Using Transitional Jobs to Increase Employment of SSDI Applicants and Beneficiaries

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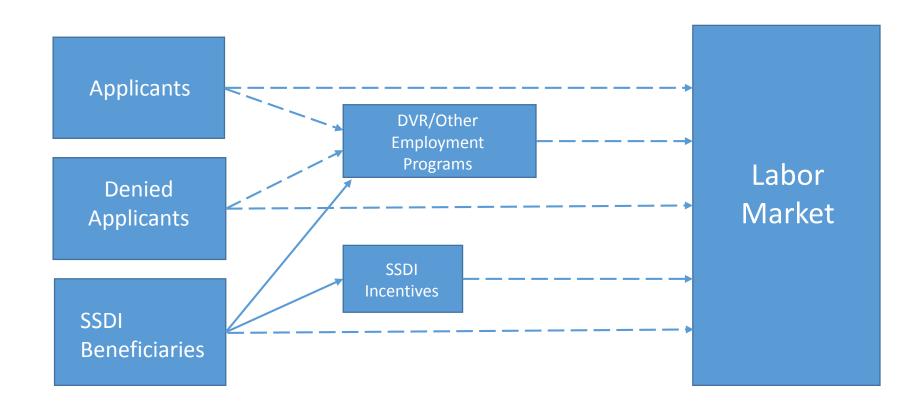
Background

- Shared goal to help SSDI applicants and beneficiaries who wish to remain in, or return to, the workforce
- Forty one percent of beneficiaries indicated having work-related goals in the 2010 National Beneficiary Survey
- In 2007, one in six DI beneficiaries reported working at some point during the year (Mamun, x 2011)
- Less than half of one percent of beneficiaries returned to work, leaving SSDI (Maestas, x 2012)
- Only one in four denied DI applicants earned more than the Substantial Gainful Activity level (Maestas, x 2012)

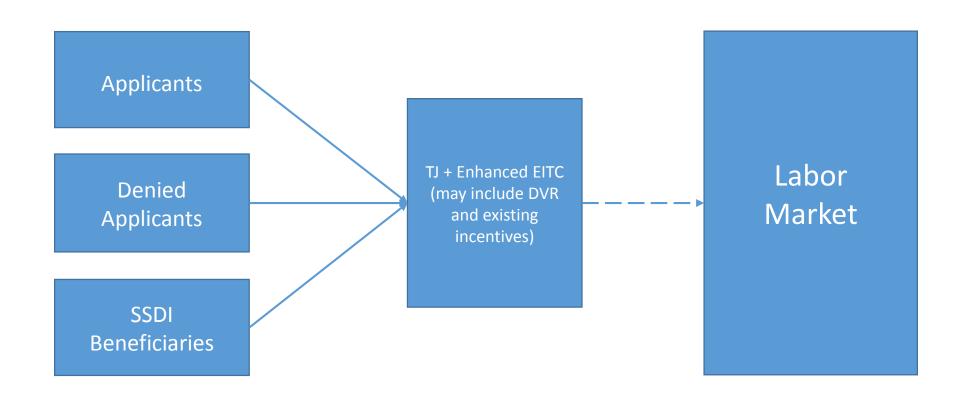
Labor Market as Problem and Opportunity

- Varying (and in some cases, competing) explanations of why these low outcomes for reemployment
- Our focus: to address two of them: the need to make work available, and make work pay
- Do this through large scale transitional jobs and an enhanced earned income tax credit
- Utilize Enhanced Work Incentive Counselors to ensure clarity and access of existing rules and incentives
- Use pre-pilot to work through operational issues
- Use lessons and results of pre-pilot to inform a larger demonstration to test impacts on employment rates, income and application rates or exits due to work beyond the SGA level

Current Paths Back to Employment



Community Advocates PPI Proposal for **Additional** Pathway Back to Employment



Evidence for this approach

- These policies are part of a five-part policy package to substantially reduce poverty in the U.S.
- Urban Institute tested them, individually and together, using TRIM3 model.
- Result for the combination: 50% reduction in poverty
- In addition, Economic Mobility Corporation produced evaluation of .multiple Transitional Jobs programs, also showing dramatic increases in work attachment.
- Substantial number of studies showing significant impact on work effort and income through the Earned Income Tax Credit.
- While these are for broader populations, we believe that these results would also produce impacts for those with disabling medical conditions—which is why we propose to test the approach.

For Further Information....

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