



New York **Makes Work Pay**

Developing a path to employment for New Yorkers with disabilities

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Policy to Practice Brief #7

Roles and Opportunities for Schools and Education Systems Under the Ticket to Work and Self-Sufficiency Program

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About Policy-to-Practice Briefs

This is one in a series of policy-to-practice briefs published as part of the New York Makes Work Pay Project, a Comprehensive Employment Services Medicaid Infrastructure Grant funded by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) to the New York State Office of Mental Health (OMH) and its management partners the Blatt Institute at Syracuse University and the Employment and Disability Institute (EDI) at Cornell University. The New York Makes Work Pay Initiative provides an array of services to individuals with disabilities and the agencies and advocates that serve them, helping to remove obstacles to work and pave the way to self-supporting employment.¹

The thoughts and opinions expressed in these materials are those of the authors and do not necessarily reflect the viewpoints or official policy positions of the SSA, CMS, or OMH. The information, materials and technical assistance are intended solely as information guidance and are neither a determination of legal rights or responsibilities, nor binding on any agency implementation and/or administrative responsibilities.

This publication is based on federal Social Security and Supplemental Security Income (SSI) laws, regulations and policy. Following sections pertaining to historical context and evolution of SSA and the Ticket, information presented regarding the operations and structure of the Ticket to Work and Self-Sufficiency Program is based exclusively on the new 2008 regulations.

¹ A detailed description of the New York Makes Work Pay Project and its services can be found at <http://www.NYMakesWorkPay.org>

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I. Introduction

The Ticket to Work and Work Incentives Improvement Act represents a unique opportunity for educators, administrators and policymakers to enhance transition services and supports provided to students with disabilities as articulated in the Individuals with Disabilities Education Act (IDEA). Within the regulations from the Individuals with Disabilities Education Improvement Act of 2004, “transition services” are defined as:

*“...a coordinated set of activities for a student with a disability that— (A) is designed to be within a **results-oriented process**[emphasis added], that is focused on improving the academic and functional achievement of the child with a disability to facilitate the child’s movement from school to post-school activities, including post-secondary education, vocational education, integrated employment (including supported employment), continuing and adult education, adult services, independent living or community participation;(B) Is based on the individual child’s needs, taking into account the child’s strengths, preferences, and interests; and (C) Includes instruction, related services, community experiences, the development of employment and other post-school adult living objectives, and, if appropriate, acquisition of daily living skills and functional vocational evaluation.” [34 CFR 300.43 (a)] [20 U.S.C. 1401(34)]*

School districts are under substantial pressure to improve the academic achievement of students both with and without disabilities. Quality transition planning and services are facilitated through cross-systems collaboration and the seamless coordination of resources to facilitate services. Strong linkages must exist between school and agency partners in order to effectively meet the needs of the transitioning student. However, several factors stand as barriers to effective collaboration. These include:

1. A lack of shared knowledge and vision by students, parents, school and agency staff around students’ post school goals and the transition resources necessary to support students’ needs and interests (Johnson, Stodden, Emanuel, Luecking, & Mack, 2002);
2. A lack of shared information across school and community agencies, and lack of coordinated assessment and planning processes (Benz, Johnson, Mikkelsen, & Lindstrom, 1995);
3. A lack of a transition decision-making process with meaningful roles for students and parents, that respects both students’ emerging need for independence and self-determination, and parents’ continuing desire to encourage and support their children during the emancipation process that is part of becoming a productive, contributing young adult (Furney, Hasazi, & DeStefano, 1997);
4. A lack of meaningful information on post-school services needed by students, and lack of follow-up data on post-school outcomes and continuing support needs of students that can be used to guide improvement in systems collaboration and linkages (Hasazi, Furney, & DeStefano, 1999; Johnson & Sharpe, 2000);

5. A lack of coordinated eligibility requirements and funding for agency services (Luecking, Crane, 2002).

These barriers have resulted in consistently poor results for many transitioning students (Blackorby & Wagner, 1996; Browning, et al, 1995; Hasazi, et al, 1999; National Center on Secondary Education & Transition, 2004). However, as a part of the National Longitudinal Transition Study-2, Newman, et al (2009) found that youth who were able to achieve full time employment after school were 20% more likely than part time workers to earn more than \$9.00 per hour, 22% more likely to have paid vacations/sick leave, and 25% more likely to have health insurance. Clearly, having a good job with a career focus can result in a substantially higher quality of life and greater independence from public assistance.

