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Julie Mavis

*Grand Valley State University*

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The Social Security Administration’s *Ticket to Work* Program:
A Failed Return-to-Work Strategy

Julie Mavis
Grand Valley State University

Abstract

This article examines policies and programs aimed at reducing the number of people receiving disability benefits by helping recipients transition back to full-time employment. The primary focus is the Social Security Administration’s *Ticket to Work* Program, which has had a very poor track record for returning persons receiving disability benefits back to the workforce. Various alternative approaches are explored, with the intent of providing recommendations for strengthening efforts to more successfully reintegrate people back into the workforce.

Keywords: Social Security Administration, disability policy, work incentives

The disabled population in the United States is growing, based on the numbers of disability recipients receiving Social Security Disability Insurance (SSDI) payments. As of late 2014, over ten million people are receiving disability benefits. The solution from Congress to attempt to return disability recipients back to the workforce came in the form of legislation called the *Ticket to Work* and Work Incentive Improvement Act of 1999. The goal was to use work incentives and access to employment service agencies to transition disability recipients back into sustained employment that would remove them from the disability rolls.

Despite the Social Security Administration’s (SSA) best efforts, only about 2% of disability recipients are taking advantage of the *Ticket to Work* incentives (Livermore & Roche, 2011). Surveys and studies report the major obstacle for the program is overcoming the disability recipients’ fear of losing their guaranteed monthly income checks and healthcare benefits if they choose to transition back into the workforce. Those who utilize the *Ticket to Work* vocational services also encounter barriers, in that vocational resource professionals are not responsive to their needs. SSA reformed their *Ticket to Work* reimbursement strategies and monitoring of ticket holder progress in 2008. As a result, the number of recipients
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using their tickets increased but this still did not translate into full-time employment for these ticket users. Scholars, policy experts and government agencies have offered alternative strategies to increase the disability recipients exiting the disability rolls back into the workforce. Alternatives explored in this paper include disability reforms practiced in European nations, private insurance disability models and multiple SSA reform pilots. Each of the different models offers different strategies such as focusing on working with the disabled worker prior to the initial government disability application, offering short term disability options, working with employers to accommodate employees with disabilities and to encourage return-to-work strategies. Without policy intervention to increase the return of persons on the disability rolls back into the workforce, Ticket to Work failures will continue to plague SSA, and the number of persons receiving disability benefits will continue to increase.

U.S. Disability Options Background

The Social Security Administration (SSA) provides oversight for the Federal disability programs. There are two Federal disability programs, the Social Security Disability Insurance (SSDI), Title 2 of the Social Security Act, which was established in 1953, and 2), the Supplemental Security Income (SSI) program, Title 16 which was created in 1973 (http://www.ssa.gov). It is important to understand the policy history and the differences in the eligibility requirements for applicants for these two disability programs and the Ticket to Work as both SSDI and SSI recipients are eligible to participate in the Ticket to Work Program.

SSDI Program

The Social Security taxes from current workers’ paychecks are used to pay benefits to: 1) those who are receiving SSA retirement checks, 2) survivors (spouses and children) of workers who have passed away, 3) dependents (children) of those receiving disability benefits and 4) individuals who are eligible to receive SSDI disability payments (http://www.ssa.gov). Those who receive retirement or SSDI checks as well as Medicare insurance coverage are called beneficiaries. SSA payroll taxes are placed in a fund to help pay the beneficiaries, their survivors or dependents. Most Americans do not understand how the taxes are used
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to pay for a variety of program benefits such as for children or spouses and not just solely used for retirement or disability. Many individuals erroneously believe that their SSA taxes are being held in a personal account that is waiting for them when they retire or when they are medically no longer able to work.

In order to become medically eligible for the SSDI benefits a person must have a physical or mental impairment that is expected to last for 12 months or longer, or that will result in death (http://www.ssa.gov). A person applying for disability, called a claimant, cannot be working and earning over a certain amount of income. Such income is called Substantial Gainful Activity or SGA. SGA in 2017 is $1170 per month (http://www.ssa.gov); the amount increases each year. Most claimants eligible to apply for SSDI based on their levels of income earned are over the age of 18.

It is difficult for most disability applicants to meet the stringent criteria to be deemed disabled. The Social Security Administration statistics indicate between 2001 and 2010 the average approval rate for disability at the initial application was only 28%. That percentage increases slightly if a person files for reconsideration after the initial application. But if a person takes the next step after denial at the reconsideration level to the administrative law judge (ALJ) the percentage increases to an average of 66%. The primary barrier of appealing to the ALJ level is the length of time it takes to have a hearing scheduled. In 2015 the average processing time for a hearing was 463 days (http://www.oig.ssa.gov). When a claimant is approved for SSDI benefits they will receive monthly checks and after two years they also become eligible to receive Medicare insurance coverage.

