

2002 Leadership Challenges on Employment Policy

Audio Conference Series



Ticket to Work: Critical Challenges for all Stakeholders

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Featured speakers:

Moderator, Michael Collins
Co Director and Principal Researcher
RRTC on Workforce Investment and Employment Policy for Persons with Disabilities

Robert Silverstein
Director of the Center for the Study and Advancement of Disability Policy

Dan O'Brien
Director, Community Rehabilitation Services Unit
Oklahoma Department of Rehabilitation Services

Peter Baird (invited)
Connecticut Bureau of Rehabilitation Services

Ken McGill
Associate Commissioner, Office of Employment Support Programs
Social Security Administration

Mary Satterfield
National Project Director for Ticket to Work
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http://www.its.uiowa.edu/law/events/LeadershipConf_audioseries.htm

Michael Collins: Hello and welcome to the second in the audio conference series on Leadership Challenges on Employment Policy. This one is called “Ticket to Work Critical Challenges for all Stake-holders”.

I’d like to just very briefly tell you the process we will use for conducting the audio conference. Initially we will have Ken McGill and Mary Satterfield who are from Social Security and from Maximus give some overviews on status of the new regs, or review of the new regs, status report, including certification of networks and so forth. Then we will have our panel. This will be about twenty minutes. We will have our panel do about five minutes of questions, follow up points. Following that, we will have Peter Baird from Bureau of Rehab Services in Connecticut and Dan O’Brien from Rehab Services in Oklahoma give their perspectives on the current situation with the Ticket. Finally Bobby Silverstein who will talk about some of the policy implications, critical policy challenges with the Ticket. We will do a brief internal questioning then. At that point I’ll open it up to the entire audience. We should have about one hour of open questions. The only thing I ask is that you please try to make your questions very succinct and if possible, direct them to a particular panel member, if that is your wish.

Given that I’d like to begin by introducing Ken, who is going to give us the Social Security Administration overview of the Ticket. Thank you. Ken.

Ken McGill: Ok, thank you Michael. I am Ken McGill. I am Associate Commissioner for Employment Support programs. I am head of the office at the Social Security Administration in Baltimore’s national office. That’s responsible for our programs areas regarding employment of people with disabilities, both around the ticket to work legislation as well as existing programs that were there before, including linkages with the state vocational rehabilitation agencies with new provider networks that we are starting up. Work incentive policies and other areas of policy in this area.

The Ticket to Work is actually part of the legislation that happened in the very end of 1999, the Ticket to Work and Work Incentive Improvement Act of 1999. We’ve actually been, two years since that time in the middle of ringing up all of the pieces of that legislation, which are complimentary to the Ticket. In many ways the Ticket implementation itself is the last part of the building blocks of that legislation. We’ve already got in place in many ways the health insurance changes that have happened to the Medicare program and many states have the Medicaid changes that came about because of the legislation. There are states of course that still have work to do there, quite a few. The policy changes that were part of the legislation are also in effect, including extended, I’m sorry, expedited reinstatement for people who go to work and find that they have left the cash rolls that need to come back, because they can’t work anymore. They will be able to come back onto the rolls in a much easier process than in the current law and in a much faster way too. There are also protections in the legislation for people using their “Tickets” as we will describe and also for people in general that are disability insurance beneficiaries. So, if a person does go to work there are protections from a continuing disability review, which we require to do by our law from that happening to the person as sort of a first step when the person goes to work. This was in many cases the scenario before this legislation. Those policies are in effect.

The legislation also brought some other new structures outside of the ticket system. There are two new grants programs for us. One of them to fund a series of local community agencies to provide benefits planning, assistance and outreach. We have got one hundred and seventeen of those agencies working for us now and have been for the past year. They provide assistance and help people wave their way through the complexities of all of this activity for those of our beneficiaries that are trying to go to work. Also we are now funding and have authority to provide funding to the protection advocacy agencies in each of the states and that is up and ready. We expect much of the work for those agencies around this to flow from issues that people have if they get into working with providers and working with employers. This is an assistance for them to provide some help with problems they experience.