II. Supporting Results-Oriented Transition Through Partnership

One way for school districts to support a results-oriented set of transition processes and services is to secure program funding that is predicated on results. The Ticket to Work and Self-Sufficiency Program is a voluntary program created as part of the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA). The program was established to expand the universe of providers available to provide SSI and SSDI beneficiaries with disabilities access to vocational rehabilitation, employment service, and/or other supports needed to achieve an employment outcome. The Ticket to Work Program is operated through a national network of service providers called Employment Networks (EN) and State Vocational Rehabilitation Agencies. Employment Networks are recruited and approved for providing services by the Social Security Administration and Program Managers, MAXIMUS, Inc. and CESSI (SSA, 2009). The program is available nationally to SSI and SSDI beneficiaries. The Ticket to Work and Self-Sufficiency Program is the first completely outcomes-based payment system in which schools can participate:

For each month during the beneficiary's outcome payment period for which Social Security disability benefits and Federal SSI cash benefits are not payable to the beneficiary because of the performance of SGA or by reason of earnings from work activity, the EN (or the State VR agency acting as an EN) is eligible for a monthly outcome payment." [20 CFR 411.525 (a)(1)(i)]

The Ticket to Work Program can support effective transition practices through supplemental funding for 18-21 year old students who receive SSI or SSDI benefits and have been re-determined eligible for disability benefits as an adult. The very process of applying a ticket with an EN engages the student in an individualized and collaborative planning, training and placement process, culminating in a paid employment outcome for each individual.

What follows is an explanation of how educational institutions can participate in the Ticket Program as a collaborative Employment Network. After a description of school-agency collaboration in transition planning, a step-by-step detail of how the Ticket Program can

work for students under a collaborative school-agency partnership will provide a means of getting started with the Ticket-to-Work program both from a school and agency perspective.

A. School and Agency Collaboration

Bronfenbrenner (1979) developed a theoretical framework for how children develop within complex environments:

The ecological environment is conceived as a set of nested structures, each inside the next, like a set of Russian dolls. At the innermost level is the immediate setting containing the developing person. This can be the home, the classroom, or as often happens for research purposes – the laboratory or the testing room... The next step, however, already leads us off the beaten track for it requires looking beyond single settings to the relations between them...A child's ability to learn to read in the primary grades may depend no less on how he is taught than on the existence and nature of ties between the school and the home. (p. 3)

Building directly on Bronfenbrenner's work, Hayden & Abery (1994) developed an "ecosystems framework" for understanding how persons with disabilities develop self-determination.

An individual's interactions with family members, service providers, and roommates in the home; teachers; employment supervisors and fellow employees; and the peer group does not occur in isolation. What occurs in one environment has an effect on what happens in others...One needs to go beyond immediate settings and examine larger contexts that affect events at lower levels of the individual's ecosystem in order to fully understand development. (p. 352)

Our lives are spent across multiple environments: school, home, work...other. No aspect of life occurs in complete isolation. Because the results of education resonate in college, the workplace, home and community for years after high school, preparing secondary students for life after school necessarily involves family and community members, whether schools intentionally involve them in the process or not. Therefore, proactively involving family and community members in the planning and service delivery process affirms their stake in the results of education, as well as their partnership.

This shared capacity for collaborative planning and service delivery is advanced through a combination of financial and other resources. Services to students with disabilities are structured and delivered based on federal and state legislation, regulation, and related funding streams. Generally speaking, educational programs are reimbursed using a formula based on numbers of students identified in the reporting process times the number of contact hours or days of service. It is important to understand the role local funding plays in education. The U.S. Department of Education (DOE, 2010) reported that elementary and secondary schools derived 10.5% of their Fiscal Year 2009 revenues from the

federal government, with the remaining revenues coming from state and local governments, individuals, and private organizations. Parish and Wolman (2004) wrote about how increases in federal funding for special education has not kept up with increases in special education student enrollment:

Coupling the cost of these new students with the cost of inflation more than offsets supplemental federal revenues. In fact, federal revenues were never designed to meet the full costs of an expanding special education service base. At the same time, as long as special education costs rise faster than increasing federal revenues, fiscal pressures on the states and localities are likely to continue. (p. 59)

One might conclude correctly that the desire for additional forms of revenue to support student success is high among education officials.

III. The Ticket to Work and Self-Sufficiency Program

The Ticket to Work and Work Incentives Improvement Act (Public Law 106-170) was signed into law on December 17, 1999. Its purpose was four-fold:

1. To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependence on cash benefit programs;
2. To encourage states to adopt the option of a Medicaid Buy-In, allowing individuals with disabilities to purchase Medicaid coverage that is necessary to enable them to maintain employment;
3. To provide enhanced options to individuals with disabilities for maintaining Medicare coverage while working; and
4. To establish a "Ticket to Work and Self-Sufficiency Program" that allows SSDI and SSI beneficiaries to seek employment services, VR services and other support needed to obtain, retain, or maintain employment and reduce their dependence on cash benefit programs.

In several reports over the course of the first six years of implementation of the Ticket to Work program, the Ticket to Work and Work Incentives Advisory Panel cited the inadequacy of program performance.² *The Crisis in EN Participation: A Blueprint for Action*³ clearly delineated the shortcomings in the structure of the program, stating that the Ticket to Work Act, specifically the Ticket to Work Program, had failed to recognize its full potential in expanding employment opportunities for people on the SSA disability rolls, having failed to recruit the anticipated numbers of ENs. The report further stated that the program was serving a small fraction of beneficiaries.

² Design Issues Relating to the Adequacy of Incentives Study. Advice Report to the Commissioner of the Social Security Administration. SSA: Baltimore, MD.

³ *The Crisis in EN Participation: A Blueprint for Action*. (2004). Advice Report to Congress and the Commissioner of the Social Security Administration. SSA: Baltimore, MD.

