes.*

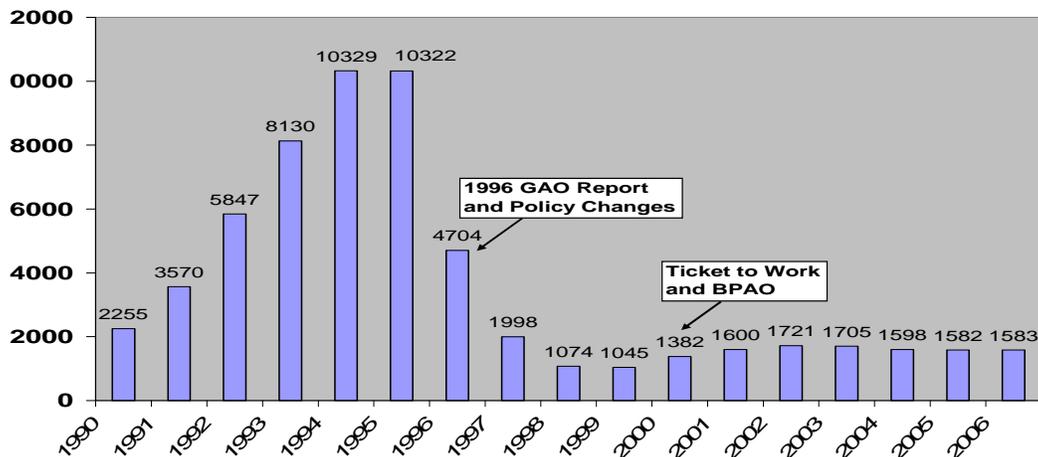
Recommendation 20: *The Social Security Administration should identify clear, objective performance standards and indicators to evaluate the activities and impact of Area*

Work Incentives Coordinators and Work Incentive Liaisons, and collect, analyze, document, and publish evidence annually (by Social Security region and system-wide) of customer satisfaction, improved employment outcomes, and advanced self-sufficiency.

PASS was enacted by Congress as a part of the original SSI legislation. PASS is self-determined, and is one of a very few tools that can provide critical supports to assist individuals in achieving self-sufficiency. Despite the enormous potential of PASS, the desire of many individuals with disabilities to work, and several policy and legislative changes to the program, PASS is currently significantly underutilized. Figure 4 below shows the number of PASS applications nationally in December of each year, from 1990-2006.¹⁴⁰ The number of PASS applications ranges from 2255 in 1990, to a high of 10,329 in 1994, to a low of 1045 in 1999 in the aftermath of a 1996 GAO report and subsequent policy changes, to 1583 in 2006.

Through the work of the Adequacy of Incentives Advisory Group, several critical recommendations were provided in 2004¹⁴¹ to address disincentives and barriers in using PASS. These recommendations included: allowing for the use of PASS and ticket payments at the same time; providing outreach to targeted groups of beneficiaries who could benefit from the use of PASS and the ticket; partnering with vocational providers to promote PASS as an option; and partnering with traditional financial institutions to incorporate PASS as collateral or assist in financing. Enhancements needed for the PASS program were also identified as critical by delegates at the beneficiary summit. Beneficiaries recommended providing federal or state matching funds, allowing a successful PASS to continue after its scheduled end date by allowing it to be enhanced to work toward greater self-sufficiency and expand business opportunity, improving communication between the PASS cadre and the application (appeal/denial) process, increasing the number of trained PASS specialists available, increasing communication with youth about work incentives including PASS, and simplifying and streamlining the PASS application forms and process.

Figure 4. PASS Utilization



Current active approved PASS applications total 1,583 (December 2006), averaging 30 PASS applications per state, and outlying areas. Some PASS specialists and offices cover one state or one area of one state; other PASS specialists cover entire regions of states. There is currently no publicly available workload information on the number of PASS applications submitted and approved or on processing (wait) times. However, based on subjective experiences, there appears to be a wide variance in PASS office work load. Based on statistics presented earlier, PASS approvals vary widely. While SSA engaged in an active national training campaign for PASS specialists in the spring of 1996, it is not clear whether SSA continues with national level training. The Panel believes that PASS use would increase significantly with an enhanced focus on PASS outreach.

Recommendation 21: *The Social Security Administration should collect workload information on the number of Plan for Achieving Self-Support applications submitted and approved, including the processing (wait) time by state, and publish this information annually in Social Security Administration's SSI Disabled Recipients Who Work report. SSA should provide high quality training and support, and fiscal resources for the effective administration and outreach of the Plan for Achieving Self-Support program. The Social Security Administration should recruit, develop, and support Plan for Achieving Self-Support specialists (travel, technology, et al).*

Improve Management by Data Practices

SSA should provide annual data reporting and analysis on SSDI work incentive utilization, including state-to-state variation similar to the annual data provided on the SSI program. This report should also include the experiences of Disabled Adult Children and concurrent SSI/SSDI beneficiaries. The Panel's understanding is that work incentive utilization information is being collected as earnings of SSDI beneficiaries are reported using e-Work. Analysis and reporting of work incentive utilization data will provide insight into the performance of the SSDI and SSI programs with regard to returning beneficiaries to work. This could provide SSA with a better understanding of how to support local AWICs in encouraging other SSA staff, CWICs, community agencies and beneficiaries to more fully utilize work incentives.

Recommendation 22: *The Social Security Administration should improve reporting of data and analysis pertaining to Social Security Disability Insurance (including Disabled Adult Children and concurrent Social Security Disability Insurance/ Supplemental Security Income beneficiaries) and issue an annual report comparable to the Social Security Administration's SSI Disabled Recipients Who Work report.*

Recommendation 23: *The Social Security Administration should establish a performance management and return to work tracking system, providing benchmarks for each state, and track utilization over time as part of a continuous quality improvement plan.*

Improve Beneficiary Communication

With the addition of benefits and work incentive specialists, through first the BPAO and now the WIPA program,¹⁴² SSA has provided one way for SSI and SSDI beneficiaries to become more aware of the impact of work on their benefits. These projects represent a significant resource available to beneficiaries for information and guidance on work and disability benefit issues, which should include timely wage reporting and avoiding and dealing with overpayment problems. The WIPA network is limited, however, in their ability to provide the information necessary to ensure that all beneficiaries are aware of earnings reporting requirements. SSA should explore other approaches to expanding beneficiary understanding in this area.

Recommendation 24: *The Social Security Administration should increase beneficiary awareness of earnings reporting requirements including the waiver process for overpayments, and promote greater self-efficacy.*

The implementation of these recommendations will update and simplify existing work incentives and enable the investment of time and resources by SSA and other related community stakeholders to educate the target audience about their availability and use. Expanded opportunities and conditions for supporting work will be created and the target audience will be better educated to make informed decisions. For policy makers, it is an important place to start. However, these changes in program and policy design represent only partial solutions to positively impact employment and economic gains for current and future eligible individuals with significant disabilities. These short term recommendations represent one element of the modernization actions required to establish an urgently needed framework in line with 21st century expectations of beneficiaries and continued advancements in technology and service delivery approaches.

Increase Economic Self-Sufficiency through Investment in Disability Program Modernization

“We want to get out there. We want to be part of the world. We want to make money. We want to be able to have families and support our children... We want to be able to tell our stories to other people, so the next person that they meet, they won’t be afraid to hire them.... We want the same thing that everybody else wants, which includes work...”

Amber Carey
Testimony at the Ticket to Work and Work Incentives
Advisory Panel Quarterly Meeting
Washington, DC
November, 2006

Work is a valued activity, both for individuals and society. Work fulfills the need of an individual to be productive, promotes independence, enhances self-esteem, and allows for participation in the mainstream of life in the United States.¹⁴³ People with significant disabilities face multiple barriers to employment that make it difficult, if not impossible, to work or increase their work effort. Our nation has reached a critical juncture that demands modernization of disability programs for individuals with significant disabilities who want to work and increase their earnings. Further action is necessary to ensure that the goals of the ADA — equality of opportunity, full participation, independent living, and economic self-sufficiency — are supported by policies that have high expectations, receive adequate resources to achieve program objectives, and deliver increased positive outcomes.

The Panel believes that incremental changes to the Ticket to Work program and Social Security work incentives, while vital in the short term, must be coupled with a deliberative modernization of disability programs. The Panel proposes that Congress and the Administration increase economic self-sufficiency through a long-term investment in an employment strategy for Americans with disabilities. Disability policy and programs must be modernized to:

1. Eliminate barriers to work;
2. Enable people with significant disabilities to reduce their dependency on cash benefit programs; and
3. Empower Americans with disabilities to greatly improve their short and long-term financial independence and personal well-being.

During the last 18 months, GAO, NCD, and the SSAB have made public reports of the urgent need for policy and procedure modifications by both Congress and SSA. All three reports identify complex obstacles to employment faced by beneficiaries and the need for “new approaches” and “new solutions.” The three federally mandated organizations independently analyzed the many legislative changes, program modifications, training initiatives, marketing and outreach efforts, and technological improvements in processing claims and wage records in the past 15 years to impact customer service and return-to-work outcomes. The findings indicate that these policy and process changes have not significantly improved program outcomes and that beneficiaries do not trust SSA to make appropriate and timely decisions. After spending sometimes years to convince SSA of the extent of their disability and their inability to work, most beneficiaries are confused by messages received from SSA that encourage return to work with the assistance of a variety of work incentives that are neither simple to understand nor to use. Each year, the Panel has listened to and learned from beneficiaries, who have echoed and confirmed the findings of these three independent bodies.

In the past year, the Panel listened to presentations about their body of evidence from GAO, NCD, and the SSAB. These groups’ conclusions and recommendations support critical investments that must continue to be made on a national basis to advance and modernize

the current disability programs. This report cites the recommendations of GAO, NCD, and the SSAB and presents the Panel's findings in each recommendation area.

Government Accountability Office: Modernizing Federal Disability Policy

According to an August 2007 GAO report, *Modernizing Federal Disability Policy*,¹⁴⁴ economic, medical, technological, and social changes have increased opportunities for individuals with disabilities to live with greater independence and be full participants in the workforce. GAO's analysis of the largest federal disability programs indicates that "these programs are poorly positioned to provide meaningful and timely support for persons with disabilities." The SSI and SSDI programs were singled out by GAO as programs whose costs and enrollment are growing rapidly and are expected to continue to grow even more rapidly in the future. From 1996 to 2006, according to this report, these two programs increased by 42 percent and 16 percent, respectively. GAO cited several reasons for the current and future expected rapid growth of these two programs. The demographic picture of baby boomers aging and the documented correlation with increasing onset of disability, as well as the low rate of return to work for individuals with disabilities receiving cash and medical benefits, creates a situation in need of the immediate attention of policymakers. During this same ten-year period, the total inflation adjusted cash benefits for the two programs increased by 68 percent and 18 percent, respectively.

GAO brought together a diverse array of experts to explore ways to modernize disability programs and transform current disability policy to align with changing social attitudes and technological advances. Forum participants cited the complexity of disability issues including transportation, housing, health care, education, and workforce development. Improved coordination should aim to create "a federal, state, and local system that ensures that policy, services, and supports, are synchronized." For an individual with a disability, such a system must seamlessly support the transitions from childhood to adolescence to young adulthood to adulthood, and, finally, to retirement. There was also a need expressed for greater focus on the development of partnerships between the public and private sector, including more collaboration with the employer community to identify the right mix of education, supports, and incentives to maintain and expand the participation of individuals with disabilities in the workforce.

The concluding observation from this report is that "to the extent that federal disability programs are aligned with 21st century realities, benefits can be achieved for individuals with disabilities, business, and government." As an independent evaluator of the impact of federal disability programs, GAO cautions that the growth in size and the costs of major federal disability programs (SSDI and SSI) are having an adverse impact on the federal government's long-term structural deficit. "Solutions are likely to require fundamental changes, including regulatory and legislative action.... Without strong federal leadership at this time to lead the transformation, there could be fewer options in the future available."

National Council on Disability: New Solutions for Old Problems

In its report, *The Social Security Administration's Efforts to Promote Employment for People with Disabilities: New Solutions for Old Problems*,¹⁴⁵ NCD studied whether the Ticket to Work program and other new authorities under the Act were having any more success than SSA's past attempts to impact the employment rate and earnings of beneficiaries.

The major findings parallel the observations of the GAO Forum. The findings also mirror the voices of experience captured in the Panel's beneficiary summit. Five themes illustrated the confusion and frustration of beneficiaries and the ineffectiveness and inequities of both the SSDI and SSI programs.

1. **The mission of SSA's disability benefit programs is out of touch with current thinking and expectations.**

"Years ago when the Americans with Disabilities Act (ADA) of 1990 was enacted, prohibiting discrimination against individuals with disabilities in employment, housing, education, and access to public services, people were excited and thought it would give us more opportunities. I must agree it did, it gave us ramps into buildings, wider door ways, lowered telephone booths, etc. However, it did not give us equality. Until we are given an opportunity to work without stipulations, we will never be able to fully achieve our goals in life."

Robin Renshaw, Delegate from Nevada
Beneficiary Summit
Atlanta, Georgia
February, 2007

The current eligibility determination process places the emphasis on inability to work at the SGA level in order to qualify for benefits. Such a focus contributes to beneficiary confusion about SSA's return-to-work efforts and compounds the challenges of intervention occurring early in the disability determination process.

2. Historically poor service and misinformation provided to beneficiaries by SSA field office staff have perpetuated a culture of mistrust and fear.

"Information and referral is the first service any agency provides. People with disabilities will feel more secure if all agencies are speaking the same language."

Emilio Gandara, Delegate from Puerto Rico
Beneficiary Summit
Atlanta, Georgia
February, 2007

NCD's findings parallel the Panel's observations and documentation of beneficiaries that "misinformation is frequent and mistrust common." There is a prevalent fear that attempts to work will result in a determination that the disability has ended. Beneficiaries have cited problems with accurate and timely processing of earnings reports by SSA field office staff, leading to overpayments. As recently as July 2007, WIPA projects in Oregon and California testified to the Panel about their struggles to get accurate and timely information from SSA field offices to help inform individual decisions about return to work. Their testimony stated that the problems were not isolated incidents, but instead examples of nationwide concerns.

3. Asset limitations and income rules perpetuate long-term impoverishment and dependence on public benefits.

"I always tell people, it is okay to be a woman, just don't be a poor woman. It's okay to be a person of color, but please don't be poor and also a person of color. It's okay to be old, but please don't be poor. You can be disabled and you can achieve a fairly high standard of living in this country, but not if your disability is surrounded with poverty."

Frances Gracechild, Panel Member
Director of the Independent Living Center
Sacramento, CA
Public Comment at the Ticket to Work and Work Incentives
Advisory Panel Quarterly Meeting
Washington, DC
June, 2006

The Act recognizes the opportunity to overcome some of the most significant barriers to employment for working age adults with disabilities. Since 2001, millions of dollars have been expended annually by SSA to implement the Ticket to Work program to provide new service options for beneficiaries, and to expand education, outreach, and counseling support through the BPAO (now WIPA) as well as the PABSS programs. Internally at SSA, AWICs

and WILs have been dedicated to improving customer service. Modified program rules have allowed ticket users protection from CDR provisions, and the level of earnings allowed has increased during the TWP. Yet, despite these program improvements and individual support choices, fundamental issues of income and asset limits have not been addressed directly. The NCD report identified the SSI program's strict asset limits as a major barrier to advancing economic self-sufficiency. The stringent asset limitations create disincentives to savings and depress interest in increasing income. The asset limits contribute to a culture of dependency on public benefits and long-term impoverishment. The lack of a gradual reduction in benefits as earnings increase causes SSDI beneficiaries to depress income by limiting their hours of work, perpetuating dependence on Social Security and other public benefits.

4. Coordination and collaboration among multiple publicly funded systems with SSA remains poor and detracts rather than facilitates return to work and advancement of self-sufficiency.

“It’s great to have a system in place, but if you don’t have the right people in the right places with the right qualifications and the right training then you are almost guaranteed not to be as successful as you could.”

Robert Robertson, Director
Government Accountability Office
Education, Workforce and Income Security Group
Testimony at the Ticket to Work and Work Incentives
Advisory Panel Quarterly Meeting
San Juan, PR
February, 2006

The NCD report concludes that receipt of Social Security disability benefits is “merely the last stop on a long journey that many people with disabilities make from the point of disability onset to the point at which disability is so severe that work is not possible.” Along the journey, individuals with disabilities encounter a myriad of policies and procedures from other systems that do not work in concert with SSA and may even work at cross purposes. Beneficiaries testifying before the Panel repeatedly told of frustrating interactions with VR, the Medicaid system, secondary and post secondary educational institutions, and Social Security field offices that understood little about each other and placed the burden of information gathering and fact finding back on the beneficiary. The message was clear: it is the individual’s responsibility to navigate the complex maze of rules, despite the partner programs’ common mandated objective to improve employment outcomes and/or advance self-sufficiency, community participation, and reduce reliance on government benefits.

