

Social Security Administration
September 2019
Annual Report on Section 234 Demonstration Projects

Section 234 of the Social Security Act (Act) gives us the authority to conduct research and demonstration projects designed to test Social Security Disability Insurance (SSDI) program changes that may encourage disabled beneficiaries to work. Congress extended this authority through December 31, 2022 in the Bipartisan Budget Act (BBA) of 2015. Section 234 of the Act requires us to report annually to Congress by September 30 of each year on the progress of the experiments and demonstration projects that we carry out under this authority. This report presents the status and findings on the following projects funded under Section 234 of the Act.

- Benefit Offset National Demonstration (BOND);
- Promoting Opportunity Demonstration (POD);
- Technical Expert Panels (TEPs) for SSDI Demonstrations; and
- Ohio Direct Referral Demonstration (ODRD).

We are also providing summaries on the following four completed projects funded under Section 234 of the Act. They are the:

- Youth Transition Demonstration (YTD);
- Benefit Offset Pilot Demonstration (BOPD);
- Accelerated Benefits Demonstration (AB); and
- Mental Health Treatment Study (MHTS).

While these four projects have technically ended, we occasionally field questions on them and include them in the report for reference purposes. If we perform additional analyses on these projects, we will include updates in future reports.

In addition, we are also providing information on other demonstration projects authorized by Section 1110 of the Social Security Act, which provides authority to conduct demonstrations of the Supplemental Security Income (SSI) program and early intervention demonstrations. Our inclusion of these projects provide a complete perspective on our interventional research supporting work for SSDI beneficiaries and SSI recipients, as well as applicants and potential applicants. These projects include the:

- Promoting Readiness of Minors in SSI (PROMISE);
- Supported Employment Demonstration (SED);
- Retaining Employment After Illness/Injury Network (RETAIN); and
- Promoting Work through Early Interventions Project (PWEIP).

For more information on these and other demonstrations, please see our webpages at <https://www.ssa.gov/disabilityresearch/demos.htm> and <https://www.ssa.gov/disabilityresearch/projects.htm>.

Finally, this report presents information on a legislative proposal included in the fiscal year (FY) 2020 President's Budget regarding our research authorities, Section 234 of the Act, which sunsets at the end of 2022, and Section 1110 of the Act.

Benefit Offset National Demonstration (BOND)

We designed BOND to test the effectiveness of benefit offset and enhanced benefit counseling to address the low rate of return to work among SSDI beneficiaries. BOND replaces the complete loss of cash benefits that occurs when a beneficiary performs substantial gainful activity (SGA) with a more gradual reduction in benefits. Under current SSDI rules, beneficiaries who are disabled may work up to nine months, called a trial work period (TWP), while they continue to receive benefits, regardless of how much they earn. After the 9-month TWP, the beneficiary begins a 36-month extended period of eligibility (EPE). During the EPE, beneficiaries who work at the SGA level will lose their entire monthly payments, except for the first three months (called the grace period) in which they continue to receive full benefits.

In the BOND project, we are testing the effect of an alternative to withholding full benefits when beneficiaries perform SGA during the EPE. When participants perform SGA after the TWP and the three-month grace period, we reduce their benefits by \$1 for every \$2 that their earnings exceed the annualized SGA threshold amount.

Project Background

The Ticket to Work and Work Incentives Improvement Act of 1999 directed us to conduct a benefit offset demonstration for SSDI. We awarded a design contract for this project in 2004. We then used a full and open competition procurement process to award a nine-year implementation and evaluation contract award in December 2009. We published a notice in the *Federal Register* announcing the BOND project in November 2010 (75 FR 71171).

Study Design

We are implementing the various treatments of the benefit offset program for SSDI-only beneficiaries and concurrent beneficiaries (i.e., those who receive both SSDI and SSI benefits based on disability) in 10 sites around the country. We selected these sites based on the geographic areas supported by our area offices within the regions.

The BOND project has two stages. Offset treatment participants in both Stage One and Stage Two will participate in BOND for a maximum of 60 months upon completion of a TWP. Participants must have completed their TWP on or before September 30, 2017 to qualify for the project. We will evaluate the effectiveness of the treatment groups by comparing employment status, earnings, and benefits paid across the different groups.

- **Stage One:** 968,530 beneficiaries (non-volunteers) assigned to two groups
 - \$1 for \$2 offset and Work Incentives Counseling or
 - Control (no offset).
- **Stage Two:** 12,744 beneficiaries (volunteers) assigned to three groups
 - \$1 for \$2 offset and Work Incentives Counseling; or
 - \$1 for \$2 offset with Enhanced Work Incentives Counseling; or
 - Control (no offset).

Progress to Date

We completed the Final BOND Evaluation Report in October 2018. In December 2018, we extended the nine-year contract to continue work incentives counseling services for those eligible to use the offset until December 31, 2022. These services will also help beneficiaries transition back to regular rules.

Findings

As of June 2019, estimates from administrative data indicate that 5,261 participants have been in offset for one month or more.

The Final BOND Evaluation Report finds:

- Absence of evidence of an increase in participants' average earnings at this time;
- Strong evidence of an increase in benefits paid;
- Strong evidence of an increase in the proportion of beneficiaries with earnings above the level at which they become eligible for the offset;
- Strong evidence of an increase in the proportion of beneficiaries employed;
- Evidence that enhanced benefits counseling services are no more effective than current services;
- Evidence of an increase in the number of overpayments, in part attributable to administrative processes for BOND participants; and
- Evidence of a decrease in the average amount of overpayments, attributable to the nature of the benefit offset.

Reports

The following reports are available on our agency's BOND website at www.socialsecurity.gov/disabilityresearch/offsetnational.htm.

- BOND Design Report
- BOND Evaluation Analysis Plan
- BOND Process Analysis Report
- BOND Stage-1 Early Assessment Report
- BOND Stage-1 First-Year Snapshot Report
- BOND Stage-1 Second-Year Snapshot Report
- BOND Stage-1 Third-Year Snapshot Report
- BOND Stage-1 (2016) Interim Process, Participation, and Impact Report
- BOND Stage-1 (2017) Interim Process, Participation, and Impact Report
- BOND Stage-2 Early Assessment Report
- BOND Stage-2 First and Second Year Snapshot Report
- BOND Stage-2 (2015) Interim Process, Participation, and Impact Report
- BOND Stage-2 (2017) Year 4 Snapshot Report
- BOND Stage-2 (2017) Interim Process, Participation, and Impact Report
- BOND Final Evaluation Report (2018)
- BOND Final Evaluation Report Appendices (2018)

Next Steps

We will continue to offset benefits and provide work incentives counseling services to participants through December 2022. These services will also focus on transitioning beneficiaries from BOND rules to current program rules.

Promoting Opportunity Demonstration (POD)

Section 823 of the BBA of 2015 amended Section 234 of the Act by instructing our agency to carry out a demonstration project testing a new \$1 for \$2 benefit offset for SSDI beneficiaries. Under current SSDI rules, beneficiaries who are disabled may work up to nine months (the TWP), while they continue to receive benefits, regardless of how much they earn. After the 9-month TWP, the beneficiary begins a 36-month EPE. During the EPE, beneficiaries who work at the SGA level will lose their entire monthly payments, except for the first three months (called the grace period) in which they continue to receive full benefits. We do not include the costs of certain impairment-related items and services needed to work when determining if a beneficiary is performing SGA.

In POD, we must offset benefits each month by \$1 for every \$2 of earnings above the greater of the TWP threshold or Impairment-Related Work Expenses (up to SGA). The TWP and EPE are eliminated under POD. Further, the BBA of 2015 states that we may terminate benefits once benefits reach \$0 under the offset; however, a beneficiary whose benefits are terminated will maintain Medicare Part A benefits for a period of no longer than 93 months after termination, or until he or she medically improves. Participation in this demonstration is voluntary and individuals can withdraw from the project at any time. We will complete POD by 2022.