In response to the growing national discontent with the initial regulations and the reality that the Ticket program had yet to recognize its full potential, the Commissioner of the SSA issued subsequent regulations concerning the Ticket to Work program.⁴ These final Ticket regulations are based on Notices of Proposed Rulemaking published in the Federal Register on September 30, 2005 and August 13, 2007. The revised regulations incorporate SSA's vision of the future direction of the Ticket to Work Program and are based on lessons learned and issues arising from SSA's experience in implementing the prior regulations. In the preamble to the regulations SSA stated:

"We are revising our prior rules to improve the overall effectiveness of the program to maximize the economic self-sufficiency of beneficiaries through work opportunities. We have based these revisions on our projections of the future direction of the Ticket to Work program, our experience using the prior rules, and the recommendations made by commenters on the program."

The new, long-awaited regulations became effective on July 21, 2008. The regulations laid out a new payment scheme to address each of the following:

- Adequacy of financial incentives for ENs
- Expand eligibility criteria
- Modify certain procedural rules regarding beneficiaries making timely progress toward their individual work plans, and
- Allow the VR Cost Reimbursement Program to operate parallel to the Ticket to Work program, affording availability of longer-term supports for beneficiaries that require intensive VR services and supports.⁵

Under the Ticket to Work program, the EN or State VR agency provides employment services, VR services and other support services to assist the beneficiary in obtaining, regaining, maintaining or advancing in employment. As outlined below, the EN or State VR agency will only receive payment for its services if the beneficiary achieves certain work-related outcomes. At any time, a beneficiary can retrieve his or her Ticket from an EN or State VR agency and reassign it to another, as long as Ticket eligibility requirements continue to be met.

A beneficiary has the option of deciding when and whether to use his or her Ticket to obtain services from an EN or from a State VR agency. A beneficiary with a Ticket may assign it to any EN they choose, and/or the State VR agency, as long as that EN or State VR agency is willing to accept their Ticket. Beneficiaries may discuss their employment and individual work plan with as many ENs in their areas as they wish, or the State VR agency, and a list of available providers can be obtained from the Program Managers (PM), MAXIMUS, Inc.

⁴ 20 CFR Part 411, published as final regulations in 73 Federal Register 29324-29335 (May 20, 2008).

⁵ Id. 20 CFR Part 411. The Program Operations Manual System (POMS) provisions have not yet been amended to implement the new regulations.

However, a beneficiary cannot assign his or her Ticket to more than one EN, or an EN and the State VR agency at a time.

A. Who Can Participate in the Ticket Program?

To be eligible to participate in the program an individual must be entitled to Title II disability benefits or Title XVI (SSI) disability or blindness benefits. The individual must also meet several additional criteria to be eligible for a Ticket:

- be 18 and not attained age 65 years of age;
- if an SSI recipient, be eligible for benefits under the adult disability standard;
- be receiving a federal cash benefit from Social Security.

A person is not eligible to participate in the Ticket program if they are receiving: “Section 301” payments, i.e., continued SSDI or SSI benefits following a determination of medical improvement because they are participating in an approved VR program;⁶ continued benefits while appealing a cessation of benefits based on a finding of medical improvement; provisional cash benefits while SSA is considering a request for expedited reinstatement of SSDI or SSI; or presumptive disability payments while awaiting a final decision on an application for benefits.

SSI beneficiaries who are 18 years old and received SSI as children will not automatically be provided a Ticket upon turning 18. However, they will qualify for a Ticket later if SSA finds them disabled based on the adult standard after conducting an age 18 redetermination.⁷

Unless medical recovery is an issue, an individual receiving Social Security based on disability is entitled to a nine-month Trial Work Period (TWP), which allows the individual to test work skills while maintaining full benefit checks regardless of any income earned. The TWP can start with the first month the individual is eligible for SSDI benefits or the month in which the individual files for benefits, whichever is later. The TWP continues until the individual has accumulated 9 months (not necessarily consecutive) in which the individual has performed “services” within a rolling 60-consecutive-month period. SSA currently considers an individual has performed “services” in a month if they earn over \$720 (this is the 2010 amount) or works over 80 hours in self-employment in the month.. The dollar amount is adjusted each year based on the national average wage. During the TWP no other incentives (i.e., IRWE, subsidy) are considered.

The individual is eligible for only one Ticket during a period of entitlement to SSDI or SSI based on disability. However, if entitlement to SSDI or SSI ends or is terminated, and is

⁶ See 20 CFR 404.316(c), 416.1338; POMS DI 13515.001 et seq.

⁷ POMS DI 55002.005 C.5.

later reinstated, a new Ticket will be issued.⁸ There is no limit to the number of new Tickets an individual could receive.

B. What is an Employment Network (EN)?

An EN is any qualified entity that has entered into an agreement with the SSA to function as an EN under the Ticket to Work program. To serve as an EN, an entity must meet and maintain compliance with both general and specific selection criteria. General criteria include:

- having systems in place to protect the confidentiality of personal information about beneficiaries seeking or receiving services;
- being both physically and programmatically accessible;
- not discriminating in the provision of services based on a beneficiary's age, gender, race, color, creed, or national origin;
- having adequate resources to perform the activities required under the agreement with SSA or the ability to obtain them; and,
- implementing accounting procedures and control operations necessary to carry out the Ticket program.

