

Introduction to the Special Issue

Ticket to Success? Early Findings from the Ticket to Work Evaluation

The Ticket to Work (TTW) program represents a major change in the way that Social Security Administration (SSA) supports rehabilitation and employment services for participants in its disability programs. The basic structure of the program was first described by a panel of leading disability policy experts assembled in 1993 by the National Academy of Social Insurance (NASI) to conduct a comprehensive review of the Social Security disability programs. Among the major questions to be addressed in the report was the following:

“Can an emphasis on rehabilitation and work be incorporated into the disability programs without greatly expanding costs or weakening the right to benefits for those who cannot work?”

The panel’s response to this question was “yes” and they described a TTW proposal that would provide beneficiaries with a voucher, referred to as a “ticket,” that could be exchanged for rehabilitation and employment services from public or private sector providers. The proposal included elements that appealed to a broad range of policymakers: it promoted consumer choice, made greater use of the private sector to provide rehabilitation and employment services, encouraged innovation, and only paid providers when they were successful at returning a beneficiary to work at a level where benefits were not payable. Perhaps even more remarkable, the proposal would likely lead to program savings. In 1995, the SSA actuaries estimated that the program could result in \$400 million of savings between 1996–2005 [1].

Congress adopted a modified version of the original NASI proposal and included its version of the TTW program in the Ticket to Work and Work Incentives Improvement Act of 1999 (Ticket Act). SSA was responsible for establishing the details of the proposed

TTW program as well as the implementation of the program. The program was rolled out in an initial set of states in 2002, a second set of states in 2003, and a final set of states in 2004. At the end of the roll-out in September 2004, SSA had mailed Tickets to more than 11 million disability beneficiaries. To date, SSA and its TTW Program Manager had enrolled all state Vocational Rehabilitation agencies (SVRAs) and more than 1,300 service providers, or employment networks (ENs), that offered beneficiaries new choices for providers and services.

The Congress, recognizing that a new program such as the TTW would face challenges and require adjustments, required the Commissioner of Social Security to conduct an independent evaluation of the program to assess its effectiveness and provided the Commissioner with the authority to change the structure of the program as needed. SSA awarded a contract to Mathematica Policy Research and its subcontractor Cornell University to conduct the independent evaluation of the TTW program. The evaluation began in mid-2003 and will continue for five years. The initial evaluation report [4] and the second evaluation report [3] focused on program operational issues and participation by beneficiaries and providers. The third report touches again on those issues [2], but adds information on the impacts of TTW on beneficiaries. Future reports, scheduled for late 2007 and 2008, will provide updates on these issues, and examine the costs and benefits of the TTW program.

The evaluation draws on several quantitative and qualitative data sources to provide a comprehensive perspective on the TTW program by beneficiaries, SVRAs, private rehabilitation service providers (referred to as Employment Networks (ENs), and SSA. The findings provide information on the outcomes of the TTW program, as well as information that can be used to in-

form future initiatives aimed at providing intervention services to SSA disability beneficiaries. The data sources include the National Beneficiary Survey (NBS), which is a nationally representative survey of approximately 7,000 beneficiaries conducted by Mathematica Policy Research in 2004; the Ticket Research File (TRF), which contains administrative program participation, benefits and earnings data from several SSA data systems on over 17 million disability beneficiaries; the Rehabilitation Services Administration 911 data file (RSA-911), which includes data on the receipt of SVRA services for all SVRA participants who had their cases closed between 1997–2004; and qualitative interviews with SVRAs, private service providers, SSA, and other federal agencies.

This special issue of the *Journal of Vocational Rehabilitation* summarizes the early implementation experiences and impacts of the TTW based on the first three evaluation reports. It includes six papers that provide an early picture of both the potential for the TTW program and the challenges involved with reaching the potential. The papers are as follows:

- Slow Change in the Employment Services Market: The Early Years of Ticket To Work (Thornton and O’Leary).
- Social Security Disability Beneficiary: Characteristics, Work Activity, and Use of Services (Livermore, Goodman, and Wright).
- Beneficiary Participation in Ticket to Work (Stapleton, Livermore and Gregory).
- Experiences of State Vocational Rehabilitation Agencies with the Ticket to Work Program (O’Day and Revell).
- The Involvement of Employment Networks in Ticket to Work (Silva).
- Initial Impacts of the Ticket to Work Program on Social Security Disability Beneficiary Service Enrollment, Earnings, and Benefits (Wittenburg, Fraker, Stapleton, Thornton, Gregory, and Mammun).