The sort of structure we are here to talk about today, the new structures are built up around the Ticket itself are what we have been doing also during these last two years. Part of that has been a regulations process, which I will describe in a minute. Part of it has been building infrastructure and that's we've been up to also during this time. On the infrastructure side, over a year ago we hired Maximus Corporation to be our program manager as it's designated in the legislation, an entity to work with us in several ways.

One is to build the system and to link with our existing systems to keep track of the individuals that are eligible for tickets and what happens with them as they go through this new process with the new ticket system. That structure has been built, tested and actually started in operation very recently. They have also been charged for us with recruiting and providing assistance to a new network of providers called employment networks under the legislation and that's some, quite a bit of discussion today will be around that area of who can be an employment network--what does it mean to be an employment network, what do these networks do, and how do they fit into the system, how do they get paid, and then ultimately how does that effect people with disabilities that are trying to find a way into work.

Maximus' work much over this past year has been to get started and recruit networks for us. Then, the set up process so that we can keep track of those providers and we can keep track of what's going on between them and the beneficiaries with tickets. And, also to work with us on the payment of those providers for what they do for us and for our beneficiaries.

I am going to let Mary Satterfield who is going to be talking directly after me, talk to you a little bit more about their activities and the particular activities that have been played out here over the last few weeks, which have been for us, the start up.

I want to backtrack a moment in addition to the infrastructures that we've been building to make sure that this is ready. We've also of course had to train our staff at Social Security offices around the country, provide information to them, to state vocational rehabilitation agencies who have always worked with our beneficiaries and now will be doing some different things within the structure of the Ticket legislation. Also to provide information and technical assistance to the new employment networks who are just starting out with us. We have pretty much done those activities, we've built a website and other information materials that have been handed out across the country to provide both sort of basic level information about what's the Ticket and frequently

asked questions—how do I, you know, where do I go and what do I to find out more about this if I'm a beneficiary if I'm an agency that's trying to figure out how to fit into this if I'm a prospective employment network.

There's a variety of interested parties of course that play into this, both those that have been involved in these programs for years and years and then other, we expect new ones. Certainly on the side of new in terms of relationship with us at social security are the structures that have been built up in the states flowing from the Workforce Investment Act. I know many of you on the call today come from that, those settings, either one-stop agencies or other labor funded agencies or grantees are going to be hopefully entertained and informed about what all this mean to those entities under the Workforce Investment Act? We have engaged in conversations and partnership with the department of labor at the national level for some time since really, since before the legislation passed but a little bit more intensively as we've gone through the process. The Department of Labor commented extensively on our regulations on behalf of the Workforce Investment system and some of those things were taken into the final regulations. They have provided a couple of different messages out to their grantees and their systems around the country and the states to first discuss the legislation of the broad rush and most recently they are working toward encouragement of one-stops and other entities in the labor system to think through what it means to become an employment network or to partner with other entities, other agencies to get involved in the new Ticket system. And then we also will continue to work with them on other issues about how our two systems need to continue to share information, to figure out how we are a common beneficiary bases, around young people for instance, around people with tickets and then others in our joint systems.

So, as I say I think that in the question and answer period we should be able to address specifics concerns that might come out of that system. It's definitely an interest of ours at Social Security. I know the legislation has a specific reference to the one-stop entities within the Workforce Investment Act as potential employment networks under the system and I know we've got just a few of them so far signed up in that arena. I know others of them are working with state agencies or other partners on this and so we do expect quite a bit of participation in perhaps a couple of different ways by the Workforce Investment system over time.