Analysis of performance measures across programs indicates that there are no means to evaluate and encourage cross-system collaboration. As a result, there are no penalties or sanctions for failure to advance integrated service delivery. At the community level, there

are ineffective uses of resources across systems, flawed return-to-work decisions based on incomplete information, and lost productivity of individuals with disabilities.

5. Disability is a dynamic process that requires flexible policies and supports and recognizes one size does not fit all.

“Either I have to figure out a way to keep benefits (personal assistance services through Medicaid), so that I can get up in the morning, get dressed and go to work, or I will just have to lay in bed all day, which means not only am I not going to work, but then I will stay on these benefits. It just makes a lot more sense to me to help people get out and get into the workforce and they can pay taxes and help pay for some of these services that they are receiving.”

David Cox, Engineer
Stockton, AL

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Beneficiaries represent a diverse group of individuals with disabilities. Variables impacting work activities include the type and severity of disability, age, age of onset of disability, level of skills, education, prior work experience, the state in which an individual lives, and the level of need for and availability of health care and long-term employment-related supports and services. In addition, an individual’s needs may change over time as the nature and severity of disability change. With these changes, the work activity may vary as might the need for supports and services.

The NCD report’s conclusions again parallel the body of evidence collected and analyzed by the Panel. A framework for the development of future public policy must be sensitive to the dynamic nature of disability and its interface with work, reducing the fear and risk of full loss of benefits by gradually reducing benefits as earnings increase for SSDI beneficiaries, and ensuring the security of a fair and decent level of income during periods of work incapacity.

Many beneficiaries who testified before the Panel described their disabilities as episodic in nature based on their experience with psychiatric disabilities, multiple sclerosis, and other conditions. There are times when their conditions require them to stop working. Eligibility criteria used by SSA for the disability programs do not support easy transitions on and off benefits. For many individuals, the resulting decision is to remain permanently unemployed and dependent on the benefits.

The NCD report confirms the urgent need for policy and program changes. “Although SSA has taken steps to improve its return to work services, a more comprehensive change in the

agency's process and underlying philosophy is necessary in order to make SSA disability programs more work oriented." NCD concluded that promoting employment and return to work among beneficiaries "will require SSA to make a major paradigm shift and totally redefine both its mission and how it conducts its work on a day-to-day basis."

Social Security Advisory Board: A Disability System for the 21st Century

The SSAB issued its report, *A Disability System for the 21st Century*,¹⁴⁶ in September 2006. The importance of the SSDI and SSI programs in the lives of individuals with disabilities, especially since a majority of beneficiaries depend on these income benefits for more than 75 percent of total income, led the SSAB to focus much of its attention on these programs over the ten years since the SSAB was created. The SSAB "discovered that there is something about these programs that was antithetical to another basic need – the need to pursue independence and a sense of contributing to one's own self-support and to the good of society." The SSAB found that the most apparent conflict was the Social Security definition of disability, which equates disability with the inability to do any substantial work.

As the SSAB pointed out in its 2003 report, *The Social Security Definition of Disability*,¹⁴⁷ the definition of disability was adopted some fifty years ago for a program that was limited to individuals approaching retirement age. Policymakers, practitioners, and persons with disabilities could not have foreseen the social, technological, and medical changes that have influenced today's thinking, or the changing expectations about the capacity of the target audience to be productive members of the workforce in diverse business settings. However, changing the definition of disability as the trigger for eligibility to SSDI and/or SSI benefits is not without significant challenges. Broadening eligibility could increase the costs of the program and provide benefits to individuals beyond the currently identified scope. Narrowing eligibility could prevent individuals who are unable to engage in substantial work from receiving their benefits. The SSAB, with expert input and presentations from diverse stakeholders, determined that the problem is that these programs "...are not integrated into an overall approach to disability that supports the aspirations of people with disabilities to achieve their maximum potential.... Correcting this problem will require a statutory change to define disability in a way that encompasses such an integrated approach."

The SSAB concluded that "it is time to set aside old paradigms and look more broadly at what is possible." A modernized disability system must invest in human capital and recognize that it is not inconsistent to receive support and work simultaneously. In framing the essential arguments for a modernized disability system, the SSAB incorporates elements consistent with the findings and recommendations of the GAO and NCD reports and with the body of evidence assembled by the Panel over the past eight years.

According to the SSAB, a modernized disability system must incorporate elements that embrace change and:

- “Provide assistance and support to individuals and strive to maximize employment outcomes to the extent of each individual’s capabilities;
- Facilitate a culture shift within society to establish the expectation that individuals with disabilities can and should work to the extent of their capabilities and that society should assist individuals with disabilities in that endeavor;
- Recognize and accommodate the dynamic nature of disability and its sometimes cyclical impact on work capacity; and
- Facilitate rehabilitation and employment by coordinating and integrating the various sources of assistance and support that are now inconsistently provided by multiple uncoordinated programs.”¹⁴⁸

The Panel supports such a disability system that would make the consumer an active partner in designing appropriate services and supports. The beneficiary voice would be elevated to shape the system and customize individual responses that strengthen and support choice. Such a system would encourage contributions by individuals to their own self-sufficiency and yet be responsive to the continuum of individual abilities and needs.

Making the Case for Change

The testimony of beneficiaries during the last eight years provided the Panel with a unified voice for modernizing disability programs and systems that support individual goals to advance self-sufficiency and be a part of the economic mainstream. The evidence before the Panel affirms the findings and conclusions of three independent authorities charged with advising federal level policymakers about disability policy direction and effectiveness. The Panel joins GAO, NCD, and the SSAB in urging Congress to modernize disability policy. This modernized policy should present contemporary choices for balancing security and economic opportunity for current beneficiaries and future generations of youth and adults with disabilities who want to work and more fully participate in community life.

As a result of the Panel’s discussions regarding modernization of disability programs, the Panel learned of many promising ideas and proposals from experts nationwide. These proposals included, but were not limited to: the Wisconsin Department of Workforce Development’s “Making Work Pay,” the Council of State Administrators of Vocational Rehabilitation’s “Rehabilitation Early Diversion (RED)” proposal, the National Council on Independent Living (NCIL) proposal, “Being American: The Way Out of Poverty,” and the United Cerebral Palsy’s (UCP) “Big Sky Project.”

Guiding Principles

Just as the ADA extended the reach of the nondiscrimination provisions introduced by Section 504 of the Rehabilitation Act, it is time to extend the reach of the Ticket to Work and Work Incentives Improvement Act and modernize the income support and corollary health insurance programs that serve Social Security beneficiaries. This modernization is necessary so that people with significant disabilities have meaningful opportunities to participate in the American economic mainstream and so that we do not continue to support unnecessary dependence and force people with disabilities to live in poverty in order to receive basic government supports.

The Panel's recommendations for investing in disability program modernization are based on ten guiding principles:

1. Beneficiaries of public disability programs should be full participants in shaping the policies that will transform those programs.
2. People with significant disabilities should be empowered to make informed choices about work opportunities.
3. Disability policies should take into account differences in the needs and experiences of people with different types of disabilities.
4. Disability policies should recognize the dynamic and cyclical nature of significant disability and assure appropriate public supports during periods of work capacity limitation or disruption.
5. Work-oriented interventions should be provided timely in order to maintain a workforce connection for workers with new disabilities.
6. Work should make individuals and their families economically better off than they are when they receive income supports and related assistance.
7. Participation in work-oriented programs and services should be voluntary for youth and those adults who have been unable to establish or maintain an attachment to the workforce because of significant disabilities.
8. Youth and others with significant disabilities should be provided the employment-related services and supports, internships and other opportunities and resources that will empower them to fully explore their vocational options (including self-employment) prior to entering a long-term income support program designed for individuals with limited work capacity.
9. Disability programs should be as simple to understand and as easy to administer as possible, while balancing the need to address individual circumstances.

10. Disability programs should be effectively coordinated across agencies and among levels of government with clearly articulated benchmarks to evaluate success.

Long-Term Investment Outlook

The Panel is acutely aware of projected Old Age, Survivors, and Disability Insurance trust fund shortfalls as well as long-term projections for deficits in the federal budget.

The Panel believes that modernization proposals should be evaluated not exclusively in terms of their short-term fiscal impact but also according to the costs over the total life of the investment, including long-term savings from decreased cash payments and increased tax contributions. Recommendations for policy reform should also be evaluated in the context of the costs of inaction, as reflected in disability program growth trends and long-term economic predictions. Given Congress's estimate, at the time of the Ticket to Work and Work Incentives Improvement Act's passage in 1999, that a savings of \$3.5 billion could be expected when one half of one percent of the beneficiary population left the benefit rolls because of employment, it is not difficult to calculate substantial savings that can and will flow from a well-designed system. Although the actuaries at SSA and the CBO may be sparing in projecting potential long-term savings, Congress can work with SSA, researchers, and other agencies to measure and demonstrate the return on investment of different policy proposals.

A Comprehensive Approach

Because people with disabilities are a diverse population with varying needs and work capacities, and because of variations in local labor markets, no single program or policy will be universally successful in promoting work and meeting the needs of all people with significant disabilities. In short, there is no one-size-fits-all answer to the challenges we face. Rather, mutually supportive and flexible programs and policies need to be designed to support people with significant disabilities at various stages of the onset and management of disability and for varying levels of work capacity. These policies and programs should build on demonstrations and innovations that are producing results at the national, state and local levels. The Panel proposes the following comprehensive set of recommendations to advance an ongoing national dialogue regarding program modernization and sound long-term investments in an employment strategy for Americans with disabilities.

Raise Expectations

Beneficiaries and disability advocates have consistently told the Panel that people with significant disabilities are barraged with messages that they are unable work. Many people with disabilities and their families, as well as employers, health care professionals, educators, and service providers, absorb these low expectations. Changing these low expectations goes

beyond simply including positive messages in the material SSA provides about Social Security programs.

A social marketing campaign should be developed in close collaboration with a diverse group of beneficiaries, their family members, educators, employers, health care professionals, and those who serve people with disabilities to identify the most effective mechanisms to transform attitudes and expectations about employment and people with disabilities.

Messages could include:

- For those who can work, work is not only an opportunity it is a personal responsibility to yourself, your family and your country.
- People with significant disabilities want to be productive and can work if they are provided with the right supports.
- Everybody loses when people with disabilities are not given an opportunity to work or are excluded from community life.
- People with disabilities have a right to work.
- Young people with disabilities should be provided every opportunity to work, live independently, and enjoy self-determination to the full extent of their abilities.
- Families should be provided with the supports necessary to enable their children with disabilities to work and/or own a business and other income-generating assets to the full extent of their abilities.
- Educators should expect students with significant disabilities to reach educational objectives and provide them with the individualized supports necessary to make it possible.
- Employers should expect people with disabilities to compete effectively for jobs and promotions; they should expect employees with disabilities to help their companies innovate and reach a diverse and growing market including people with disabilities and their families.
- Public and private programs and services are available to support people with disabilities in pursuing a career that matches their interests and abilities.

This type of marketing campaign is an essential component of the Panel's strategy to increase employment, economic self-sufficiency, and self-determination outcomes for people with significant disabilities. People with disabilities and the influential people in their lives

should be instilled with the value of work, and employers should view individuals with disabilities as a valuable talent pool.

***Recommendation 25:** The President should take the lead to establish and provide financial support for a comprehensive, cross agency, culturally competent social marketing campaign to raise expectations about the productive employment potential of people with disabilities. This campaign should target people with disabilities, their families, educators, employers, health care professionals and those that serve people with disabilities and the community. This marketing campaign should use the most accessible and effective media, including television, radio, the internet, and mainstream and specialty magazines and newspapers.*

Promote Workforce Connection and Retention

The private sector has developed many best practices in disability management. For instance, when workers acquire new disabilities, employers focus on timely intervention to ensure that workers have the necessary health care and rehabilitation supports to recover from and adapt to new disabilities. During the recovery process, employers and insurers work intensively to assess and restore their employees' work potential. Consequently, private sector disability insurers ask "what can you do?" rather than require individuals to prove work incapacity. People who acquire new disabilities may not be able to return to their prior job. When that is not feasible, training and accommodations may enable workers to transition to new jobs.

Managers using effective disability management practices recognize that productivity and work are not an all-or-nothing proposition. Instead, they allow workers to adjust their schedules or duties and provide support during a restorative period to enable employees to remain at or return to work. Some individuals may have to reduce the number of hours they work or be unable to work for a period of time and then gradually return to full- or part-time work.

In addition to minimizing the impact of a new disability, many employers also have absence management programs oriented to preventing and limiting disability. These programs promote workplace safety, minimize injury, and provide wellness programs to improve worker health on and off the job.

Employer-based disability management can reduce pressure on the Social Security disability rolls by enabling employees to remain connected to the workforce. Because disability management can reduce federal income support expenditures, the federal government should play an active role in supporting and encouraging private-sector efforts. The Panel recommends that Congress, the President, and the Commissioner of SSA work closely with states, employer organizations, disability organizations, and the private insurance industry to explore ways that public-private partnerships can help incentivize more employers to adopt

best practices in disability management.¹⁴⁹ These best practices should encompass the use of assistive technology.

Even the most effective disability management practices may not be sufficient to enable people with significant disabilities to stay connected to the workforce in the absence of comprehensive health care and coverage for long term services and supports.

***Recommendation 26:** Congress should create employer incentives to increase the availability of effective workforce retention policies and programs to keep working adults with newly-diagnosed or recently-exacerbated medical conditions connected to the workforce.*

***Recommendation 27:** The Social Security Administration should implement a demonstration that tests the costs and benefits of establishing a publicly supported short-term disability insurance program at the state level that is modeled on the best programs that have been developed in the private sector and by state governments, which would be available to individuals with work histories who do not have private disability insurance.*

Enhance Job Opportunities

Nothing changes work expectations more effectively than working. Work is habit forming. People with disabilities who develop a work history are more likely to view work as a natural part of their lives. Similarly, employers who have successful records of employing people with disabilities are more likely to expect that people with disabilities will be productive employees. Most of the recommendations contained in this report discuss programs and initiatives that can make work possible and financially rewarding. However, the Panel is also aware that people with disabilities cannot take advantage of these supports in the absence of job opportunities.

A job creation strategy could take many forms. President Franklin Delano Roosevelt created the Works Progress Administration (WPA) to help solve the unemployment crisis that accompanied the Great Depression. The WPA provided work opportunities to eight million Americans who built schools, airports, dams, parks, bridges, and other public projects. These workers developed and refined skills that they could carry to private-sector employment. Similarly, the Comprehensive Employment Training Act (CETA) signed by President Lyndon B. Johnson provided disadvantaged job seekers with subsidized positions within the public sector. In many cases, these positions led to permanent unsubsidized positions. In 1982, President Ronald Reagan signed the Job Training Partnership Act (JTPA) into law. The JTPA was a publicly funded job training program that began a partnership with private sector employers. JTPA programs were based at the local level and were guided in each community by employer members of a private industry council. The councils were a precursor to today's local workforce investment boards.

President George H.W. Bush signed the National and Community Service Act into law in 1990. This legislation created a new independent federal agency, the Commission on

National and Community Service. In 1993, President William Jefferson Clinton and Congress established the AmeriCorps program through enactment of the National and Community Service Trust Act of 1993, which built on the community service legislation signed into law by President George H.W. Bush in 1990. AmeriCorps is a network of national, state, and local service programs that connect tens of thousands of Americans each year to volunteer efforts addressing community needs in education, public health and safety, and the environment. In addition to making critical and lasting contributions to their communities, AmeriCorps participants develop valuable skills that can help them prepare for private sector employment. Participants also receive a monetary award to offset the cost of higher education.

The WPA, CETA, JTPA and AmeriCorps programs offer powerful examples of how the federal government can develop innovative approaches to engage people in productive and skill-enhancing work that benefits local communities. The President and Congress should explore ways that the federal government can become more active in creating these types of opportunities for people with disabilities.

An additional opportunity is presented by large-scale turnover in federal jobs due to the retirement of the baby boom generation.¹⁵⁰ The federal government is developing initiatives to recruit more young people into federal employment opportunities. By recruiting people with disabilities into existing federal jobs and newly-created positions, the government could simultaneously help meet its own hiring needs and help prepare more people with disabilities to succeed in the private sector.

The President and Congress should also foster public-private partnerships to improve recruitment and hiring of people with disabilities in the private sector. Building on recent increases in corporate interest in the disability market, corporate leaders could encourage their counterparts at other companies to publicly commit to increasing their recruitment, hiring, and promotion of people with disabilities. Corporate-sponsored initiatives can change the expectations of people with disabilities by showing that America's strongest companies are dedicated to hiring them. These initiatives can change corporate culture by sending a top-down message that people with disabilities are a vital part of the workforce and should not be overlooked. For these initiatives to have an impact, however, employers need to set goals and benchmark their performance in recruitment, retention, and promotion of their disabled workers.

