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WORK INCENTIVES PLANNING AND ASSISTANCE PROGRAM: CURRENT PROGRAM RESULTS DOCUMENT THE PROGRAM'S ABILITY TO IMPROVE EMPLOYMENT OUTCOMES, REDUCE DEPENDENCE ON BENEFITS, AND GENERATE COST SAVINGS FOR SSA

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Work Incentives Planning and Assistance Program: Current Program Results Document the Program's Ability to Improve Employment Outcomes, Reduce Dependence on Benefits, and Generate Cost Savings for SSA

INTRODUCTION

Social Security Disability beneficiaries and other individuals with disabilities have been disproportionately affected by the recent recession. The employment participation of individuals with disabilities is actually declining. At the same time, the rate at which individuals with disabilities are applying for and being awarded disability benefits is increasing rapidly. The number of individuals in Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) is at an all time high and 2010 SSI and SSDI expenditures exceeded $160 billion.

Number of SSA Beneficiaries - As of March 2011, 13.4 million individuals were receiving disability benefits. Of those, 7.5 million received Title II benefits only, 4.4 million received Supplemental Security Income (SSI) only, and 1.5 million received both SSI and Title II benefits (SSA 2011).

> **Supplemental Security Income** is an income supplement program for individuals with little or no income and usually minimal prior work experience. It is a means-tested program; that is, eligibility is subject to strict income and resource limits. SSI is funded by general tax revenues.
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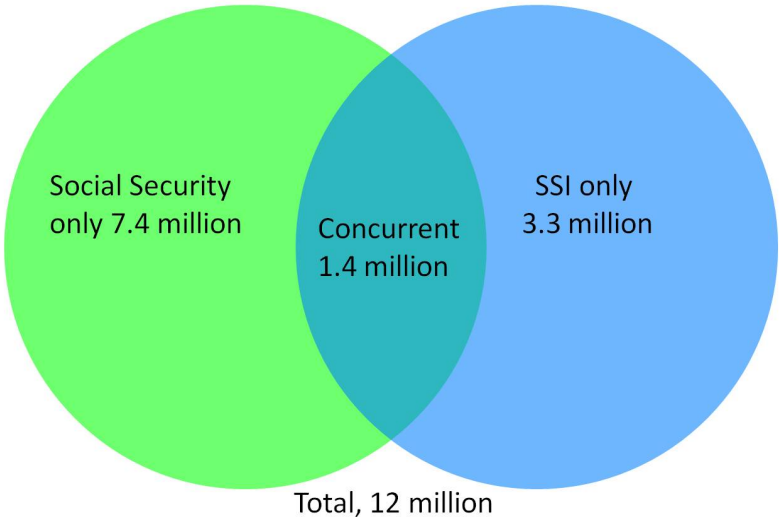
> **Social Security Disability Insurance** is an income replacement program for individuals with prior work histories who have acquired serious long-term disabilities. SSDI is funded through the Social Security Trust Fund.



SSI and SSDI are vitally needed programs that form a basic safety net for individuals who were born with serious lifelong disabilities or who acquired serious medical conditions through injuries or illnesses. The need for and importance of these programs are as important as every more. Poverty rates among individuals with disabilities are extremely high, with nearly one in three SSDI beneficiaries and three of four SSI beneficiaries living under poverty thresholds.

Percentage and Number of SSDI and SSI Beneficiaries Living in Poverty		
Group	**Poverty Rate**	**Number in Poverty**
All Persons 16 to 64 with Disabilities	25%	24,600,000
SSDI Beneficiaries 16 to 64	31%	2,325,000
SSI Beneficiaries 1 to 64	72%	3,170,000

Despite their challenging circumstances, millions of Social Security Administration (SSA) beneficiaries have clear work aspirations or have established vocational goals. Many of these individuals are also either currently employed, receiving vocational training, or have recently engaged in job seeking activities.

Employment Status of SSA Beneficiaries

Individuals with disabilities who receive SSI or SSDI are frequently viewed as unemployable, when in reality millions of SSA beneficiaries have clear goals to enter the workforce and reduce their reliance on disability benefits. In terms of the likelihood for engaging in employment or reentering the workforce, the 13.4 million beneficiaries can be divided into two main groups. In terms of the likelihood for engaging in employment or reentering the workforce, the 13.4 million beneficiaries can be divided into two groups.