The specific criteria that an entity must meet to qualify as an EN include:

- using staff who are qualified under applicable certification, licensing or registration standards that apply to their profession, including certification or accreditation by national accrediting or certifying organizations;
- using staff that are otherwise qualified based on education or experience, such as by using staff with experience or a college degree in a field related to the services the EN wants to provide such as vocational counseling, human relations, teaching, or psychology; and
- taking reasonable steps to assure that if any medical and related health services are provided, such medical and health-related services are provided under the formal supervision of persons licensed to prescribe or supervise the provision of these services in the State in which the services are performed.

In addition, any entity must have applicable certificates, licenses, or other credentials if such documentation is required by state law to provide VR services, employment services or other support services.

An EN is not required to serve any particular beneficiary. An EN is not required to provide or offer any specified list of services. After beginning to serve a beneficiary, the EN may choose, by following certain procedures outlined in the final Ticket regulations and subject to any dispute resolution procedures, to sever the relationship and stop serving the benefi-

⁸ 20 CFR 411.125(b) and (c).

ciary. This is true of all ENs, other than a State VR agency serving as an EN. We expect most ENs will limit their work to those areas that are within their expertise.

The EN assumes responsibility for the coordination and delivery of employment services, VR services, or other support services to beneficiaries who have assigned their Ticket to that EN. An EN may consist of either a single provider of such services or a group of providers organized to combine their resources into a single entity. Under the old Ticket regulations, most of the entities enrolled as ENs were traditional disability service providers enrolled as ENs. Under the 2008 regulations, the universe of ENs is greatly expanding and now includes: one-stop delivery systems established under the Workforce Investment Act of 1998, business and industry, transportation providers, schools, colleges, peer-run organizations, and others. An EN provides services either directly or by entering into agreements with other providers that can furnish appropriate services and serve prescribed service areas and take measures to ensure that services provided under the Program meet the requirements of Individual Work Plans (IWPs). An EN must develop and implement IWPs in partnership with each beneficiary whom they agree to serve in a manner that affords the beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that goal. Each IWP must meet the requirements detailed in the section below.

An EN must:

- report to the Operation Support Manager (OSM) (i.e., MAXIMUS) each time it accepts a Ticket for assignment;
- submit a copy of each signed IWP to the OSM;
- submit to the OSM copies of amendments to a beneficiary's IWP;
- submit to the OSM a copy of any agreement the EN has established with a State VR agency;
- submit information to assist the OSM in conducting the reviews necessary to assess a beneficiary's timely progress;
- report to the OSM the specific outcomes achieved with respect to specific services the EN provided or secured on behalf of the beneficiary;
- provide a copy of its most recent annual report on outcomes to each beneficiary considering assigning a Ticket to it;
- meet all financial reporting requirements;
- collect and record such data as SSA requires, and
- adhere to all requirements specified in the agreement with SSA.⁹

SSA will periodically evaluate the EN's performance to ensure effective quality assurance in the provision of services. SSA will solicit and consider the views of the individuals the EN serves and the PM monitoring the EN. ENs must make the results of these periodic reviews available to beneficiaries to assist them in choosing among available ENs.

⁹ 20 CFR 411.325

An entity applies to SSA to become an EN by responding to SSA's request for proposals (RFP). This RFP is available through SSA's website at: <http://www.socialsecurity.gov/work/formsandpubs.html#Materials>. The applicant must certify that it is qualified to provide employment services, VR services, or other support services to beneficiaries either directly or through contract or other arrangement.¹⁰

IV. The Ticket to Work Payment System Options

The underlying premise of the Ticket to Work program is to pay ENs based on the satisfactory employment (or self-employment) outcomes of the SSDI or SSI beneficiary. With the exception of the Phase I milestone payments and Phase II outcome payments available under the Outcome-Milestone Payment options, and the separate option for State VR Agencies to be paid under the longstanding cost reimbursement payment system, all payments to an EN occur based on work activity that results in the beneficiary's loss of SSDI benefits and disability-based federal cash SSI benefits.

ENs (including a State VR Agency acting as an EN) may elect to be paid under one of two EN payment systems - the Outcome Payment System or the Outcome-Milestone Payment System. Payments under the new EN payment systems differ, depending on the option chosen and the types of benefits received by the beneficiary. The pace of payments to an EN will also depend on how quickly the beneficiary achieves the required work outcomes.

A. The Outcome Payment System

SSA can make up to 36 outcome payments to the EN (or State VR agency acting as an EN) for a Title II disability beneficiary (including a concurrent Title II/Title XVI disability beneficiary). SSA can pay up to 60 outcome payments to the EN (or State VR agency acting as an EN) for a Title XVI disability beneficiary who is not concurrently a Title II disability beneficiary. For each month during the beneficiary's outcome payment period for which Social Security disability benefits and federal SSI cash benefits are not payable to the beneficiary because of the performance of Substantial Gainful Activity (SGA) or by reason of earnings from work activity, the EN (or the State VR agency acting as an EN) is eligible for a monthly outcome payment. Payment for an outcome payment month under the outcome payment system is equal to 67% of the payment calculation base for the calendar year in which such month occurs, rounded to the nearest whole dollar.