Recommendation 28: *The President should implement a job creation strategy that engages and incentivizes public and private sector employers in targeting people with significant disabilities for jobs that pay a living wage and have benefits that enable a beneficiary to move successfully from benefit receipt to employment, through a new level of collaboration among state and federal employment and economic development programs, the business community and disability organizations.*

Improve Access to Health Care and Long-Term Services and Supports

Millions of Americans lack access to basic health insurance coverage, forcing them to make untenable choices between life-saving medicines and treatments, preventive care, and basic life needs. Many people with disabilities are counted among those who lack access to health care. Moreover, people with disabilities face an additional crisis that is as important as the lack of access: lack of appropriate programs that are designed to meet their unique needs.

Both private and public health care insurance were developed in an era when antiquated notions about people with disabilities prevailed. At the time, disability was often presumed to mean inability to work. The effect of these low expectations on health care coverage was profound. Policymakers, employers, and actuaries designed employer-based health coverage to meet the needs of non-disabled Americans and fashioned Medicare and Medicaid to meet the needs of people with disabilities who were expected to remain at home or in an institution. Consequently, people with disabilities face a dual crisis:

- Lack of access to basic health care coverage, including preventive care and assistance in living healthy lifestyles, and
- Lack of affordable access to health care and long-term services and supports coverage designed to meet their needs if they want to work and participate fully in community life.

For millions of Americans with disabilities, access to health care coverage is not merely important, but required. Foregoing health care coverage is not an option because making such a decision would put individuals' lives or well-being at risk. Because employer-based health insurance is often not adequate, affordable, or available to meet the needs of people with disabilities, many are compelled to seek Medicare and Medicaid coverage. However, with limited exceptions, eligibility restrictions for these programs typically discourage individuals from earning and saving above certain thresholds. People with disabilities, including current beneficiaries and participants in state Medicaid Buy-In programs, identify fear of losing health care benefits as one of the top reasons that they limit their efforts to work. Unless people with disabilities have timely access to affordable, comprehensive health care and long-term services and supports, our nation will continue to dedicate valuable resources to keeping people at home instead of enabling people to become as self-sufficient as possible.

Despite efforts to increase health care access through Medicaid and Medicare, a number of challenges are faced by people with significant disabilities in maintaining health care coverage:

- Not all states offer access to Medicaid Buy-Ins for people with disabilities.

- In those states that do offer Medicaid Buy-In programs, significant limits are often imposed on an individual's ability to earn income and accumulate assets.
- In many states, Medicaid does not provide sufficient home- and community-based long term services and supports or enough options to serve individuals with a variety of needs and disabilities.
- Medicaid services and supports vary greatly from state to state.
- Medicaid often offers little choice in providers, particularly mental health providers, due to low reimbursement rates.
- Medicare does not provide ongoing coverage for the personal assistance services and supports or mental health services that some individuals require in order to pursue and maintain work. The Medicare acute benefit is not based on contemporary medical standards.
- Individuals who qualify for SSDI have to wait for two years before they are eligible for Medicare, and many individuals are unable to afford other interim coverage such as Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage; during this period, one's ability to return to work may diminish along with one's health status.

The following principles should guide health care reform for people with significant disabilities:

- Access For All. All people with significant disabilities should have access to affordable health care and long-term services and supports coverage, regardless of income level and independent of qualifying for or retaining access to long-term income support.
- Timeliness. People with disabilities should be able to access health care and long-term services and supports when needs arise, not based upon arbitrary eligibility delays.
- Comprehensiveness. To support work and efforts to achieve self-sufficiency, coverage should include acute care, specialized care, prescription drugs, assistive technology (including durable medical equipment) for use in the community as well as the home, mental health services, and consumer-directed long-term personal assistance services and supports.

- Portability. To enable people to pursue job opportunities wherever they may be, people with significant disabilities should be able to obtain standardized health care coverage in any state.
- Contributory. People with significant disabilities should contribute more toward the costs of health care as their incomes rise; individuals of lower income should be exempt from cost-sharing obligations.
- Public-Private Coordination. The federal government should offset the increased costs of coverage for people with significant disabilities by providing benefits that either wrap around a basic employer-provided benefit or enable employers to contribute to federal coverage in lieu of their basic employee benefit. Benefits should be coordinated to ensure timely coverage and avoid the delays commonly associated with overlapping insurance coverage.

Because health care reform has once again taken center stage in our national debate, these reform principles should be pursued either as part of broad, national reform and/or by building on the Medicare and Medicaid programs. In addition, to the extent possible, these goals should be accomplished in the context of a health care system used by all Americans. Options could include:

- Reforming Medicaid. The existing federal-state partnerships for providing Medicaid could be expanded to guarantee an identical benefit consistent from state to state, supported by 100 percent matching with federal funds. Medicaid recipients should play a significant role in the design and implementation of any reforms.
- Reforming Medicare. Coupled with reforming existing acute care benefits to meet the needs of individuals active in their communities and eliminating the two-year waiting period for SSDI beneficiaries, a new component of Medicare could be established to cover long-term services and supports similar to those currently available in some state Medicaid programs. Medicare beneficiaries should play a significant role in the design and implementation of any reforms. Modernizing Medicare is particularly important because many private health insurance policies are modeled on the acute health care coverage that is available under Medicare.
- Coordinated Reform of Medicare and Medicaid. Instead of transforming either Medicare or Medicaid to provide the full scope of comprehensive health care and long-term services and supports, policymakers could provide people with significant disabilities with access to both Medicare and Medicaid. Each program could be

reformed to provide complementary coverage that, when combined, would provide the comprehensive coverage that people with significant disabilities need. For instance, Medicare could be reformed to provide comprehensive acute care coverage without a two-year waiting period, including better assistive technology and mental health services coverage. Similarly, Medicaid could be reformed to provide a uniform, federally supported long-term services and supports benefit to wrap around Medicare's acute care coverage.

- **Comprehensive Health Reform.** If Congress and SSA collaborate to increase access to health care coverage for all Americans, it may be possible to ensure that the needs of people with significant disabilities are incorporated into proposed solutions. Alternatively, Congress could reform Medicare and/or Medicaid to ensure that wraparound benefits to complement basic health care coverage are provided to all Americans.

The Panel views these options as viable approaches to providing people with significant disabilities with the critical health care and long-term services and supports they need to help achieve their self-sufficiency goals. Irrespective of the specific reform path that is pursued, people with significant disabilities, including SSI, SSDI, Medicare and Medicaid beneficiaries, should be involved in policy debates to ensure that the needs of people with disabilities are properly addressed.

***Recommendation 29:** Congress should work in a bipartisan fashion to build on the goals of the Medicaid Buy-In and the Medicaid Infrastructure Grant to ensure that people with significant disabilities have access to affordable coverage for health care and long-term services and supports that is comprehensive; portable; supported by beneficiary contributions, where appropriate; independent from qualifying for income support; and coordinated with employer-sponsored benefits.*

Create a Transition to Economic Self-Sufficiency Large-Scale Demonstration Program

The Panel believes that people with significant disabilities should have access to supports to maximize their economic self-sufficiency. In particular, young people should be provided a meaningful opportunity to learn, plan and participate in the economic mainstream.

In accordance with the principle of “do no harm” and the desire to continue the national dialogue about modernizing disability programs, a large-scale Transition to Economic Self-Sufficiency (TESS) demonstration project should assess the potential and unintended consequences of a new approach to providing supports for particular beneficiary subpopulations. The TESS demonstration should be designed to serve people with

significant disabilities ages 14 - 30 who face significant barriers to work but who could increase self-sufficiency if provided adequate supports.

The Panel believes it is critical to preserve the SSI and SSDI entitlement programs. However, these entitlement programs, as currently designed and implemented, are not sufficiently dynamic to meet the needs of individuals who want and are able, with supports and services, to achieve levels of self-sufficiency through work.

Work incentive reforms have increased options for pursuing employment and career objectives while retaining access to critical supports. However, these reforms are complicated, poorly administered and restrained by an underlying philosophy that links income support (SSI adult program and SSDI) to an inability to work. Statistics show that, on average, people who enter SSI prior to age 18 remain on the rolls for 27 years.¹⁵¹

Truly meeting the needs of young people with significant disabilities requires that our nation adopt a philosophy guided by *investment* rather than *maintenance*. A high return on investment can be expected if our nation invests in youth before they have internalized low expectations and become mired in well-intended programs that require a commitment to unemployment or underemployment in exchange for critical supports.

This recommendation for a large scale demonstration project pertaining to TESS was considered controversial by a minority of Panel members, who felt the recommendation raised considerable concerns. Panel members Cheryl Bates-Harris, Thomas P. Golden and Dorothy Watson expressed opposition to the TESS proposal stating that they did not feel the recommendation was well justified and had not been thoroughly discussed or adequately vetted with internal or external stakeholders.

They believe that the TESS proposal, while well intentioned, is unclear and vague as well as complex and costly. Rather than simplifying the labyrinth of programs, it seems to add another layer of complexity. They believe that for a major new proposal such as TESS, it is necessary to be far more clear about its components, its costs, and how it will be administered and implemented.

Features of the TESS Large-Scale Demonstration

Eligibility

Young people ages 14 - 30 should become eligible for the TESS demonstration based on the nature of their disabilities and the disability-related barriers to work they are likely to face. During their participation in the TESS demonstration, young people with disabilities should be encouraged to learn, plan, earn and save as much as they can while maintaining access to cash benefits on a gradual reduction basis.

Cash Benefits

Under current rules, SSI and SSDI beneficiaries' cash benefits are reduced as earnings rise (gradually under SSI, or suddenly under SSDI). As has been well documented, people with significant disabilities often struggle to determine whether earning above the relevant thresholds is worth the financial risk of losing access to cash benefits. In essence, SSI and SSDI create incentives for beneficiaries to limit earnings.

The TESS demonstration should adopt a new philosophy for youth that draws on features of the current SSI and SSDI programs. Under TESS, individuals could receive cash benefits equivalent to the amount they are entitled to under the traditional rules of SSI and/or SSDI. Cash benefits under the TESS program could be reduced as follows.

- TESS participants could keep all earned and unearned income without any impact on SSA cash benefits up to a specified threshold. For instance, all earned and unearned income up to 200 percent of SGA or the federal poverty level would be exempt from any reduction in cash benefits.
- After reaching a designated income threshold, TESS participants' cash benefits would be reduced gradually, comparable to the existing two-for-one reduction in the SSI program, up to a second threshold. For instance, cash benefits could be gradually reduced between 200 percent and 300 percent of SGA or the federal poverty level.
- Individuals between the ages of 14 – 30, with income above the second threshold would not receive any cash benefits. However, they would resume receipt of cash benefits on any occasion during which income fell below the specified thresholds for full or partial cash benefits.
- The scope of the current PASS program could be expanded in conjunction with the TESS program to enable SSI and SSDI beneficiaries to establish Independence Accounts through PASS.
- During any month in which TESS participants' cash benefits were subject to a reduction due to earnings, SSA could continue to pay a portion of the cash benefit into an Independence Account, as described below.

This approach to cash benefits for young people with significant disabilities would clearly reward efforts to increase income by enabling individuals to retain a significant portion of income and thereafter reduce cash benefits gradually rather than suddenly.

Health Care and Long-Term Services and Supports

As described in recommendation 29, the Panel recommends that all people with significant disabilities should have access to comprehensive health care and long-term services and supports coverage. In the absence of more far-reaching reform that would affect all people with significant disabilities, Congress should, at minimum, guarantee participants in a TESS demonstration access to the type of coverage recommended by the Panel. TESS demonstration participants should retain access to this coverage throughout their program participation, regardless of earnings and asset levels. TESS demonstration participants should be required to contribute to their coverage on a sliding-scale based on their income (including an exemption for low-income earners).

Independence Accounts

The TESS demonstration should incorporate newly-established Independence Accounts. As noted above, during a period which cash benefits are reduced gradually, SSA could continue to contribute a portion of an individual's cash benefit into an Independence Account. Funds contributed to these accounts either by SSA or by individuals could be used to acquire assets that increase self-sufficiency. For instance, funds could be used to purchase assistive technology, vocational and educational training, purchase a vehicle, participate in a retirement plan, start a business, or save for a down payment on a home.

Career and Employment Services

The TESS demonstration should be consistent with the objectives of the Ticket to Work program. Consequently, TESS participants should be entitled to assign their tickets to ENs.

TESS demonstration participants should be provided an interdisciplinary, person-centered assessment, focused on strengths and abilities, to identify the education and training that will maximize their future earning potential. Particular emphasis should be placed on integrating career assessment and transition planning services with Individualized Education Plans (IEPs) to ensure that services provided support the needs and career interests of students. Ideally, TESS demonstration participants and their families should have access to independent living centers and other consumer-directed disability organizations to obtain peer-to-peer mentoring.

The TESS demonstration should also provide comprehensive employment services and supports that are flexible enough to accommodate the individual needs of young people with significant disabilities. TESS demonstration participants should have ongoing access to these services and supports to adjust to new issues that emerge after transitioning to work, including preparing for job changes as well as making financially sound decisions regarding management of the personalized Independence Accounts. The demonstration should provide all services in a culturally competent manner and support a wide range of work

options, including but not limited to self-employment, customized employment, and public service.

Employment services and supports for TESS demonstration participants should be integrated with existing services for students and beneficiaries to enable young people to evaluate how to best utilize the TESS demonstration program. Existing services for students include VR, ENs, and ILCs.

Outreach to Youth below Age 16

Youth below the age of 16 should be exposed to work and career options and should be encouraged to pursue their education in preparation for life as working adults. The TESS demonstration should include an outreach component that coordinates with school programs and sets expectations among young people with disabilities age 14 to 30. The primary outreach message must be that work is a viable option for them, that there are many interesting career options available, and that education is one key to success. In addition, TESS demonstration grantees should be expected to coordinate with local education agencies and Social Security field offices to identify children before age 14 who are likely to be eligible for the TESS demonstration upon turning 14.

Improve Access to Internships and Transitional Work

The TESS demonstration should provide participants with access to internships and transitional work opportunities. These opportunities have proved effective in acquiring work skills and behaviors and gaining access to job openings before they are advertised. A number of innovative approaches to internships and transitional work are already in place in communities around the country.

Financial Literacy Training and Asset Development Strategies

TESS demonstration participants should be provided financial literacy training and assistance in asset development to leverage individual development account programs, tax incentives like the Earned Income Tax Credit, home ownership programs, and other policies and programs that are designed to help low-wage workers achieve a greater degree of economic self-sufficiency.

Integration with Other Disability Programs

Participants in the TESS demonstration should not be denied access to other needed public benefits and assistance. Independence Account resources should not be counted toward initial or continuing eligibility for other public benefits. HUD, Medicaid, Mental Health, Food Stamps, Energy Assistance, Transportation, VR and other programs providing support to persons with disabilities should be integrated with the TESS demonstration.

Recommendation 30: *The Social Security Administration should design and implement a large-scale demonstration project that studies the feasibility, cost-effectiveness, and any unintended consequences of a voluntary Transition to Economic Self-Sufficiency Program for young people who are between 14 and 30 years old and qualify for Supplemental Security Income and/or Social Security Disability Insurance. This demonstration project should build on the goals of the Ticket to Work program and evaluate the feasibility of a program that would transform Supplemental Security Income and Social Security Disability Insurance by establishing unified rules that: provide a graduated cash payment to address the effects of disability-related barriers on income; build on the Ticket to Work program to increase the availability of and consumer control over employment-related services; promote optimal educational outcomes; and enable program participants to maximize income and assets without fear of losing critical supports.*

Modernize the Social Security Definition of Disability

The Panel acknowledges that proposing any change to the definition of disability raises legitimate fears. Consequently, the Panel believes that any proposed change to the Social Security definition of disability should be evaluated to assess the potential for any adverse impact on beneficiary subpopulations.

The Social Security definition of disability has not changed in any meaningful way since the eligibility criteria for SSDI were developed in 1956.¹⁵² This is inconsistent with fundamental changes in societal thinking, advances in science, medicine and technology and the passage of numerous laws. Beneficiaries have repeatedly told the Panel that they view the Social Security definition of disability as one of the most significant impediments to work. Beneficiaries describe applying for Social Security as a pledge that they are unable to work. In addition, even though beneficiaries recognize that disability is defined as the inability to do any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months and does not require permanent inability to work, the reality is that meeting the definition discourages future work. To meet this definition, one must have a severe impairment(s) that makes them unable to do their past relevant work (*see* § 404.1560(b)) or any other substantial gainful work that exists in the national economy. Chapter 20, Title 20, CFR, Subpart P, Section 404.1505.

As long as eligibility is defined for our largest federal income support and health care programs based on an inability to engage in SGA that results from medical impairment expected to last for at least one year, we will continue to send a clear message to people with significant disabilities that they are inherently unable to support themselves. In short, our largest public programs consistently tell our working-age population with disabilities that we do not expect them to work or participate fully in their communities when they qualify for these income and health care supports.

