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Testimony on the Social Security Administration's Employment Support Programs for Disability Beneficiaries

By Mary P. Ridgely, Acting President
***National Association of Benefits and Work Incentives
Specialists***

**To the U.S. House Ways and Means Committee, joint
meeting of the Social Security Subcommittee and Human**

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It was with much interest that I read the testimony of the individuals invited to the joint hearing on work incentives in Social Security Disability Programs, held by the Committee on Ways and Means, Subcommittees on Social Security and Human Resources, on September 23, 2011. I appreciate the opportunity to submit additional comments on behalf of the National Association of Benefits and Work Incentives Specialists (NABWIS), an organization representing work incentives benefits coordinators/specialists across the United States.

There is no question, given the testimony presented by four of the five individuals at the hearing, that work incentives planning and assistance is a valuable and critical service for beneficiaries of Social Security Disability programs. The evidence is in the collaboration between Walgreens and local WIPA programs to ensure that "accurate information" is provided to employees who have questions about earnings and benefits. The value of the WIPA program is also evident by the partnership between the state vocational rehabilitation agency and the WIPA, reflected in the statement from CSAVR that described the WIPA program as a "proven benefit that works" and one that should be reauthorized at a level that provides the "resources needed to ensure that this critical service is available to beneficiaries".

Dr. Kregel's testimony spoke to the cost effectiveness of the WIPA program and the correlation with higher rates of employment and higher earnings for beneficiaries receiving intensive services as well as reduction in benefits, resulting in savings to the trust fund that will "increase dramatically over time". Dr. Kregel also pointed out that WIPA Community Work Incentives Coordinators perform a function that would otherwise be the responsibility of SSA Field office personnel, and this results in significant time saving for SSA.

Unfortunately, in our opinion, the available data is very conservative when projecting cost savings. As the data shows, WIPA programs are working with larger numbers of beneficiaries, with efforts focused on those employed or very likely to be employed to maximize the use of funding dollars. The cost savings goes beyond the Social Security Trust Fund. We see people reducing their dependence on Medicaid, nutrition assistance, housing assistance, and energy assistance. They are not only less dependent on the system, they are contributing to the local, state and federal tax base and increasing their consumption of goods and services, which is good for the economy.

Two years ago, NABWIS presented testimony before the Social Security Subcommittee of the House Ways and Means Committee. Several of the recommendations made at that time continue to be relevant and will be reiterated here:

1. *Require the SSA to conduct a demonstration to simplify the existing array of work incentives that exist and improve consistency across the SSI and SSDI programs.*

In his testimony on September 23rd, Associate Commissioner Robert Williams mentioned that the President's budget for FY 2012 includes a legislative proposal to reauthorize for five years SSA's section 234 demonstration authority for Disability Insurance (DI), which allows them to use Trust Fund monies to conduct various demonstration projects, one of which would involve testing alternative methods of treating work activity of DI beneficiaries. The President's Budget also includes a proposal that would authorize us to conduct the Work Incentives Simplification Pilot (WISP) to test improvements in return-to-work rules by simplifying the treatment of beneficiaries' earnings.

While we support an effort to simplify return-to-work rules, and subsequently reduce the number of overpayments of SSDI, we recommend that SSA be required to use what was learned in other demonstration projects such as the SSDI \$1 for \$2 offset pilot, as well as the Benefit Offset National Demonstration currently underway.

2. *Expand the current allocation of resources for both the WIPA and PABSS by 25% with an annual cost of living adjustment to ensure that the existing workforce and effort are maintained at adequate levels. Subsequently, require the SSA to conduct a cost/benefit analysis to determine per beneficiary costs to provide a formula for future allocations.*

Associate Commissioner Robert Williams spoke of the complexity of the work incentives, and the assistance of Community Work Incentives Coordinators being of "vital importance" and "critical" to support the return-to-work efforts of beneficiaries of SSI and SSDI. For more than ten years, WIPA and PABSS have operated on the same or reduced levels of funding in spite of the fact that the demand for services has increased. We believe that the stated value of the program warrants an increase in funding to levels that allow the programs to offer the high quality of service that SSA desires for beneficiaries.

3. *Identify a clear set of performance standards and indicators for the three facets of the work incentives outreach provision.*

Many of the NABWIS members have been in the field since before the inception of the BPAO program. We are seriously committed to ensuring that beneficiaries receive accurate and timely information that results in an informed return-to-work decision. We welcome the establishment of performance standards for the WIPA program. In his testimony, Dr. Kregel recommended that "WIPA programs should be evaluation based on the extent to which beneficiaries 1) obtain employment, 2) sustain employment for extended periods of time, and 3) reduce and eliminate the dependence on SSA benefits. While we support the idea of outcome-based performance standards, we believe that outcomes for the WIPA program need to be carefully designed, and take into consideration variables that are beyond the control of the WIPA grantee, such as 1) access to quality employment services, 2) unemployment rates, 3) the cost of providing services in regions with higher percentages of non-English speakers or people who are hearing impaired, thus requiring interpreters, 4) operating with insufficient staff in large cities like New York, Boston, Phoenix, 5) difficulties associated with serving a large geographic region of a state with low population rates. We urge the SSA to use input from WIPA programs when designing performance standards, such as that collected in a survey of WIPA program managers in 2008.

4. *Require the SSA to collect and annually distribute a statistical supplement/update on the return to work and work incentive utilization rates of SSDI beneficiaries.*

SSA publishes an annual report on the SSDI program that includes the number of beneficiaries who work, the number terminated from the program, but it does not address the use or SSDI work incentives.

Associate Commissioner Williams also spoke to the need to focus on the “quality of services” and “outcomes” for beneficiaries, and the expectation that WIPA programs will help beneficiaries achieve financial independence by building savings and assets in addition to reaching an employment outcome. While we agree with the goal of financial independence for beneficiaries of Social Security Disability programs, we recommend that SSA consider the potential ramifications for beneficiaries who will always need to rely on other public benefits for long-term health coverage and long-term support services. Even if employer-sponsored health insurance is available when a beneficiary returns to work, those plans typically do not pay for personal assistance services or other medical equipment, experimental medications and treatment that is necessary for an individual to remain independent. Maintaining eligibility for Medicaid coverage is the challenge for individuals requiring long-term care. Rules limiting income and assets for Medicaid-eligibility may restrict a person’s ability to save for retirement. We recommend that Congress require SSA to collaborate with the Centers for Medicaid and Medicare (CMS) to find a solution to this barrier to true financial independence.

Many of the WIPA grantees have received additional support from the states through the Medicaid Infrastructure Grant funds, implemented by the CMS for the past decade. A number of states have used the funds to establish centers/programs that offer training and support to work incentives specialist, ensuring that the quality and accuracy of information to beneficiaries extends beyond the federal program to the state and local benefit programs. Another reason for SSA and CSM to collaborate could be the continued support of quality and excellence in WIPA programs as well as the employment supports that are so needed by beneficiaries if they are to be successful.

Thank you for the opportunity to submit testimony on this extremely important issue. I would be happy to respond to any questions you might have.

Respectfully submitted,



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CC: NABWIS Board of Directors