Now I'd like to back up a moment and talk about the regulations process, we've, before I get to the final step which is where we are now and what have we done to roll out? The legislation for us at Social Security created a brand new program, not one that was really to build on to anything that we had in our authorities before. So, we of course had to do regulations to put this all together. But after the sort of regular government process, which means that you do it in those proposed rule-making and then you receive comments and then you do resolution and then you do a final set of regulations. For us that process was input up front before we spent some time in different forms and other kinds of settings talking to providers, to beneficiaries, to state agencies, and to others in the system about what this was all about to them and what it might mean. We then put fingers to the keyboards and came up with a notice of proposed rules that was published in December of 2000. It was pretty extensive, big piece of regulations covering the entire Ticket system, the continuing disability review protections, the role of employment networks, the role of the program manager, and the transfer of the old alternate participant system into this process, the dispute resolution process and a payment system. So, it's fairly

extensive proposed rules. We did receive something over 400 commenters giving us actually several thousand comments because most commenters come in with multiple comments in many cases pages of them. Both sort of minor technical suggestions all the way up to fairly philosophical disputes or concerns with what we had written.

We went through a process again, the normal process of going through that and resolving and then coming up with final regulations. Those who were published at long last on December 28th of this past year to be effective, as most regs are 30 days later. So, they became effective Jan. 28th of this year. Sometime before that we had made a couple of decisions. We had number one, set up a process for phase in of the Ticket system, which we were required to do by the legislation. We chose to do this by states. We selected an original thirteen states that are the first phase for us, and those are ones that are just getting started now with the Ticket. We had two other phases that would be phased in. Number two later this year and three the middle of next year. That's if there's about 20 states approximately and each of those rounds. The last round also includes the territories and non-state entities that are also eligible for the ticket program. The original thirteen states are the ones that I said are getting underway now. The other decision we made along the way was to not get started in that first phase by issuing tickets but just do the infrastructure building and wait until we have the final regulations in place before doing that last step which was issuing Tickets and starting up the process. So, now that Jan. 28th the regs have become effective, we were able to get started.

I'm going to go through an elaborate teaching on the regulation itself. I did list the subject the areas that are there and I know that several of the other speakers will have things to say about the different pieces in that. The basics for this and I'll just highlight a few places where we did make some significant changes from the final rule, from the proposed rule to the final rules. In one area in particular was the area where we got the most and perhaps the most meaningful comments was on the payment system, as you might expect. There were concerns that our original milestone approach to this for providers was not rich enough and was not timely enough to encourage all kinds of providers to join into this system and it would use risk for them. We did listen to that and provided a couple of more milestones to our original two that we had set up. We also tried to even out the accounting processes so that the providers will be able to keep that money longer as they go through the process and get successful outcomes.

We've also made some changes to the way that we provide the continuing disability review protection to allow for the fact that some individuals don't always progress through employment in the straight line and that there are fits and starts and that there is a need over a several year period to allow for people to continue the protection, and to meet the work requirement through a little bit more flexible standards, so we made that change. We also made, at the request of various commenters, some changes to our requirements for employment networks and state agencies in terms of reporting and in terms of how these state agencies will be involved in this system. Tried to clarify that, it is a fairly complicated piece of the legislation and its one that we do take to heart quite a bit of comment on, trying to clarify that so that both the state agencies as well as those who will be involved with their system and others will better understand we hope how that system will work.

So now that we have the regulations in place and the infrastructure is built, what we did is get started in February, earlier this month. On, actually on Feb. 5, the Commissioner of Social Security traveled to Delaware, which is one of our thirteen states and handed out the first Tickets and the first state. Later that week, we also went to Boston and handed out a Ticket to an individual there and got started and invited community providers and others in the community to sit in and be involved. At the same time, or concurrent with those two activities which were in term of the press kick-off, we sent out the Tickets that were to start us off. We had set up a schedule that was for 10% of the eligible individuals in the thirteen states that would get the Ticket's in the very first month and that's what we did. The eligible pool for the first thirteen states which is phase one for us, is around 2.3 million individuals that are on disability insurance and SSI, Social Security Income, so that meant that we sent out something over 230,000 Tickets in that first phase, that first week in February. We have not sent any out since then. We intend to not send any more out in March, and then to resume in April with another 20% of the overall number in May, another 20, I'm sorry 30% rollout and then the remaining Tickets, which is 40% in June. Those are in just the thirteen states that we have been starting with.