We randomly assigned volunteers into one of three equal groups:

- The **control group** is subject to current program rules;
- The **first treatment group** is eligible for the offset, and if benefits are reduced to \$0 for 12 consecutive months, we will terminate benefits; and
- The **second treatment group** is also eligible for the offset, but we will not terminate benefits because of earnings from work.

The evaluation will include process, participation, impact, and cost-benefit analyses. We are conducting surveys of participants at the time of enrollment, then 12 and 24 months after enrollment.

We are implementing the project in the following States:

- Alabama (all)
- California (selected counties)
- Connecticut (all)
- Maryland (selected counties)
- Michigan (selected counties)
- Nebraska (selected counties)
- Texas (selected counties)
- Vermont (all)

In the POD sites, state vocational rehabilitation agencies or Work Incentive Planning and Assistance providers are the subcontractors providing POD-specific benefits counseling and assisting the implementation contractor to submit earnings and IRWEs to our agency to adjust benefits each month.

Progress to Date

We began designing the demonstration and developing the systems and operational processes immediately following passage of the BBA of 2015. POD officially began with the award of an evaluation contract in December 2016. We awarded a separate implementation contract in January 2017. From January 2018 through December 2018, we conducted recruitment and enrolled 10,070 beneficiaries into the demonstration. Our first follow up survey of participants is underway.

Next Steps

POD implementation will continue through June 2021 for participants. We will have an interim evaluation report in calendar year 2020 and the final evaluation report by the end of calendar year 2021.

Technical Expert Panels (TEPs) for SSDI Demonstrations

Given the strong Congressional interest in improving the labor force participation of individuals with disabilities, we plan to initiate work on several new demonstration projects to test policies to support SSDI beneficiaries' work efforts.

In preparation for these new demonstrations, we convened three TEPs. These TEPs provided independent, informed recommendations on the criteria for potential demonstration projects. These recommendations included, but were not limited to: policy alternatives; design criteria (e.g., random assignment versus quasi-experimental designs); potential populations these demonstrations should recruit; outcome measurement; and optimal length of time to field the demonstrations.

The first TEP met in February 2019 to discuss options for a demonstration supporting individuals exiting SSDI due to medical improvement. These individuals currently receive no further support from SSA and may not receive support or services from other providers. Additionally, research suggests about 20 percent of recipients will return to the program within eight years. The TEP recommended additional study about the services this population needs to support continued or improved self-sufficiency. We are proposing work on this in the 2020 budget.

The second TEP met in April 2019 to discuss a potential demonstration that would alter the incentives for representatives to work with applicants at the reconsideration level of adjudication. The TEP discussed alternatives to the current payment structure, under which representatives receive 25 percent of claimants' back benefits, up to \$6,000, as well as opportunities to improve representatives' access to case information and documentation. We plan to use both Section 1110 and Section 234 funds to design a demonstration (including any required system development) to test the effect of an alternative payment structure for representatives and access to claimants' case files on outcomes. We plan to recruit representatives to participate in the

demonstration and use random assignment to assign to study arms. We will use administrative data to determine if the new payment structure and access to files changes approval and appeal rates, adjudicative levels, processing times, and other outcomes. Because Section 234 demonstration authority sunsets after 2022, we will need an extension of 234 authority to fully implement the 234 authority portion of the demonstration.

The third TEP met in May 2019 to discuss potential options for a demonstration related to the simplification of how we treat post-entitlement earnings in the SSDI program. The TEP discussed whether SSA should continue to test offset-style demonstrations or test larger changes to the program. The TEP also discussed the value of testing the removal of all post-entitlement earnings rules as part of any test to allow us to better understand the upper limits of realistic expectations for work among beneficiaries.

Progress to Date

We have held all TEPs under this project.

The reports from these TEPs are in the links below.

[Exits from Disability Demonstration](#)

[Claimant Representative Demonstration](#)

[Post-Entitlement Earnings Simplification Demonstration](#)

Ohio Direct Referral Demonstration (ODRD)

ODRD is a joint demonstration with the Opportunities for Ohioans with Disabilities (OOD). The goal of ODRD is to test the effectiveness of providing direct referrals to vocational rehabilitation services for 18 and 19 year-olds who are, or may become, SSI or SSDI beneficiaries. The participants in the demonstration will include individuals ages 18 and 19 at the time of enrollment, who are either (1) applying for SSDI or SSI or (2) undergoing an age-18 redetermination of SSI eligibility. OOD's Division of Disability Determination (DDD) and the Bureau of Vocational Rehabilitation (BVR) will share information to conduct ODRD. SSA and OOD will each contribute its own staff time to the demonstration, and SSA will not incur additional costs.

Background

SSA is committed to improving adult employment outcomes and financial independence for SSI recipients and SSI and SSDI applicants who are in the process of transitioning to adulthood. ODRD incorporates lessons learned from SSA's YTD and the PROMISE demonstration.

This demonstration will allow SSA to learn about the effectiveness of providing direct referrals to vocational rehabilitation programs as a method of intervention for transition-aged adults who allege disabilities. This strategy may lead to decreased reliance on SSA's disability programs, thereby potentially producing long-term cost savings for the agency. SSA staff will use SSA and BVR program data to evaluate the demonstration project.

Because SSA does not have the authority to refer SSDI or SSI beneficiaries to vocational rehabilitation agencies, we will be using both of our demonstration authorities (Sections 234 and 1110) to waive this limitation.

Study Design

We will conduct this demonstration using a random assignment design. The DDD will recruit 750 participants over a 1-year period (expected to be calendar year 2020) by sending an invitation and receiving consent to participate. Under normal course of business, DDD receives medical files for disability benefit applications and continuing disability reviews under SSI or SSDI for the state of Ohio. DDD will process these cases under their normal procedures. In addition, they will periodically query their internal data system to identify claimants who would be appropriate for the demonstration because of their age and residence.

In order to recruit participants, DDD will send a document titled “Invitation and Consent to Join the Ohio Direct Referral Demonstration” to identified potential participants. The invitation and consent forms will explain the demonstration and give the potential participants information necessary for informed consent. In addition, DDD will send the potential participants an SSA-3288 form to sign for consent for DDD to transfer their contact information to BVR. This information will comprise the direct referral to BVR.

Once DDD receives consent, it will randomly assign participants to one of two groups, the usual services group (control group) and the program services group (test group). DDD will send a letter to the participants describing their group assignment, and will send SSA information identifying the participants and their group assignment.

Members of the usual services group will not receive a direct referral to BVR, but will instead receive general information about BVR’s services. Usual services group participants may contact BVR or any service provider on their own, but BVR will not initiate contact after the initial mailing of general information.

Once BVR receives information about program services group participants from DDD, BVR will contact the program service group members directly to set up an appointment. BVR will follow-up until these participants complete the initial intake appointment. If the participant is eligible for services, BVR will request medical records from DDD and provide vocational rehabilitation services until case closure. BVR will track each participant’s progress. BVR will report information about participants’ use of BVR services to SSA. SSA will provide Congress with the final report at the end of the project, which we expect be in calendar year 2022.

This project will require approval for its information collection package under the Paperwork Reduction Act (PRA). We expect to receive approval in FY 2020.

Objectives

As part of SSA’s evaluation, SSA will attempt to answer the following questions:

- How many individuals from the program services group applied for BVR services after the direct referral?
- How many individuals have employment outcomes such as job placement and earnings?

- What is the average length of time from application for BVR services to BVR's eligibility decision?
- What general vocational rehabilitation outcomes did participants achieve?
- What was the number of closed cases resulting in employment, and what was the number of cases closed for other reasons?

Next Steps and Timeline

SSA is currently working on the PRA clearance package. The recruitment will last for one year (calendar year 2020) and is expected to begin January 2020. Once recruitment and enrollment are complete, we expect to continue to conduct the evaluation over two years (calendar years 2021 and 2022), finalizing the necessary analyses and releasing reports.

SSA will not expend any additional funds for this demonstration beyond the cost for regular staff time.