People with disabilities should never be obligated to attest that their disabilities *prevent* them from working. Doing so implies that working is not a feasible option even if adequate supports were provided.

Recommendation 31: *Congress and the Administration should take action to evaluate the impact of modernizing the Social Security definition of disability by defining disability in a manner that acknowledges the interaction between the person’s impairment and the environment and does not require the individual to prove their inability to engage in substantial gainful activity.*

Coordinate Disability Programs at the Federal Level

For more than two decades, reports by NCD and GAO¹⁵³ have consistently described a fragmented disability service delivery infrastructure marked by:

- Widespread confusion among consumers;
- Overlapping and at times inconsistent responsibilities; and
- Lack of accurate information about eligibility, work incentives, and means tested resource limits of multiple public benefits.

The Panel believes that the White House Domestic Policy Council should take the lead in improving communication and collaboration among federal programs that provide employment services and supports. They should coordinate with representatives from agencies with significant disability programs, including SSA, the Departments of Health and Human Services, Education, Labor, Transportation, Veterans Affairs, and HUD. The Domestic Policy Council should also coordinate with representatives from GAO, OMB and beneficiaries that represent the broadest diversity in disability, culture, age, race, and gender. It is particularly important that the council ensure that SSA and CMS coordinate their efforts at the highest levels because SSA and CMS account for the vast majority of disability program expenditures, and the lack of access to health care and long term services and supports is consistently identified as one of the most critical barriers to work for people with disabilities.

The Domestic Policy Council should continue to identify opportunities to improve coordination and collaboration across agencies at a federal and a state level. Options should be explored and evaluated for direct positive impact on beneficiaries at a local level.

Recommendation 32: *The Domestic Policy Council should ensure ongoing communication and collaboration among federal programs that provide employment services and supports.*

Call to Action

“From my perspective, the Work Incentives Improvement Act of 1999 represents a natural and important progression in federal policy for individuals with disabilities. That is, federal policy increasingly reflects the premise that individuals with disabilities are cherished by their families, valued and respected in their communities, and are an asset and resource to our national economy. Today, most federal policy promotes opportunities for these individuals, regardless of the severity of their disabilities, to contribute to their maximum potential—at home, in school, at work, and in the community.”

U.S. Senator James Jeffords
Floor Statement, November 18, 1999

The Panel’s call for national dialog and investment in disability program modernization is consistent with the conclusions of GAO,¹⁵⁴ the SSAB,¹⁵⁵ NCD,¹⁵⁶ the American Association of People with Disabilities,¹⁵⁷ the National Council on Independent Living and the World Institute on Disability,¹⁵⁸ and beneficiaries.¹⁵⁹ Our commitment to modernization is the natural extension of the legislation that created the Panel. The Act embraced the concept that supports and work can go hand in hand — that people with significant disabilities should have access to health care and other critical supports rather than be forced to stay out of the workforce to get them.

At a time when policymakers predict a shortfall of workers as the baby boom generation retires, and some policymakers are trying to curb the flow of new immigrant workers, our nation cannot afford to squander the potential of Americans with disabilities who want to work. Nor can we continue to undervalue the future work potential of the millions of children and youth with disabilities who are making their way through our education system now, and in the future. Finally, with thousands of wounded American soldiers returning from Iraq and Afghanistan, communities need to prepare for an influx of working-age veterans with disabilities. Increasing economic self-sufficiency for people with disabilities will

occur only when we modernize the four largest programs serving Americans with significant disabilities: SSI, SSDI, Medicaid, and Medicare.

We can no longer delay modernizing our largest disability programs. These programs must shift from the current emphasis on inability to work and dependence on government with no path out of poverty to an emphasis on investment in individuals with disabilities promoting work and advancing self-sufficiency.

Eight years ago, the President, Congress, and SSA agreed to invest in human potential to reduce or eliminate remaining barriers to employment and economic participation for people with significant disabilities. Today, costs and frustration increase with the slow pace of progress. The promise of the Ticket to Work program has yet to be realized. Even if implementation of the Act had moved forward with greater speed and impact, additional modernization is needed to balance economic security and opportunity for individuals with significant disabilities.

The Panel urges Congress to take action on these recommendations and not to further delay a focus on a modernization that rebalances risk and aligns public policy and systems in support of employment and advancing economic self-sufficiency.

Appendix A

Summary of the Ticket to Work and Work Incentives Improvement Act of 1999

The Ticket to Work and Work Incentives Improvement Act (the Act), which was enacted on December 17, 1999, is administered by the Social Security Administration (SSA) and the Department of Health and Human Services (HHS). The Act increases beneficiaries' choices for rehabilitation and vocational services, reduces barriers that require people with disabilities to choose between health care coverage and work, and ensures that more Americans with disabilities have opportunities to work and lessen their dependence on public benefits. Different provisions of the law became effective at various times, generally beginning one year after enactment.

Summary of Title I—Ticket to Work and Self-Sufficiency and Related Programs

Subtitle A—Ticket to Work and Self-Sufficiency and Related Programs

Subtitle A established the Ticket to Work program, under which most beneficiaries would receive a "ticket" that they could use to obtain vocational rehabilitation, employment, or other support services from an approved provider of their choice. This voluntary program was phased in nationally over three years. It established a program manager, Employment Networks (ENs), and payment systems; called for a report on the adequacy of incentives and the establishment of a dispute resolution mechanism; provided for suspension of continuing disability reviews for persons using the ticket; and established the Ticket to Work and Work Incentives Advisory Panel to advise the Commissioner of SSA, the President, and Congress on the Ticket to Work program and issues related to work incentive programs, planning and assistance for individuals with disabilities.

Subtitle B—Elimination of Disincentives to Work

Subtitle B eliminated the work activity standard as a basis for reviewing an individual's disability status and provided for expedited reinstatement of benefits if the person does not continue working.

Subtitle C—Work Incentives Planning and Outreach

Subtitle C set up the Work Incentives Outreach Program, including external Benefits Planning, Assistance, and Outreach (BPAO) programs and the internal corps of Social Security experts on work incentives and employment. It established a grant program for a protection and advocacy (P&A) agency in each state to assist beneficiaries.

Summary of Title II—Expanded Availability of Health Care Services

Title II expanded state options under Medicaid for workers with disabilities. It called for a General Accounting Office study on extending Medicare coverage for Social Security beneficiaries, and established state infrastructure grant authority and demonstration projects. Title II required a demonstration of coverage under Medicaid of workers with potentially severe disabilities and allowed disabled beneficiaries to suspend Medigap coverage. Title II also extended Medicare coverage to SSDI beneficiaries who are working to up to 8 1/2 years.

Summary of Title III—Demonstration Projects and Studies

Title III amends Title II to provide for a permanent extension of disability insurance program demonstration project authority and called for specific studies and reports, including a demonstration study of a \$1 reduction in benefits for every \$2 earned.

Appendix B

The Panel

Current Panel Members

Berthy De La Rosa-Aponte, Chair — Berthy De La Rosa-Aponte has been a disability advocate for over 20 years. She resides in Florida with her husband Milton Aponte and Luz Elena (Lucy), the youngest of her three children who has significant developmental disabilities. Mrs. De La Rosa-Aponte holds a Masters of Arts Degree and is a naturalized U.S. citizen, born in Colombia, South America. Her professional experience has been in the social service and educational fields. She has served on numerous state and local boards. Currently, Mrs. De La Rosa-Aponte serves as a member of the National Advisory Board on Improving Healthcare Services for Seniors and People With Disabilities for the AMERIGROUP Corporation. In addition, she serves as Vice Chair for the University of South Florida, University Center of Excellence For People with Developmental Disabilities and as a member of the local Memorial Hospital System Special Needs Advisory Board. Mrs. De La Rosa-Aponte was appointed to the Panel by the U.S. House of Representatives to serve a 4-year term ending in 2007 and designated by President George W. Bush to chair the Panel for a 4-year term ending in 2008.

Cheryl Bates-Harris — Cheryl Bates-Harris, from Rising Sun, Maryland, is a Senior Disability Advocacy Specialist for the National Disability Rights Network, where she has over 20 years experience and expertise working with people with disabilities. She has an in-depth knowledge of cross disability issues and continues to focus on employment issues of people with disabilities, including Vocational Rehabilitation, Social Security and Return to Work, Temporary Assistance for Needy Families, and other work programs that impact people with disabilities, including Department of Labor One-Stops. Since the passage of Ticket to Work and Work Incentive Improvement Act she has conducted national training on the Act and Vocational Rehabilitation Services and has conducted extensive training on the intersection issues of the Ticket to Work program with state vocational rehabilitation services. Cheryl currently co-chairs the Consortium for Citizens with Disabilities (CCD) Work Incentives Implementation Task Force and the CCD Employment and Training Task Force and is an active member of the CCD Social Security Task Force. President George W. Bush appointed her to serve on the Panel in 2004.

Katie Beckett — Katie Beckett is 29 years old and currently working towards a graduate degree studying writing for children and young adults. Katie has been an advocate all her life and has done many presentations about children with health care needs before various audiences including Congressional committees. She is a co-founder of Kids as Self-Advocates (KASA) and former co-chair of the KASA Board. Currently, Ms. Beckett is working as a volunteer Data Entry Specialist with Senator Hillary Clinton's presidential

campaign in the Cedar Rapids, IA office. The U.S. Senate appointed her to serve on the Panel beginning in 2002.

Libby Child — Libby Child was Manager, Integrated Disability Management Services for Steelcase, Inc. for 25 years before resigning in December 2002 to pursue consulting, writing endeavors and teaching workers' compensation classes for Michigan State University. At Steelcase, she was responsible for the fully integrated claims system where workers' compensation, short-term and long-term disability, permanent and total disability and compliance with the Family Medical Leave Act were fully coordinated and managed in one integrated unit. Since 1990, Ms. Child has lectured extensively throughout the United States on the topics of workers' compensation and integrated disability management and continues to serve on many disability related boards, commissions and councils nationally and in the state of Michigan, representing employers' interests. Ms. Child is also a member of the National Academy of Social Insurance. She resides in Grand Rapids, MI. She was appointed to the Panel by President George W. Bush to serve a term starting January 2003.

J. Russell Doumas — Russ Doumas has more than 34 years of experience serving individuals with disabilities. He is the Chief Executive Officer (CEO) for TESH, a community-based non-profit rehabilitation organization serving children and adults in Coeur d'Alene, Idaho. Prior to July 2005, he was the President of Job Point in Columbia, Missouri – a position he held since 1982. His responsibilities included operating a comprehensive employment and training center serving persons with disabilities and the economically disadvantaged. For ten years prior to that he was the Director of Metro Industrial Services in Lexington, Kentucky. Currently, he serves on the Idaho State Rehabilitation Council and as Secretary/Treasurer of the Idaho Association of Community Rehabilitation Programs. Mr. Doumas holds a M.A. in Rehabilitation Administration from the University of San Francisco and a B.A. in Political Science from the University of Kentucky. The U.S. House of Representatives appointed him to the Panel in 2005.

Loretta Goff — Loretta Goff is a Registered Nurse with a B.S. in Health Care Administration, a M.S. in Community Mental Health Counseling and extensive experience with the New York State Office of Mental Hygiene and Office of Mental Retardation and Developmental Disabilities. In 2003, she retired from the New York State Commission on Quality of Care for the Mentally Disabled after 25 years of service as a Protection and Advocacy Specialist, where she provided oversight and advocacy for individuals with disabilities in New York State. Since retirement, she has served as a Compliance Evaluator in the Wyatt Settlement Agreement in Alabama, a member of the New York State Protection and Advocacy for Individuals with Mental Illness Advisory Council, and has been recently appointed to the New York State Commission on Quality Care and Advocacy for Persons with Disabilities Advisory Council. She was appointed to the Panel by the U.S. House of Representatives in 2005.

Thomas P. Golden — Thomas P. Golden is on faculty at Cornell University and serves as the Associate Director of the Employment and Disability Institute in the ILR School. Since

joining the faculty in 1991, he has directed several state and national initiatives focusing on training, technical assistance, and organizational development related to work incentives, transition systems change and employment for people with disabilities. Thomas is a founding member of the National Association of Benefits and Work Incentive Specialists and a member of the National Academy on Social Insurance. He currently serves on the Board of the U.S. International Disabilities Council, is a Trustee at Eastern Nazarene College in Boston, MA, and is the incoming Chair of the New York State Rehabilitation Council. Thomas was originally appointed to the Panel by President William Jefferson Clinton for a two-year term and re-appointed twice by the U.S. Senate.

Frances Gracechild — When Frances Gracechild joined the disability rights movement as Executive Director of Resources for Independent Living in 1981, she came with a rich and diverse background in civil rights advocacy. Frances is passionately interested in the root causes of poverty. Both as an Aid to Families with Dependent Children (AFDC) social worker and later as a teacher in the barrio of San Bernardino she came to appreciate the day to day struggle of those left out of the American dream. Through her own struggle with the disabling effects of childhood polio, Ms. Gracechild identifies with other people reaching beyond oppressive stereotypes to live a life of dignity and purpose. Ms. Gracechild was appointed to the Panel by the U.S. House of Representatives in 2000.

Andrew J. Imparato — Andrew Imparato is President and CEO of the American Association of People With Disabilities (AAPD). Mr. Imparato has extensive experience in public policy work on behalf of people with disabilities. He has served as General Counsel and Director of Policy with the National Council on Disability, as attorney-advisor to Commissioner Paul Steven Miller at the U.S. Equal Employment Opportunity Commission, and as Counsel to the U.S. Senate Sub-committee on Disability Policy, chaired by Senator Tom Harkin of Iowa. He graduated with distinction from Stanford Law School and received his undergraduate degree summa cum laude from Yale University. He is a member of the Massachusetts Bar Association. He was appointed as President and CEO of AAPD in November of 1999. He is nationally known as a speaker and author on disability issues particularly for his work to dispel myths about people with mental illness. The U. S. Senate re-appointed him to serve a 4-year term ending in 2008.

David Miller — David Miller is the Chief Compliance officer for Communication Services for the Deaf (CSD) in Sioux Falls, SD. He is responsible for goal setting, organizational accreditation, quality assurance, performance management and policy compliance. CSD provides telecommunication, interpreting, educational and community support services for deaf and hard of hearing consumers in various locations throughout the United States. CSD is the nation's largest provider of telecommunication relay services for the deaf. Mr. Miller was formerly the State Director of Rehabilitation Services in South Dakota and was responsible for administering vocational rehabilitation, independent living, personal attendant and disability determination services. Mr. Miller holds a masters degree in rehabilitation counseling and has 30 plus years of leadership experience in the development

and management of large public and private disability programs. Mr. Miller was appointed to the Panel by the U.S. Senate in 2003.

Dorothy Watson — Dorothy Watson is an independent consultant who recently retired from the Social Security Administration (SSA). During her lengthy career she served in a series of operational, staff and executive positions involving multiple programs. For over 15 years she provided objective technical assistance on numerous disability reform proposals originating in the Executive and in the Legislative branch of the federal government. She served a stint on Capitol Hill as Professional Staff to the Senate Special Committee on Aging during the intense debate on SSA solvency and disability reforms. This experience provided a unique view of the legislative and regulatory process. Dorothy was an invited participant of the Disability Research Institute's Adequacy of Incentives Advisory Group that made recommendations for improvements in the Ticket to Work program. She is a member of the National Academy of Social Insurance. President George W. Bush appointed her to a four-year term ending in 2008.

Torrey Westrom — In 1987, Torrey Westrom lost his eyesight in a farm related car accident. He graduated from Bemidji State University in 1995 with a B.A. in political science and a minor in business administration. In 1996, at the age of 23, he was elected to the Minnesota House of Representatives and became Minnesota's first elected blind state representative. In 2003, he was appointed by the Speaker of the House as the Chairman of the Regulated Industries Committee. He served as the committee's chairman until 2007. As a representative, he works on a wide-array of policy issues including training/employment opportunities for persons with disabilities, transportation, energy and rural development issues. He has a J.D. from William Mitchell College of Law, is a member of the Minnesota Bar and owns his own law practice. He lives in Elbow Lake, MN with his wife and two children. President George W. Bush appointed him to the Panel in 2002.

Former Panel Members

Richard Burkhauser — Richard V. Burkhauser is the Sarah Gibson Blandings Professor of Public Policy in the Department of Policy Analysis and Management, Cornell University. His professional career has focused on how public policies affect the economic behavior and well-being of vulnerable populations, e.g., people with disabilities, older persons, and low-skilled workers. He has published widely on these topics in journals of demography, economics, gerontology, and public policy. As Co-Principal Investigator of the National Institute on Disability and Rehabilitation Research (NIDRR) Center for Economic Research on Employment Policy for Persons with Disabilities and the Co-Principal Investigator of the NIDRR Center on Disability Demographics and Statistics, he has carried out an extensive program of technical assistance and presentations to government agencies, policymakers and consumers on the employment and economic well-being of people with disabilities. Mr. Burkhauser received his Ph.D. in Economics from the University of Chicago in 1976. He was appointed to the Panel by the U.S. Senate to serve from 2000 to 2002.