Youth under age 22 who receive SSI and regularly attend secondary or postsecondary education are allowed a Student-Earned Income Exclusion (SEIE) to further offset the loss of benefits by their earnings. Consequently, these youth will not generate an outcome payment until their earnings exceed both their monthly/annual SEIE threshold (\$1,640 to an annual maximum of \$6,600 in 2010) and their other income exclusions reducing their cash benefit to \$0.00.

¹⁰20 CFR 411.310

B. The Outcome-Milestone Payment System

SSA can pay the EN (or State VR agency acting as an EN) for up to four Phase One milestones attained within the required earnings period for a Title II or Title XVI disability beneficiary who has assigned his or her ticket to the EN (or State VR agency acting as an EN).

- **First Phase One Milestone:** When a beneficiary has worked in a month and earned at least 50% of the amount of earnings considered to represent a trial work period service month.
- **Second Phase One Milestone:** When a beneficiary has worked for three months within a six-month period and has gross earnings in each of those three months equal to or greater than a trial work period service amount.
- **Third Phase One Milestone:** When a beneficiary has worked for a total of six months within a twelve-month period and had gross earnings in each of those six months equal to or greater than the trial work period service amount.
- **Fourth Phase One Milestone:** When a beneficiary has worked a total of nine months within an 18-month period and had gross earnings in each of those nine months equal to or greater than the trial work period service amount and the EN has substantially completed the services agreed to in the IWP/Individual Plan for Employment (IPE), including any amendments.

Earnings used to meet the first, second or third Phase One milestones may be counted again when determining if a later Phase One milestone is met, provided the earlier earnings fall within the relevant time period for meeting the later milestone. Note: The Student Earned Income Exclusion would not negate a milestone payment as it is based on gross wages prior to income disregards.

Example: Sally is an SSI beneficiary who assigned her ticket to an EN in January 2008. In September 2008, the EN arranges for Sally to be placed in a nursing home as a nurse's aide, earning \$800 per month in a part-time position. Sally remains in that position through the end of the year and earns \$800 gross in October, November and December.

In January 2009, the EN arranges for an unpaid internship at a new nursing home in which the nursing home staff agrees to provide intensive supervision and coaching in exchange for Sally's free services. Sally continues in this unpaid position through the end of June. In July 2009, the nursing home agrees to hire Sally in a paid position where she will earn \$1000 gross per month. She continues working through the remainder of 2009, earning \$1000 per month gross between July and December. Will the EN be able to collect any Phase 1 milestone payments for Sally's success?

The EN can collect for each of the four milestones as Sally's earnings meet the criteria for all four as follows:

- **Milestone 1:** This was met when Sally earned \$800 in October 2008 exceeding required earnings of half the amount needed for one TWP month.
- **Milestone 2:** This was met when Sally earned \$800 for November and December 2008 (more than the \$670 required for a TWP month in 2008). As allowed under the rules, the earnings from October were again used to meet the three months out of six months requirement for TWP-level earnings.
- **Milestone 3:** This is met when Sally works three more months, in July, August, and September 2009 and earns \$1,000 gross per month (more than the \$700 required for a TWP month in 2009). As allowed under the rules, we can count October, November and December 2008 again, allowing Sally to achieve 6 months of TWP-level work in a 12-month period.
- **Milestone 4:** This is met when Sally works three more months in October, November, and December 2009 at TWP-level earnings levels. As allowed under the rules, we can once again count previous months of TWP-level earnings. In this case, we may count any of 9 TWP-level earnings months within an 18-month period ending December 2009.

Table 1 summarizes the Phase One Milestone Payment Rates for calendar year 2010, based on the type of benefit received.

Table 1 -- 2010 Phase One Milestone Payment Rates

Type	Earnings	SSDI	SSI
Phase 1 -- Potential			
Milestone 1	\$350/mo for 1 month	\$1,275	\$1,275
Milestone 2 (M1+2 months)	\$700/mo for 3 months	\$1,275	\$1,275
Milestone 3 (M2+3 months)	\$700/mo for 6 months	\$1,275	\$1,275
Milestone 4 (M3+3 months)	\$700/mo for 9 months	\$1,275	\$1,275
Total Potential Phase		\$5,100	\$5,100

The Table 2 summarizes the Phase II Milestone Payment Rates for calendar year 2010, based on the type of benefit received.

Table 2 -- 2010 Phase II Milestone Payment Rates

Type	Earnings	SSDI	SSI
Phase 2	Gross > SGA (\$980)	\$382 / month (up to 11 mos.)	\$220 / month (up to 18 mos.)
Total Phase 2 Payments		\$4,202	\$3,960
Total Potential Ticket Payments Phases 1 and 2		\$9,302	\$9,060

The Table 3 summarizes the Outcome Phase payment rates for calendar year 2010, based on the type of benefit received.

