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**Promoting the Promise of Prosperity through Vocational Rehabilitation**

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For more than 100 years, the Vocational Rehabilitation (VR) program has supported millions of Americans with disabilities in finding and retaining employment in competitive, integrated settings. Employment is a social determinate of health, and individuals with disabilities who work prosper financially and have an overall higher quality of life. However, many individuals with disabilities do not seek VR services or other employment opportunities because they fear losing Social Security disability benefits, Medicaid and Medicare, home and community-based services, and other benefits entitled to people with disabilities. The current disability benefit structure, policy, and program practices act as a deterrent to employment for individuals with disabilities who choose to work.

These obstacles first become apparent for youth with disabilities. At age 18, individuals with disabilities who have received Supplemental Security Income (SSI) throughout childhood are required to go through the Social Security disability redetermination process, which is an assessment to determine if they meet the SSI requirements of adults[[1]](#footnote-1). This process for SSI recipients results in about one-third of beneficiaries losing their benefits[[2]](#footnote-2). Yet these youth often are not prepared to engage in the workforce. Many youth with disabilities are never asked what they want to be when they grow up, and their families discourage work because that would mean the end of Social Security benefits that both the individual and family depend upon for essential needs.

Likewise, few adults who rely on SSI or Social Security Disability Insurance (SSDI) seek VR services as a pathway to get off these benefits. Nationally, 818,646 individuals participated in the VR program in 2022, yet only 44,201 of VR participants (5.4%) were receiving SSI and 35,005 of VR participants (4.3%) were receiving SSDI (RSA-911 Data, PY22). As of December 2022, almost 7.6 million individuals with disabilities and an additional 1.14 million adult children with disabilities were receiving SSDI benefits[[3]](#footnote-3). An additional 4.2 million individuals ages 18-64 received SSI benefits[[4]](#footnote-4). These numbers suggest less than 1% of beneficiaries engage with the public VR program.

This data shows that despite the existence of the VR program, millions of individuals with disabilities who have the capability and desire to work remain on benefits. This is counter to the intent of the VR program as outlined in Section 2(b) of the Rehabilitation Act of 1973, which directs VR to “empower individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society.” Section 2(5) of the Workforce Innovation and Opportunity Act (WIOA) further states an intent “to increase the prosperity of workers and employers in the United States, the economic growth of communities, regions, and States, and the global competitiveness of the United States.”

The following challenges and recommendations provide a pathway to meaningful employment and holistic prosperity for individuals with disabilities while reinforcing the principles outlined in the WIOA and the Rehabilitation Act of 1973.

**Challenge: Disincentives for employment at a level that supports prosperity**

Benefit programs such as SSI and SSDI contribute to keeping people with disabilities in poverty rather than promoting the eventual transition from benefits to self-sufficiency and prosperity in the following ways:

* SSI income and asset limitations discourage people from working and saving money necessary to improve their circumstances.
* The time and effort individuals put into pursuing benefits deters them from then seeking employment once benefits are finally awarded.
* The “SSDI cash cliff” discourages people from earning at a level necessary to prosper in their community.
* Complexities in formulas for calculating impact of earnings, potential work incentives, and reporting earnings create fear and uncertainty in how work will impact benefits.

**Recommendations to support prosperity:**

* Work Incentive Counselors for SSI and SSDI recipients: VR counselors find participants often make decisions about pursuing work based on their understanding of what impact it will have on their monthly SSI or SSDI benefits. VR counselors must provide ongoing, accurate, and timely benefits counseling to all VR consumers who receive SSI or SSDI, specifically related to how many hours they can work and how it impacts their benefits, allowing consumers to make informed decisions about seeking and/or retaining employment. This counseling must start with students and parents in high school who are receiving SSI disability payments. It must be incorporated in the school transition plan and part of the Individualized Education Program (IEP), as this component is a crucial part of transition planning from high school into adulthood.
* Providing financial literacy services to all individuals who are receiving SSI and SSDI: Many public VR programs provide financial literacy training to students receiving Pre-Employment Transition Services (Pre-ETS). Ensuring every VR counselor provides this information in concert with benefits counseling would assist participants in making informed decisions for income planning and determining not just a livable wage, but one that would help them prosper in their community.
* Strengthen working relationships between the Social Security Administration (SSA) and the Rehabilitation Services Administration (RSA):
	+ Staff at Social Security disability determination offices are in the perfect position to promote VR services. Targeted informational materials about VR must be included in denial communications from Social Security. This would be especially impactful for youth who lose their SSI benefits during the age 18 redetermination process.
	+ SSA must triage initial applications, providing applicants an opportunity to make an informed decision about whether to further pursue benefits or look at options for employment.
	+ RSA and SSA must model collaboration at the federal level, including developing joint guidance to facilitate effective partnership within states.
* Utilization of Ticket to Work Revenue: Consider using Ticket to Work (TTW) revenue to fund additional positions for benefits/work incentive counseling.  Some states, including Washington and Vermont, are utilizing TTW revenue for this purpose[[5]](#footnote-5).