> **Individuals with No Immediate Plans for Employment (8.1 Million Beneficiaries)** - Many SSA disability beneficiaries are gravely ill and are currently battling life threatening diseases or medical conditions, or are living with serious, long-term health impairments that preclude their ability to work at this time. For these individuals, SSA disability benefits provide a crucial safety net that provides assistance with their basic needs. They do not see themselves as working in the immediate future, although their goals could change should their health condition improve.
>
> **Individuals Employed or Seeking Employment (5.3 Million Beneficiaries)** - Many SSA disability beneficiaries desire to work despite their current health conditions and the significant obstacles when attempting to secure employment. Yet this group, which comprises 40 per cent of all SSA disability beneficiaries, are "work oriented" beneficiaries who (1) have a clear goal to enter or reenter the workforce, or (2) have engaged in employment related activities in the 12 months.

Translated into actual numbers, it is estimated that 2.7 million beneficiaries have work goals or aspirations and an additional 2.6 million beneficiaries have, but have also been employed or looked for work in the prior 12 months. **These 5.3 million individuals should be the primary focus of SSA employment and work incentive initiatives.**

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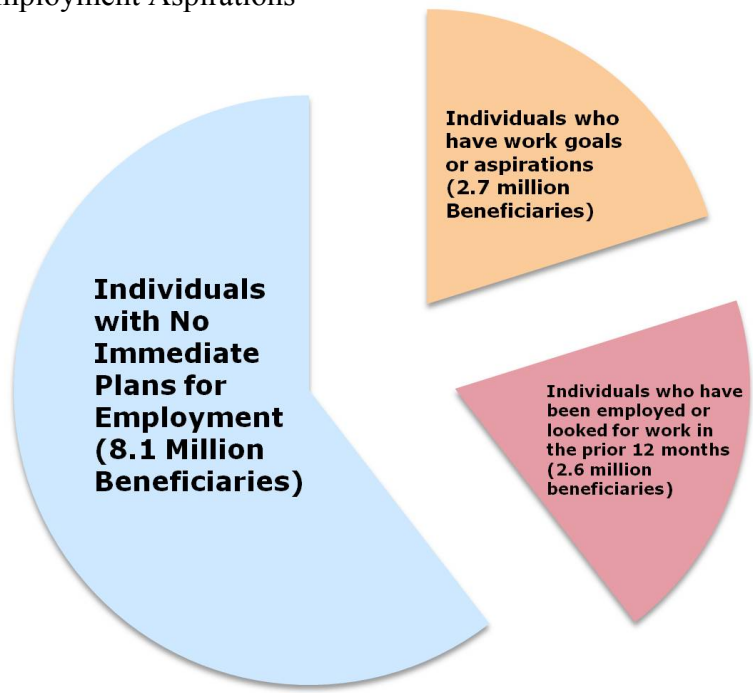
Beneficiary Employment Aspirations



Current Programs Needlessly Penalize Beneficiaries who Choose to Work
SSA beneficiaries seeking employment include those with minimal prior work histories attempting to obtain employment for the first time (generally SSI beneficiaries) and those who are attempting to work after acquiring a severe injury or debilitating illness (usually SSDI beneficiaries). These individuals face complex, multiple challenges that can be grouped into two main categories: (1) Disincentives to employment in SSA's current benefit programs; and (2) Lack of beneficiary access to education, vocational training, and employment services.

Disincentives to Employment - SSA beneficiaries who are capable and desire employment are far too often choosing not to work, restricting their earnings, or leaving employment in the face of disruptive overpayments or benefit termination. SSA's work incentive programs can and must assist beneficiaries to overcome the demoralizing disincentives to employment that exist in our current policies and regulations.

> **Fear of Losing Benefits** - Approximately 5.5 million SSA disability beneficiaries currently live below the federal poverty level. Most of these individuals depend on their SSA benefits to meet their basic needs and would benefit tremendously from working. Unfortunately, beneficiaries are repeatedly told that employment will quickly lead to loss of their benefits. This is simply not the case, yet **fear of losing benefits** leads them to unnecessarily choose not to work or to needlessly restrict their work hours and earnings.
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> **Fear of Losing Health Insurance** - While many SSA disability beneficiaries would willingly forego their cash benefits for the possibility of increasing their income through employment, they still **fear potential loss of their Medicaid or Medicare coverage**.

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Many beneficiaries possess serious, chronic health conditions that would make the loss of health care coverage devastating.

Fear of Overpayments or Sudden Benefit Termination - Local SSA Field Offices, facing enormous pressures while attempting to respond to the large increases in program applications during a period of constricting resources, simply lack the personnel and time necessary to accurately administer the work incentives provisions of their own rules. The result is an abundance of disruptive overpayments or sudden loss of benefits that often lead beneficiaries to abandon their hopes for long-term employment.