Kristin Flaten — Kristin Flaten lives in St. Paul, Minnesota. She is the owner of INITIATIVES, a small business dedicated to enhancing the lives of persons with mental illnesses through providing educational services, advocacy, benefit analysis, and access to health care. She has consulted for SSA and other federal agencies on disability issues. Ms. Flaten conducts many speaking engagements on mental illnesses, recovery, suicide prevention, SSA programs, and health care benefits. Her audiences include community groups, churches, and county staff. In addition, Ms. Flaten provides testimony to the Minnesota legislature and at public hearings. Also, she provides individual advocacy concerning benefits and access to health care. She was appointed by President William Jefferson Clinton to serve on the Panel from 2000 to 2002.

Christine M. Griffin — Christine M. Griffin was sworn in on January 3, 2006 as a Commissioner of the U.S. Equal Employment Opportunity Commission (EEOC). Ms. Griffin's work experience in labor and employment law includes positions in both the public and private sectors. Most recently, she served as the Executive Director of the Disability Law Center in Boston from 1996 to 2005. The Law Center provides legal advocacy on disability issues that promote the fundamental rights of all people with disabilities to participate fully and equally in the social and economic life of Massachusetts. As Executive Director, she provided leadership for the Law Center's 25 employees and conducted its overall management, including programmatic and fiscal planning, priority setting and implementation, and fundraising. A native of Boston, Ms. Griffin is a graduate of the Massachusetts Maritime Academy and served as its Interim President from 1993 to 1994. She is also a graduate of Boston College Law School and, upon graduation, was awarded a Skadden Arps Fellowship at the Disability Law Center. Ms. Griffin was appointed by President William Jefferson Clinton and served on the Panel from 2000 to 2004.

Larry Henderson — Larry Henderson has been employed as the Executive Director of Independent Resources, Inc., a center for independent living, for the past 13 years. He has been active in the disability field for almost 20 years. He is the past Chair of the State Independent Living Council as well as the Developmental Disabilities Council, where he still chairs the Adult Issues Committee. He has acted as a consultant and trainer for the Rehabilitation Research and Training Center on Independent Living Management in the development of their Executive Management Simulation, and often serves as a consultant for the Department of Education, Rehabilitation Services Administration grant review teams. He was appointed by the U.S. Senate and served as one of the original 12 members of the Panel.

Jerome Kleckley — Jerome Kleckley, MSW, LMSW is a United States Navy veteran and has been a valuable staff member at United Spinal Association since joining as a social work intern in 1992. Mr. Kleckley has served as Housing Coordinator, Medical Transportation Program Coordinator and, from 1997 to January 2007, as Director of Social Services. He is presently the Vice President of Social Services and National Peer Mentor Coordinator. He is currently spearheading development and implementation of United Spinal's new Peer Support Network, which includes an innovative Peer Mentor Program, a Peer Mentor

Support Group, Spinal Cord Injury Resource Materials, and a Network Data Base. Mr. Kleckley holds a master's degree in social work from Fordham University and a bachelor's degree from York College. He lives New City, New York. He was appointed by the U.S. House of Representatives to serve on the Panel from 2000 to 2005.

Stephanie Smith Lee — Stephanie Smith Lee has thirty years of experience in public policy, including serving as Director of the Office of Special Education Programs (OSEP) in the U.S. Department of Education, in senior Congressional staff positions, as a foundation administrator, and as a nationally recognized disability parent leader. Since her daughter, Laura, was born with Down syndrome in 1982, she has organized and led successful bipartisan, collaborative efforts to improve special education and disability policy at the local, state, and federal levels. As OSEP Director from 2002 through March 2005, Ms. Lee directed the policy development, program planning, monitoring, evaluation, research and implementation of the Federal special education law. She provided leadership in focusing OSEP's work on accountability for results, reforming the monitoring system, promoting inclusion and the use of universal design principles, improving early childhood education, and promoting improved transition and postsecondary results for students with disabilities. Ms. Lee also provided leadership in the development of the No Child Left Behind Act regulations, guidance, and implementation related to students with disabilities. Ms. Lee was appointed by the U.S. Senate to serve on the Panel from 2000-2002.

Bryon MacDonald — Bryon MacDonald is founder and Program Manager of the California World Incentives Initiative (CWII) at the World Institute on Disability (WID). He manages WID's team of Disabilities Benefits 101 benefit program analysts and technology experts. Since 2000, the program has supported public policy education activities and provides multi-media information services on health, benefits, work and disability. Prior to his current position, Mr. MacDonald was a consultant and a Community Advocate for the Center for Independent Living Berkeley/Oakland. He served as a Mental Health Advocate from 1990 to 1996 at the Mental Health Association of Alameda County. Mr. MacDonald received his B.A. in English from Fordham University. President William Jefferson Clinton appointed him to the Panel from 2000-2004.

Sarah W. Mitchell — Sarah W. Mitchell, R.N., M.S.W., J.D., is Executive Director/CEO of New Jersey Protection and Advocacy, Inc., the designated P&A system for people with disabilities in New Jersey. Prior to this she taught nursing at the University of Michigan, served as Assistant Dean at Rutgers Law School and as an associate at the Philadelphia law firm of Dechert, and clerked on the Third Circuit Court of Appeals. Ms. Mitchell is a past president of the National Association of Protection and Advocacy Systems and a past member of the American Bar Association's Commission on Mental and Physical Disability Law. President William Jefferson Clinton appointed her to a four-year term as the first Chair of the Panel. Her term ended in 2004.

Vincent Randazzo — Vincent Randazzo is a Senior Vice President and the Director of Government Relations for Wachovia Corporation in Charlotte, North Carolina, where he is

responsible for formulating and directing all activities relating to federal and state legislation and public policies relating to the company and its lines of business. Prior to joining Wachovia in November 2003, Mr. Randazzo spent two years as the Director of Public Policy for the Washington, D.C.-based Business Roundtable, an association of chief executive officers of leading U.S. companies. He was responsible for the strategic development and management of federal legislative and regulatory issues and programs, including fiscal policy, civil justice reform and health and retirement policy. Mr. Randazzo is a graduate of Eastern Michigan University with a Bachelor of Science degree in political science and George Mason University with a Master of Arts degree in economics. He is the parent of a child with developmental disabilities. He was appointed by the U.S. Senate to serve on the Panel from 2002 to 2003.

Stephen Start — In 1979 Stephen Start founded and, until his retirement in 2007, successfully managed SL Start. He has a Bachelor of Science degree in Psychology, and is a Certified Vocational Evaluator and Certified Rehabilitation Counselor. Mr. Start has 30 years of multi-state experience in employment and provision of vocational rehabilitation services, and is a presenter and author of numerous articles. Mr. Start co-founded and co-chaired the Return to Work Coalition of providers and advocates that formed with the single purpose of promoting legislative reform for SSA's disability programs return to work policies. This group had a major impact on the development and passage of the Ticket to Work and Work Incentive Improvement Act of 1999. Mr. Start was appointed by the U.S. House of Representatives to be a member of the Panel from 2000 to 2004.

Susan Webb — Susan Webb has 33 years of personal experience with a significant disability and is a former beneficiary of Social Security Disability Insurance. Susan left the rolls in 1977 to pursue a career. She worked for 12 years as a telecommunications professional with AT&T, during which she acquired a B.S. in Industrial and Organizational Psychology and later an M.B.A. Susan is a certified Senior Professional in Human Resources (SPHR) and Director of ABIL Employment Services (AES) in Phoenix, Arizona. AES is contracted by SSA as an Employment Network (EN) under the Ticket to Work program and is one of the top-producing ENs in the country. Ms. Webb is President of the National Employment Network Association and was appointed by the U. S. House of Representatives to the Panel from 2000 to 2002.

Panel Staff

Jill Houghton, Executive Director
Michael Anzick
Shirletta Banks
Patricia Laird
Jenn Rigger
Debra Tidwell-Peters

Appendix C

Tables – Panel Recommendations

Ticket to Work and Work Incentives Advisory Panel Recommendations from December 1999 - December 2007

Table 1: NO FINAL ACTION TAKEN

Issue	Recommendation	Date	Source	Submitted To	Relevance
Requires Legislative Action and Granting of Statutory Authority					
SSA reporting	Congress should pass a technical amendment to require interim reporting	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Congress	No longer relevant
AOI	Extend deadline for Adequacy of Incentives Report	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Congress	No longer relevant
Public education and field training	Congress should direct SSA to spend more on public education and field training	August 2002	Advisory Panel Annual Report: Year Two	Congress	Relevant
\$1 for \$2 Demo	\$1 for \$2 benefit offset: Congress should amend statute to allow deferred research on induced entry	August 2002	Advisory Panel Annual Report: Year Two	Congress	Relevant
Benefit payments	Reiterate the 2001 recommendations to authorize benefits payments for reductions in benefits	May 2003	Annual Report: Year Three	Congress	No longer relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Program integration	Conduct review and comparison of the Ticket to Work and Work Incentives Improvement Act and the Social Security Act and the Rehabilitation Act during upcoming reauthorization of the Rehabilitation Act and take action on inconsistencies	May 2003	Annual Report: Year Three	Congress	Relevant
Training & Technical Assistance	Congress should provide financial resources for a dedicated corps of work incentive specialists (such as ESRs)	May 2003	Annual Report: Year Three	Congress	Relevant
Program integration and training & Technical Assistance	Congress should direct SSA to work closely with other Federal and State systems to develop a national training plan and with Congress to earmark funding	May 2003	Annual Report: Year Three	Congress	Relevant
EN	Congress should develop statutory language that articulates its original intent that the Ticket is a supplemental funding source	Feb. 2004	Advice Report on Employment Networks	Congress	No longer relevant
EN	Congress should direct Commissioner to implement Ticket to Work program as a complement to SSA VR Reimbursement Program	Feb. 2004	Advice Report on Employment Networks	Congress	No longer relevant
EN	Amend statute to permit Ticket to Work program to increase sum of payments for serving SSI recipients to level equal to sum of payments for serving SSDI beneficiaries	Feb. 2004	Advice Report on Employment Networks	Congress	No longer relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
EN	Commissioner and Congress make clear that payments to ENs should supplement funding from other public programs, consistent with AOI group recommendations	Feb. 2004	Advice Report on Employment Networks	Commissioner and Congress	Relevant
EN	Congress should amend statute to permit American Indian VR programs to be ENs without application and be eligible for SSA reimbursement program	Feb. 2004	Advice Report on Employment Networks	Congress	Relevant
BPAO	Increase the amount of resources allocated to the national network.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	Relevant In RFA, SSA anticipated min. awards of \$100,000 for individ. state WIPA projects (Min. awards for territories remain at \$50,000) and a max. of \$300,000 available to fund specific WIPA projects annually.
BPAO	Remove the individual awards cap for projects to ensure that programs based in rural settings have the resources they need to provide equitable services to their urban and metropolitan counterparts	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	Relevant
Renewal of SSA's Demo Authority	Renewal of SSA's demonstration authority to begin new demonstration projects	Dec. 2005	Annual Report: Yr. 6, Advisory Letter	Congressman McCrery and Senator Grassley	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Requires Promulgation of Regulations, an Administrative Change, or Program Coordination					
Dispute resolution	All decisions made by SSA in reference to disputes should be subject to external review	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant
Dispute resolution	Information on P&A services should be accessible to beneficiaries	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant, Information currently available via letter, IWP
Dispute resolution	Beneficiary's filing complaints with project manager against EN should trigger a notice to P&A	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant None
Dispute resolution	All notices should be in an accessible format	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Dispute resolution	SSA should establish specified timeline for dispute resolution outlined	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant
Dispute resolution	During appeals process, beneficiaries should receive the same level of support and service	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant
Benefits	SSA should interpret benefits not payable as a reduction in benefits	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant
EN Payment	SSA should address efficacy of individualized milestones in AOI report	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	No longer relevant.
Ticket to Work program evaluation	SSA should commission a full-cost benefit study to evaluate program	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	No longer relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Alternate plans	SSA should permit other service delivery plans to be used as a substitute for IWP	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	No longer relevant
AOI	Establish ongoing structure for review of emerging information for AOI	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Relevant
SSA reporting	SSA to provide Panel, Congress, and President with ongoing interim reporting	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	No longer relevant
AOI	Identifying the four groups: SSA should use other data sources	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Relevant
AOI - EN and data	SSA should identify data elements ENs should collect for AOI	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Relevant
\$1 for \$2 Demo	Deferring the induced entry evaluation in \$1 for \$2 demonstration	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	No longer relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
\$1 for \$2 Demo	Induced entry evaluation proposal should include at least five independent designs from outside experts	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	No longer relevant
\$1 for \$2 Demo	Induced entry should follow and report on parallel research projects across the country that analyze determinants of return to work	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	No longer relevant
Access to ticket - youth	Transition-aged youth should be eligible for tickets	August 2002	Advisory Panel Annual Report: Year Two	Commissioner	Relevant
Wage reporting	Process monthly earning reports without generating overpayments	August 2002	Advisory Panel Annual Report: Year Two	Commissioner	Relevant
AOI	Adequacy of incentives: delay report to Congress and get interim reports from SSA	August 2002	Advisory Panel Annual Report: Year Two	Congress	No longer relevant
Marketing and public education	Urge SSA to develop immediate national marketing and public education campaign to explain available programs	May 2003	Annual Report: Year Three	Congress	Relevant (see action on marketing in Annual Report: Year Two)
VR	SSA and RSA should formulate joint policy governing the contents of VR-EN agreements and disseminate a model agreement	Oct. 21, 2003	Advisory Letter	Assistant Secretary Robert Pasternack	Relevant
EN	Commissioner should conduct an assessment of the Ticket to Work program and State VR Program running in combination	Feb. 2004	Advice Report on Employment Networks	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
EN	Test two or three creative approaches that increase EN and beneficiary participation	Feb. 2004	Advice Report on Employment Networks	Commissioner	Relevant
EN	Panel and Commissioner should convene meeting with stakeholders to develop national training and communication conference for all ENs	Feb. 2004	Advice Report on Employment Networks	Commissioner	No longer relevant
Marketing, Public Education, Training	SSA immediately launch a national campaign for public education and training on the Ticket to Work program, SSDI and SSI work incentives and related employment support programs and services especially for SSA field staff.	May 2004	Annual Report: Yr. 5, Advisory Letter	Commissioner	Relevant
BPAO	Require response /acknowledgment to the beneficiary within a specified period of time say 24 hours	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	Relevant
BPAO	Provide a point of contact so that individuals having difficulty receiving services from BPAO can let SSA know about the specific reason for example, no response at all or long wait for an appointment	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
BPAO	Continue to use a national core competency-based curriculum that establishes minimum standards for effective service delivery and ethical considerations when preparing benefits specialists for the field and that they have access to ongoing technical support	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	Relevant
BPAO	Provide an incentive to BPAO programs and ENs for working together to promote employment success	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	Relevant
PASS -- Reasonable length of time to achieve goal	Provide specific examples as well as further delineating that “reasonable period” for completion of a PASS will depend in large part on the impact of the individual’s impairment on their stated goal(s)	September 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	Relevant
PASS Referrals	SSA refine its policies to clarify when it will refer, to what type of organizations/individuals to which it will refer, and what level of support applicants can expect SSA/PASS Cadre, BPAOs, Independent Living Centers, ENs and so forth to provide	September 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	Relevant
PASS Plan ending date	SSA expand on what is intended under the NPRM and specifically address the issue of SSA providing what seems to be special assistance that is limited to establishing an ending date	September 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
PASS Occupation-al Goals	Panel supported continuation of credentialing policy. However, recommended SSA clarify what weight, if any, will be given to occupational goals developed with assistance of BPAOs and others, for example, Small Business	September 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	No longer relevant; SSA added language defining feasible employ. goal as “is one that you have a reasonable likelihood of achieving.” And it created 2 new sect. to explain “a viable plan”
PASS Annual review of plan	SSA expand on what the annual review entails and how it is conducted. Further, SSA consider providing more details and an example of what the beneficiary can expect. Finally, that PASS specialists customize timelines for progress reviews based on the specific support needs of the beneficiary	September 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	Relevant
PASS - General	SSA 1) provide additional training for the PASS Cadre; 2) review the implementation policies in selected States to assess ways to increase PASS participation; and 3) explore strategies to maximize utilization of PASS and other work incentives and consider how the Ticket to Work and PASS Programs can better complement each other	September 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	Relevant
Admin. Review Process – Disability Claims	SSA communicate a return to work philosophy in all stages of the disability determination process, especially in the early stages	October 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 27, 2005	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Admin. Review Process – Disability Claims	Disability Program Policy Council: SSA develop a procedure for adding a member to represent beneficiaries	October 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 27, 2005	Commissioner	Relevant
Admin. Review Process – Disability Claims	Federal Reviewing Officials: the final rule be written broadly enough to allow SSA to also hire paralegals or other legal professionals with specified qualifications. We propose that SSA certify that these other legal professionals are qualified using a process like that which is proposed to certify members of the national network of experts in the Federal Expert Unit	October 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 27, 2005	Commissioner	Relevant
Admin. Review Process – Disability Claims	Use of standardized decision writing formats: Beneficiaries and advocates participate in the drafting of these standardized formats and that "plain language" be used	October 2005	Annual Report: Yr. 6, Letter <u>Re.</u> NPRM July 27, 2005	Commissioner	No longer relevant
Access to ticket	All SSI and SSDI adult beneficiaries including those designated as medical improvement expected should be eligible to participate in program	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant, Sept. 2005 NPRM on Ticket to Work program allows those with MIE to eligible
EN	Congress and SSA review EN payment system to adjust and enrich	May 2003	Annual Report: Year Three	Congress	Relevant, NPRM Sept. 2005 includes this

Issue	Recommendation	Date	Source	Submitted To	Relevance
Access to ticket	Make Ticket to Work program available for all beneficiaries	Dec. 17, 1999–December 16, 2000	Annual Interim Progress Report: Year One	Commissioner	Relevant, Waiting on final regulations per NPRM Sept. 2005
Access to ticket	All SSI and SSDI adult beneficiaries including those designated as medical improvement expected should be eligible to participate in program	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant, Sept. 2005 NPRM on Ticket to Work program allows those with MIE to eligible
Access to ticket	SSA should conduct cost-benefit analysis on beneficiary receiving more than 1 ticket per period of disability/entitlement	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant, No cost benefit analysis per NPRM Sept. 2005
Timely progress	Timely progress should be defined by terms and conditions of IWP	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
EN Payment	SSA should develop two milestone/outcome systems—one for SSI and one for SSDI	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations.