Youth Transition Demonstration (YTD)

YTD is a research study that evaluated the effects of enhanced youth transition programs and modified SSI rules (waivers) on youths between the ages of 14 and 25 who have disabilities. YTD projects included service delivery systems and a broad array of services and supports to assist youth with disabilities in their transition from school to employment and to help them gain economic self-sufficiency.

Project Background

YTD began in 2003, with seven projects in six States (California, Colorado, Iowa, Maryland, and Mississippi each having one, and two projects in New York). Maryland and Iowa terminated early, while California and Mississippi completed their participation. In 2007, we piloted three new projects: one in Florida, one in Maryland, and one in West Virginia. Combined with the three projects that were still running from the original seven (one in Colorado and two in New York), we had six projects in place. These projects produced the first evaluation of the empirical evidence of the effects of youth transition programs and modified SSI work incentives.

The modified SSI program rules that we tested under YTD included the following five program waivers.

- We continued paying benefits for as long as the individual continued to be a YTD participant, despite the finding of a continuing disability review or an age-18 medical redetermination that an individual is no longer eligible for benefits.
- We applied the student earned income exclusion (Section 1612(b)(1) of the Act), which normally applies only to students who are age 21 or younger, to all participants who met school attendance requirements.
- We expanded the general earned-income exclusions guidelines. The general earned-income exclusions (Section 1612(b)(4) of the Act) permit the exclusion of \$65 plus half of what an individual earns in excess of \$65; however, for YTD, we excluded the first \$65 plus three-fourths of any additional earnings.
- We extended the SSI program's treatment of Federally-supported Individual Development Accounts (IDA) to IDAs that do not involve Federal funds.

- We modified the guidance pertaining to development of a plan to achieve self-support (PASS). Ordinarily, a PASS must specify an employment goal that refers to getting a particular kind of job or starting a particular business. For YTD, we approved an otherwise satisfactory PASS that had either career exploration or postsecondary education as its goal. Income and assets that an individual used for PASS expenses did not count when we determined SSI eligibility and payment amount.

Findings

YTD projects in Colorado and New York ended in 2010, while the Florida, Maryland, and West Virginia projects ended in 2012.

We subsequently released the following papers and reports:

- 12-month, post-random-assignment reports for all the sites to the general public;
- 24-month, post-random-assignment report covering all the sites in the February 2014 edition of the *Social Security Bulletin*; and
- Comprehensive final report of the six random assignment projects to our website in November 2014.

This demonstration produced mixed evidence on whether YTD effects on paid employment are sustainable. Two of the six projects (Florida and Bronx County, New York) showed an increase in employment three years after random assignment. New York showed positive effects on paid employment during the year after participants entered the evaluation. In Florida, 23 percent of participants in the program group worked for pay during that year, compared with just 13 percent of control group members. In the Bronx, 33 percent of program group members had paid employment, compared with 25 percent of the control group members. Participants of five of the six projects had higher total income from earnings and disability benefits in the third year after random assignment. These effects ranged from \$1,010 higher total income in West Virginia to \$1,729 higher total income in Bronx, New York. YTD showed that substantial doses of well-designed services to youth with disabilities could improve key transition outcomes in the medium term. We will follow participants using administrative data and conduct cost-benefit-analyses at specified periods, such as 5 and 10 years, to test the longer-term outcomes of these projects.

Our findings from YTD influenced the development of the PROMISE project, a joint initiative involving our agency, and the Departments of Education (ED), Health and Human Services (HHS), and Labor. PROMISE funds model demonstration projects in several States to promote positive outcomes for children with disabilities who receive SSI and their families.

Next Steps

We completed publishing policy briefs and research articles on YTD. To learn whether the interventions led to longer-term effects, we re-analyzed the data in late FY 2018 to measure any employment and program participation effects five to seven years after enrollment. The results indicated the programs had very little impact on employment after the intervention and did not find evidence of a reduction in benefits in early adulthood.

Research Products

1. Fraker, T. & Rangarajan, A. (2009). "The Social Security Administration's youth transition demonstration projects." *Journal of Vocational Rehabilitation* 30(3): 223-240.

This article describes the motivations for YTD, the study design, and the expected effects. The authors also provide an overview of each of the random-assignment sites.

<http://www.mathematica-mpr.com/~media/publications/PDFs/disability/SSAyouth.pdf>

2. Luecking, R.G. & Wittenburg, D. (2009). "Providing supports to youth with disabilities transitioning to adulthood: Case descriptions from the Youth Transition Demonstration." *Journal of Vocational Rehabilitation* 30(3): 241-251.

This article describes the variety of YTD intervention components. The authors also provide case studies describing how some individuals participating in YTD used these interventions.

<http://www.mathematica-mpr.com/~media/publications/PDFs/disability/providingsupports.pdf>

3. Croke, E.E. & Thompson, A.B. (2011). "Person centered planning in a transition program for Bronx youth with disabilities." *Children and Youth Services Review* 33(6): 810-819.

This paper describes the City University of New York's YTD project, focusing on the person-centered planning offered to treatment youths. The findings indicate that youths who participated in person-centered planning were more likely to hold at least one paid job. The article also provides recommendations to practitioners implementing person-centered planning.

www.sciencedirect.com/science/article/pii/S019074091000383X

4. Fraker, T. (2011). "The Youth Transition Demonstration: Interim Findings and Lessons for Program Implementation." Center for Studying Disability Policy Issue Brief Number: 11-04.

This brief provides an overview of YTD projects and summarizes the 1-year effects for the Phase One sites (Colorado, Bronx, New York, and Erie, New York).

<https://www.mathematica-mpr.com/our-publications-and-findings/publications/the-youth-transition-demonstration-interim-findings-and-lessons-for-program-implementation>

5. Fraker, T. (2013). "The Youth Transition Demonstration: Lifting Employment Barriers for Youth with Disabilities." Center for Studying Disability Policy Issue Brief Number: 13-01.

This brief provides an overview of YTD projects and summarizes the 1-year employment effects for all sites, focusing on the relationship between employment services receipt and actual employment.

<https://www.mathematica-mpr.com/our-publications-and-findings/publications/the-youth-transition-demonstration-lifting-employment-barriers-for-youth-with-disabilities>

6. Bucks Camacho, C. & Hemmeter, J. (2013). "Linking Youth Transition Support Services: Results from Two Demonstration Projects." *Social Security Bulletin* 73(1): 59-71.

This article presents an overview of two of the original YTD projects: California's Bridges to Youth Self-Sufficiency and Mississippi's Model Youth Transition Innovation. The authors describe these projects and the participants and report SSDI and SSI receipt and earnings up to five years after participation.

www.socialsecurity.gov/policy/docs/ssb/v73n1/v73n1p59.html

7. Hemmeter, J. (2014). "Earnings and Disability Program Participation of Youth Transition Demonstration Participants after 24 Months." *Social Security Bulletin* 74(1): 1-25.

This article presents earnings and disability program payment outcomes for youths participating in all six YTD projects in the two years after random assignment.

<https://www.ssa.gov/policy/docs/ssb/v74n1/v74n1p1.html>

8. Fraker, T., Mamun, A., & Timmins, L. (2015). "Three-Year Impacts of Services and Work Incentives on Youth with Disabilities." Center for Studying Disability Policy Issue Brief.

This brief summarizes the effects on employment three years following study enrollment.

www.disabilitypolicyresearch.org/~media/publications/pdfs/disability/ytd_3yrimpact_ib.pdf

9. Fraker, T., Luecking, R., Mamun, A., Martinez, J., Reed, D., & Wittenburg, D. (2016). "An Analysis of 1-Year Impacts of Youth Transition Demonstration Projects." *Career Development and Transition for Exceptional Individuals* 39(1): 34-46.

This article examines the effects of YTD. Based on a random assignment design, the analysis uses data from a 1-year follow-up survey and our administrative records for 5,203 youth in six research sites to estimate demonstration effects. Three of the six demonstration projects had positive effects on the rate at which youth were employed during the year after they entered the evaluation. Those effects were concentrated in sites where the projects provided more hours of services, counterfactual services were weak, and the target population of youth had more severe disabilities.