Table 3 -- 2010 Outcome Phase Payment Rates

Type	Earnings	SSDI	SSI
Outcome Phase	Net > SGA (\$980) AND 0 cash benefit	\$382 / month for 36 months	\$220 / months for 60 months
Total Outcome Phase Payments		\$13,752	\$13,200
Total Potential Ticket Payments		\$23,054	\$22,260

V. Using the Ticket Program to Enhance Education Funding

Federal, state and local funding streams can be combined with each other and with the Ticket Program to support ENs as they work with Ticket holders toward substantial gainful activity. Age is the determining factor for each of these funding streams. See Illustration 1 to see education funding streams, timelines and activities toward employment outcomes for youth with disabilities.

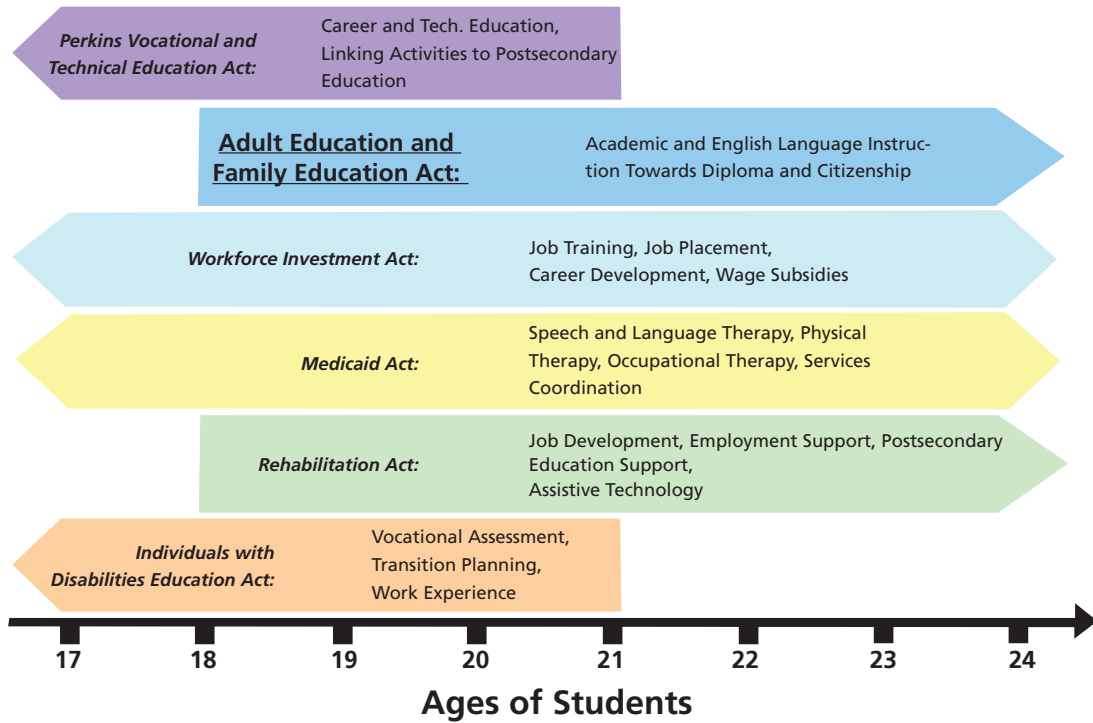


Illustration 1: Federal Funding Streams for Transitioning Students with Disabilities

The Ticket Program supports ENs by providing money after outcomes have been attained for each Ticket Holder. For example, Illustration 2 combines the Individuals with Disabilities Education Act and the Rehabilitation Act, with payments received under the Ticket Program to retroactively reimburse the collaborative EN for investments made in earlier years. Remember, federal money covers a fraction of the actual expense of an educational program. Ticket reimbursement can offset locally-financed expenses.