SSI Program

The SSI program is not funded by Social Security taxes. It was created as a supplemental income program to assist those disabled adults and children who have little or no income. An adult applying for SSI must meet specific income and resource criteria. The definition of disability is the same for the SSI program for adults. Those applying for SSI must also not be working and earning over SGA just as in the SSDI program. The monthly checks SSI recipients received are a set amount each month and adjusted annually. In 2017, SSI recipients receive $735 for individuals and $1,103 for a couple (https://www.ssa.gov).
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Ticket to Work Program

The Ticket to Work and Work Incentives Improvement Act of 1999 was created by Congress to provide programs for SSDI and SSI disability recipients who wanted to return to the workforce. In preparing to implement this legislation, SSA reached out to the disability community through roundtable discussions, conferences and meetings with researchers and budget analysts in order to create this legislation to encourage disability recipients to utilize employment services. Included in this legislation were programs designed to address the fear of SSDI and SSI disability recipients about losing their Medicare and Medicaid coverage if they returned to work. In addition, the legislation provided enhancements to pre-existing SSA work incentive programs, including creating the Ticket to Work Program. Work incentives are regulations that permit SSDI and SSI disability recipients to receive access to employment support services or training and permit them to work and earn income for a defined period before losing their disability cash and insurance benefits.

Other sections of the regulations included funding community-based organizations that can provide work incentives and assistance to disability recipients, funding advocacy services for disability recipients and piloting work incentive projects for SSDI recipients (https://yourtickettowork.com/web/ttw/history). The overall goal of the Ticket to Work program was to transition SSI and SSDI disability recipients off the government rolls and thereby reduce the cost of the disability programs. This was to be accomplished by offering employment services and support to assist disability recipients to prepare for work. The recipients would receive education and training in new work-related skills, to re-enter the workforce through resume writing and other job search and job placement assistance, and eventually help the recipients to maintain employment again. Such services were intended to increase the self-sufficiency of SSDI and SSI disability recipients by replacing their cash disability benefits with their own work earnings (http://www.choosework.net/about/faqs/index.html).

The Ticket to Work program is free and voluntary for SSI and SSDI disability recipients who are between the ages of 18 and 64. Previously SSA mailed out paper tickets to SSDI and SSI recipients alerting them of their eligibility to participate in the program. Currently, those interested in participating can contact The Ticket to Work Help Line, where they will receive assistance through the process. SSA sometimes refers to those
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participating in the Ticket to Work program as a ticket holder.

Employment networks and vocational rehabilitation agencies. A ticket holder has access to two main services depending on their work-related needs: an Employment Network (EN) or a Vocational Rehabilitation (VR) agency. An Employment Network (EN) can include employers, public or private vocational support agencies that offer services such as vocational counseling and job placement. They typically do not provide in-depth vocational training programs. The EN can choose whether to work with an individual ticket holder or not, depending on the ticket holder's needs. The ENs specialize in career planning, job leads and placements, ongoing employment support, benefits counseling and often are part of a State’s public workforce system. An EN offered through the State system is called a Workforce Employment Network or WF (https://choosework.net/about/your-path-to-work/index.html#2).

If a ticket holder has been out of the workforce for some time due to their disability or requires re-training to learn a new type of skill, then Vocational Rehabilitation (VR) services offered through each State is a better path to take. The VRs offer much more intensive training, education and rehabilitation along with career counseling, job placement assistance and benefits counseling (https://choosework.net/about/your-path-to-work/index.html#2).

A ticket holder may require the assistance of both a VR and an EN, based on their need for more intensive services. For example, if a ticket holder needs to complete education or participate in a long-term skill training experience, they would work through the VR. Once their retraining and skill development education is complete, they may transfer to an EN for assistance with job placement and ongoing employment support. A VR typically will close a case once a ticket holder starts to work, whereas an EN will provide assistance through the work experience in order to encourage long-term employment (https://www.choosework.net/library/partnership-plus).

The ENs and VRs are compensated for assisting the ticket holder when employment milestones or employment is achieved. Each ticket holder will work with their agency to create an individual work plan with specific goals. The end goal of the plan is to achieve financial independence through sustained work activity and earned income. Specific goals can include completing educational requirements within specific timeframes or reaching specific work income levels. SSA monitors progress toward these goals to determine if “timely progress” is being met. If timely progress goals are met, the EN or VN is
compensated for their services. (https://www.choosework.net/about/how-it-works/index.html).

If a ticket holder is working with a VR or an EN, the continuing disability medical review (CDR) is not used to determine whether they remain disabled. Prior to this legislation, a CDR review was triggered whenever an SSI or SSDI disability recipient returned to work and began to earn income again. In the event that the SSI or SSDI recipient’s medical conditions were found to have showed significant medical improvement during a CDR, their income and healthcare benefits were terminated. Not having an automatic CDR upon returning to employment was viewed as a major incentive by legislators and SSA.