**Challenge: Access to critical health and personal assistance benefits**

Individuals with significant disabilities often have complex health care needs and rely on the Medicare and Medicaid programs to pay for medication copays, durable medical equipment, medical supplies, and other necessities. Additionally, those who require ongoing personal care assistance or similar supports often must remain poor enough to qualify for Medicaid-funded home- and community-based services (HCBS) or be wealthy enough to pay for their care needs out of pocket. For these individuals, increased earnings not only jeopardize their cash benefits, but also access to needed health care benefits. Medicaid Buy-In programs reduce this impact in states where they are offered, but earnings limitations still force people to choose between access to health care and HCBS benefits and work.

**Recommendations to support critical health and personal care benefits:**

* Create a partnership between VR and the Centers for Medicare and Medicaid Services (CMS) to establish a federally-supported Medicaid buy-in program: While many states offer Medicaid buy-in programs, most of those programs still impose earnings caps that limit an individual’s ability to prosper in a career. Working individuals with disabilities should have the option to retain Medicaid benefits through a buy-in program regardless of income, with consistent federal eligibility requirements. This would lead to employment advancement and wage increases that lead to prosperity while giving individuals with disabilities the security of knowing they can retain health care and HCBS benefits.
* Long-term job retention services:While VR has the capability to circumvent a wide range of issues that come up for individuals with disabilities in the workplace, there are gaps for people needing ongoing, consistent assistance who may not need or have access to traditional supported employment services. VR professionals know which consumers will need a higher level of support in the workplace, but often they do not learn about a barrier that a former consumer encounters in the workplace until it’s too late and the individual has lost their job. Additional flexibilities for VR programs to provide job retention services more quickly could help to mitigate this barrier.
* Leave VR cases open longer for those on SSI or SSDI:Many public VR programs seek to promptly close a case once an individual has achieved their employment outcome for 90 days. Mandating consumer engagement for a longer period would provide a safety net for individuals receiving SSI or SSDI benefits. This additional support would be focused on ensuring the individual has the ongoing support they need if they encounter any barriers to achieving Substantial Gainful Activity as defined by Social Security.

**Challenge: Messaging and cultural perspectives**

SSI and SSDI are typically referred to as “benefits,” and language matters. Merriam-Webster defines a benefit as “something that produces good or helpful results or effects or that promotes well-being.” The terminology suggests when someone begins working, they lose something that is helpful and promotes their well-being.

**Recommendations to support messaging and a culture of prosperity:**

* Language and culture shift*:* VR counselors could promote culture change by shifting away from referring to SSI and SSDI as “benefits.” VR could rebrand benefits counselors as “work incentive counselors” and refer to benefits planning as “work incentive planning.” This language suggests identifying incentives to work rather than benefits preservation.
* More direct workforce engagement:The role of VR in supporting individuals with finding competitive integrated employment requires strong collaboration with employers around expectations and potential barriers. As part of business community engagement, VR must have a mandate to educate employers about the financial barriers that individuals with disabilities face as they begin working and what it means to “work off benefits” in their world. This includes empowering participants to communicate their needs clearly to employers to ensure a strong working partnership.

**Challenge: VR does not engage youth at an early enough age**

Conversations about SSI and work are happening too late. IDEA requires transition planning to begin by age 16, yet children and youth without disabilities often begin these discussions about work much earlier. Offering opportunities for families to hear about SSI, the redetermination process, and VR services are pivotal for making informed decisions as the student moves toward transition planning.  Beginning these conversations even as early as elementary school sets the stage for opportunity, curiosity, and work success throughout the student’s life.

