

# Programmes to promote employment for disabled people: Lessons from the United States

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## Introduction

Policymakers in the United States (US) and the United Kingdom (UK) have shown an increasing interest in integrating people with disabilities into the mainstream, especially in work activities. This interest has resulted in an increased number of policies and programmes in both countries that are geared towards promoting employment outcomes for people with disabilities.

The US approach to people with disabilities does not have an integrated system for combining employment supports with disability cash supports. The primary US cash disability benefit programmes – Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) – require that a person be unable to work to qualify for benefits, which limits the return-to-work outcomes, and in part explains why few people leave the SSDI and SSI programmes. In contrast, the UK's disability support system has a more integrated set of supports that emphasises promoting employment outcomes, especially for people claiming benefits from the UK's primary disability benefit programme called Incapacity Benefit (IB). This report reviews evaluation findings from the US experience in providing return-to-work supports for people with disabilities and discusses the implications for similar efforts in the UK. These findings provide lessons for expanding supports and tracking services for the UK's Pathways programme, and for developing and evaluating future UK employment initiatives, especially for people with severe psychiatric conditions and long-term disability claimants.

## Summary of US disability evaluations

The review focuses on US evaluations that have been influential in informing U.S. best practices in providing services to people with disabilities. The target populations included in these initiatives fall into one of the following general categories: SSDI and SSI claimants, people with psychiatric conditions, and low income mothers with disabilities. With one exception, all of the evaluations include a random assignment design in which potential participants were randomly assigned to a control or treatment group. The one non-experimental study included is an evaluation of the largest federally funded US return-to-work programme – Ticket to Work (TTW) – for people with disabilities, which was included because of its size and policy importance.

## Key findings

**Several US interventions have increased employment and earnings, but have shown no impacts on caseload size**

Several of the main US disability employment programmes have increased employment and earnings outcomes of participants, including people who have received SSDI and SSI for several years, but none have led to a substantial reduction in the number of people who receive SSDI or SSI benefits. In all initiatives, the impact on long-term benefit receipt was generally minimal, regardless of whether the programme was voluntary or mandatory. In part, these findings underscore the challenges of moving people off long-term benefits and

into self-sufficiency, particularly given that many people targeted for these services had been out of (full-time) work for several years. However, two evaluations – Structured Training and Employment Transitional Services (STETS) and Transitional Employment Training Demonstration (TETD) – did show that the interventions could still be cost beneficial from a social perspective if they served as less expensive alternatives to existing expensive supports.

### **More-intensive services are generally needed to produce impacts on employment and earnings**

The initiatives that had the largest impacts on employment generally provided a more intensive set of services that were customised to meet the individual's needs. This included two initiatives (STETS and TETD) that provided transitional employment services to youth with intellectual disabilities and several supported employment initiatives that provided a combination of mental health and employment supports to people with psychiatric conditions. In contrast, the interventions that provided a less-intensive set of services to a broader population generally had limited impacts on earnings and employment.

## **Lessons for current UK employment initiatives for people with disabilities**

The US experience provides the following lessons for service delivery and tracking intervention services for the ongoing Pathways programme.

### **Pathways participants with psychiatric conditions might benefit from additional supports, especially supported employment services**

The repeated success of supported employment models, which generally offer a combination of competitive employment and health services, suggests that integrating these types of supports into Pathways could be one option to improve outcomes for people with psychiatric conditions.

### **Adding work incentives to allow people to work more than 16 hours per week might further enhance Pathways outcomes**

The expansion of the existing permitted work rules for IB, which currently restricts work to 16 hours per week before benefits are cut, might enhance more substantial labour market attachment by Pathways participants. Several US interventions have added work incentives to the programme intervention, often through the use of a waiver that provides special work incentive benefits to programme participants.

Such changes could be made directly to the permitted work rules or by expanding other policies, such as the Return-to-Work Credit that currently offers financial support to those working more than 16 hours per week.