We also have something called Ticket On Demand, which allows individuals who might not be in the first month of schedule for that, but who want to get started to go ahead and request the ticket manually and we have actually sent out a number of them from Maximus. That a few the individuals that have requested Tickets sooner than they would have normally got them under the regular roll-out process. And that's a Ticket as good one that would have come out through the normal process. Now individuals actually receive a Ticket, which is a paper document, a letter, a notice from Social Security, from the Commissioner from Social Security describing what this is and how to get started and a booklet which describes a little bit more about how to get started and where to contact for information and also a little bit more about these other structures that I mentioned to you. Particularly the protection and advocacy agencies and the benefits planning assistance and outreach agencies that help us. So that's the package that goes out to individuals either, on the rollout schedule, or because they had requested it.

So, that's the first beginning. We, we have, I think I will let Mary talk a little bit more about the volumes in this early going, as you know, it has just been a few weeks, not quite three weeks of experience. Once the Ticket actually started showing up in people's hands, I think on that, the end of that first week in February. And actually the first tickets have been assigned in both state agencies as well as employment networks. And we expect those numbers of course to show us a little bit over this first month certainly, of what this steady state might look like as we get into the other months of this roll-out. I guess I will stop with that part and Mary I will turn it over to you to give them a little bit of flavor about your experience, both at Maximus and throughout the system for these first few weeks.

Mary Satterfield: Thanks Ken. Hi everybody, this is Mary Satterfield and I'm the Project Director with Maximus.

As Ken indicated, Maximus is the national program manager for Ticket to Work. We are centrally located in Alexandria Virginia. We work in very close partnership with SSA to administer this unique and very exciting program.

Let me just quickly go through what our primary duties are. Ken touched on a couple of them and then I'll give you some antidotal evidence of kind of what the first Ticket roll-out looked like as far as response rate and so forth.

As Ken indicated, Maximus is responsible for marketing too, and recruiting those community bases service providers nationally to participate in the program as employment networks. Our marketing department is comprised of coordinators who are assigned geographically so they come to know a state very well and come to know the providers within that state and are a personal contact with them. Currently have on board over 300 applications from providers to become employment networks. I believe that somewhere between 265, some where around that number, have been approved. Last year we held a series of conferences, recruitment conferences in the first thirteen states that were very well received and our plans are to do that again obviously this year as we rollout D.C. and an additional twenty states. We will be doing numerous additional conferences for recruitment.

Maximus also does training for the employment networks for the state VR agencies, as they need us and for any of the social security staff where we participate in various training activities that the administration holds for its employees. We make training available in a variety of formats including what has become a very popular web-based training modality through our distance learning technology. We have materials available on the website. We will also send those to anyone who wants them on the different modules on a CD and we do a lot of one on one sort of coaching and quick reference guides on how to assign the ticket and the other native functionalities associated with the program. We have, we operate a national toll-free call center with agents who are also assigned, not only geographically for working with beneficiaries, but also are assigned to work with specific employment networks and help them with their day to day function. Through the toll-free call center we assist callers with identifying employment networks in their area who can serve their needs. As I've said, we work very closely with the employment networks through their administrative processes. This call center also is there for the general public as a central information resource and we use that then to help link our beneficiaries with employment networks. Our toll free number is 1-866-YOUR TICKET and we have a public website with information with beneficiaries. A way for them to search the directory of employment networks through the website. Obviously the website is very focused on employment networks with information, training materials and the latest news of kind of what's going on, on a day to day basis. That site is www.yourtickettowork.com

I will just mention we did see a 50% increase in hits on that website the week that the tickets went out, which we enjoyed watching the statistics roll-in on that. Maximus will also be responsible for reviewing and processing the payment request that comes from employment networks and making sure that the documentation is complete and all requirements are in compliance before the payment is sent over to SSA.