Need for Employment Services and Supports - In addition to barriers to employment created by the disincentives in the SSA Disability benefit regulations, beneficiaries also face other challenges as they attempt to enter or reenter the workforce. SSA beneficiaries present unique challenges to employment service providers. Beneficiaries often have no prior work history or have been separated from the workforce for an extended period of time. Many possess chronic health conditions that require specialized employment supports. Lack of training and support services are frequently cited by beneficiaries as major obstacles to employment.

Lack of Education and Training - Efforts to promote access of SSA beneficiaries to post-secondary education and the generic employment service system by SSA beneficiaries have achieved mixed success. New approaches are needed that are tailored to the unique needs of SSA beneficiaries.

Lack of Employment Services and Supports - Local community service providers sometimes lack the expertise to meet the unique needs of beneficiaries. State vocational rehabilitation agencies face declining budgets at a time when the demand for services is increasing dramatically. To address these concerns, SSA beneficiaries require additional opportunities to access the supports the need to become successfully employed.

OVERVIEW OF SSA'S WORK INCENTIVE PROGRAMS

To address these obstacles to employment Congress has taken several steps to (1) eliminate a number of the major statutory and regulatory disincentives to employment in the SSA legislation and regulations, (2) support beneficiaries as they prepare for work, enter employment, and increase their earnings to levels that trigger reductions in benefit payments, (3) enable access to alternative sources of vocational training, job placement, and employment support services, and (4) allow beneficiaries to maintain health care coverage while they transition off of federal cash benefits. The primary work incentive programs operated by SSA include the WIPA program, the Protection and Advocacy for Beneficiaries of Social Security (PABSS) program, the Ticket to Work program, and the Social Security/Vocational Rehabilitation program. These programs are identified in the figure and briefly summarized on the following page.

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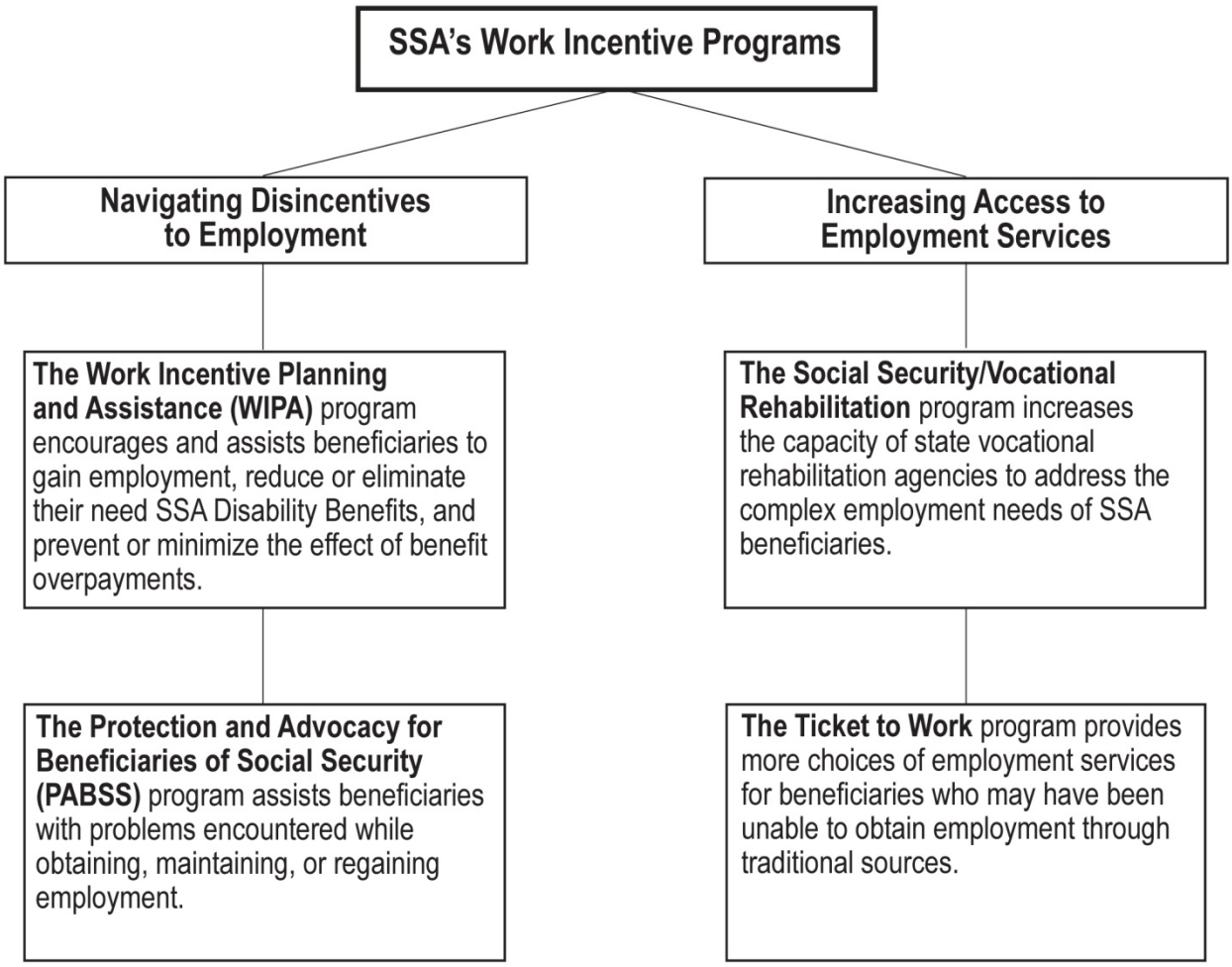