**Recommendations to support providing information to families and youth from an early age**

* Use of Pre-ETS authorized services funding to educate families and teachers about work incentive counseling: Families need to be informed from many sources and partners about the importance of work as a social determinant for success post high school. In addition, engaging families in conversations about SSI and work both before and after age 18 redetermination ensures they understand that employment does not have to be delayed due to receiving SSI. VR could partner with schools, parent information centers, and community agencies providing employment services for individuals with disabilities to connect with families. WIOA currently limits the provision of Pre-ETS to students who are no younger than the earliest age to receive transition services under the Individuals with Disabilities Education Act (IDEA) or state law. However, current Disability Innovation Fund Pathways to Partnership grants model the importance of beginning Pre-ETS services for even younger children with disabilities.
* Collaboration with Special Education to include work incentive counseling in students’ transition plans could improve outcomes and support full utilization of the Pre-ETS reserve.
* Utilization of Section 301 of the Social Security Act: Section 301 provides an avenue for continuing disability benefits for an individual participating in the public VR program. Continued benefits, often referred to as "section 301 payments," originate from section 301 of the Social Security Disability Amendments of 1980. To qualify, a beneficiary must no longer meet the medical requirements for disability benefits, participate in an approved program before their disability ends, and have SSA determine that continued participation will reduce their reliance on disability benefits. These "301 provisions," sustain Medicare and Medicaid coverage, state supplements, and auxiliary benefits. Students ages 18-21 in educational programs under an IEP receive special consideration, assuming their participation reduces the likelihood of returning to disability rolls. As part of student and family outreach, VR must educate families and partner entities about Section 301 as students are transitioning from high school. This outreach could bring more youth with disabilities into the VR program, especially during the age 18 redetermination process[[6]](#footnote-6).

**Conclusion**

The challenges facing the VR Program aimed at enhancing the prosperity of individuals with significant disabilities underscore the urgent need for comprehensive and collaborative solutions. The outlined objectives of the Rehabilitation Act, emphasizing increased access to opportunities and the alignment of systems, provide a framework for addressing these challenges.

The outlined recommendations, from the integration of Work Incentive Counselors and financial literacy services to a language and culture shift, are actionable steps toward fostering meaningful employment and holistic prosperity for individuals with disabilities. By actively engaging with employers, extending VR support, and utilizing available resources, we can pave the way for a workforce that embraces the potential of every individual, ensuring that the prosperity of all Americans, regardless of ability, becomes an enduring bipartisan commitment.

1. David Wittenburg and Gina Livermore (2021)*. “Youth Transition.” In Lessons from SSA Demonstrations for Disability Policy and Future Research, edited by Austin Nichols, Jeffrey Hemmeter, and Debra Goetz Engler,* 223–270*.* Rockville, MD: Abt Press*.* [↑](#footnote-ref-1)
2. Social Security Administration (2023). *What you need to know about your Supplemental Security Income (SSI) when you turn 18* [Brochure]*.* <https://www.ssa.gov/pubs/EN-05-11005.pdf> [↑](#footnote-ref-2)
3. Social Security Administration (2022). *Annual statistical report on the Social Security Disability Insurance program, 2022*. [Annual Statistical Report on the Social Security Disability Insurance Program, 2022 - All Disabled Beneficiaries (ssa.gov)](https://www.ssa.gov/policy/docs/statcomps/di_asr/2022/sect01b.html) [↑](#footnote-ref-3)
4. Social Security Administration (2022). *Annual statistical supplement.* [Annual Statistical Supplement, 2023 - SSI: Summary (7.A) (ssa.gov)](https://www.ssa.gov/policy/docs/statcomps/supplement/2023/7a.pdf) [↑](#footnote-ref-4)
5. Social Security Administration (2023). *Vocational Rehabilitation cost reimbursement program.* [Vocational Rehabilitation Cost Reimbursement Program | The Work Site | SSA](https://www.ssa.gov/work/vocational_rehab.html) [↑](#footnote-ref-5)
6. Social Security Administration (2010, October 12). *Background of Section 301 payments to individuals participating in a vocational rehabilitation or rehabilitation or similar program.* [SSA - POMS: DI 14505.001 - Background of Section 301 Payments to Individuals Participating in a Vocational Rehabilitation or Similar Program - 10/12/2010](https://secure.ssa.gov/poms.nsf/lnx/0414505001#:~:text=Section%20301%20of%20the%20Social%20Security%20Disability%20Amendments,engaged%20in%20a%20program%20of%20vocational%20rehabilitation%20%28VR%29.) [↑](#footnote-ref-6)