Other Work Incentive Programs

Other work incentive programs exist for SSDI and SSI recipients. Other provisions of the Ticket to Work legislation relevant to this article were work incentives entitled *Trial Work Period (TWP), Extended Period of Eligibility (EPE) and Expedited Reinstatement (EXR)*. Each of these programs is important to understand, as they are intended to help SSDI or SSI participants retain their disability benefits in the event that they are unable to continue working after having returned, and to avoid the need to start over by having to file a new disability application.

**Trial work period.** The TWP is for SSDI recipients only and allows them to work and earn over the SSA income guidelines, for any nine months during a 60-month rolling period. The TWP wage in 2017 is $840 gross per month (https://www.ssa.gov). The SSDI recipient is required to report their income to SSA once work begins, to enable SSA to track how much is being earned. If a SSDI recipient starts working and earns over the TWP wage for six months but has to stop due to their disability, they will not lose their cash or insurance benefits, as they have only completed six months of their TWP. They can work another three months during that rolling 60-month period and still have those months count as part of their TWP. If work stops, it must be due to their disability and not for other reasons. If the work continues for nine months, then SSA will determine if the earnings are over Substantial Gainful Activity (SGA) gross income. For 2017, SGA limits are $1,170/month for non-blind individuals and $1,950/month for blind individuals. If the income is over this limit then the SSDI recipient’s benefits can be terminated (https://www.ssa.gov/redbook/documents/TheRedBook2017.pdf).
**Extended period of eligibility (EPE).** The EPE begins at the end of the first month after the TWP ends and is available to the former SSDI disability recipient for the next 36 months. If the former recipient earns below the SGA limit for a month or stops working due to their disability, SSA will reinstate their benefits during this EPE period. The former disability recipient should be reporting their earnings to SSA and must have stopped or reduced their work due to their disability. If these criteria are met, they are not required to reapply for benefits and they will receive their previous cash and insurance benefits once work has stopped (https://www.ssa.gov/redbook/documents/TheRedBook2017.pdf).

**Expedited reinstatement (EXR).** An EXR is available to both former SSDI and SSI disability recipients. Former recipients are eligible for up to five years when benefits end due to their disability. A former recipient can apply for an EXR and receive up to six months of cash benefits while their case undergoes a medical review. A medical review is required to determine if work was stopped due to the same or related medical conditions for which they originally received disability benefits. For example, if a person was allowed disability for a back impairment, but they started working and went through their TWP and EPE but had to stop work due to a stroke, they would not be eligible to receive benefits again through the EXR process. This person would have to file a new disability claim since the stroke was not related to the back impairment (https://www.ssa.gov/redbook/documents/TheRedBook2017.pdf).

**Concerns with Ticket to Work Viability**

The SSDI and SSI approval process can be lengthy. Once the beneficiary starts receiving the income and healthcare benefits, there is a fear that returning to any level of work activity may jeopardize those benefits. This was confirmed through the 2010 National Beneficiary Study that found that the primary reason recipients earned less than they were capable of earning was in order to keep their cash benefits and healthcare insurance (Livermore, Mamun, Schimmel & Prenovitz, 2013).

A critical component of the Ticket to Work program is the need for SSDI and SSI recipients who are working to report their income to their local SSA office. As described above, there is a limit as to how much SSDI recipients can earn while working (SSI recipients can earn even less) in order to receive their full benefits. If they do not report their income they risk receiving an “overpayment” determination from SSA.
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An overpayment comes about when a SSDI recipient’s work income exceeds the SGA wage limits and the person has continued to receive their monthly SSDI cash benefit along with their work income. As a result of such overpayments, the SSDI recipient will be ordered to repay the overage back to SSA. This is a risk many SSDI recipients do not want to take.

Since 2004 all states have implemented the Ticket to Work program but it has shown poor results with only about 2 percent of disability recipients participating in the program (Livermore & Roche, 2011). This is a problem that continues to be investigated by scholars, legislators and policy experts. This paper investigates the barriers to the program for the population this program serves, and for the Federal, State, and private stakeholders. The research completed on this topic identifies alternatives to answer the core research question: Is there a better model than the current Ticket to Work program that could be more successful in getting SSDI recipients to return to the workforce, and reduce the disability rolls in the US?

Ticket to Work Program Outcomes

Cost and Viability Challenges

The feedback regarding barriers experienced by these stakeholders should be considered by SSA and Congress to determine what changes to the policy are needed. Concerns from a variety of stakeholders and interest groups, including Congress, triggered the US Government Accountability Office (GAO) to investigate the program to determine its cost and viability. In 2011, the GAO investigation found that low participation rates and program costs were not offset by participants returning to work. The study found that the low participation and low rates of return-to-work was due in part to the following: Many Employment Networks (ENs) were not actively participating with ticket holders in providing services or extended job placements; and, 2) SSA did not have effective management tools for evaluating the approach or progress between the ENs and ticket holders. SSA lacked a system for monitoring participants using the ticket. Since these ticket holders were not undergoing medical reviews (CDRs) that would determine if they remained disabled, SSA continued benefit payments to ineligible recipients whose medical conditions had improved. As such there were
some participants for whom appropriate termination of benefits did not occur (GAO, 2011). In response to the GAO study, SSA developed performance measures for ENs and implemented a tracking system for EN services to ensure consistency with program goals.