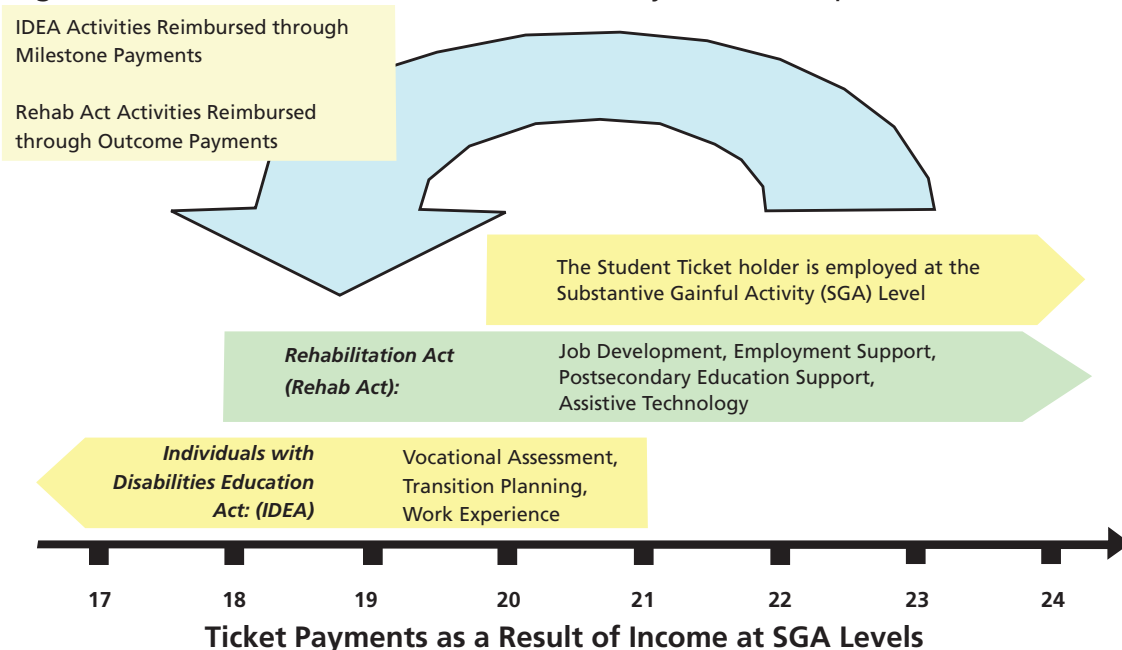


Illustration 2: An Example of How the Ticket-to-Work Program Supports Existing Funding Streams

VI. A Successful School-Agency EN Relationship – Whittier Union High School District

The Whittier Union High School District is located just outside of Los Angeles, California. The school district serves students within five comprehensive high schools, one continuation school, one alternative studies program, and one adult school. From their 2008-09 California Department of Education District Summary Data, they had an overall enrollment of 13,670 students, 1,254 of which (9.2%) were students with disabilities. 45.8% of the students were receiving free or reduced school lunches, compared with 53% statewide. Their grades 9-12 dropout rate for the 2007-08 academic year was 1.6%, compared with 5.4% statewide.

From their 2006-07 California Special Education Annual Performance Report measures, 99% of the students with disabilities aged 16-22 had transition goals and services (State Performance Plan Indicator 13). This same report indicated that 92.7% of the students were found to be competitively employed and/or enrolled in postsecondary school one year out of high school (State Performance Plan Indicator 14).

One of the programs offered by the school district is the Career Connection program. This program serves secondary students with disabilities through a blend of career development activities, vocational assessments and training, work experiences, benefits counseling, and job placement with follow-along services. The Career Connection program is an EN under the Ticket-to-Work Program. Students in the Career Connection EN range in ages from 18 through 22. During the 2009-10 academic year, this program served students with the following disabilities, as indicated on each student's Individualized Education Plan (IEP):

Emotional Disabilities – 2 students
Intellectual Disabilities – 112 students
Physical Disabilities – 8 students
Multiple Disabilities – 8 students
Other Health Impaired – 4 students

A. Outcomes of Career Connection

The Career Connection program began in 1981. In 2003 Career Connection became a Ticket to Work EN and has since generated strong outcomes for those students with disabilities who have been involved; 30 of over 100 participants served under the Ticket to Work program were students with disabilities. The remaining participants were adults with disabilities -- not students. In making a decision to apply to become an EN, the Career Connection staff reviewed the demographics of their program and recognized the untapped flow of resources available to them through a small part of their existing customer base. Career Connection recognized the need to achieve each of the following conditions to recognize the full benefit from participating in the Ticket to Work Program:

- Each student agrees to assign his or her Ticket to Career Connection.
- Each of these students participates in Career Connection through program completion (typically four years from ages 18-22) with additional support after age 22, if needed.
- Employment under the Career Connection program results in gross earnings above certain levels for each student towards planned milestones established under the Milestone Outcome Payment System.

The Career Connection program works collaboratively with a variety of agencies to provide services and supports through the Milestone payment period. This EN is designed to provide services beyond age 22. Under this framework, Whittier Union High School District and an agency, such as a community rehabilitation provider (CRP), collaborate to provide the needed services for adults with disabilities referred to Career Connection as Ticket to Work participants. The school district could provide the assessment, training and initial placement activities. The CRP would provide the on-the-job training and follow-along support services through the end of the 60-month outcome payment period, splitting the Milestone payments.

B. Budget Scenarios for Career Connections Participation Under the Milestone Outcome Payment System with the Ticket to Work Program

Whittier High School District would be paid for the following milestones once a student’s gross earnings reach the following levels for prescribed periods of time.¹¹

PHASE I:

For a Student on SSI, SSDI or both:

Milestone 1 (1 month @ \$350)	\$ 1,275.00
Milestone 2 (3 months @ \$700)	\$ 1,275.00
Milestone 3 (6 months @ \$700)	\$ 1,275.00
Milestone 4 (9 months @ \$700)	<u>\$ 1,275.00</u>
Total Milestone Payments	\$ 5,100.00

PHASE II:

For a Student on SSDI (or receiving both SSI and SSDI):

Up to 11 months at or above \$980 (SGA) \$ 382.00 per month

For a Student on SSI (or receiving both SSI and SSDI):

Up to 18 months at or above \$980 (SGA) \$ 220.00 per month

¹¹Note that milestones are calculated based on gross monthly earnings and any income disregards the SSA may allow do not count against the EN for the purpose of payment.