Issue	Recommendation	Date	Source	Submitted To	Relevance
Ticket assignment	SSA should clarify that SSA beneficiary has choice about assigning ticket to State VR	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
Access to ticket - MIE	Beneficiaries designated as medical improvement expected should be eligible for tickets	August 2002	Advisory Panel Annual Report: Year Two	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
Ticket assignment	Amend Transmittal 17 to end the current use of signed State VR IPE as documentation needed for assignment of ticket	Oct. 21, 2003	Advisory Letter	Deputy Commissioner Martin Gerry	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
VR payment	Cost reimbursement should be separate from the Ticket to Work program	Oct. 21, 2003	Advisory Letter	Deputy Commissioner Martin Gerry	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
Ticket use	Ticket should not be considered a comparable benefit under Title I of the Rehabilitation Act	October 21, 2003	Advisory Letter	Assistant Secretary Robert Pasternack (Justesen for Pasternack)	Relevant, pending final regulations. RSA interprets Ticket services that an EN provides that are similar to VR services as a comp. benefit and thus not avail. under Title I
EN	Modify EN payment system to move more payment up front	Feb. 2004	Advice Report on Employment Networks	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
EN	Commissioner implement modified EN payment system consistent with recommendations of AOI Advisory Group	Feb. 2004	Advice Report on Employment Networks	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations

Issue	Recommendation	Date	Source	Submitted To	Relevance
EN	Commissioner should implement the Panel's recommendations related to payment systems and claims administration	Feb. 2004	Advice Report on Employment Networks	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
EN	Commissioner should refine EN payment processing time to meet business standards	Feb. 2004	Advice Report on Employment Networks	Commissioner	Relevant NPRM Sept. 2005 addressed this issue; waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	All SSI and SSDI adult beneficiaries including those designated as medical improvement expected should be eligible to participate in program	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Allows those with MIE to be eligible; waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	EN payments should be more frequent and earlier	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Revised payment system; waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	Equalizing payment amount for SSI and DI beneficiaries	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Proposed; waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	It appears that under the right scenario an EN could receive up to \$7,000 of their milestone payments within three months and over half of the ticket payments within the first year. This could leave a financial disincentive to continue serving a beneficiary under this example after the first year. SSA should review the lump sum milestone payment provision to ensure that beneficiaries do not lose this protection.	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Waiting for final regulations

Issue	Recommendation	Date	Source	Submitted To	Relevance
Amend. to Ticket to Work program – NPRM Sept. 2005	Beneficiary should be eligible for more than one ticket in a period of entitlement for SSDI/SSI benefits when their disability is likely to require some indefinite supports to remain employed (including self-employment)	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Clarified; waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	SSA clarify that proposed rule changes apply for both “new” and “old” tickets and implements appropriate measures to transition the “old” tickets to new rules	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	Proposed new rules will require additional training of ENs, VR, and beneficiaries. The Panel urges SSA to be sure the necessary measures are in place to educate all appropriate parties of the changes and how they work	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	SSA establish a cross-federal agency task force on transition to develop unified school-to-work system that removes conflicting incentives	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Waiting for final regulations
Amend. to Ticket to Work program – NPRM Sept. 2005	Urge expeditious implementation of these new rule changes to help reignite the level of interest in the Ticket to Work program by ENs and beneficiaries	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Waiting for final regulations
Issuance of Receipts – Reporting of changes in work or earnings	SSA to continue automatically issuing receipts after its centralized computer file is fully operational	May 2006	Annual Report: Yr. 7, Advisory Letter	Commissioner	Relevant Waiting for final regulations

Issue	Recommendation	Date	Source	Submitted To	Relevance
Amend. to Ticket to Work program – NPRM Sept. 2005	Permitting beneficiary to be own EN	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant
Amend. to Ticket to Work program – NPRM Sept. 2005	Beneficiary should be eligible for more than one ticket in a period of entitlement for SSDI/SSI benefits when their disability is likely to require some indefinite supports to remain employed (including self-employment)	Dec. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM Sept. 2005	Commissioner	Relevant Clarified; waiting for final regulations
Final regs. per NPRM Sept. 2005	Issuing the final regulations as soon as possible, but not later than this fall (2006)	Sept. 2006	Advisory Letter	Commissioner	No longer relevant
Final regs. per NPRM Sept. 2005	Reconsider the decision to delay release of the final Ticket to Work regulations and note that this delay also affects the Agency's plan to market the Ticket to Work program, along with work incentives programs	Nov. 2006	Advisory Letter	Commissioner	No longer relevant
NPRM, July 2007	SSA must clearly communicate to beneficiaries that they'll be required to demonstrate timely progress in 12 months instead of 24 months as currently required, before it has a negative impact on their planned goals	Oct. 2007	Advisory Letter	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
NPRM, July 2007	SSA should include provisions in the proposed amendments to account for disability-related stumbling blocks, such as an inability to get needed supports and accommodations	Oct. 2007	Advisory Letter	Commissioner	Relevant
NPRM, July 2007	SSA should provide a larger threshold for beneficiaries who may require a longer period of time to complete their educational studies	Oct. 2007	Advisory Letter	Commissioner	Relevant
NPRM, July 2007	SSA should include training programs of the Department of Veterans Affairs and the Department of Education under the definition of “vocational or technical training programs.” This should include disability-specific training, such as orientation and mobility, Braille, assistive technology, and similar skills necessary for vocational functioning	Oct. 2007	Advisory Letter	Commissioner	Relevant
NPRM, July 2007	Timely progress should be individualized based on the terms and conditions of the IPE/IWP and accommodate episodic disabilities. It should be possible for the IPE/IWP to be revised and updated as the needs and circumstances of the individual changes – both for postsecondary education and vocational/technical training	Oct. 2007	Advisory Letter	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
NPRM, July 2007	SSA should explain its plan for implementing the proposed amendments, answering, for example, the following questions: 1) Will the amendments become effective after 60 days? 2) Will the amendments be applied to everyone or only to newly assigned tickets? 3) What procedure will be used to determine progress – a questionnaire or an interview, or something else?	Oct. 2007	Advisory Letter	Commissioner	Relevant
IRWE	Change the order in which IRWE are deducted when calculating the SSI cash payment to allow for up to a 100 percent cost recovery	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
IRWE	Allow health insurance premiums to be used as IRWE, when the beneficiary can document that the coverage is disability-related and supports work	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
IRWE	Eliminate the condition that family members must suffer financial loss for their compensation by the beneficiary to count as IRWE if they provide attendant care and/or transportation to/from work to a person with a disability	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
SSI Income/Resource Limits	Increase and index the key income exclusion amounts and the resource limits under the SSI program	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
EN	Approve proposed rule changes to the Ticket to Work program to enable ENs to receive ticket outcome-only payments while a beneficiary is receiving an SSI cash payment resulting from an active PASS	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
VR Payment	Allow SVRAs to receive traditional cost reimbursement if and when an individual is receiving an SSI cash payment resulting from an active PASS or claim of BWE	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
Work Incentives	Reduce the complexity and improve the consistency of work incentives across the SSI and SSDI programs and other federal entitlements so that they universally support work	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
Post-entitle. Workloads	Establish mechanisms to monitor post-entitlement workloads, develop performance standards (similar to those established for initial claims in terms of processing time and decisional accuracy), and allocate sufficient resources to address post-entitlement workloads	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Post-entitle. Workloads	Establish a cross-component internal SSA Task Force on post-entitlement workload issues to identify resources needed to perform critical program integrity activities that address post-entitlement workloads such as processing work reports and preventing and detecting overpayments. Publish these findings annually	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
Wage Reporting	Continue to expand systems for reporting wages electronically, ensuring that concurrent beneficiaries have a single point of earnings reporting and that timely receipts are sent to all beneficiaries	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
Perform. standards for WIPA/ PABSS	Strengthen both the WIPA and PABSS networks by establishing performance standards, adjusting funding levels and resources to levels necessary to achieve the desired results, and invest in ongoing training and technical assistance that improves the accuracy of information and quality of services provided with particular attention to underserved populations and valued employment outcomes	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
Perform. standards for WIPA/PABSS	Identify clear, objective performance standards and indicators to evaluate the activities and impact of AWICs and WILs, and collect, analyze, document, and publish evidence annually (by SSA region and system-wide) of customer satisfaction, improved employment outcomes, and advanced self-sufficiency	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
PASS	Collect workload information on the number of PASS applications submitted and approved, including the processing (wait) time by state, and publish this information annually in SSA's SSI Disabled Recipients Who Work report. Provide high quality training and support, and fiscal resources for the effective administration and outreach of the PASS program. Recruit, develop, and support PASS specialists (travel, technology, et al)	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
Data reporting	Improve reporting of data and analysis pertaining to SSDI (including Disabled Adult Children and concurrent SSDI/SSI beneficiaries) and issue an annual report comparable to SSA's SSI Disabled Recipients Who Work report	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant

Issue	Recommendation	Date	Source	Submitted To	Relevance
MIS for return-to-work	Establish a performance management and return to work tracking system, providing benchmarks for each state, and track utilization over time as part of a continuous quality improvement plan.	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
Wage reporting	Increase beneficiary awareness of earnings reporting requirements and promote greater self-efficacy	Dec. 2007	Optimize Work Incentives Report	Commissioner	Relevant
\$1 for \$2 Demo	Ensure that employment supports are in place for \$1 for \$2 demonstration	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	Relevant Possibly included in design of national benefits offset demonstration; see details when available
\$1 for \$2 Demo	Use SGA as disregard level for \$1 for \$2 current beneficiaries demonstration	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	Relevant Possibly included in design of national benefits offset demonstration; see details when available
\$1 for \$2 Demo	Endorses SSA sample size of 5,000 in \$1 for \$2 demonstration	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	Relevant Possibly included in design of national benefits offset demonstration; see details when available
\$1 for \$2 Demo	Use monthly accounting period consistent with SSI accounting in \$1 for \$2 demonstration	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	Relevant Possibly included in design of national benefits offset demonstration; see details when available

**Ticket to Work and Work Incentives Advisory Panel Recommendations
December 1999 to November 2007**

Table 2: FINAL ACTION TAKEN

Issue	Recommendation	Date	Source	Submitted To	Action Taken
Funding for PWI & Supported Employment	Projects with Industry and Supported Employment grants should be preserved at the Federal level	March 1, 2002	Advisory Letter	President Bush	Congress preserved grant programs
Work Opportunity Tax Credit	Reauthorize the Work Opportunity Tax Credit and extend it to employers who hire people with disabilities who used a ticket	April 11, 2002	Letter to the Honorable Clay Shaw	Clay Shaw	HR 743 reauthorized and extended the credit; again in 2006
P&A	Congress should direct SSA to remove the restrictions on P&A grantee activities	August 2002	Advisory Panel Annual Report: Year Two	Congress	SSA removed restriction, and HR 743, signed on March 2, 2004, removed others
P&A	Congress should direct SSA to remove restrictions on the use of P&A grant funds	May 2003	Annual Report: Year Three	Congress	SSA removed some restrictions, and HR 743, signed on March 2, 2004, removed others
BPAO	Reauthorize BPAO Program and double funding to \$46,000,000	Nov. 20, 2003	Advisory Letter	Congressman Shaw and Senator Grassley	HR 743 reauthorized
P&A	Reauthorize the P&A program, increase the min. amt. of each State grant to \$200,000, and increase funding for the program as a whole to \$14,000,000 per FY	Nov. 20, 2003	Advisory Letter	Congressman Shaw and Senator Grassley	HR 743 reauthorized the P&A Program

Issue	Recommendation	Date	Source	Submitted To	Action Taken
Comment Period	Use the longest comment period possible during regulatory process to allow maximum public comment.	Dec. 17, 1999–Dec. 16, 2000	Annual Interim Progress Report: Year One	Commissioner	Period used 60 days
CDR	18-year-old beneficiaries should receive same protection from redeterminations as other ticket users do from CDR	July 23, 2001	Final Advice Report on Ticket to Work program Notice of Proposed Rule Making (NPRM)	Congress	Possibly if VR client with IWP, waiting on final regulations per NPRM Sept. 2005
EN	EN required to retain staff based on education and experience	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Final Regulations Dec. 2001
EN	SSA should simplify EN reporting requirements	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Final Regulations Dec. 2001 and September, 2005 NPRM
Dispute resolution	All beneficiaries should have access to P&A	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Improvement, Overpayment
Dispute resolution	Mediation should be made available to resolve disputes	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Pilot Program
Dispute resolution	Information on P&A services should be accessible to beneficiaries	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Some, Letter, IWP

Issue	Recommendation	Date	Source	Submitted To	Action Taken
Dispute resolution	All parties in disputes should have access to all information	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Policy
EN Payment	SSA should adopt payment structure that pays four milestone payments	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Improvement from two to three.
VR payment option	Resolve the conflict between sections 411.510 and 411.390	July 23, 2001	Final Advice Report on Ticket to Work program NPRM	Commissioner	Resolved in final regulation Dec. 2001
Ticket to Work regulations – initial set	Swift issuance of the final ticket-implementing regulations	Nov. 30, 2001	Advisory Letter	President	Final regulations were issued in December 2001.
Funding for BPAO & P&A	Restore funding for BPAO and P&A Programs to maximum authorized in the statute	Jan. 7, 2002	Advisory Letter	Commissioner Barnhart	Funding restored.
AOI	Convene an ongoing Adequacy of Incentives Advisory Team	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	In 2003, convened the AOI Advisory Group for 1 year.
AOI	Data collected for AOI should be provided in SSA's overall Ticket to Work program eval. research	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	AOI data included in Ticket to Work program eval. research design.
Beneficiary survey	SSA's beneficiary survey should include face-to-face interviews and special accommodations for AOI population	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Survey design includes face-to-face interviews and other accommodations.

Issue	Recommendation	Date	Source	Submitted To	Action Taken
AOI - Research	Review existing research and conduct supplementary research	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Reviewed existing research and best practices at AOI technical workshop (May 2002)
AOI and data	Data collected should include attention to national demographics and diversity	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Study design includes information on demographics and diversity.
AOI - Research	Conduct or commission qualitative research with ENs on AOI issues including payments and wages	June 18, 2002	Advice Report on the Adequacy of Incentives (AOI) Study	Commissioner	Conducted interview with ENs on AOI issues in evaluation design contract
SSA infrastructure	Implement the Employment Support Representative position in SSA Field Offices	July 1, 2002	Advisory Letter	Commissioner	Discontinued ESR position, created the AWIC position with 58 staff.
\$1 for \$2 Demo	\$1 to \$2 demonstration for current beneficiaries: Panel endorses using demo projects for \$1 for \$2	August 2002	Advice Report on \$1 for \$2 Benefit Offset Research	Commissioner	Request for information published September 2003
Ticket access	Apply for EXR - clarify special circumstances by example	Dec. 18, 2003	Advisory Letter <u>Re.</u> NPRM Oct. 2003 on the Reinstatement of Entitlement to Disability Benefits (EXR)	Comm.	Final regulations Sept. 2005 provided examples.