**Unintended Consequences of Ticket to Work**

The 2011 GAO study brought to light other unintended consequences of the Ticket to Work program. Some ENs encouraged ticket holders to maintain part-time work in order to retain their disability benefits. This advice was contrary to the program goal of transitioning the ticket holders into full-time work and off the disability rolls. Subsequently, SSA implemented payment progress milestones for ENs in 2008. The payment to the ENs now depends on the ticket holder's length of employment, earnings and how many months a recipient does not receive benefits due to higher earnings.

For the ticket holder, the certainty of stable disability benefits compared to the uncertainty in an employment situation is the major obstacle of the program. Studies show that being employed full-time through Ticket to Work is the exception rather than the rule (Lawler, 2014). The disability population can be difficult to employ due to chronic health conditions but the bigger issue is the potential loss of economic security derived from their disability payments. Another barrier for ticket holders is the income reporting requirement, and the potential loss of benefits and the potential requirement to repay the income overage. These two factors are reason enough for ticket holders, no matter what their age, to avoid work (Olney & Lyle, 2011).

A challenge for ENs is their need to select the appropriate ticket holders to work with on their individual work plan. The ticket holder and the EN agree to work with each other to ensure that the EN provides the appropriate job-related services. There is extensive information available on the SSA website related to selecting the correct provider for the level of assistance needed by the ticket holder (http://choosework.net/about/your-path-to-work/ready-to-work.html). The match between an EN and a ticket holder is important for the EN because if they are not successful in guiding the ticket holder toward their goals within a specified timeframe, they don’t get compensated for their services. They could spend their time and resources with a ticket holder but still get no payment if that individual’s goals are not met.
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The VRs can also be impacted by the outcomes for the Ticket to Work program. Prior to implementation of Ticket to Work, state VRs received referrals from SSA whenever a person was granted disability benefits. There were no formal program outcome measures for the VRs to meet in tracking the transition of SSDI or SSI recipients back to work. Without formal reporting requirements, there was no tracking of VR participants who were re-entering the workforce or on a decreased dependence on SSDI funds (Burns, 2013). With Ticket to Work, SSA introduced competition to the VRs, as ENs are also utilized to provide work services for ticket holders. Some VRs saw this availability of ENs to the ticket holders as a threat to their funding and a potential decrease in their customer base with (Kregel and Revell, 2003). Currently the VRs can elect to get paid by SSA through the traditional reimbursement program or through the similar outcome based milestones used by ENs. In crafting this policy, it was thought that with the now competitive market with ENs, VRs would improve their performance while doing a better job of providing for the needs of the ticket holders than the private organizations. The VR services are dependent on state level funding and availability of a qualified workforce. The VRs also face conflicting priorities, as they also participate with providing services to state welfare to work recipients. With the competition of private ENs the state VRs could see a reduction of their ticket holder services which in turn could impact their reimbursement revenue (Kregel and Revell, 2003).

**Alternatives to Ticket to Work Program**

There are several policy alternatives to Ticket to Work that have been researched, recommended and piloted by SSA and other entities. Such alternatives programs have been included here to assess whether they have improved outcomes in transitioning disability recipients back into a successful employment situation and off the disability rolls. SSA has piloted several models to improve the rate of return-to-work and the nature of that experience for the disabled workers; European models have had significantly different approaches which yield positive results related to return-to-work; and the private disability insurance models also show success in this area.
SSA Alternatives

SSA has piloted three alternatives to determine if additional work incentives would increase the return-to-work rates in disability recipients. The Accelerated Benefits demonstration, the Work Incentive Simplification Pilot and the Benefit Offset National Demonstration were three pilot attempts by SSA at improving the outcomes of the Ticket to Work program.

**Accelerated benefits.** The Accelerated Benefits (AB) alternative was studied by MDRC with funding from SSA (Bailey & Weathers III, 2014). This research involved tracking recent SSDI recipients who were placed into three study groups. A control group who was not provided immediate access to healthcare since the standard approach now is a two year wait for Medicare eligibility for SSDI beneficiaries. A second AB group was provided immediate access to health care and a third AB Plus group was provided both immediate employment services as well as immediate access to healthcare. The AB Plus study group not only had access to healthcare and employment services but also had the opportunity to go through a series of classes for ten weeks. These classes were designed to reduce the psychosocial barriers to the rehabilitative process, increase quality of life, and education into SSA work incentives and how earnings impact benefits and promoting re-entry into work and life activities. The AB group was able to use the immediate access to healthcare to treat and stabilize their medical conditions. The AB plus group who had access to the classes, health insurance and employment services took advantage of their healthcare options and also participated in employment services.