It is important to note that these milestones build upon one another, so that within two to three years it would be possible to achieve all of the Milestone Payments for any given student participating in the program. Milestone payments missed before going to “zero cash benefits” will be given to the EN in a reconciliation payment after 12 outcome payments have been made.

At the point the student’s earnings exceed SGA and they are no longer receiving a federal cash benefit, the Career Connections program could begin receiving an Outcome Payment,¹² which would be \$220 per month for person receiving SSI or \$382 for a person receiving SSDI or both SSI and SSDI.

OUTCOME PHASE:

For a Student on SSI:

Total Milestone Payments:.....	\$ 9,060.00
Total Outcome Payments:.....	\$13,200.00
Total Milestone Outcome Payments per student	\$22,260.00

For a Student on SSDI (or both):

Total Milestone Payments:.....	\$ 9,302.00
Total Outcome Payments:.....	\$ 13,752.00
Total Milestone Outcome Payments per student	\$ 23,054.00

C. Budget Scenarios for Career Connections Participation Under the Outcome Payment System with the Ticket to Work Program

If Career Connections were to select pure outcome payments versus milestones, they would not receive an outcome payment on any student participating in the program until they were no longer receiving cash benefits from the SSA, as described under the outcome portion of the Milestone Outcome Payment System above. This would translate for students who receive SSI to a monthly outcome payment of \$409 for up to 60 payments. For students who receive SSDI (or both) it would mean a monthly outcome payment of \$711 for up to 36 payments. Across the maximum payments Career Connections could recognize total outcome payments of \$24,540 for a student on SSI and \$25,596 for a student on SSDI and/or both.¹³

Because of the transition nature of the Career Connections program and potential need for long-term and ongoing supports, the Career Connections program could develop a

¹²Note that each year the payment calculation base (PCB) upon which monthly outcome payments are figured will potentially increase. Calculations in this paper are based the 2010 PCB with no annual adjustments.

¹³Note that each year the Payment Calculation Base (PCB) upon which monthly outcome payments are figured will potentially increase. Calculations in this paper are based the 2010 PCB with no annual adjustments.

collaborative agreement with a community agency as part of their Employment Network to extend employment support services beyond graduation. For the purposes of developing a budget scenario, we will assume that each student could potentially move from the Phase I to Phase II Milestones during their three years in the Career Connections program. After each student has graduated at age 21, the CRP could provide employment support to each graduate and receive payments under the Outcome Phase.

What is especially useful about this model is that one could substitute any educational model that serves 18-21 year old youth with disabilities for Career Connections, and any agency provider for a CRP. For instance, one could substitute a community college (or an Adult Education program with WIA funding) for Career Connections. A center for independent living could be substituted for a CRP. Similar activities and outcomes for Ticket holders will yield the same Ticket Program outcomes for each provider.

VII. Getting Started

As state and federal money to support employment for individuals with disabilities becomes tighter, becoming an EN under the Ticket to Work program, by providing a vehicle through which collaborative funding can take place, will become increasingly attractive. The strongest partnerships will occur as a result of a common desire to improve outcomes for students with disabilities, as opposed to collaborations based on funding streams. Each funding stream, including the Ticket Program, is a tool for the toolbox, a means by which gainful employment for students may be supported. By combining these funding streams and a number of agency partners, educational programs will increase the ability of students to pursue a career path and a living wage. Getting into school settings will give agencies a head start and an opportunity to shape the educational program of their future consumers.

Under a cost-sharing agreement between a school and community agencies such as the one described above, a critical area of planning has to do with what happens when the school program is out of the picture at age 21. The capacity of the adult service system, including Ticket Program money, to support individuals entering the adult system must be measured and articulated in the plan. Long waiting lists for vocational services will limit the utility of the Ticket Program as a supplement to existing services for students with the most significant disabilities. In the Career Connections program, for instance, the ability of the CRP to support students beyond their 21st birthday will be a function of the student's stability in his or her job during the outcome payment period, and the capacity of CRP to re-establish employment when and if the graduated student loses his or her job. School-agency collaborations have to plan for the fact that few people keep their high school jobs into adult life. Given that the Ticket program provides money only after employment is achieved, agencies must identify how they will support job development and training activities.

Many people in schools and their surrounding communities are concerned about rising academic standards, rising costs, and reduced revenue. Students are being asked to ac-

accomplish more than their predecessors, with seemingly fewer resources. Students with disabilities are especially hard hit, in that they are challenged to achieve more academically while at the same time preparing for life beyond school, in the workplace and in college. The Ticket to Work program represents one tool for promoting school-agency collaborations. It combines an outcomes-based payment system with consumer choice, based on the expectation that people with disabilities can earn a living wage. It will take tremendous creativity and the contributions of a variety of players to turn the Ticket Program's resources into a pattern of successful practices. If they haven't learned this already, school personnel will soon find that forming alliances with the community is critical to student success, both in the classroom and beyond. By developing EN partnerships, educational programs and agencies will be combining a number of resources and funding streams, and will not only capture new Ticket to Work dollars, but will maximize existing resources. Ultimately transitioning students are the ones who benefit from this supportive network the most. A career path leading to a living wage is what education is all about.

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