Issue	Recommendation	Date	Source	Submitted To	Action Taken
Ticket access	Explicitly state that a person entitled to benefits pursuant to expedited reinstatement is immediately eligible for a ticket	Dec. 18, 2003	Advisory Letter <u>Re.</u> NPRM Oct. 2003 on the Reinstatement of Entitlement to Disability Benefits (EXR)	Commissioner	Final regulations Sept. 2005 stated “if you are reinstated under the ex. reinstatement prov., under Sec. 404.1592b through 404.1592f or Sec. Sec. 416.999 - 416.999d, you may be eligible for a new ticket under Sec. 411.125(c)” (ticket eligibility).
Employment Support Reps/AWIC	Employment Support Representatives (ESR): The statute says, “The Commissioner should establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration.”	August 2002	Advisory Panel Annual Report: Year Two	Commissioner	Discontinued ESR position; created the AWIC position with 58 staff.
Marketing and public education	SSA should immediately implement a national marketing and public information program	August 2002	Advisory Panel Annual Report: Year Two	Commissioner	Awarded contracts in 2003 to analyze data collected from ENs, to develop strategies to increase EN participation, and to develop a strat. marketing plan targeted at beneficiaries by the end of FY 04; third contract to analyze beneficiary data and develop a plan for maximizing participation of beneficiaries. Awarded contract in 2005 to develop marketing and outreach strategy – still being developed
EN – payment	EN reimbursement for clients receiving partial benefits	August 2002	Advisory Panel Annual Report: Year Two	Commissioner	SSA interprets “benefits not payable” as zero benefits

Issue	Recommendation	Date	Source	Submitted To	Action Taken
CDR protection	Request Commissioner's support of Panel's recommendation to Congress to extend ticket CDR protection to any and all beneficiaries who are participating in an approved program of VR services, employment services, or other employment support services	Sept. 2003	Advisory Letter <u>Re.</u> NPRM Aug. 2003 on Continuation of Benefit Payments	Commissioner	Clarified in final regulations June 2005
Post entitlement benefits	Clarify that participants in other approved rehabilitation plans are eligible for continuation of benefits	Sept. 2003	Advisory Letter <u>Re.</u> NPRM Aug. 2003 on Continuation of Benefit Payments	Commissioner	Final regulations June 2005
EN	Once beneficiary is certified as employed, Commissioner should continue to pay the EN on a monthly basis unless beneficiary status changes	Feb. 2004	Advice Report on Employment Networks	Commissioner	In 2003, SSA initiated a quarterly regime for paying ENs that usually would not require reporting earnings
Marketing	SSA notify beneficiaries at least once a year until SSA has fully implemented continuous public education and marketing campaigns	May 2004	Annual Report: Yr. 5, Advisory Letter	Commissioner	Partially - did follow up after all phase ins completed but not annually

Issue	Recommendation	Date	Source	Submitted To	Action Taken
BPAO	Require Management Information reports to include data on beneficiary waiting times for a response, an appointment and for services	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, management information data collection must include the data element of beneficiary's waiting time for a response
BPAO	Provide special consideration to proposals that develop workable ways to effectively deal with limited resources.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, in selecting eligible applicants to be funded, consideration may be given to issues such as experience, past performance, proposed costs, etc.
BPAO	Require BPA&O programs to state how they will target and serve transition-aged youth.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, the applicants must also describe how they will address any special cultural requirements of pops (e.g., Native Americans) within the targeted geo. area, as well as non-English speaking pops and SSI bens. as young as age 14. Each project must make WIPA services available to SSI beneficiaries as young as age 14 and state how they will target and serve transition-aged youth. Where applicable, applicants must indicate the ability to work closely with the SSA Youth Transition Process Demonstration (YTD) projects that are currently located in California, Colorado, Iowa, New York, Maryland and Mississippi

Issue	Recommendation	Date	Source	Submitted To	Action Taken
BPAO	Require BPA&O programs to state how they will ensure equitable access to and services for all disability groups regardless of their primary agency's affiliation	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, awardees must state how they will ensure equitable access and services for all beneficiary disability groups. This requirement may be met by partnering with other community-based organizations
BPAO	Require BPA&O programs that cover tribal lands and sovereign nations to provide clear and convincing documentation of how they will ensure equitable access and services for Native American and AK Native populations. Examples of this might be formal agreements with Tribal govt, Section 121 VR Programs, etc.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, applicants who serve tribal lands and sovereign nations must also provide documentation of how they will ensure equitable access and services for Native-American and Alaskan-Native populations. Applicants must indicate if formal agreements with tribal govts or Section 121 VR Programs, etc. are in place

Issue	Recommendation	Date	Source	Submitted To	Action Taken
BPAO	Increase the duration of the initial five-day training session to realistically reflect the breadth and complexity of the SSA's disability programs including the Ticket to Work program and other relevant federal programs.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, upon award, the WIPA cooperative agreement awardees shall: Employ CWICs and require them to complete an approved initial four day training session within 3 months of award. SSA, or its designated technical assistance and training contractor, will provide technical assistance and training to WIPA projects about SSA's programs and work incentives (e.g., TWP, EPE, IRWE, PASS, 1619(a) and (b), and Medicaid Buy-In provisions/ Balanced Budget Act; Medicare and Medicaid; and on other Federal work incentives programs.
BPAO	Establish minimum qualifications for new Benefit Specialists and timeframes for conducting training about State and local programs.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, applicants must ensure that CWICs have the skills required to provide work incentives planning and assistance services that assist beneficiaries. WIPA awardees will be required to provide documentation to SSA that CWIC personnel meet the requirements below. SSA will use this documentation to credential CWIC personnel before they may begin providing beneficiary services. WIPA awardees must provide training and technical assistance to their CWICs about applicable State and local programs and the effects that these programs have on other programs' eligibility and benefits

Issue	Recommendation	Date	Source	Submitted To	Action Taken
BPAO	Require that BPA&O programs have a quality assurance plan that is in alignment with standards set by the Agency and that a grievance procedure be established within each BPA&O program. Require that evidence of compliance with this plan be submitted regularly.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, provide a written Quality Assurance (QA) plan that demonstrates the efficacy of the service delivery plan.
BPAO	Require that BPA&O programs notify beneficiaries of the established grievance procedure and the availability of PABSS services.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, [Applicants must establish] ...written grievance procedures for beneficiaries and evidence of its compliance which will be submitted to SSA quarterly. (NOTE: No reference to dissemination of procedure to beneficiaries)
BPAO	Require data collection strategies to provide a full picture of the benefits counseling process (rather than snapshots of the individual's journey) and address the identification or resolution of barriers and the outcomes achieved by the individual	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, projects will collect, analyze, and summarize the specific data elements listed below: A. Beneficiary info B. Employment info and Outcomes (current and proposed goals--when applicable) C. Program Manager for Recruitment and Outreach (PMRO) Activities D. Benefits: (current and expected changes if employment goals are reached) E. Incentives to be used: F. Services to be used G. Monthly WIPA activities performed

Issue	Recommendation	Date	Source	Submitted To	Action Taken
BPAO	Require BPA&O programs to have agreements with ENs, and also Disability Program Navigators, in their geographic catchment area to promote positive working relationships.	Feb. 2005	Annual Report: Yr. 6, Advisory Letter	Associate Commissioner	In RFA, were encouraged to collaborate.
PASS Occupational Goals	Panel supported continuation of credentialing policy. However, recommended SSA clarify what weight, if any, will be given to occupational goals developed with assistance of BPAOs and others, for example, Small Business	July 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	Did not adopt; however, it added language defining feasible employment goal as “is one that you have a reasonable likelihood of achieving.” And it created two new sections to explain “a viable plan”.
PASS Dependence on SSI	SSA provide more clarity regarding how much of a reduction is “substantial” and then ensure that this criterion is consistently implemented	July 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 11, 2005	Commissioner	SSA partially adopted the Panel’s recommendation by providing examples as a means of clarification of the meaning of “substantial”
Admin. Review Process – Disability Claims	Resources to establish the dedicated Quick Disability Determination units are not diverted from the resources necessary for adjudicating more difficult cases in a timely manor	Oct. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 27, 2005	Commissioner	Without specifically addressing the Panel’s recommendation, it appears that the Final Rule is consistent with this recommendation. The goal is to enhance productivity throughout the system, so resources can be available for all cases as needed

Issue	Recommendation	Date	Source	Submitted To	Action Taken
Admin. Review Process – Disability Claims	Time periods for introducing evidence for the record: The rules should require greater clarity in terms of what constitutes "just cause."	Oct. 2005	Annual Report: Yr. 6, Advisory Letter <u>Re.</u> NPRM July 27, 2005	Commissioner	SSA has lengthened the period of time permitted for introducing evidence.

Appendix D

Panel Outreach 2001-2007

Outreach Event	Date
Panel website and listserv created	2001 – 2002
Regional meetings held in Arizona, Georgia, Minnesota, and California – Panel Event	January - February 2001
Experts Roundtable – Panel held regarding design of the Adequacy of Incentives Study.	July 27, 2001
Experts Roundtable – Panel held regarding SSA’s plan for evaluating the effects of \$1 for \$2 benefit offset current beneficiaries and on induced entry.	November 16, 2001
National Workforce Inclusion Conference. Panel members participated in two presentations: legal issues in implementation of the regulations, and ENs and the Ticket to Work program.	March 2002
Employment Network Summit – Panel Event	May 2003
SSI/SSDI Consumer Panel	February 2004 Quarterly Panel Meeting
Florida TWWIA Programs and Projects Panel	February 2004 Quarterly Panel Meeting
Consumer Panel - Delaware, Virginia, Maryland	May 2004 Quarterly Panel Meeting
Public Transportation and ADA Experts Panel	May 2004 Quarterly Panel Meeting
EN Presentation on Ticket to Work Program	May 2004 Quarterly Panel Meeting
Public Housing Experts Panel	May 2004 Quarterly Panel Meeting
California Consumer Panel	August 2004 Quarterly Panel Meeting
California Workforce Inclusion Panel	August 2004 Quarterly Panel Meeting
Public Roundtable Discussion	August 2004 Quarterly Panel Meeting
Medicaid Buy-In Panel	February 2005 Quarterly Panel Meeting

Outreach Event	Date
Louisiana Consumer Panel	February 2005 Quarterly Panel Meeting
Provider and Employer Panel	February 2005 Quarterly Panel Meeting
Florida Freedom Initiative Panel	May 2005 Quarterly Panel Meeting
Youth Transition Demonstration Panel	May 2005 Quarterly Panel Meeting
Employer Best Practices Panel	August 2005 Quarterly Panel Meeting
SSA Ticket Expos – Panel members attended 4 out of 10	June- September 2005
National Academy of Social Insurance Conference	January 19-20, 2006
The Minnesota/Wisconsin Employment Forum	January 12, 2006
SSA Town Hall Meeting	December 15, 2005
2 nd Annual Ticket to Work Conference – Panel co-hosted this event with Movimiento para el Alcance de Vida Independiente (MAVI)	February 2006 Quarterly Panel Meeting
Puerto Rico and U.S. Virgin Islands Panel	February 2006 Quarterly Panel Meeting
President’s Committee on Intellectual Disabilities’ Asset Development Roundtable	March 2006
New Freedom Initiative Workgroup Meeting/Office of Disability/U.S. Dept. of Health and Human Services	April 2006
Medicaid Buy-In and Medicaid Infrastructure Grants: Beneficiary Perspectives Panel	June 2006 Quarterly Panel Meeting
Benefits Planning Assistance and Outreach: Beneficiary Perspectives Panel	June 2006 Quarterly Panel Meeting
Building Bridges Blueprint for Success Conference	May 26, 2006
Annual Florida Conference on Supported Employment	August 2006
Meeting with CCD Task Forces	September 2006
HSC Foundation Youth Transitions Summit	September 2006
US Business Leadership Network Conference	October 2006
TASH Conference	November 2006
Beneficiary Perspectives on Community Level Infrastructure Panel	November 2006 Quarterly Panel Meeting
Beneficiary Summit – Panel Event	February 2007

Outreach Event	Date
Perspectives from Stakeholders Panel	April 2007 Quarterly Panel Meeting
Rhode Island Medicaid Infrastructure Grant Summit	April 2007
Oregon “Building Futures: Transition to Education and Employment” Conference	May 2007
Family Voices	May 2007
SSA Teleservice Center and district field offices	May – June 2007
Walgreens Distribution Center Opening	June 2007, South Carolina
Proyecto Visión Conference	June 2007, Florida

Appendix E

Panel Correspondence 2007



TICKET TO WORK & WORK INCENTIVES ADVISORY PANEL



October 5, 2007

Michael J. Astrue
Commissioner
Social Security Administration
P.O. Box 17703
Baltimore, MD 21235-6401

RE: Notice of Proposed Rule Making: Amendments to
the Ticket to Work and Self-Sufficiency Program
(Volume 72, Number 155)

Dear Commissioner Astrue:

I am writing on behalf of the Ticket to Work and Work Incentives Advisory Panel (the Panel) to provide comments on the Notice of Proposed Rule Making (NPRM) released on August 13, 2007. The NPRM calls for simplifying and improving the definition of “using a ticket” and requirements for measuring “timely progress” toward self-supporting employment.

Overall, the Panel supports these proposed amendments. In particular, we are pleased that, in addition to employment, the proposed amendments allow for participation in an educational program to count toward an individual’s timely progress by crediting attendance at post secondary school or vocational/technical training. While there are jobs for which training can be completed in a relatively short time period, there are others requiring a longer period of education or training. An individual in a certified educational/training program, internship, apprenticeship, etc. should not be required to interrupt this program to meet the work requirements of “timely progress.”

The Panel is concerned, however, about the potential impact on the 178,000 current beneficiaries with assigned tickets who will have to demonstrate timely progress in 12 months instead of 24 months as currently required. SSA must clearly communicate this change to these beneficiaries, before it has a negative impact on their planned goals.

The Panel believes these proposed amendments would be most effective for people with disabilities currently attending college or vocational technical school whose earnings are below specified SSI and SSDI earnings thresholds. However, these amendments would not be particularly helpful for people who, for a variety of reasons, cannot participate in full-time postsecondary education or vocational/technical training. We provide details below and a compilation of recommendations in the conclusion.

Potential Problems with Giving Credit for Participating in an Education/Training Program

The proposed amendments require the equivalent of full-time attendance in postsecondary education (12 credit hours per semester – or 24 credits per 12 month period). For completion of the vocational or technical training program requirements, an individual must have finished at least 50 percent of the course requirements of the program by the end of this 12-month period.

Completing these requirements can be difficult for people with certain disabilities who rely on services such as public transportation, attendant care, etc. For example, a beneficiary using para-transit, who needs to be in class by 11:00 a.m., may need to be picked up at their home by 8:00 a.m. (This occurs because para-transit often requires a window of time before and after the customer wants to be picked up and is usually allowed up to an hour and a half to drop off the customer. Most often, the transit system will be faster than the 2-3 hours, but the customer cannot depend upon a consistent trip time and must always plan for the worst-case scenario.) Their return trip may require as many hours, filling a large percentage of the individual's day with transportation time – not enough time to allow them to complete 12 college credits (a full-time schedule). The Social Security Administration (SSA) should include provisions in the proposed amendments to account for disability-related stumbling blocks, such as an inability to get needed supports and accommodations.

The proposed amendments also provide credit for post secondary education or vocational/technical training, but not for high school completion or GED preparation for beneficiaries who had previously dropped out of school and may now be completing those educational requirements (without further aspiring to college or vocational/technical training). This provides unequal continuing disability review (CDR) protection for those beneficiaries who critically need this level of training if they are going to obtain stable employment above substantial gainful activity (SGA). SSA needs to consider an individual threshold around education and/or training more suited to the employment preparation needs of the individual. SSA should provide a larger threshold for beneficiaries who may require a longer period of time to complete their educational studies.

In addition, to be more inclusive, SSA should include training programs of the Department of Veterans Affairs and the Department of Education under the definition of “vocational or technical training programs.”

Individualizing Timely Progress

The Panel recognizes that people with disabilities are a diverse group, and one-size-fits-all approaches designed to move them toward self-supporting employment can be problematic. Timely progress should be individualized based on the terms and conditions of the Individualized Plan for Employment/Individual Work Plan (IPE/IWP) and accommodate episodic disabilities. It should be possible for the IPE/IWP to be revised and updated as the needs and circumstances of the individual changes – both for postsecondary education and vocational/technical training.

For example, individuals who become blind may not need postsecondary education or GED preparation. Instead, they may need adjustment-to-blindness training, which includes training on Braille, orientation and mobility, adjustment to daily living, and assistive technology. The definition of educational training should be flexible enough to accommodate this.