Unfortunately, there was no increase in employment rate of either group after a year of monitoring their progress. Although medically the disability recipients were benefiting from the accelerated services, it did not impact or increase their return to employment. This type of system would likely be implemented by SSA working with state agencies and ENs to schedule the classes, educating beneficiaries on their healthcare options under the new Affordable Care Act (ACA) legislation as well as providing the employment services. There would need to be a coordination of services between the states and SSA to ensure the components of this type of system are implemented accurately.

**Work Incentive Simplification Pilot.** SSA’s Work Incentive Simplification Pilot (WISP) was studied by Mathematica Policy Research
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in 2012. Mathematica provided a Technical Advisory Panel (TAP) to
provide recommendations to SSA regarding the intended or unintended
consequences and benefits of the pilot. WISP was a pilot program to
test the efficiency of the SSA’s work incentives. For example, if disability
recipients were participating in WISP, their monthly checks could be
suspended for work activity above the wage limit for disabled workers,
but their benefits were not terminated for work. Medicare coverage also
continued indefinitely, unless their benefits were terminated for some
other reason (Wittenburg, Mann & Stepleton, 2012). The expected
benefits of the WISP were a decrease in SSA administrative costs and an
improvement in recipient outcomes related to return to employment. If
successful, WISP’s provisions would eventually replace SSDI’s existing
system for reporting and developing the worker’s earnings, which has
shown to be a complex and ineffective process. The TAP made several
recommendations to SSA regarding the feasibility of nationwide
implementation of the program but did not provide important
guidance in areas where the “optimal evaluation design is dependent on
operational design” (Wittenburg, Mann, & Stepleton, p. 28). No further
implementation or research regarding WISP has been conducted and it
appears that the pilot ended after 2012.

Benefit Offset National Demonstration. SSA also implemented
the Benefit Offset National Demonstration (BOND) to test the
effectiveness of benefit offset and enhanced benefit counseling to address
low return-to-work rate of disability recipients. This demonstration or
pilot started in 2012 and used volunteer and non-volunteer disability
recipients to participate. Under current program rules, disability recipients
lose all their SSA benefits after a sustained period of earning income over
a specified amount and risk potential loss of other (non-SSDI) benefits.
This loss of earnings is sometimes called the “cash cliff.” Research has
shown it discourages some disability recipients from working at all and
encourages those who could work with earnings above the specified
level to keep their earnings below that amount. BOND replaces the cash
cliff with a “ramp” (benefit offset) and a policy objective of encouraging
disability recipients who can work above the specified income level to
increase their earnings and reduce their reliance on disability benefits
(Wittenburg, Mann, Stepleton, Gubits, Judkins & McGruiirk, 2015). The
benefit offset reduces benefits by $1 for every $2 in countable annual
earnings in excess of a specified yearly amount after a certain timeframe
versus removing them entirely per the current work incentive policy.
The most recent results in 2015 have shown there is no impact on earnings and actually showed it led to an increase in benefits paid to the participant as a result of the demonstration. These findings are critical for this work incentive demonstration. Without showing results that lead to an increase in earnings, the benefit offset had the negative outcome of leading to higher benefits paid to the working disability recipients compared to the benefits paid without the offset (Wittenburg et al., 2015). The results show that even the incentive of not having to lose all disability cash benefits while working unfortunately had no impact on increasing the likelihood of a participant to return to a work situation that would decrease the reliance of disability benefits.

SSA has attempted multiple pilot and demonstrations projects over the years to increase the return-to-work rate of the disability recipients. As these three examples show, to date none are found to make a difference in long-term return-to-work success.

**European models.** Other alternatives offered in research published by Olney and Lyle (2011) and Burkhauser, Daly, McVicar, and Wilkins (2014) support the European disability insurance models. The European programs have undergone reform over the years. Successful changes include triaging the vocational rehabilitation system to ensure appropriate vocational services, reducing benefits if workers don’t participate in vocational rehabilitation and making employers more accountable to working more with their disabled workers through accommodations or rehabilitation.

Lessons learned or recommendations in this research highlight the fact that the US disability policy focuses on creating an environment of long-term benefits versus preventing workers from entering the growing disability rolls. Burkhauser et al. (2014) suggests the US should learn from the disability reform efforts European countries have invested in. They focus their efforts on providing incentives and disincentives to the employees and employers for participation in the disability process. For example, in Sweden and Great Britain, if those on disability do not participate in vocational services or rehabilitation, their benefits are reduced or eliminated. The Netherlands reduced their disability rolls by making employers take more responsibility for more of the direct costs of the disability program by having them fund the first two years of disability benefits. In addition, the employers are required to pay an experience-rated disability tax based on the number of their workers who move into the long-term disability program (Burkhauser, Daly & Lucking, 2013).
The European models also promote earlier employment intervention before the individual goes on permanent disability or within the first year of permanent disability status. The programs find that employment intervention strategies of three, six, and twelve months within the onset of disability has increased the return-to-work rate of the worker compared to strategies that are taken after a person has been in the disability system for a number of years (Burkhauser, et al, 2013). A consequence of these types of European systems can be the significant cost of implementation of such programs. European models pay two to six times as much per person as in the United States (Olney & Lyle, 2011). But the return of the investment is higher return-to-work rates which result in greater tax revenue and less dependence on public programs.