Work Incentive Planning and Assistance (WIPA) Program - The WIPA program is designed to help inform people who receive Social Security Disability Benefits of the incentives and provisions available to support their efforts to seek employment. Through individual meetings, Community Work Incentive Coordinators provide personalized, written benefits reports that provide detailed information about various incentives for returning to work, as well as information about how an individual's benefits will be affected by becoming employed. This valuable information allows individuals to make informed decisions about returning to work, seeking employment for the first time, and reducing their dependence on benefits.

Protection and Advocacy for Beneficiaries of Social Security (PABSS) - The purpose of the PABSS program is to provide information, assistance, advice, and individual representation to Social Security beneficiaries with disabilities regarding vocational rehabilitation services, employment services, and other support services from employment networks and other service providers that eligible beneficiaries with disabilities may need to secure, regain or retain gainful employment.

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Ticket to Work Program - The Ticket program is designed to provide Social Security beneficiaries more choices for receiving employment services. Under the program, SSA issues tickets to eligible beneficiaries who, in turn, may choose to assign those tickets to an Employment Network (EN) of their choice to obtain employment services, vocational rehabilitation services, or other support services necessary to achieve a vocational (work) goal.

Social Security/Vocational Rehabilitation Program - The SSA/VR program is designed to create more opportunities for beneficiaries to access and benefit from employment services provided by state vocational rehabilitation (VR) agencies. Under the program, state VR agencies are reimbursed by SSA for the costs of employment services, but only if the beneficiary meets strict criteria for earning and employment retention.

WORK INCENTIVE COUNSELING

Work Incentive Planning and Assistance (WIPA) program is an employment support service that is designed to enable SSA beneficiaries to pursue their goals of personal employment and economic self-sufficiency. WIPA services refer to efforts by a rigorously trained Community Work incentive Counselor (CWIC) to provide accurate and complete information to SSA beneficiaries to enable them to obtain employment, return to work, and reduce the dependence on SSI and SSDI.

Currently, the SSA funded Work Incentives Planning and Assistance (WIPA) program is the primary source of Work Incentive Counseling for SSA beneficiaries. The program is authorized by Section 121 of the Ticket to Work and Work Incentive Improvement Act of 1999 (P.L. 106-170) and is comprised of 102 WIPA projects providing services to SSA beneficiaries in all 50 states and territories. Collectively, the 102 projects employ approximately 500 rigorously trained Community Work Incentive Coordinators (CWICs), many of whom are themselves individuals with disabilities. Since its inception in 2000 as the Benefits Planning, Assistance, and Outreach (BPAO) program and in its current form as the WIPA project, work incentive counseling services has been provided to over 450,000 SSI, concurrent, and SSDI beneficiaries.

Eligibility Criteria - To be eligible to receive WIPA services, an individual must be: (1) At least age 14, but not yet full retirement age, disabled per SSA's definition, and already receiving Social Security benefits based on disability (SSI or a Title II disability benefit such as SSDI, CDB, or DWB). WIPA projects are specifically forbidden to assist individuals in applying for benefits or appealing a denial of benefits.