Plans for Implementing the Proposed Amendments

The current rules have been in place since 2003. Tickets currently assigned fall under the old rules which did not require timely progress reviews until after the first 24 months of plan. SSA should explain its plan for implementing the proposed amendments, answering, for example, the following questions: 1) Will the amendments become effective after 60 days? 2) Will the amendments be applied to everyone or only to newly assigned tickets? 3) What procedure will be used to determine progress – a questionnaire or an interview, or something else?

Other Improvements

Documentation Improvements – Reducing Administrative Burden—The proposed amendments call for requiring parallel documentation for milestone payments for timely progress. The Panel recognizes that this change is positive because it will reduce the reporting burden on ENs.

Improvements to “Extension Period”—The proposed amendments would change the duration of the extension period from three months to 90 days, making it consistent with the proposed 90-day period included in the September 2005 NPRM. This is a positive change.

Conclusion

The Panel is pleased that SSA is moving forward toward publishing final Ticket regulations. We continue to urge expeditious implementation of these new rule changes to help reignite the level of interest in the Ticket Program by ENs and beneficiaries.

Overall, the Panel supports the proposed amendments and offers the following recommendations (drawn from above) to improve the amendments:

Recommendations

SSA must clearly communicate to beneficiaries that they'll be required to demonstrate timely progress in 12 months instead of 24 months as currently required, before it has a negative impact on their planned goals.

SSA should include provisions in the proposed amendments to account for disability-related stumbling blocks, such as an inability to get needed supports and accommodations.

SSA should provide a larger threshold for beneficiaries who may require a longer period of time to complete their educational studies.

SSA should include training programs of the Department of Veterans Affairs and the Department of Education under the definition of "vocational or technical training programs." This should include disability-specific training, such as orientation and mobility, Braille, assistive technology, and similar skills necessary for vocational functioning.

Timely progress should be individualized based on the terms and conditions of the IPE/IWP and accommodate episodic disabilities. It should be possible for the IPE/IWP to be revised and updated as the needs and circumstances of the individual changes – both for postsecondary education and vocational/technical training.

SSA should explain its plan for implementing the proposed amendments, answering, for example, the following questions: 1) Will the amendments become effective after 60 days? 2) Will the amendments be applied to everyone or only to newly assigned tickets? 3) What procedure will be used to determine progress – a questionnaire or an interview, or something else?

We are pleased to offer SSA this advice. If you have any questions, please contact the Panel's Executive Director, Jill Houghton. She can be reached at 202-358-6419.

Sincerely,



Berthy De La Rosa-Aponte
Chair
Ticket to Work and Work Incentives Advisory Panel

**Statement of
Berthy De La Rosa Aponte, Chair**

**Ticket to Work and Work Incentives Advisory Panel,
Social Security Administration**

Submitted to the Senate Committee on Finance

**Hearing on
“Barriers to Work for Individuals Receiving Social Security
Disability Benefits”**

June 21, 2007

As Chair of the Ticket to Work and Work Incentives Advisory Panel (the Panel), I respectfully submit the following statement on behalf of the Panel. We appreciate this opportunity.

The topic of today’s hearing, “Barriers to Work for Individuals Receiving Social Security Disability Benefits,” represents one of the core issues to which the Panel has been devoting much of its work since Congress established the Panel in 2000 as part of the Ticket to Work and Work Incentives Improvement Act of 1999 (the Act). The Panel will continue to focus on this issue through our sunset date of December 2007.

At each of the Panel’s meetings, we have heard from diverse stakeholders, including beneficiaries who have shared their perspectives and advice on the need for immediate improvements to current programs under the Act, as well as approaches to more comprehensive, systemic changes to policy and system design. We have also conducted extensive policy research, consulted both nationally and internationally with experts in the field of return to work, and provided the President, Congress and the Commissioner of the Social Security Administration (SSA) with recommendations and counsel for enhancing the return to work efforts of disability beneficiaries.

Beneficiaries’ perspectives and recommendations have played a primary role in the development of Panel advice and will continue to play a critical role as we develop the recommendations in our Final Report, which will be released at the end of 2007. Beneficiaries have affirmed to the Panel that most people with disabilities want to work but are challenged by system fragmentation and complexity, fear of loss of health care benefits and overpayments, and well intended policies that have the effect of limiting economic security and advancement. It is estimated that, in 2005, 104,100 non-employed SSI beneficiaries were actively looking for work, and 103,200 non-employed SSDI beneficiaries were actively looking for work.¹⁶⁰

Over the years, the Panel has provided recommendations related to SSA's work incentives, health care programs, administrative and programmatic operations and budgetary issues, as well as the work of other federal programs charged with the responsibility of removing barriers to employment and economic self-sufficiency for individuals with disabilities. Below are key recommendations that the Panel has made and that we reiterate now as you consider strategies and approaches for removing barriers to work.

Our recommendations are organized into the following categories: 1) Ticket to Work and Self-Sufficiency Program-Related Issues; 2) Marketing and Outreach on Work Incentives; 3) Improving/Simplifying Specific Work Incentives; and 4) Training for Work Incentives Specialists.

Ticket to Work and Self-Sufficiency Program-Related Issues

On September 30, 2005, SSA published a Notice of Proposed Rule Making called "Amendments to the Ticket to Work and Self-Sufficiency Program." These proposed amendments incorporated many of the Panel's priority recommendations. We were particularly pleased that the proposed amendments accounted for and addressed the multi-step nature of returning to work by calling for a new payment system for Employment Networks (ENs), offering more frequent and earlier payments.

The Panel was hopeful that the proposed changes would improve the program. Unfortunately, SSA has not yet published the final regulations, and the program continues to face significant problems. In fact, the number of active ENs working with Social Security beneficiaries has been in a statistical decline for the past eight months.

The Panel continues to hold hope for a demand-driven approach to supporting beneficiaries in going to work; however, without significant enhancements and aggressive outreach, we fear the Ticket Program will not recover from initial design flaws and ongoing beneficiary and EN disenchantment.

Specifically, the Panel recommends:

All SSI and SSDI adult beneficiaries, including those designated as medical improvement expected, should be eligible to participate in the Ticket Program.¹⁶¹

Payments to ENs should be more frequent and earlier to reduce ENs' financial risk. One caution is that SSA should review the lump sum milestone payment provisions to ensure Tickets retain sufficient value so beneficiaries continue to be able to negotiate for needed services later in their return to work efforts.¹⁶²

SSA should rewrite the regulations and modify transmittal 17 to make it clear that:

Beneficiaries' eligibility for vocational rehabilitation (VR) service or the scope of those services should not be adversely affected by where they assign their Ticket. Eligibility for VR services and VR client status should not dictate when or where beneficiaries can use their Ticket.

ENs should receive payments from SSA for beneficiaries who, with EN assistance, continue in employment above substantial gainful activity (SGA) after VR has been paid under the traditional cost reimbursement system.¹⁶³

Transition-aged youth should be eligible for Tickets.¹⁶⁴

Request Commissioner of SSA's support of Panel's recommendation to Congress to extend Ticket continuing disability review (CDR) protection to any and all beneficiaries who are participating in an approved program of VR services, employment services, or other employment support services.¹⁶⁵

Explicitly state that a person entitled to benefits pursuant to expedited reinstatement is immediately eligible for a new Ticket.¹⁶⁶

Amend statute to permit the Ticket Program to increase the sum of payments for serving SSI beneficiaries to a level equal to the sum of payments for serving SSDI beneficiaries.¹⁶⁷

Beneficiaries should be eligible for more than one Ticket in a period of entitlement for SSDI/SSI benefits when their disability is likely to require some indefinite supports to remain employed (including self-employment).¹⁶⁸

Marketing and Outreach on Work Incentives

A coordinated marketing and substantial nationwide public education campaign, targeted to beneficiaries, their families and disability service providers, is needed to increase awareness of SSA's work incentives and to debunk some of the widely held misperceptions about the negative consequences of work for beneficiaries. As referenced earlier, there are substantial numbers of disability beneficiaries actively engaged in looking for work who could face greater likelihood of success if they knew what supports were available and how existing work incentives could provide an important safety net in their return to work.

Specifically the Panel recommends:

SSA should immediately develop a national marketing and public education campaign to explain available programs.¹⁶⁹

Expand resources available to broaden the impact of the work incentives planning and assistance network.¹⁷⁰

Expand resources available to broaden the impact of protection and advocacy services and supports.¹⁷¹

Improving/Simplifying Specific Work Incentives

Across the board, SSA needs to reduce the complexity and improve the consistency of work incentives for both the SSDI and the SSI programs. We are pleased to announce that the Panel, in consultation with national experts, is preparing an advice report for the President, Congress, and SSA on work incentives utilization. We will be deliberating on this report during our July 2007 quarterly meeting, and plan to publish it this summer.

This Panel is considering ten themes or high level recommendations that form an overall basis for increasing the utilization of work incentives, and more importantly, improve the employment status of beneficiaries with disabilities.

Increase awareness of beneficiaries about work incentives (including better understanding and expanding outreach efforts).

Improve the collection, organization, and use of data about work incentive utilization for decision making.

Improve SSA customer service and the knowledge base of accurate information (training and technical assistance to SSA personnel) delivered to beneficiaries.

Integrate planning and delivery of work incentive programs across the myriad of federal programs involved.

Increase the number of trained work incentive planning specialists dedicated to assisting beneficiaries.

Conduct studies and create demonstration projects to exemplify improved work incentives utilization.

Increase the limits on liquid cash and assets for the purposes of future security for beneficiaries.

Assure accessible health care as work incentives are utilized.

Reduce the risk of overpayments for beneficiaries.

Ensure that work incentives accommodate the dynamic nature of disability.

Training for Work Incentives Specialists

The Panel has continued to recommend that Congress appropriate funds for training of SSA staff and work incentives specialists to explain work incentives to beneficiaries, and is currently reviewing how beneficiary support is provided within the current field office structure.

The Panel has also supported funding private organizations to provide work incentives training and support, beginning with the Benefits Planning, Assistance, and Outreach Program and now the Work Incentives Planning and Assistance Program as well as the Protection and Advocacy for Beneficiaries of Social Security Program.

Specifically, the Panel recommends:

Congress should direct SSA to spend more on public education and field training.¹

Next Steps for Panel

The Panel's three goals are driving our work: 1) Goal 1 – Elevate and Incorporate the Beneficiary Perspective; Goal 2 – Improve Implementation and Marketing of the Ticket to Work and Work Incentives Improvement Act; and Goal 3 – Develop A National Employment Investment Strategy to Transform Approaches to Assets, Income, Health Care, and Supports for People with Disabilities that is Person-Centered, Culturally Competent, and Respectful of Each Person's Values and Experiences

The recommendations we have offered to date are part of our continuous improvement goal, and our forthcoming advice report on work incentives utilization will provide more detailed recommendations for increasing utilization of work incentives.

The Panel will also be publishing two other reports in line with our other goals. These reports will feed into our Final Report.

Beneficiary Summit Report – “Voices for Change: Beneficiaries Paving the Way to Work”

This report will include the Beneficiary summit recommendations. In addition, the Panel will be developing recommendations for ensuring beneficiary input for future policy development separate from this report.

National Employment Investment Strategy Report

The Panel recognizes that more will need to be done outside the current structure to more substantially remove barriers to work for people with disabilities. This report will lay out a comprehensive approach to promoting employment for people with disabilities – today and in the future.

¹ **Annual Report Year 2.**

Conclusion

It is essential that SSA act sooner rather than later to decrease the complexity of work incentives, to improve the consistency of work incentives for both the SSDI and the SSI programs, and to remove barriers to work. Social Security beneficiaries with disabilities have waited far too long for improvements. This urgency applies particularly to youth who are transitioning from school to work. Now is the time for SSA to integrate a return-to-work philosophy and culture into its service to the public, especially for new beneficiaries.

Thank you for this opportunity.

END NOTES

Glossary

AB	— Accelerated Benefits Demonstration Project
ADA	— Americans with Disabilities Act of 1990
AOI	— Adequacy of Incentives
AWICs	— Area Work Incentives Coordinators
BPAO	— Benefits Planning, Assistance and Outreach
BWE	— Blind Work Expenses
CDR	— Continuing Disability Review(s)
CILs	— Centers for Independent Living
CMS	— Centers for Medicare and Medicaid Services
COBRA	— Consolidated Omnibus Budget Reconciliation Act
DOL	— Department of Labor
DPNs	— Disability Program Navigator(s)
ENs	— Employment Networks(s)
EPE	— Extended Period of Eligibility
ESRs	— Employment Support Representatives
FLSA	— Fair Labor Standards Act
GAO	— Government Accountability Office
GDP	— Gross Domestic Product
HHS	— Department of Health and Human Services
HOPE	— Homeless Outreach Projects and Evaluation
IDEA	— Individuals with Disabilities Education Act
IEPs	— Individualized Education Plan(s)
IRS	— Internal Revenue Service
IRWE	— Impairment Related Work Expense
MHTS	— Mental Health Treatment Study
MIG	— Medicaid Infrastructure Grant(s)
NASI	— National Academy of Social Insurance
NCD	— National Council on Disability
NCIL	— National Council on Independent Living
NEIS	— National Employment Investment Strategy
NPRM	— Notice of Proposed Rulemaking
NTA	— National Taxpayer Advocate
OMB	— Office of Management and Budget
OPI	— Office of Public Inquiry
OQP	— Office of Quality Performance
PABSS	— Protection and Advocacy for Beneficiaries of Social Security
PASS	— Plan for Achieving Self Support
RED	— Rehabilitation Early Diversion

SGA	— Substantial Gainful Activity
SSA	— Social Security Administration
SSI	— Supplemental Security Income
SSAB	— Social Security Advisory Board
SSDI	— Social Security Disability Insurance
SVRAs	— State Vocational Rehabilitation Agencies
TESS	— Transition to Economic Self-Sufficiency
TWP	— Trial Work Period
UCP	— United Cerebral Palsy
VR	— Vocational Rehabilitation
WILs	— Work Incentive Liaison(s)
WIPA	— Work Incentives Planning and Assistance

Panel Contact Information

Ticket to Work and Work Incentives Advisory Panel

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Anyone requiring materials in alternative formats or for further information regarding this document or the Ticket to Work and Work Incentives Advisory Panel should contact the Panel staff. Records are maintained of all Panel proceedings in accordance with the Federal Advisory Committee Act and are available for public inspection at the Panel office, by appointment.

End Notes

¹ Section 2(a)(11), Public Law 106-170, “Ticket to Work and Work Incentives Improvement Act,” December 17, 1999.

² Bliley, Thomas J. Committee on Commerce, U. S. House of Representatives, Report 106-220, Part 1, “Work Incentives Improvement Act of 1999,” July 1, 1999, p. 2.

³ Section 2(a)(11), Public Law 106-170, “Ticket to Work and Work Incentives Improvement Act,” December 17, 1999.

⁴ Section 121, Public Law 106-170, “Ticket to Work and Work Incentives Improvement Act,” December 17, 1999.

⁵ Listing of the former panel members does not necessarily constitute an endorsement of recommendations included within this report. These recommendations are the result of a majority vote reached by current Panel members.

⁶ Ticket to Work and Work Incentives Advisory Panel, “UPDATE, SIMPLIFY, AND EDUCATE: A National Call to Optimize Incentives to Work,” December 2007.

⁷ Committee on Commerce, U.S. House of Representatives, Report 106-220, Part 1, “Work Incentives Improvement Act of 1999,” p. 7.

⁸ Social Security Administration, “SSA Quarterly Update to the Ticket Panel, Third Quarter 2007,” July, 2007.

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¹⁶⁵ Ticket to Work and Work Incentives Advisory Panel, Advisory Letter to Commissioner Re. NPRM on Continuation of Benefit Payments, August, 2003.

¹⁶⁶ Ticket to Work and Work Incentives Advisory Panel, Advisory Letter to Commissioner Re. NPRM on the Reinstatement of Entitlement to Disability Benefits (EXR), October, 2003.

¹⁶⁷ Ticket to Work and Work Incentives Advisory Panel, “Advice Report on Employment Networks,” February, 2004. http://www.ssa.gov/work/panel/panel_documents/reports.html

¹⁶⁸ Ticket to Work and Work Incentives Advisory Panel, “Annual Report to the President, Congress, and the Commissioner of SSA: Year Six,” Advisory Letter to Commissioner Re. NPRM September 2005 http://www.ssa.gov/work/panel/panel_documents/reports.html

¹⁶⁹ Ticket to Work and Work Incentives Advisory Panel, “Annual Report to the President, Congress, and the Commissioner of SSA: Year Three,” May, 2003. http://www.ssa.gov/work/panel/panel_documents/reports.html

¹⁷⁰ Ticket to Work and Work Incentives Advisory Panel, Letter to Sue Suter, Associate Commissioner, SSA’s Office of Employment Support Programs, February 11, 2005.

¹⁷¹ Ticket to Work and Work Incentives Advisory Panel, Letter to Congressman Shaw and Senator Grassley, November 20, 2003.