Private disability insurance models. The differences between private disability insurers and the Federal disability program are included here, as private disability insurance systems have higher return-to-work rates compared to the Ticket to Work outcomes (Scism, 2013). Autor and Duggan (2010) created a proposal that recommends using the private disability insurance (PDI) model to update the US disability system. The PDI model is based on private sector systems that offer employers large scale employment support and work incentives to the employee and employer. They propose that PDI can be available to workers just as unemployment insurance and workman’s compensation is offered now. The PDI model becomes involved with the disabled worker 90 days after onset and up to two years of being off work. During this time the worker is offered vocational rehabilitation services, assistance in working with the employer on the Americans with Disability Act’s reasonable accommodation request while offering partial wage replacement. If after 22 months the worker is not employed or able to be accommodated, the workplace would progress to filing for Social Security disability (Autor & Duggan, 2010). This model would not pay for any medical costs since the Affordable Care Act allows for access to insurance.

The projected outcomes for this type of model are better support for workers to work with their employers on accommodating their return-to-work and reducing the waste caused by too many resources supporting workers in long-term disabled status. Bardos, Burak, and Ben-Shalom (2015) highlighted the negative possibilities of this approach for employers. One obstacle is the costs involved in returning disabled employees to work. Smaller businesses will not be able to invest in this alternative due to the limited number of employees. Also employers who
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rely on high levels of productivity by their staff would not see the benefit, as they could not afford to lose the productivity of an accommodated worker. Larger employers where high turnover is not a concern would not be invested in this type of program. But from society’s point of view and for the employees, the potential for return-to-work under the PDI model creates an encouraging and supportive work environment with less reliance on government assistance.

Application of Theory

Olney and Lyle’s (2011) research refers to the SSA disability program creating a “culture of disablement” where there needs to be a “culture of enablement” (p. 206). One of the alternatives that has the potential to create this culture shift requires taking steps that focus on triaging the disability approval process to incorporate vocational services. The model would attempt to educate the disability applicants on skills and jobs they could transition to with their disability versus having them enter the disability rolls. It would reverse the current process of trying to encourage those on disability to exit the roles with work activity; this process could encourage those waiting on their disability approval or denial to attempt a new type of job based on their current level of disability.

Currently SSA pays out $8.8 billion to disabled workers through the SSDI program (SSA, 2014). According to the National Beneficiary 2010 Survey, about 2.4% of disability beneficiaries had tickets assigned in December 2010 (Livermore et al, 2013) and reports indicate only 1% of these recipients are leaving the disability rolls each year (GAO, 2011). SSA’s return-to-work strategy for their disabled recipients needs to change. The SSA disability rolls continue to increase while the economic well-being of those on Federal disability benefits continues to decline as 75% of SSI recipients live in poverty and 28% of SSDI-only recipients live in poverty (Livermore & Bardos, 2014).

One alternative for improving Ticket to Work outcomes involves triaging disability applicants and providing vocational services at the time of application. This is similar to the European model researched by Burkhauser et al (2013) where earlier vocational intervention prior to the worker going on permanent disability showed positive outcomes. Interventions at months three, six, and twelve after disability onset should be attempted prior to the person being accepted into the disability rolls.
This type of approach to those persons applying for SSA disability benefits was attempted in the State of Michigan. This section describes some of the barriers and challenges that creating such an approach to disability benefits would pose at the state level.

**Michigan’s MRS/DDS/DHS Better Off Working Cooperative**

In 2014, the State of Michigan’s Disability Determination Service had the opportunity to participate in an initiative called Better Off Working, led by Michigan’s Director of Human Services at that time. The State stakeholders involved were the Department of Human Services (DHS), Michigan Rehabilitation Services (MRS), Department of Community Health, Department of Education, Bureau of Services for the Visually Impaired (BSVI), DHS Legal and Policy units, and the Disability Determination Service (DDS). Other stakeholders included in this initiative were disability advocacy groups and employers who had a successful model of employing disabled individuals.

After the DHS Director retired in 2014 the full initiative did not continue, but one part of the effort continued on through a small workgroup that included the DDS, MRS and BSVI. This group was charged with creating a process whereby those filing for Federal disability benefits were referred to the State’s MRS during the initial Federal disability review process. This group informally named this project the MRS/DDS/DHS Cooperative. The Cooperative team uncovered many challenges to what was seemingly a simple change which included the need to maintain confidentiality of those applying for disability and to implement process-mapping for making the referrals.

