Youth with Disabilities at the Crossroads: The Intersection of Vocational Rehabilitation and Disability Benefits for Youth with Disabilities

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2nd Annual Meeting of the Disability Research Consortium

October 30-31, 2014
Washington, DC

This research was supported by a grant from the U.S. Social Security Administration (SSA) as part of the Disability Research Consortium (DRC). The findings and conclusions are solely those of the authors and do not represent the views of SSA, any agency of the Federal Government, the NBER Disability Research Center, or Mathematica’s Center for Studying Disability Policy (CSDP).
Introduction

State vocational rehabilitation (VR) agencies are well positioned to assist youth and young adults (ages 16 to 24) with disabilities who are transitioning from school to work and facing issues related to Social Security Administration (SSA) benefit receipt. This paper adds to the knowledge about state VR agencies’ provision of services to youth with disabilities and differences in outcomes based on SSA benefit receipt status. We used data from the Rehabilitation Services Administration (RSA)-911 Case Study Report matched to SSA administrative records.

This study addresses the following questions:

- To what extent do VR youth applicants with SSA benefits receive services and close with employment?
- How many VR youth applicants with SSA benefits go on to have their benefits suspended due to work within four years of VR application?
- How many VR youth applicants without SSA benefits at VR application receive SSA benefits within four years after applying for VR services?
- How do the statistics for VR youth with and without SSA benefits compare with each other and with state characteristics?
- How do youth VR applicants who receive SSA benefits at any time vary in their demographic and service characteristics from those who have never received SSA benefits?

Data and Methods

For this study, we used RSA-911 Case Service Report data for federal fiscal years 2004 through 2011 and SSA’s Disability Analysis File (DAF) to develop application and closure cohort files for youth and young adults who applied for VR services in fiscal years 2004, 2005, and 2006. The RSA-911 data contain information about each person who exited VR services during the year, such as demographic characteristics at the time of application, types of services received, and employment outcomes for those who received services. The DAF contains a longitudinal record for every person age 10 through the Social Security full retirement age (currently age 66) who received Social Security or SSI disability benefits at any time from 1996 onward; at the time of our analysis, it contained data through 2011. By matching these data to RSA-911 records, we
were able to identify which VR youth applicants received benefits at the time they applied for VR services or within 48 months of their VR applications.

For the purpose of this study, we defined the transition-age youth population as those ages 16 through 24 at the time they applied for VR services. To develop annual applicant cohorts to be followed from application to case closure and beyond, we realigned the data to include only youth who applied for VR services in fiscal years 2004, 2005, and 2006. This realignment allows sufficient time through 2011 (five to seven years) to observe their completion of VR services. It has the added value of comparing the experiences of youth who applied at about the same time, thereby controlling for local, state, and agency factors that could vary for individuals who close at the same time (most notably for those who close with and without receiving VR services). We calculated six transition measures to assess this intersection—five that reflected service provision to SSA VR applicants and one that reflected the extent to which nonbeneficiary youth eventually receive SSA benefits.

**Summary and Implications of the Findings**

**SSA VR applicants** (the proportion of a state’s VR applicant pool that received federal disability benefits (Supplemental Security Income [SSI] or Social Security Disability Insurance [SSDI]) at application). The proportion of transition-age VR applicants with SSA benefits averaged 22 percent across agencies, ranging from 11 percent in North Dakota to 38 percent in Washington State. Most SSA VR youth (76 percent) received SSI-only benefits, with the remaining SSA VR youth divided equally between SSDI-only and concurrent benefits.

**SSA service-to-applicant ratio** (the ratio of SSA youth who received VR services to SSA youth who applied). On average, 57 percent of transition-age SSA beneficiaries who applied for VR services eventually received them. This proportion is very close to the service-to-applicant ratio for non-SSA VR applicants (55 percent). VR agencies had a wide range for the service-to-applicant ratio—46 percentage points between the agencies with the lowest and highest statistics.

**SSA employment-to-service ratio** (the ratio of SSA youth with positive VR employment outcomes to SSA youth who received services). On average, 44 percent of transition-age SSA beneficiaries who applied for and received VR services were
employed at the time of case closure, compared with 59 percent for youth not receiving SSA benefits. Wyoming’s VR agency had the highest SSA employment-to-service ratio; 62 percent of SSA VR youth who received services exited with employment. On the low end, SSA VR applicants receiving VR services in Oklahoma achieved positive employment outcomes 26 percent of the time.

**SSA employment-to-applicant ratio** (the product of the SSA service-to-applicant and employment-to-service ratios). About 25 percent of youth receiving SSA benefits who applied to VR received services and were employed when they closed from services; the comparable number for non-SSA VR youth applicants was 33 percent. Delaware and Utah had the highest ratios (41 percent), whereas the agencies in Illinois, Iowa, Louisiana, and Maine had the lowest values (all less than 17 percent).

**SSA VR youth applicants with benefit suspension** (the proportion of SSA VR youth who had any suspension or termination of benefits due to work after 48 months from VR application). Almost one in six SSA beneficiaries who sought VR services (14 percent) had at least one month of benefit suspension due to work within 48 months of their VR applications. Agencies differed in their benefit suspension outcomes by as much as 16 percentage points.

**Non-SSA VR applicants who obtain SSA benefits** (the proportion of VR applicants not receiving benefits at the time of VR application who received SSI, SSDI, or concurrent benefits at 48 months after application). About one in 10 VR applicants without SSA benefits at the time of VR application (10 percent) received SSA benefits within 48 months. Agencies had sizeable variation in the percentage of non-SSA VR youth applicants who received SSA benefits within 48 months of application, from 4 percent (South Carolina) to 21 percent (Washington State).

The range in ratios across agencies for these measures underscores the need to examine state-level variation in agency processes and outcomes, rather than examining statistics in aggregate. The SSA service-to-applicant, employment-to-service, and employment-to-applicant ratios were highly and positively correlated with the same ratios for non-SSA VR applicants, suggesting that the patterns of processes and outcomes are similar for all VR applicants, even if the values of the ratios differ. Further analysis identified that agencies with more resources had better employment outcomes for the
SSA youth they served, had higher proportions of SSA youth with benefit cessation, and had fewer non-SSA youth eventually receiving benefits. The issue of resources might be even more critical when considering that the expenditures we observe for SSA VR youth might be higher than the expenditures for VR youth without benefits.

Overall, these findings suggest that VR agencies can potentially serve as early intervention programs, providing the services that youth with disabilities need to work and help avoid dependence on SSA benefits, and that some agencies might be better positioned for this task than others. The level of resources to which agencies have access could be important in influencing the outcomes measured. Agency differences in the proportion of SSA beneficiaries who eventually had benefit suspension due to work also point to the potential for additional gains by agencies in this area.

References