Number of Projects per State - The number of WIPA projects in a state and the amount of funding available to the projects is based on the number of SSA beneficiaries residing in the state. As indicated in the table below, 30 states have a single WIPA project while others have up to nine. The number of projects in some of the larger states is directly affected by the current legislative authorization that requires that the maximum WIPA project award be limited to $300,000. While the original intent of this requirement was to ensure that services be delivered in close proximity to beneficiaries, technological advances over the past decade have led to services frequently being provided through audio conferences and other cost-effective means.

Today, it appears that the $300,000 award cap may unnecessarily restrict the administrative flexibility of both SSA and the projects.

Number of WIPA Projects per State 50 States and Puerto Rico/Virgin Islands 102 Total Projects	
One WIPA Project (30 States)	Alaska, Arkansas, Arizona, Colorado, Connecticut, Delaware, District of Columbia, Hawaii, Idaho, Iowa, Kansas, Maine, Maryland, Minnesota, Mississippi, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Oklahoma, Oregon, Puerto Rico, Rhode Island, South Dakota, Utah, Vermont, Virginia, West Virginia, Wyoming
Two WIPA Projects (11 States)	Alabama, Georgia, Indiana, Kentucky, Louisiana, Massachusetts, Missouri, Montana, South Carolina, Tennessee, Washington
Three WIPA Projects (5 States)	Illinois, New Jersey, Ohio, Pennsylvania, Wisconsin
Four WIPA Projects (2 States)	Michigan, North Carolina
Five WIPA Projects (1 States)	Florida
Six WIPA Projects (1 State)	Texas
Seven WIPA Projects (1 State)	New York
Nine WIPA Projects (1 State)	California

Types of Organizations Providing WIPA Services - A wide variety of agencies and organizations provide WIPA services. Not for profit community organizations (e.g. Goodwill, local mental health agencies, local rehabilitation agencies, etc.) and Centers for Independent Living (CILs) account for almost 60% of all providers. While CILs continue to make up a major provider group, with over a quarter of all programs, the actual number of CILs providing services declined from 53 during the former BPAO program to 23 in the current WIPA program. Large state agencies (Vocational Rehabilitation, Workforce Development, Mental Health, Universities, and Medical Centers) combine to total 35 agencies, over one-third of all projects.

Type of Agencies Providing WIPA Services (N=102)	
Not for Profit Community Organizations	30
Independent Living Centers	28
State Vocational Rehabilitation Agencies	11
Disability/Advocacy Organizations	9
Protection and Advocacy Organizations	7
Other State Agencies	7
Universities	6
State Workforce Agencies	4

WIPA services focus on assisting SSA beneficiaries to use work incentives to get back to work. SSA beneficiaries work for the same reasons that everyone does. Their primary goal is to

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achieve financial independence, moving themselves from reliance on disability benefit programs that restrict them from moving from poverty to more prosperous lives. Beneficiaries who rely solely on Disability benefits too often lead lives of poverty, poor health, and social isolation. Employment is the primary mechanism for enhancing self-sufficiency – increasing an individual's level of safety, independence, nutrition, health, and community participation. Whether it is an SSI beneficiary working for the first time in an entry level position, or an SSDI beneficiary returning to work in a new career, employment is the path to economic stability and security. The specific services provided by CWICs are identified in the table below.

Services Provided by Community Work Incentive Counselors
1. Assisting SSA Disability Beneficiaries to develop the employment and economic self-sufficiency goals that will enable them to successfully reduce or eliminate their need for Disability benefits and lead their self-chosen lifestyle goals
2. Counseling individuals on available options for obtaining or maintaining employment
3. Providing individualized information to beneficiaries regarding the impact of changes in employment or personal circumstances on their benefits and health care coverage
4. Providing long-term assistance and support to beneficiaries as changes occur in their employment and benefits status

Work Incentive Counseling is not a one-time service. As an individual pursues and obtains employment, Community Work Incentive Counselors provide ongoing information and supports to individuals in response to their changing needs. They work with beneficiaries to report their earnings to SSA and minimize the likelihood of receiving an overpayment. They identify transition points at which the counselor and beneficiary should communicate to ensure that the work incentives and program regulations are accurately applied (e.g. Completing a Trial Work Period, entering into 1619b status, beginning the Extended Period of Eligibility, etc.). In addition, Community Work Incentive Counselors review changes in a beneficiary's employment status to make certain that increases in earnings or altered fringe benefits don't negatively affect the individual's benefit status or health care coverage.

EFFECTIVENESS OF WORK INCENTIVE COUNSELING

Ample evidence exists to demonstrate that the WIPA program is highly cost effective, generating a significant return on investment. Savings occur as a result of reduced disability payments to beneficiaries, performance of functions that would otherwise need to be provided by over strapped local Field Offices, and prevented job loss as a result of preventable overpayments to beneficiaries.