<http://journals.sagepub.com/doi/abs/10.1177/2165143414549956>

10. Cobb, J., Wittenburg, D., & Stephanczuk, C. (2018) "Possible State Interventions Options to Serve Transition Age Youth: Lessons from the West Virginia Youth Works Demonstration Project." *Social Security Bulletin* 78(3): 43-58.

The Youth Works project was one of six projects that were part of the full YTD evaluation. This article focuses on the implementation and impact findings from Youth Works to provide an important potential case study of a program and potential lessons for other States

interested in expanding services to youth with disabilities. The impact findings indicate that Youth Works increased reported use of employment services, employment, and income one year after random assignment; the impacts were large relative to previous agency demonstrations. However, the size of the impacts diminished three years following random assignment without sustainable supports in place, which underscores the potential need for follow-up supports.

<https://www.ssa.gov/policy/docs/ssb/v78n3/v78n3p43.html>

11. Fraker, T., Cobb, J., Hemmeter, J., Luecking, R., & Mamun, A. (2018) “Three-Year Impacts of Youth Demonstration Projects.” *Social Security Bulletin* 78(3): 19-41.

This article summarizes the three-year impacts of YTD. The study found statistically significant positive impacts of approximately seven percentage points on employment rates in three sites during the third post enrollment year. In two of the three sites, services had been intense relative to those of the other sites, and treatment youth were significantly more likely than control youth to have had paid work experiences during the initial post enrollment year.

<https://www.ssa.gov/policy/docs/ssb/v78n3/v78n3p19.html>

Presentations

In an effort to share our findings with policymakers, we presented our YTD findings at a variety of conferences and other arenas including:

- Association for Public Policy Analysis and Management annual conference, November 2013 and 2018;
- Division on Career Development and Transition conference, November 2012;
- Mathematica Disability Policy Forums in 2011 and 2013;
- National Transition conference, May 2012;
- Pathways to Adulthood conference, June 2012; and
- Welfare Research and Evaluation conference, May 2013.

Benefit Offset Pilot Demonstration (BOPD)

Even though we completed the four-State (Connecticut, Utah, Vermont, and Wisconsin) BOPD, we continue to disseminate the findings to policymakers.

In BOPD, we tested the feasibility of a national demonstration providing a \$1 reduction in SSDI benefits for every \$2 in earnings, in combination with employment supports. We did not design the pilot to provide nationally representative estimates. The project provided beneficiaries with a gradual reduction in their benefits, eliminating the normal sudden loss of cash benefits in the SSDI program when a beneficiary works and has earnings over a specified amount. The demonstration provided us with preliminary evidence of the potential for a benefit offset national demonstration to increase work and earnings among a select group of volunteers.

We completed the BOPD evaluation in 2010 and the four States in the pilot have all submitted their final reports. These reports are available at www.socialsecurity.gov/disabilityresearch/offsetpilot.htm.

Additional Research

While we completed the evaluation in 2010, we have used the data collected from the project to provide new information to researchers and policymakers. We do not have plans to pursue future research on the BOPD.

Research Products

1. Tremblay, T., Porter, A., Smith, J., & Weathers, R. (2011). "Effects on Beneficiary Employment and Earnings of a Graduated \$1-for-\$2 Benefit Offset for Social Security Disability Insurance." *Journal of Rehabilitation* 77(2): 19-28.

This study evaluated effects of BOPD on the employment and earnings levels of participants in Vermont. The study uses a randomized trial in which we randomly assigned volunteers either to a group receiving the benefit offset or to a control group. The findings demonstrate that an SSDI benefit offset can have a significant and enduring effect on the SGA earnings rate of certain beneficiaries, but that the effect may be limited to a subset of individuals and may increase when paired with healthcare protection. Specifically, the effect was large among SSDI beneficiaries participating in the Vermont Medicaid buy-in program. The New York Times Economix blog titled, "Moving from Disability Benefits into Jobs" featured this study (http://economix.blogs.nytimes.com/2011/04/07/moving-from-disability-benefits-to-jobs/?_php=true&_type=blogs&r=0).

<https://www.questia.com/library/journal/1G1-256602885/effects-on-beneficiary-employment-and-earnings-of>

2. Weathers II, R.R. & Hemmeter, J. (2011). "The Impact of Changing Financial Work Incentives on the Earnings of Social Security Disability Insurance (SSDI) Beneficiaries." *Journal of Policy Analysis & Management* 30(4): 708-728.

This study uses our administrative data to examine the effect of the BOPD on the employment, earnings, and benefits paid to SSDI beneficiaries in all four States. The authors show that the benefit offset policy led to a 25 percent increase in the percentage of beneficiaries in the benefit-offset group with earnings above the annualized SGA amount, or \$11,760 in 2009 dollars. However, the benefit offset actually increased benefit payments in the short run. Some members of the benefit-offset group would have their benefits suspended due to work activity under the existing rules. Under the benefit offset, they received a partial benefit payment. The benefit payments made to this group under a benefit-offset policy were larger than the reductions in benefit payments due to increased SGA under the benefit offset. While it is unclear whether this result would hold for a broader population of beneficiaries if they were to become eligible for a benefit-offset policy, the results point to another potential cost of implementing a national policy.

www.onlinelibrary.wiley.com/doi/10.1002/pam.20611/pdf

3. Chambliss, C., Julnes, G., McCormick, S., & Reither, A. (2011). "Supporting Work Efforts of SSDI Beneficiaries: Implementation of the Benefit Offset Pilot Demonstration." *Journal of Disability Policy Studies* 22(3): 179-188.

This paper focuses on the Utah pilot results. The authors report positive effects of the policy on employment outcomes for certain groups of participants. They focus on lessons learned in Utah for implementing policy initiatives with vulnerable populations (e.g., individuals with disabilities). These lessons learned cover partnering among service agencies, enhancing communication, and implementing policy innovations in complex policy environments.

<http://dps.sagepub.com/content/22/3/179.abstract>

4. Delin, B.S., Hartman, E.C., and Sell, C.W. (2015). "Given Time It Worked: Positive Outcomes From a SSDI Benefit Offset Pilot After the Initial Evaluation Period." *Journal of Disability Policy Studies* 26(3): 54-64.

This paper focuses on the Wisconsin pilot results. The authors followed participants after the pilot study period and found differences in subgroups defined by use of the TWP. While these results are unique to Wisconsin, the results suggest that it may take time for the national demonstration to measure effects.

<http://dps.sagepub.com/content/26/1/54>

Accelerated Benefits Demonstration (AB)

We developed AB to study the effects of offering newly entitled SSDI beneficiaries health insurance and employment services during the 24-month Medicare waiting period. AB provided information on the effects of altering the 24-month waiting period for hospital insurance benefits under Section 226 of the Act. It also provided information on the effects of programs that develop, perform, and otherwise stimulate new forms of rehabilitation. While not part of the original design, AB provided information on the potential effects of the Patient Protection and Affordable Care Act on individuals eligible for SSDI benefits.

The primary aim of AB was to identify the effect of health insurance coverage on the health, employment, earnings, and economic self-sufficiency of newly entitled SSDI beneficiaries who lacked health insurance coverage during the Medicare waiting period. A secondary aim was to estimate how adding rehabilitation and counseling services might increase the employment, earnings, and economic self-sufficiency of participants.

The project included three randomly assigned groups of newly entitled beneficiaries:

- AB group that received a health insurance package;
- AB Plus group that received the health insurance package plus additional rehabilitation and counseling services; and
- A control group.

The additional rehabilitation and counseling services that we provided to AB Plus participants addressed the barriers that some newly entitled beneficiaries face as they attempt to return to work.

Specifically, AB Plus participants received:

- Medical care management along with the health insurance package to treat or stabilize their disabling health condition;
- A program called the Progressive Goal Attainment Program to encourage them to participate in activities that will eventually lead to work; and
- Employment and benefits counseling services to inform them of employment services and programs.