The first challenge was to protect confidentiality during the disability determination process, in line with Federal mandates related to HIPAA and SSA policies of protecting personal identifiable information. Since DDS administers a Federal program, they cannot disclose to MRS [a state agency] when a person has filed for SSA disability benefits without receiving consent from the applicant. The SSA policies were reviewed; in that process a release form was discovered that SSA had created for disability applicants to sign to release their medical records when they were requesting referrals to State agencies. The release form fit the referral needs of this project, and thus resolved the obstacle of non-disclosure to other State agencies.
The next stage was to determine the viability of the model. This was completed through a process mapping exercise, breaking down the steps necessary to create a referral system between the two agencies. The process map began at the point when an applicant applies for SSA benefits and the Federal agency forwards the disability application to the DDS. Issues discussed included whether to refer all disabled applicants from DDS to MRS or whether to set up other criteria for referrals, such as an age requirement. There was also a concern that some applicants would take the DDS’s attempt to refer them to MRS as a sign that they are going to be denied the Federal disability benefits, and with a possible unintended consequence of the applicant choosing NOT to return the release. The group decided to refer all adult applicants over the age of 18 with some exceptions (such as applicants on dialysis or diagnosed with high grade cancers) who would not be referred. Once applicants were approved for the SSDI disability benefits, they were not to be included in this process since they could participate in the Ticket to Work program once they were receiving SSA disability benefits. SSA policies prohibit States from referring SSA allowances to their own State vocational rehab programs (SSA, 2013).

The process mapping team progressed to the point when a disability case was assigned to a DDS disability examiner. The process would involve each examiner sending an introductory letter to the applicant explaining the overall disability process, and would offer a referral for vocational rehabilitative services. The letter would also include a brochure about MRS services, the SSA release form and an envelope for the applicant to return the release form to DDS. A model letter with all this language was created and approved by the workgroup to be used in the process. When the applicant receives the letter, brochure, and release, they could decide if they are interested in being offered services through MRS and, if so, sign and return the release. The disability examiner would receive the release confirming the interest and place this information in the applicant’s disability claim folder. DDS could not send the referral prior to the final decision in case the applicant is approved disability benefits. Then at the time that a disability case was denied, the DDS would send the referral to MRS along with medical evidence that would be helpful to MRS in identifying the severity of the applicant’s medical conditions.
At this point the mapping process stopped so that the workgroup could discuss the referral process. MRS policy mandated that the disability examiner have access to an appropriate referral form to send to MRS, identifying the types of conditions and relevant medical records. This information facilitates the MRS worker's assessment of the limitations of the applicant. DDS wanted the form to be user friendly and to require limited input by the disability examiner. MRS and DDS created an appropriate referral form that followed their State policies and required limited effort for DDS staff.

Discussion took place regarding how the DDS would alert MRS of the referral. The option included having DDS administrative support mail the referral form and medical evidence to MRS. At this point a barrier was identified related to how DDS staff could identify to which MRS office they should send the referral. MRS offices are not consistent with the jurisdiction of which clients they serve, compared to the DDS. DDS has four offices statewide while MRS is represented in most counties. This was followed by the topic of cost allocation in order to determine which agency would be responsible for cost of mailings. SSA funds the DDS program to support the Federal disability workload but does not offer funds to support the MRS. Thus DDS could not be financially responsible for mailings that benefit another state agency in order for an applicant to receive State services. Another obstacle identified at this point in the process mapping was the confidence the DDS team members had in their workers’ taking the extra time or even remembering that a referral was needed at the point the final disability decision was made. If the release was received from the applicant at an early point in the process it would be easy to miss the form in the electronic disability file.

The next step of the cost issue would have been creating a Memo of Understanding between SSA and the State of Michigan regarding the referral process and who would be responsible for cost. This was the solution for a similar obstacle when the State of Michigan disability program merged with the Federal disability program. Beginning in July 2015, State Medicaid and other State program disability applications are now processed along with a SSI or SSDI disability applications. Due to the absence of the DDS Director and a competing project needing the priority of MRS staff, the Cooperative workgroup’s mission was put on hold indefinitely. But during the process mapping effort to create a viable
proposal, several obstacles surfaced regarding differences in policies related to State and Federal mandates and cost allocation plans. Even though the State and Federal agencies serve the same population and assist them through disability or return-to-work strategies, their policies and budget can prevent the most cost-efficient or customer-friendly approaches. This group encountered on a small scale the obstacles of bureaucracies related to conflicting mandates of Federal and State programs.

Discussion

Research and studies discussed in this paper have supported a change in the current SSA Ticket to Work program, as the program has not shown an ability to deliver outcomes of returning the SSA disability population to sustained employment. Several models and alternatives have been suggested with results that show improved outcomes compared to the current system. SSA has piloted different work incentive programs without showing a successful model that supports a sustained return-to-work experience for disabled beneficiaries. Results support disabled recipient’s fear of returning to work’s impact on their monthly checks and insurance. Disabled workers were offered additional incentives of healthcare access and vocational services or a decrease in the amount of money removed from their checks while working and guaranteed insurance. These options did not result in sustained employment for that population and the SSA pilots were terminated or are being studied further. European countries have undergone reform and have shown improved return-to-work rates when there is intervention early on when a worker becomes disabled or if incentives or disincentives are offered to the worker and employer. There is a large cost for this type of approach, so SSA has not embraced their models to date. Private disability insurance models have been proposed with positive outcomes but it may not be a viable solution for all employers based on cost, size of the employer or productivity loss for the employer in having to accommodate workers. The State of Michigan created a workgroup to explore a referral process for vocational services during the disability review process that would seem to be a successful model based on European models of reaching out to workers earlier in the disability process to provide them vocational services. Due to circumstances related to priorities, stakeholder involvement, and cost this effort has been put on hold for now.
Ticket to Work