Services provided by WIPA projects lead to increased employment, improved earnings, and reduced dependence on Disability benefits. These outcomes lead to small but significant reductions in the overall amount of general funds (SSI) and Trust Fund (SSDI) payments to WIPA participants. These savings are more than large enough to offset the cost of the program and can be expected to compound steadily over time as individuals leave the disability rolls after receiving WIPA services and remain in the workforce for many years.

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Recent Federal Evaluations

Two recent evaluation studies conducted by Mathematica Policy Research (MPR) under contract to SSA provide comprehensive information on the performance and outcomes of the WIPA projects. The first, ***Evaluation of the Recent Experience of the Work Incentives Planning and Assistance (WIPA) Program: Beneficiaries Served, Services Provided, and Program Costs*** (Schimmel, Roche, & Livermore, 2011), covers the time period April 1, 2010 to March 31, 2011 and provides up to date on the number of beneficiaries served, their employment and demographic characteristics, and the type and amount of services received. Major findings are identified below.

WIPA projects served approximately 60,000 in the past year. Total beneficiaries served included 45,000 receiving services for the first time and 15,000 who first began receiving services during an earlier time period.

Over the past year the percentage of beneficiaries served in WIPA planning services has increased by 12%. In the past year, the projects served fewer people in low intensity Information and Referral services, while the number served in more intensive WIPA planning services remained virtually constant with prior years, even as the overall employment rate of individuals with disabilities declined during the time period.

The percentage of individuals employed at the time they enter WIPA service has increased by 15% over the past year. There has been a refocus of WIPA activities toward individuals who are employed or entering employment. These program changes have occurred rapidly since formal guidance was first provided by SSA in 2010.

Employed at the Time of Entry into Intensive Work Incentive Counseling Services			
Employment or Job Offer Pending at the Time of Entry	2006 VCU BPAO Program Summary Report	2010 MPR WIPA Evaluation Report	2011 MPR WIPA Update Report
	27.8%	34.7%	39.8%

This recent study confirms that the WIPA program is delivering intensive WIPA planning services to a large number of beneficiaries. They are focusing their efforts on beneficiaries who are employed or will enter employment in the immediate future.

WIPA Impact on Beneficiary Employment Status and Benefit Reductions

The second MPR 2011 report, ***Employment-Related Outcomes of an Early Cohort of Work Incentives Planning and Assistance (WIPA) Program Enrollee*** studied a cohort of beneficiaries initially enrolled between October 1, 2009 and March 31, 2010 for nine to fifteen months post service receipt and draws two major conclusions. The report found a consistent and significant relationship between the receipt of WIPA services and an increased likelihood that a beneficiary will be employed and experience a reduction in benefits in the future.

Correlation with Employment - Employment rates for the cohort after WIPA services increased from 34 percent at intake to 55 percent at follow-up. The report concluded, "***Other characteristics held constant, those receiving more intensive WIPA services are significantly more likely to have earnings in 2010 and to experience increases in earnings between 2009 and 2010. CWIC suggestions to increase work hours, seek a promotion, and earn enough to leave benefits are significantly associated with earnings increases between 2009 and 2010***."

Correlation with Benefit Reduction - WIPA services also correlated with benefit suspension or termination. The report concluded ***"Other characteristics held constant, those receiving more-intensive WIPA services are significantly more likely than others (other work oriented beneficiaries) to have their benefits suspended or terminated for at least one month at some point between WIPA program entry and the end of December 2010. CWIC suggestions to earn enough to leave the disability rolls are significantly associated with higher rates of benefit cessation."***

Savings to SSA - The MPR WIPA cohort report also extrapolates the savings from reduced disability benefits to a 12 month WIPA cohort. "In total, we estimated that our sample of WIPA enrollees experienced $1,726,273 in benefit reductions due to earnings during the nine months after WIPA program entry. ***When we convert this estimate into an annual amount for a 12-month cohort of WIPA enrollees, it is equal to $4,603,395, or about 20 percent of the $23 million in annual WIPA program costs.*** While these savings might seem modest, it is also the case that significant savings can accrue to SSA over time when beneficiaries reduce their benefits and leave the rolls because of earnings for extended periods."