The results from AB show that providing health insurance for newly entitled beneficiaries can lead to an increase in health care use, a reduction in unmet medical needs, and improved health; however, the results do not show any effect on short-term mortality. Additional rehabilitative services provided to these beneficiaries led to increased use of employment services and slight increases in employment and earnings levels.

We completed AB in January 2011. The final report is available at www.socialsecurity.gov/disabilityresearch/factsheets/accelerated.htm.

Additional Research

In addition to a final report, we worked with our contractors to produce policy briefs and research articles. We also presented our findings at conferences, policy forums, and other agencies. The following is a summary of our research products and presentations. We occasionally receive requests about this research and provide information about the project to researchers and policymakers. SSA is exploring options to pursue future research on the long-term impacts on health utilization and health outcome of the AB demonstration.

Research Products

1. Wittenburg, D., Baird, P., Schwartz, L., & Butler, D. (2008). "Health Benefits for the Uninsured: Design and Early Implementation of the Accelerated Benefits Demonstration." MDRC Policy Brief, New York: MDRC.

This brief provides an overview of AB and describes findings from the initial phase of enrollment from October and November 2007 and plans for full implementation.

www.socialsecurity.gov/disabilityresearch/documents/Accelerated%20Benefits%20--%20Early%20Findings.pdf

2. Wittenburg, D., Warren, A., Peikes, D., & Freedman, S. (2010). "Providing Health Benefits and Work-Related Services to Social Security Disability Insurance Beneficiaries: Six-Month Results from the Accelerated Benefits Demonstration." MDRC Policy Brief, New York: MDRC.

This brief describes the sample selected for the project and the effects on health care use and unmet medical needs during the first six months. The findings indicate that the intervention increased the use of health care services and reduced the reported unmet health care needs of the project participants.

www.socialsecurity.gov/disabilityresearch/documents/AB_brief_2_final.pdf

3. Weathers II, R.R., Silanskis, C., Stegman, M., Jones, J., & Kalasunas, S. (2010). "Expanding Access to Health Care for Social Security Disability Insurance Beneficiaries: Early Findings from the Accelerated Benefits Demonstration." *Social Security Bulletin* 70(4): 25-47.

This paper describes the logic model and recruitment process for AB. It also provides additional findings from a survey conducted six months after enrollment into the project. The findings from a survey conducted six months after enrollment indicate that AB increased access to health services, but that some participants in the control group were able to obtain health care coverage during the six-month period. The report also provides evidence that AB participants were very satisfied with the AB health plan and the other services provided as part of the project. The paper provides the public with information on the design and early implementation experience from the project.

www.socialsecurity.gov/policy/docs/ssb/v70n4/v70n4p25.pdf

4. Michalopoulos, C., Wittenburg, D.C., Israel, D.A.R., & Warren, A. (2012). "The Effects of Health Care Benefits on Health Care Use and Health: A Randomized Trial for Disability Insurance Beneficiaries." *Medical Care* 50(9): 764-771.

This paper focuses on the effect of the AB health benefit package on increasing health care use and reductions in unmet medical needs during the waiting period. When compared to the control group, beneficiaries who had access to the AB health insurance package experienced a 22 percentage point increase in the number who received a diagnostic test and a 10 percentage point increase in the number who underwent surgery. The health care package also led to an 18-percentage point reduction in beneficiaries reporting any unmet medical need and a 40-percentage point reduction in beneficiaries reporting an unmet need for a prescription drug. The findings quantify the importance of health insurance on access to needed health care during the waiting period.

http://journals.lww.com/lww-medicalcare/Abstract/2012/09000/The_Effects_of_Health_Care_Benefits_on_Health_Care.3.aspx

5. Weathers II, R.R. & Stegman, M. (2012). "The effect of expanding access to health insurance on the health and mortality of Social Security Disability Insurance beneficiaries." *Journal of Health Economics* 31(6): 863-875.

This paper focuses on the effect of the AB health insurance package on health outcomes within one year of enrollment into the project and mortality within three years of enrollment. When compared to the control group, SSDI beneficiaries who had access to the AB health insurance package experienced a 10-percentage point reduction in the report of poor health.

They also experienced a 9 percentage point reduction in SF-36 (a survey that measures functional health and well-being) mental health scores indicative of clinical depression, and a 7 percentage point reduction in SF-36 scores indicative of an SSDI disability. The AB health insurance package did not have an effect on mortality within a three-year follow-up period. However, the effects on health suggest that health insurance may reduce mortality over a longer period.

The findings suggest that the health insurance provisions under the Affordable Care Act will help some individuals address their disabling health conditions and could reduce their dependence on the SSDI program.

www.sciencedirect.com/science/article/pii/S0167629612001130

6. Weathers II, R.R. & Stegman, M. (2014). "The Impact of Rehabilitation and Counseling Services on the Labor Market Activity of Social Security Disability Insurance (SSDI) Beneficiaries." *Journal of Policy Analysis and Management* 33(3): 623-648.

This paper describes the effect of the additional employment services provided to AB Plus participants on their labor market activity. Our results indicate that the program led to a 4.6-percentage point increase in the receipt of employment services within the first year of random assignment and a 5.1 percentage point increase in participation in the agency's Ticket to Work program within the first three years of random assignment. The program led to a 5.3 percentage point increase in employment and an \$831 increase in annual earnings in the second calendar year after the calendar year of random assignment. The short-term effects disappear in the third calendar year following random assignment. We identify SSDI program rules that are consistent with our findings and relate our findings to recent disability policy proposals.

<http://onlinelibrary.wiley.com/doi/10.1002/pam.21763/abstract>

7. Weathers II, R.R. & Bailey, M.S. (2014). "The Accelerated Benefits Demonstration: Impacts on the Employment of Disability Insurance Beneficiaries." *The American Economic Review: Papers and Proceedings* 104(5): 336-341.

In this paper, we use AB demonstration project data to estimate the effects of providing newly entitled SSDI beneficiaries with health insurance and additional services during the SSDI program's 24-month Medicare waiting period. While health insurance alone did not increase employment, the additional employment services appeared to have positive short-term effects on labor market activity. We find a statistically significant increase in employment and earnings in the second calendar year after random assignment, although these findings disappear in the third calendar year. Our results may have implications for disability reform proposals and provisions within the Affordable Care Act.

www.aeaweb.org/articles.php?doi=10.1257/aer.104.5.336

Presentations

We presented our findings on the effect of AB on the employment of SSDI beneficiaries at the American Economic Association's annual meeting in Philadelphia, Pennsylvania on January 4, 2014.

Mental Health Treatment Study (MHTS)

Even though we completed the MHTS in July 2010 and submitted the final report in 2011, we continue to research the study population and to conduct outreach activities to promote best practices and encourage additional research in this area. Study reports are available at www.socialsecurity.gov/disabilityresearch/mentalhealth.htm.

Disabled workers with mental illness, excluding those with an intellectual disability, represent about 26 percent of SSDI beneficiaries. Many persons with mental illness want to work and will respond to treatment. In the MHTS, we tested the effectiveness of providing quality medical care and employment support in facilitating the return to work for a sample of SSDI beneficiaries with schizophrenia or affective disorders.

The study found that the MHTS package of interventions (e.g., systematic medication management, supported employment, services of a nurse-care coordinator) resulted in overall better outcomes for the treatment group over the control group. For example, the MHTS services resulted in fewer hospitalizations and improved quality of life, as well as increased employment, hours of work, and earnings. However, monthly earnings among beneficiaries receiving the MHTS services were generally below the SGA level. We found that the MHTS services had no effect on increasing earnings above SGA or on reducing SSDI benefit payments among beneficiaries.

Additional Research

We currently have a contract with the original contractor to continue to maintain the MHTS data. In conjunction with that research, the National Institute of Mental Health awarded a grant to several researchers to analyze Centers for Medicare and Medicaid Services data on MHTS participants. We are working with those researchers to conduct this research. Additionally, work is being conducted under the Retirement and Disability Research Consortium to study the long-term employment and earnings outcomes of MHTS participants. This ongoing arrangement has resulted in multiple publications that advance findings from the MHTS.