### **Long-term claimants will likely need more-intensive supports than those currently offered in Pathways to move into employment**

Long-term IB claimants are likely to have more employment barriers and support needs than the new IB beneficiary population currently served under Pathways. It is likely that these claimants will need several different types of tailored health, employment, and other services (for example, life skills) to move successfully into employment. The US evaluation findings indicate that tailoring services to the needs of each participant generally results in stronger employment outcomes, though these types of services can be relatively expensive.

### **Additional data on services delivered could be helpful in understanding the effects of Pathways on its intended population**

The current Pathways databases include some basic information on the general services provided, such as the number of Work Focused Interviews (WFIs) conducted, but has more limited information on specific types of services (for example, rehabilitation, job preparation and job coaching). Provider data have been used in several US evaluations to monitor variations in service delivery across areas, learning about programme participation and take-up of

different types of services, and more broadly, in understanding the relationship between the services provided and successful outcomes. These monitoring systems can also provide incentives for providers to improve service delivery, ensure that the appropriate services are being delivered to the target population, and meet performance targets.

## **Lessons for evaluating future UK employment initiatives for people with disabilities**

The US experience also provides some more general lessons for evaluating future UK return-to-work interventions:

### **Identifying outcomes that can measure the success of the programme before implementation is important to a clear articulation of key evaluation findings**

A logic model that states the hypotheses being tested and provides a summary of programmatic goals can be useful to participants, providers, policymakers and the evaluation team. Clearly stated outcomes that the programme is intending to affect can be particularly useful when evaluations report findings on a large number of outcomes, because it is possible that, in looking across a large number of outcomes, some may appear to be significant due only to chance, even when there is no real effect. A strong logic model would distinguish those outcomes that should be treated as core evaluation outcomes and treat other outcomes more as exploratory findings.

### **Creating a research database from administrative files on programme participation is a valuable tool in tracking the progress of disability policies**

Developing a research database from administrative records on IB and ESA participation could be a useful tool in monitoring programme outcomes for key UK policy initiatives. The US' Ticket Research File (TRF), which includes information on SSDI and SSI claimant characteristics and programme outcomes over a person's entire history of

participating in the programme, provides an example of how this database could be constructed and maintained in the UK. The primary advantage of such a file is that it provides a systematic way of coding and storing data on programmatic outcomes that can be reused in future research projects. Additionally, the current data security procedures for the TRF also provide a model for how UK programme administrators might go about creating and protecting these data, which is important in light of recent data security concerns in the UK.

### **Rigorous evaluation findings, especially those based on random assignment designs, can be an important factor in building consensus on evidence-based practices**

It is important to fund projects that are of sufficient size and using methods to determine successful outcomes that can be agreed upon by researchers and practitioners. The supported employment evaluations for people with psychiatric conditions illustrate the role that rigorous evaluations can play in policy development, given that the findings led to this approach being accepted as an evidence-based practice by mental health practitioners. Conversely, the influence of other evaluations of US return-to-work interventions has been limited in many cases because they lacked a sufficient sample size and/or a credible comparison group to identify programme impacts.

### **When using non-experimental methods, use multiple approaches to conduct sensitivity tests on programme impacts**

The TTW and SPI evaluations identified problems with non-experimental methods that were exposed with additional sensitivity tests. In both cases, the sensitivity tests identified biases in the estimated models, which led the evaluation to use alternative methods to examine programme impacts. In both the SPI and TTW evaluations, the ability to conduct these sensitivity tests was made possible by the large administrative databases already noted, that the evaluators used to test their models across a number of key outcomes for a variety of comparison groups.

In the future, there are likely to be continuing lessons concerning return-to-work initiatives that both countries can share. The UK approach to delivering services, including mandatory WFIs early on in the application, represents a bold approach that has not been tested within the US. The US approach to providing services to specific impairment groups and longer-term beneficiaries in ongoing demonstration projects targeted to including those with psychiatric conditions, youth, and those who lack health insurance, should provide some insights on potential best practices that could be used in serving IB and, starting in October 2008, ESA claimants.

The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 84712 465 4. Research Report 548. December 2008).

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