The findings of the WIPA cohort report are not surprising. They are consistent with a prior study of the Benefits Planning, Assistance, and Outreach (BPAO) program (MPR 2009) and a number of other state-level evaluations, some of which are based on sophisticated comparison group designs and others that present basic descriptive information. Information is available from Vermont, Wisconsin, Connecticut, Oregon, Minnesota and other states. Whenever the WIPA program and work incentive counseling services have been evaluated, it has been shown to improve employment outcomes, lead to reduced dependence on SSA benefits, and generate savings for the government. The program should be reauthorized and additional evaluation studies should be completed to rigorously examine the program's long-term return on investment.

RETURN ON INVESTMENT OF THE WIPA PROGRAM

Evidence now indicates that the WIPA program is providing thousands of individuals with intensive planning and support services. Beneficiaries who receive this information are entering employment in large numbers and working at a level that reduces or eliminates their dependence on Disability benefits. The return on investment of the WIPA program should be measured in three ways: Reduced SSI and SSDI payments to beneficiaries; eliminating and reducing the negative impact of overpayments to beneficiaries; and performance of a function that would otherwise add to the burden of the local SSA Field Offices.

Reduced SSI and SSDI Payments to Beneficiaries - The results of the recent MPR analysis identified a cost savings for a cohort of SSA beneficiaries and found an annual reduction in payments of approximately $4 million per year. While this is modest in terms of the program's $23 million annual costs, it is important to note that these savings will increase dramatically over time. This same cohort will continue to generate cost savings each year and actually increase savings as beneficiaries move through the work incentives. For example, SSDI beneficiaries who start their Trial Work Period during a given year may not see their benefits terminate until one or two years after beginning service with a WIPA project. Similarly, SSI beneficiaries, who may be engaging in employment for the first time, will potentially see their earnings increase as they gain experience and advance in their jobs.

It is important to note that some beneficiaries in the cohort analyzed by MPR may not begin to see their benefits reduced for a period of several years. For example, individuals who use work incentives to allow them to attend college while receiving benefits may not begin to work for several years. This fact simply reinforces that the return on investment of the WIPA program must be measured over a period of years to determine the precise amount of savings that will accrue to the General Fund (SSI) and the Trust Fund (SSDI).

Cost savings to SSA will also result from the fact that a new cohort of beneficiaries will begin to receive services from WIPA projects each year. After five years, the $4 million in benefit reductions will be closer to $20 million per year and will continue to rise until individuals reach retirement age and begin to leave the workforce.

Eliminating and Reducing the Negative Impact of Overpayments to Beneficiaries - The overpayment and other administrative problems faced by SSA are widely known. However, these issues are not simply administrative concerns. ***It is crucial that overpayments and the application of other work incentives must be viewed from the perspective of beneficiaries***. Moving into overpayment status may have a negative impact on beneficiaries' efforts to maintain employment.

WIPA projects assist with the overpayment problem in a number of ways. First, CWICs work with beneficiaries to report their earnings to SSA in an accurate and timely manner, thereby reducing the likelihood of overpayments. Second, when an overpayment occurs, they can work with the beneficiary and the local field office staff to ensure that past work has been accurately computed and that all work incentives have been applied, potentially reducing the impact of the overpayment on the beneficiary. Third, by working closely with the beneficiary, CWICs can ensure that the overpayment doesn't lead to a decision on the part of the beneficiary to terminate employment and return to the beneficiary rolls.

Based on information by the WIPA projects, it is estimated that CWICs work with 5,000 individuals in overpayment status each year and that overpayments are a primary reason beneficiaries contact the WIPA for assistance. It can be assumed that a sizable percentage of these individuals are beneficiaries who originally express an intent to terminate employment, but who reconsider their decision after receiving services from the CWICs. Future research should investigate the extent to which beneficiaries reconsider their decision to work upon receipt of an overpayment and the effectiveness of services provided by WIPA projects in minimizing the

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number of beneficiaries who remove themselves from the work force and return to the disability rolls.

Performing a Function that Otherwise would be an Additional Burden to SSA Field Offices - Overpayments are not the only problems faced by SSA beneficiaries that can be addressed through the WIPA program. Counselors are also able to work with beneficiaries and local agencies to address disruptions in health care coverage, accessing the Medicaid buy-in option, identifying the combination of public and private health care coverage that best meets their needs, and responding to changes in the beneficiary's employment and personal situations (promotion at work, marriage, having children, etc.).

SSA Field Office staff are overwhelmed with their current responsibilities and most lack knowledge of the complex details of many work incentives used by employed beneficiaries. This has led to many beneficiaries making employment decisions based on incomplete or inaccurate information, hundreds of thousands of individuals in overpayment status, and the long-term unemployment or under-employment of beneficiaries who otherwise have the desire and ability to work. Services provided by Community Work Incentive Counselors such as developing past work histories, reducing overpayments among beneficiaries, and counseling beneficiaries on their earning reporting responsibility save significant resources for the agency and add to the cost-effectiveness of the WIPA program.