The planned research includes analyzing MHTS effects on employment and the implications of these impacts on the length of employment, job stability, level of work participation, and types of jobs. The researchers will also analyze factors associated with job attainment, job retention, and job quality, and investigate the effects of education and previous employment on employment, health, and functioning. To date, the researchers have produced 11 papers for publication.

1. Frey, W., Azrin, S., Goldman, H. H., Kalasunas, S., Salkever, D., Miller, A., Bond, G. & Drake, R. E. (2008). "The Mental Health Treatment Study." *Psychiatric Rehabilitation Journal* 31(4): 306-312.

SSDI beneficiaries with primary psychiatric impairments comprise the largest, fastest growing, and most costly population in the SSDI program. This paper describes the MHTS, which provided a comprehensive test of the hypothesis that access to evidence-based employment services and behavioral health treatments, along with insurance coverage, can enable SSDI beneficiaries with psychiatric impairments to return to competitive employment.

<http://psycnet.apa.org/fulltext/2008-05200-008.html>

2. Drake, R., Frey, W., Bond, G.R., Goldman, H.H., Salkever, D., Miller, A., Moore, T.A., Riley, J., Karakus, M., & Milfort, R. (2013). "Assisting Social Security Disability Insurance Beneficiaries With Schizophrenia, Bipolar Disorder, or Major Depression in Returning to Work." *American Journal of Psychiatry* 170: 1433-1441.

Overall, 2,059 SSDI beneficiaries with schizophrenia, bipolar disorder, or depression in 23 cities participated in the MHTS. The teams implemented the intervention package with acceptable fidelity. The intervention group experienced more paid employment (60.3% compared with 40.2%) and reported better mental health and quality of life than the control group.

<http://ajp.psychiatryonline.org/doi/abs/10.1176/appi.ajp.2013.13020214>

3. Salkever, D.S., Gibbons, B., Frey, W.D., Milfort, R., Bollmer, J., Hale, T.W., Drake, R.E., & Goldman, H.H. (2014). "Recruitment in the Mental Health Treatment Study: A Behavioral Health/Employment Intervention for Social Security Disabled-Worker Beneficiaries." *Social Security Bulletin* 74(2): 27-46.

This paper reports on the recruitment patterns for the MHTS, including assessment of take-up rates, and a statistical analysis of the relationships between beneficiaries' characteristics and the probability of enrollment. Results indicated that take-up rates among potential MHTS subjects with confirmed telephone contacts met or exceeded rates for previous agency-randomized trials, and beneficiaries with administrative records of recent vocational or labor-market activity were most likely to enroll. The authors discuss implications of their analyses on recruitment in similar interventions in the future.

www.socialsecurity.gov/policy/docs/ssb/v74n2/v74n2p27.html

4. Salkever, D.S., Gibbons, B., Drake, R., Frey, W.D., Hale, T.W., & Karakus, M. (2014). "Increasing Earnings of Social Security Disability Income Beneficiaries with Serious Mental Disorders." *Journal of Mental Health Policy and Economics* 17(2): 75-90.

Persons with severe and persistent mental disorders have extremely low earnings levels and account for 29.1 percent of all SSDI disabled worker beneficiaries under age 50. This paper provides the results of the MHTS, which show significant positive earnings impacts.

<http://www.pubfacts.com/detail/25163103/Increasing-earnings-of-social-security-disability-income-beneficiaries-with-serious-mental-disorder>

5. Salkever, S., Gibbons, B. & Ran X. (2014). "Do Comprehensive, Coordinated, Recovery-Oriented Services Alter the Pattern of Use of Treatment Services? Mental Health Treatment

Study Impacts on SSDI Beneficiaries' Use of Inpatient, Emergency, and Crisis Services.” *Journal of Behavioral Health Services and Research* 41(4): 434-446.

Current arrangements for financing and delivering behavioral health services to U.S. working-age adults with severe and persistent mental disorders (SPMD) have major inadequacies in funding for and access to critical elements of a recovery-oriented, comprehensive, and coordinated package of community-based treatment and rehabilitation services. This study presents results from a nation-wide 2-year randomized trial, involving 2,238 SSDI beneficiaries with SPMD, of a comprehensive intervention including evidence-based treatment and employment services. Estimates of impacts of the MHTS service intervention package, from a variety of regression specifications, showed clearly significant treatment group reductions in four outcomes (hospital stays and days, emergency room (ER) visits for mental health problems, and psychiatric crisis visits); these estimates suggest annual inpatient hospital treatment cost savings in excess of approximately \$900 to \$1,400. Negative estimated MHTS effects on three other utilization outcomes (hospital stays and days for mental health problems, and overall ER visits) generally did not achieve statistical significance. Possible study implications for cost offsets from further expansions/replications of the MHTS intervention model are considered within the context of health reform.

<http://link.springer.com/article/10.1007/s11414-013-9388-1>

6. Milfort, R., Drake, R.E., Bond, G.R., McGurk, S.R. (2015). “Barriers to Employment Among Social Security Disability Insurance Beneficiaries in the Mental Health Treatment Study.” *Psychiatric Services* 66(12): 1350-1352.

This study examined barriers to employment among SSDI beneficiaries who received comprehensive vocational and mental health services, but were not successful in returning to work. Researchers identified three contributing factors: 1) poorly controlled symptoms of mental illness (55%), 2) nonengagement in supported employment (44%), and 3) poorly controlled general medical problems (33%). The study identified other factors less frequently.

<http://ps.psychiatryonline.org/doi/full/10.1176/appi.ps.201400502>

7. Luciano, A., Metcalfe, J., Drake, R.E., Bond, G.R., Miller, A.L., Riley, J., & O'Malley, A.J. (2016). “Hospitalization Risk Before and After Employment Among Adults With Schizophrenia, Bipolar Disorder, or Major Depression.” *Psychiatric Services* 67(10): 1131-1138.

The influence of employment on subsequent psychiatric hospitalization for people with serious mental illness is unclear. This study examined whether unemployed people with serious mental illness in the MHTS were more or less likely to experience psychiatric hospitalization after gaining employment. The conclusion is that unemployed outpatients with serious mental illness were less likely to experience psychiatric hospitalization after gaining employment.

<http://ps.psychiatryonline.org/doi/full/10.1176/appi.ps.201500343>

8. Drake, R.E., Frey, W., Karakus, M., Salkever, D., Bond, G.R., & Goldman, H.H. (2016). "Policy Implications of the Mental Health Treatment Study." *Psychiatric Services* 67(10): 1139-1141.

The MHTS produced positive mental health, employment, and quality of life outcomes for people on SSDI. The investigators discuss major policy implications. First, because integrated, evidence-based mental health and vocational services produced clinical and societal benefits, the authors recommend further service implementation for this population. Second, because provision of these services did not reduce SSDI rolls, the authors recommend future research on prevention (helping people avoid needing SSDI) rather than rehabilitation (helping beneficiaries leave SSDI). Third, because integrating mental health, vocational, and general medical services was extremely difficult, the authors recommend a multifaceted approach that includes streamlined funding and infrastructure for training and service integration. Fourth, because insurance coverage for people with disabilities during the MHTS (pre-Affordable Care Act) was chaotic, the authors recommend that financing strategies emphasize functional—not just traditional clinical—outcomes.

<http://ps.psychiatryonline.org/doi/full/10.1176/appi.ps.201500336>

9. Metcalfe, J., Drake, R.E. & Bond, G.R. (2017). "Predicting Employment in the Mental Health Treatment Study: Do Client Factors Matter?" *Administration and Policy in Mental Health and Mental Health Services Research* 44(3): 345-353.

This study examined a battery of potential client predictors of competitive employment, testing the hypothesis that evidence-based supported employment would mitigate the negative effects of poor work history, uncontrolled symptoms, substance abuse, and other client factors. For those who received the intervention package provided in the Mental Health Treatment Study, factors commonly considered barriers to employment, such as diagnosis, substance use, hospitalization history, and misconceptions about disability benefits, often had little or no impact on competitive employment outcomes.