SSA continues to struggle with the paradox of attempting to encourage those who had to stop working to be eligible for disability and finally when approved, SSA encourages them to return-to-work. According to the 2014 SSA Annual Statistical Supplement, there are 10.2 million disabled beneficiaries receiving payments from SSA. In December 2014, those payments totaled more than $11.4 billion. During that same time only about 780,000 benefits were terminated for disabled workers. These numbers show how the beneficiaries continue to grow while there are a small number of benefits being terminated due to work activity, medical improvement or other technical issues. Perhaps it is SSA’s disability review process that needs to change versus providing incentives for those currently on disability. The disability process itself is a topic for research and Congressional oversight. One option that comes up frequently is removing the continuing disability review process and implementing time limits for recipients to receive disability payments. For example, depending on the medical condition and age of the beneficiary, time limits for disability could be offered for two to five years and then benefits are automatically terminated without requiring a medical review (Boccia, 2015). Ticket to Work might see an increase in services being utilized if beneficiaries understood their benefits would be short term versus long-term as the system currently works. This would take policy reform and then a cost/benefit analysis of the impact of those beneficiaries being terminated who then reapply for a new determination. As with other attempts for SSA reform, Congress must mandate any changes based on long-term studies of the viability of the Ticket to Work program.

Conclusion

SSA and their Ticket to Work program cannot afford to maintain the status quo for the disability recipients. The news headlines continue to remind us that the time is expiring on the Disability Trust Fund in the future with the consequence of delays or 20% reduction of SSA benefits (Boccia, 2015). The Ticket to Work program was created to send disability recipients back to work in order to decrease the number of recipients on the disability rolls. The National Beneficiary 2010 Survey reported that 15% of disability recipients were employed, seeking work or had been employed during the previous year. Eighty-six percent of those working
were limited to part-time employment in order not to lose their monthly cash benefits and insurance (Livermore et al., 2013). As a result of 2008 changes to the Ticket to Work program there was an increase from 61,000 recipients using their tickets in 2005 to 94,000 recipients in 2010. Employment Networks were starting to see an increase in their revenue compared to state vocational agencies as well (Livermore et al., 2013). Unfortunately, these numbers did not translate into recipients returning to full-time work and becoming financially independent. Numbers in 2012 showed that only 0.4% of eligible ticket holders had signed up with an EN or VR and less than 1% of recipients eventually leave the disability rolls to return-to-work in any given year (Boccia, 2015).

SSA continues to study, monitor and be challenged by these statistics, but those who write the policies have not created a solution to the contradictory messages SSA is giving its recipients. SSA finds applicants disabled, which it defines as not being able to perform any type of work, but then they offer recipients a ticket to encourage them to return-to-work. Recipients fear working full-time as the precious benefits that took so long for them to get could be terminated. Or if earnings are not reported accurately, SSA is quick to charge them with an overpayment.

Studies cited in this paper reinforce the strategy of triaging vocational services and offering VR intervention earlier in the disability process in order to promote realistic return-to-work scenarios. Models from Europe and private insurance companies also have higher return-to-work rates by triaging the disability recipients and working on return-to-work goals as soon as a person starts the application process. The overall goal for most disability applicants should be returning to work once the medical conditions reach stability with treatment. But SSA’s disability definition and application process focus on not being able to perform any types of work due to the applicant’s medical conditions. Ideally, the SSA disability program should be viewed as a limited term situation for some applicants. But in the last few years the program has transformed into a welfare program, a disablement program, where recipients are not required to work and not encouraged to become independent to return as a productive member of society.

References

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About the Author

Julie Mavis works for the Disability Determination Service (DDS) within the State of Michigan Department of Health and Human Services. Currently she is the Area Administrator for the agency’s Southwest Service Area location in Kalamazoo. In her position she also represents her office on the DDS Executive Council, Succession Planning Workgroup, Clerical Council and co-facilitates quarterly meetings between the DDS and Social Security Administration’s Field Offices in Michigan. She received her undergraduate degree in Biopsychology from the College of Wooster in Wooster Ohio and her MPA from GVSU in 2016. In 2016 she received a SSA Commissioner’s Team Award from her work with the DDS Strategic Planning Committee Team. She credits her GVSU Strategic Planning class as the catalyst for starting this effort in her agency. In her spare time, she can be found supporting the Ohio State Buckeyes during football season or enjoying the lake view from her home in Caledonia, Michigan, where she lives with her significant other, Larry, and their two dogs, Boizzie and Buster.