RECOMMENDATIONS

To assist the Subcommittees in their deliberations, five recommendations are offered.

Recommendation 1. The WIPA program should be reauthorized for an additional five years. Evidence clearly indicates that WIPA program service delivery has dramatically improved in the past several years and should continue to improve following the implementation of clear service delivery benchmarks for the projects. Every analysis of the program completed to date indicates that the program is:

- Benefiting a group of beneficiaries who would not otherwise receive the service in the absence of the program;
- Assisting individuals to use all available work incentives to obtain employment or reenter the workforce;
- Giving short-term support to beneficiaries whose critically needed benefits have been jeopardized through no fault of their own; and
- Providing long-term support to individuals working to improve their financial independence and eliminate their need for financial benefits.

Recent national and state level evaluations of the program have revealed significant impacts on employment and sufficient reductions in benefits payments that offset the cost of program operation. These results translate

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directly to savings in the SSA payments made to SSA beneficiaries that more than pay for the costs of the program.

Recommendation 2. WIPA program performance standards should be established to guide future evaluation of the program. The WIPA program should be evaluated based on the extent to which beneficiaries (1) obtain employment, (2) sustain employment for extended periods of time, and (3) reduce and eliminate their dependence on SSA benefits. Recommended standards are provided in the table below and address increases in beneficiary employment outcomes, reductions in beneficiary benefit payments and health care costs, reduction in overpayments to beneficiaries, and supporting and expanding state level employment initiatives.

Recommended Performance Standards to Guide Future Evaluations of the WIPA Program	
Category	**Standard**
Beneficiary Employment and Financial Outcomes	1. Increase in the number and percentage of beneficiaries working
	2. Sustained employment at a level that meets the beneficiary's goals for economic self-sufficiency and financial independence.
	3. Access to necessary medical supports and health care coverage
	4. Earnings sufficient to result in reduction in or termination of federal disability benefit payments
	5. Use of relevant work incentive provisions that lead to continuous employment and financial independence
Reduction in Disability Payments	1. Increase in number of individuals exiting the benefit rolls
	2. Reduction in the cost of disability benefits paid to beneficiaries
	3. Reduction in the cost of public health care benefits paid for beneficiaries
	4. Reduction in the number and amount of benefit overpayments that create financial hardship and encourage beneficiaries to terminate employment
Supporting and Expanding State Level Employment Initiatives	1. Increase in the number of beneficiaries receiving WIPA services who subsequently generate payments to states through the SSA/VR cost reimbursement program
	2. Increase in the number of states with comprehensive, sustainable networks of Work Incentive Counseling services consisting of WIPA programs and services funding by other agencies and organizations

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Recommendation 3. **The reauthorization should eliminate the current cap of $300,000 per WIPA project in order to provide SSA administrative flexibility and increase overall program efficiency.** The nature of the WIPA program has changed significantly since its initial inception in 2000 and its refocusing in 2006. Given the program's level funding since 2000, both SSA and the projects themselves should be granted maximum flexibility to design the program in a way that minimizes administrative duplication and increases available service delivery options.

Recommendation 4. **The reauthorization should identify transition age youth as a major underserved population in the WIPA program and require specific actions to improve the ability of these beneficiaries to access and benefit from the program**. The participation rate of transition age youth in the WIPA program has consistently lagged behind other subgroups of the overall SSA population. Specialized outreach efforts or service delivery models must be developed and implemented to effectively address the needs of this group of beneficiaries. Available evidence shows that those beneficiaries who are younger and have received disability benefits for a shorter period of time are more likely than others to become employed and reduce their need for financial benefits. Services should be targeted toward this group to ensure that transition age individuals with significant disabilities come to believe that employment and economic self-sufficiency are attainable goals for them as they enter their adult years.

Recommendation 5. **The same type of rigorous performance standards that are recommended for the WIPA program should be established and applied to all other SSA work incentive programs.** The WIPA program is an essential component of SSA's overall employment and return to work initiative, but it can only achieve its mission and maximum effectiveness in combination with other work incentive programs. The PABSS, Ticket to Work, and Social Security/Vocational Rehabilitation program should all be subject to clear performance standards and their outcomes measured in terms of the extent to which programs funds are devoted to promoting the employment and financial independence of SSA beneficiaries.