<https://link.springer.com/article/10.1007/s10488-016-0774-x>

10. McGurk, S.R., Drake, R.E., Xie, H. Riley, J., Milfort, R., Hale, T.W., & Frey, W. (2018). "Cognitive Predictors of Work Among Social Security Disability Insurance Beneficiaries With Psychiatric Disorders Enrolled in IPS Supported Employment." *Schizophrenia Bulletin* 44(1): 32-37.

This study explored cognitive predictors of work in a diagnostically mixed sample of people with major mood and schizophrenia spectrum disorders. The findings suggest cognitive functioning contributes to competitive work outcomes in persons with psychiatric disorders who have relatively unimpaired cognitive abilities, even under optimal conditions of treatment and vocational support.

<https://academic.oup.com/schizophreniabulletin/article-abstract/44/1/32/4098820?redirectedFrom=fulltext>

11. Metcalfe, J. D., Riley, J., McGurk, S., Hale, T., Drake, R.E., & Bond, G.R. (2018). "Comparing Predictors of Employment in Individual Placement and Support: A Longitudinal Analysis." *Psychiatry Research* 264: 85-90.

This study assessed the effects and relative contributions of predictors of employment among Individual Placement and Support (IPS) recipients using measures of baseline client characteristics, local economic context, and IPS fidelity in the MHTS. A recent work history, less time on the Social Security rolls, greater cognitive functioning, and a lower local unemployment rate were associated with greater probability of employment.

<https://www.sciencedirect.com/science/article/pii/S0165178117322382>

Next Steps

Research and publications under these agreements have been wide ranging, and included work on: 1) participation and uptake rates for the demonstration project; 2) impacts on earnings from the intervention versus treatment as usual; 3) barriers to employment for SSDI beneficiaries; 4) risk factors for psychiatric hospitalization for SSDI beneficiaries; 5) the importance of client factors in employment; and 6) the role of cognitive functioning in employment for people with serious mental illness. As researchers publish their papers, we will continue to share the results with public and private organizations interested in the findings.

Promoting Readiness of Minors in SSI (PROMISE)

PROMISE is a joint pilot demonstration project with ED, HHS, and Labor. The goal of PROMISE is to test interventions that improve the health, education, and post-school outcomes of children who receive SSI resulting in long-term reductions in the child's reliance on SSI. In addition to providing support for the youths' education and employment outcomes, we also hope to improve family or household outcomes through improved services and supports, such as education and job training for parents.

Background

In FY 2013, ED's Office of Special Education and Rehabilitation Services awarded cooperative agreements to five states (Arkansas, California, Maryland, New York, and Wisconsin) and one consortium of six states (Arizona, Colorado, Montana, North Dakota, South Dakota, and Utah). The States used these funds to improve the provision and coordination of services intended to improve education and employment outcomes for which children receiving SSI and their families are already eligible. These services were available through the Individuals with Disabilities Education Act, the Vocational Rehabilitation State Grants program, Medicaid's care coordination services, Job Corps, and other Workforce Investment Act programs.

Study Design

Developing and conducting a rigorous evaluation to guide implementation and gather policy-relevant evidence is a key component of PROMISE. Each project enrolled at least 2,000 SSI recipients aged 14-16, and their families. Participants were randomly assigned to either a

treatment group (which received program services) or a control group (which received the usual services available in their communities).

The evaluation includes process, impact, and cost-benefit analyses. We conducted surveys of participating youth 18 months after enrollment and have begun a second survey 60 months after enrollment, which, when combined with administrative data, management information, and focus groups, will inform these analyses.

Findings

The following reports are available on our agency's PROMISE website at www.socialsecurity.gov/disabilityresearch/promise.htm.

- Evaluation Design Report
- Initial Sampling and Survey Plans
- 60-Month Sampling and Survey Plan
- Maryland PROMISE Process Analysis
- Wisconsin PROMISE Process Analysis
- Arkansas PROMISE Process Analysis
- New York State PROMISE Process Analysis
- California PROMISE Process Analysis
- ASPIRE Process Analysis
- PROMISE Effective Practices
- PROMISE and federal programs
- Interim Services and Impact Report and Technical Appendix

Next Steps

The ED-funded sites ceased serving youth and their families by the end of FY 2019, but some may continue administrative activities into FY 2020. We will continue the 60-month survey into FY 2021 and will receive the final impact analysis in FY 2022.

Research Products

In addition to the reports prepared by our contractor, several of the PROMISE States plan to conduct their own research. We will identify those papers in future versions of this report.

ED hosted a panel on PROMISE in April 2019 presenting the accomplishments and challenges of the projects.

Supported Employment Demonstration (SED)

Project Background

The SED is a demonstration project that evaluates whether offering an evidence-based package of integrated vocational, medical, and mental health services to recently denied disability applicants fosters employment that contributes to self-sufficiency, improved mental health and quality of life, and a reduced demand for disability benefits. The demonstration focuses on individuals with mental illness under the age of 50 who applied for SSI or SSDI benefits and

received initial denials. SSA awarded a contract to implement and evaluate the SED in August 2016. Recruitment started in November 2018 and ended in March 2019. SED will operate through August 2022.

Eligible individuals live within catchment areas of one of 30 community mental health centers (20 urban and 10 rural) distributed across the United States. Recently denied applicants in 20 states (California, Colorado, Florida, Illinois, Kansas, Kentucky, Massachusetts, Maryland, Michigan, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, South Carolina, Tennessee, Texas, Washington, and Wisconsin) received invitation letters to participate in the SED. Participation in the SED is voluntary, and the contractor obtained informed written consent from all enrollees. Participants receive services for 36 months.

The contractor worked with cooperating community health centers to recruit and randomly assign 3,000 enrollees into one of three groups: 1) the Full-Service Treatment Group; 2) the Basic Service Treatment Group; or 3) the Control Group (usual services). Participants assigned to the Full Treatment Group receive IPS employment services, services of a nurse care coordinator, systematic medication management, and assistance with cost sharing for medications and for behavioral health and work-related expenses. Participants assigned to the Basic Service Treatment Group also receive the IPS services and assistance with behavioral health and work-related expenses, but do not receive the services of a nurse care coordinator or systematic medication management. Participants assigned to the control group have access to all standard behavioral health or employment-related services available at other community health centers and receive a local Community Resources information book to identify where other services are available.

Near the end of the first year of implementation, the contractor held a meeting with the SED site directors and state vocational rehabilitation and mental health agency leaders to build a research community and ensure the sites were uniformly applying the study protocol. Communication and outreach between the contractor, the SED sites, and actors in the emerging network are ongoing.

Next Steps

The contractor and all SED sites are currently delivering services, while implementation and evaluation activities will continue through FY 2021. SSA plans to receive the final evaluation report for the SED in late FY 2022.

Retaining Employment and Talent After Injury/Illness Network (RETAIN)

RETAIN is a joint demonstration with the Department of Labor (DOL) that will test promising early intervention approaches to improve the labor force participation and retention of individuals with recently-acquired injuries and disabilities and to reduce their future need for Social Security disability benefits. DOL is funding the intervention approaches and the programmatic technical assistance for the demonstration. SSA is funding the evaluation of the demonstration, including evaluation-related technical assistance.

Background

The projects that will be considered and implemented as part of RETAIN are modeled after promising programs operating in Washington State, including the Centers of Occupational Health and Education (COHE), the Early Return to Work (ERTW), and the Stay at Work programs. While the programs in Washington state have primarily been in the workers' compensation system, RETAIN is expanding these types of services to people who are in the labor force and experience an occupational or non-occupational injury or illness.

Central to these projects is the early coordination of health care and employment-related support and services to help injured or ill workers remain in the workforce. Projects are directed to use their funds to create an integrated network of partners to provide services that must include workforce development entities, health care systems/provider networks, and other partners as appropriate.