The Thornton and O’Leary paper sets the stage for the volume by reviewing the early findings for the three essential ingredients necessary for TTW success: the sufficiency of beneficiary demand for employment services; the adequacy of the supply of new employment service providers to meet beneficiary demand; and the sufficiency of SSA support to facilitate the new program. The authors find that while there appears to be beneficiary demand for the employment services, the participation of new service providers has been ane-

mic because providers perceive the new program as too risky and cumbersome relative to the payments that they may receive for their services. The authors also report that SSA has made strides in implementing the program and continues to offer program changes to improve how TTW functions. They conclude that it is too early to tell whether the changes implemented and proposed thus far will revive interest in the program and energize the service delivery market.

The Livermore et al. and Stapleton et al. papers address the beneficiary perspective of the TTW program by examining the demand for employment services and actual use of TTW services. The Livermore et al. paper uses data from the NBS to describe the demographic, employment and program characteristics of all Social Security disability beneficiaries, and provides insights on their potential demand for employment related services from TTW and other employment service related programs. The authors find that many beneficiaries report that they see themselves working in the future and that they have used employment related services in the past year, which suggests that there is a potential strong demand for the TTW program among beneficiaries. However, relatively few are currently working and many face several potential employment barriers in addition to their impairment, including low education levels, work disincentives from other programs, transportation difficulties, and other work-related obstacles (e.g., discouragement from others).

The Stapleton et al. paper uses data from SSA administrative data to examine beneficiary participation in the TTW program. The authors show that the actual demand for the TTW program has been low in absolute terms relative to the size of the beneficiary caseload, though not relative to the relatively small numbers of beneficiaries use leave the program each year because of excess earnings. They also show the majority of beneficiaries assign their Tickets to SVRAs, predominantly under the traditional, cost reimbursement payment system. The lack of awareness or understanding about the nature of the TTW program appears to explain much of the difference between the level of potential demand for the program cited in Livermore et al. and TTW participation rates reported in this paper.

The O’Day and Revell, and Silva papers address the provider perspective of service delivery through qualitative interviews with SVRAs and ENs, respectively. The O’Day and Revell paper includes interviews with SVRA officials to examine the effect of the Ticket on SVRAs, as well as the effect of SVRAs on the Ticket program. While SVRAs provided the majority of

Ticket services, they find that SVRA officials reported several difficulties in enrolling participants and obtaining payments. The specific challenges included spending time revising their internal procedures to process payments, explaining the program to beneficiaries, encouraging them to assign their Ticket to the SVRA, and trying to ensure that beneficiaries exercise informed choice in assigning their Ticket with little payoff to increases to participation.

The Silva paper examines the experiences of ENs in delivering services and processing payments. Silva finds that ENs faced several challenges in recruiting beneficiaries and reported similar challenges as SVRAs with the TTW administrative structure for processing payments. Because of these issues, EN officials were concerned about the overall financial feasibility of providing employment services, particularly those that required heavy up front investments for people with severe disabilities.

The Wittenburg et al. paper assesses the effect the TTW program within the overall market by examining its impact on beneficiary outcomes, including enrollment in employment services, earnings, and benefit amount changes. They estimate impacts using a model that tracked changes in outcomes of beneficiaries covering the period from the year before the implementation of Ticket and continuing through the initial phases of implementation through 2003. The early impact results indicate that TTW slightly increased beneficiary enrollment in employment-support programs during the first rollout year (2002), though the results for beneficiary earnings and benefit receipt, are inconclusive. The relatively small size of the service enrollment impacts relative to the caseload is consistent with the low TTW participation rate described in the paper by Stapleton et al. These findings must be viewed within the expectations of the program noted by Thornton and O'Leary, who indicated that it would have been surprising if TTW had produced dramatic changes in its first three years of operation (2002 through 2004) given the gradual program rollout and the time it takes for beneficiaries, providers, and operations staff to respond to a new market.

The findings provide SSA with information required to take initial steps toward making changes that are likely to improve the program. Currently, SSA is undertaking several initiatives to foster the required changes in beneficiary and provider behavior, including introducing new regulations that may help the program reach its full potential. Whether these efforts will be sufficient to breathe new life into the program remains to be seen.

More broadly, the findings provide important insights on SSA beneficiary demands for employment services and the potential challenges of providing these services that are relevant to SSA's on-going efforts to improve beneficiary outcomes. It will be increasingly important for policy makers to understand these issues in developing solutions to maximize the self-sufficiency of SSA disability beneficiaries in the future, particularly given the projected increases in the caseloads over the next several years by the SSA actuaries. We anticipate the findings here and the survey and administrative data sources used in the evaluation will be a continuing source of important information that can inform these efforts.

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