The primary goals of RETAIN are:

- To increase employment retention and labor force participation of individuals who acquire, and/or are at risk of developing, work disabilities; and
- To reduce long-term work disability among project participants, including the need for SSDI and SSI.

The demonstration includes two phases. In Phase 1, DOL is funding the implementation and programmatic assistance for eight states to conduct the planning and start-up activities, including the launch of a small pilot demonstration. At the end of Phase 1, a subset of the Phase 1 awardees may be competitively awarded to fully implement their projects in Phase 2.

RETAIN Phase 1 Recipients

- California Employment Development Department
- Connecticut Department of Labor
- Kansas Department of Commerce
- Kentucky Department of Workforce Investment
- Minnesota Department of Employment and Economic Development
- Ohio Department of Job and Family Services
- Vermont Department of Labor
- Washington Employment Security Department

Study Design

Developing and conducting a rigorous evaluation to guide implementation and gather policy-relevant evidence is a key component of RETAIN. During Phase 1, SSA's evaluation contractor will finalize the evaluation design for each of the RETAIN projects. We expect to utilize experimental evaluation design, either by randomizing at the individual level or provider level for nearly all of the projects. The current plan is to evaluate the Connecticut RETAIN demonstration project using a regression discontinuity model.

The evaluation includes process, participation, impact, and cost-benefit analyses. We will conduct two rounds of surveys for both enrollees and health care providers. The survey data,

combined with SSA administrative data, state-level administrative data, management information, and site-visits will inform these analyses.

Next Steps

The Phase 1 recipients started piloting their programs in early summer of FY 2019. Prior to the start of Phase 2, the evaluation contractor will compile an evaluability assessment report that summarizes each state's performance to date in Phase 1 as well as their plans for Phase 2. This assessment will highlight each project's strengths and weaknesses, ability to implement a rigorous evaluation design, and likelihood of producing information about the primary goals of RETAIN. DOL will use this report and a programmatic readiness report that DOL's programmatic Technical Assistance contractor compiles, to determine which of the Phase 1 awardees we will fund for Phase 2. We expect to receive an early assessment report and a process report in FY 2021, and the final impact report in FY 2023. We will post all of the major reports to the RETAIN page on SSA's website.

Promoting Work through Early Interventions Project (PWEIP)

The President's FY 2019 budget included \$25 million of Section 1110 funds for SSA and the Administration for Children and Families (ACF) to conduct a new early intervention project within HHS. The goal of the PWEIP is to foster a better understanding of the effects of early interventions that aim to improve the employment and economic outcomes of low-income individuals with little or no work history, current or foreseeable disabilities, and ties to the U.S. safety net, who have not yet applied for SSI. SSA and ACF will support rigorous evaluation of existing early interventions and work models.

Background

As part of this multi-year effort, SSA will support the evaluations and/or service provisions of two existing ACF projects, the Building Evidence on Employment Strategies for Low-Income Families (BEES) project and the Next Generation of Enhanced Employment Strategies (NextGen) project. The BEES project supports states in moving towards rigorous evaluations of innovative programs designed to promote employment and build self-sufficiency for low-income individuals. It prioritizes the evaluation of efforts, which work with individuals who struggle with opioid dependency, abuse of other substances, and/or mental health issues. Interventions for evaluation may also include programs that serve Temporary Assistance for Needy Families (TANF) recipients or, more broadly, individuals and their families who are at risk of TANF dependency. NextGen builds on the BEES project by expanding the focus to a broader population with ties to multiple U.S. safety net programs. The project will evaluate the effectiveness of innovative employment interventions for highly vulnerable populations with complex barriers to employment.

The SSA/ACF partnership aims to be mutually beneficial and synergistic. SSA has authority to use its Section 1110 funds to support program services and evaluation activities while ACF can use its Section 413 funds for only evaluation activities. ACF will contribute a minimum of \$40 million for program evaluation services and serve as the federal lead of BEES/NextGen project management and contract oversight. SSA is transferring \$25 million of Section 1110 funds to

ACF to support program services and improve the evaluability of ACF projects that are of value to SSA. In addition, SSA will provide technical assistance and exchange data with ACF to support rigorous evaluations and research that will inform both agencies and contribute meaningfully to the broader field of disability and self-sufficiency research.

Through the PWEIP partnership, SSA and ACF will be able to scale innovative programs and to prepare them for rigorous evaluations. SSA is interested in understanding the types of interventions that effectively connect or reconnect potential SSI applicants to work. SSA does not typically have a method for identifying these individuals before they apply for benefits; ACF brings expertise in identifying such individuals. ACF is interested in understanding what types of interventions improve outcomes for individuals with complex barriers to employment, including disabilities; however, many innovative programs for this population have been too small for rigorous impact evaluation. By the conclusion of the PWEIP in 2023, SSA and ACF aim to generate findings that will inform both agencies and contribute meaningfully to the broader field of disability and self-sufficiency research.

Study Design

SSA and ACF will support rigorous evaluation of existing employment support and training programs informed by evidence and shown to be promising for SSA and ACF's population of interest. The BEES project will involve up to 21 programs while the NextGen effort will involve up to 9 programs. ACF evaluation will randomly assign participants of BEES/NextGen programs to a treatment or a control group. The control group will receive the services and interventions normally offered by a given program. The treatment group will receive services offered as a part of early intervention(s) and work model(s) tested under a specific PWEIP program. Evaluations of each program will include impact evaluation and implementation research. A select number of evaluations will also include cost analysis. ACF contractors will conduct baseline, interim, and final surveys of participants at the time of enrollment, 12 months later, and at the conclusion of the testing period, respectively. ACF will implement the PWEIP across various states and regions.

Progress to Date

In 2017 and 2018, the ACF's Office of Planning, Research, and Evaluation awarded contracts for BEES and NextGen, respectively. Since June 2018, SSA and ACF analysts have held monthly workgroup meetings to negotiate project parameters to support partner's priorities and interests, and to plan project program and evaluation activities. On a rolling basis, ACF has shared initial program proposals with SSA. SSA is developing a Jointly Financed Cooperative Arrangement (JFCA) to facilitate the exchange of funds and data, and to ensure the fulfillment of SSA and ACF's priorities and interests.

Next Steps

SSA and ACF will finalize the JFCA and transfer funds by October 1, 2019. By December 2020, ACF and SSA will complete most of their program identification, assessment and selection activities as well as decisions about the use of SSA funds. ACF and its contractors will begin finishing their design and conduct evaluations during 2022. ACF will conclude PWEIP analyses and deliver a final evaluation report by the end of 2023.

Legislative Proposal for Expanded Research Authority

In order to conduct demonstrations that test substantive changes to program rules, SSA would require an expansion in the scope and time period of our current demonstration authorities. Our current authority to conduct tests of changes to SSDI program rules (Section 234) sunsets after December 31, 2022. Our authority to conduct tests of changes to the SSI program and early intervention demonstrations does not allow us to carry out projects that would result in a substantial reduction in an individual's total income and resources as a result of participation in the project. Additionally, both Section 234 and Section 1110 of the Act require voluntary, revocable, informed, written consent.

These limitations preclude our ability to test policies that may be of interest to policymakers, such as time-limited benefits or requiring participation in employment services, which may sustain these programs for future generations. We are also limited in our ability to assess how program changes might affect people beyond the subset of the population who volunteered. As a result, the impacts are not easily generalizable to the national population and may not provide the adequate understanding required to make informed decisions about broader policy changes.

In the FY 2020 President's Budget, we included a proposal to expand our authorities to allow us, in limited circumstances, to conduct demonstrations with mandatory participation. We also included a proposal to extend our Section 234 authority to 2032 to allow us the time and ability to better identify potential program designs and provide a solid basis for permanent reforms to the programs.

Conclusion

These demonstration projects allow us to explore ways to help beneficiaries enter or re-enter the workforce. We appreciate your support of our efforts to maximize the self-sufficiency of beneficiaries with disabilities.