The week that the Tickets went out as Ken said, we begin to see an immediate spike in call volume on that Friday with a great deal of call volume increasing the following Monday. We've currently taken over 9,000 somewhere between 9,000 and 10,000 calls, mostly from beneficiaries. Continue to get calls as we normally do from other interested parties in the disability community. We've had about 40 tickets that are being processed for assignment right

now. As Ken said a mixture of assignments to state vocational rehabilitation agencies as well as assignments to the EN's that are out there. We did issue about 900 Ticket on Demands. We had been collecting requests for Tickets the minute they were to be released. We've been doing that all through last years. We were able to process those as soon as the Tickets were mailed. And, activity on the phone, has slowed down a little bit as you might expect. There is an initial flush of kind of a peak plateau, a little decrease, but we are still saying somewhere between 400-500 calls per day. That has been a pretty steady plateau for the last week and a half.

That's about it. I will be happy to answer questions later.

Michael Collins: Thank you Mary. Thank you Ken McGill and Mary Satterfield. We are doing great on time. We have about six minutes if any panel members would like to make any comments or ask questions of Ken or Mary. Any of you? Peter? Dan? Bobby? Please.

Robert (Bobby) Silverstein: No questions.

Michael Collins: Ok, then we will just move right along. Peter Baird from Rehab Services in Connecticut.

Peter Baird: Thanks Michael. My name is **Peter Baird** as Michael said. I am calling from the Connecticut Bureau of Rehabilitation Services. Up until about two months ago I was one of the people in charge of planning in Vermont, on the Ticket to Work plan A and I have since moved to Connecticut where I am also working on the Ticket to Work planning for that VR agency. So I am going to be speaking today from the perspective of a state VR agency. I am talking about the opportunities and challenges that the Ticket provides to vocational providers of VR agencies.

I am going to be talking a lot about how in order to take advantage of the opportunities under the Ticket to Work we really need to consider how the Ticket can help us maximize our service delivery potential for individuals on SSI and SSDI. Some of the things I will focus on today is what are the needs of our customers who are on the Ticket? What is our capacity to meet those needs? What kind of partnerships can we form to better serve our consumers and especially how can we maximize the informed choice of our consumers under this? When we started planning for the Ticket in Vermont and now during our Ticket, planning for the Ticket in Connecticut, our main question was how do we make the Ticket work for not only the ARC consumers but for people for disabilities in general in our state?

So given that, as a starting point, I just want to reiterate something that Ken said early on. I think we have to understand that the Ticket in a larger context. The Ticket to Work legislation is not just about the Ticket. I think it's somehow, sometimes almost unfortunate how because legislation passed the work Ticket first it has been used as the catchall phrase for whole legislation. The Ticket to Work legislation was a really comprehensive piece of disability legislation that most people see as the most important piece of disability legislation since the Americans with Disabilities Act, which passed eleven years ago. Clearly the Ticket legislation was born out of frustration with high-end unemployment rates for people with severe disabilities who receive SSI or SSDI. And the legislation was a really attempt to provide the truly

comprehensive supports to people with disabilities on SSI or SSPI who are seeking employment. So, it includes not only the Ticket, which is important program for people seeking choice and access to vocational providers, but it really does provide key changes and access to health care and changes in social security rules that provide millions and millions of dollars of grant funding to states that do some really innovative state-based interventions around the Ticket to Work. And also the Ticket legislation requires us to do some studies on different ways to provide benefits to people. The Ticket legislation really is about, as a whole, about a fundamental change in how we view people with disabilities and the systems and supports we need to help people achieve their potential and their life goals and their employment goals around employment.

So, given that, dealing with the Ticket specifically from a VR agency perspective. There has been a lot of effort over the last decade or decades to really engage people on SSI and SSDI around employment. Those numerous efforts have ultimately not succeeded because for a variety of reasons. Unemployment rates for people on SSI and SSDI remain very high. You know you hear as high as 75% or more for people with severe disabilities and even higher for people who receive social security. I think that the high unemployment rate has been for many reasons. Among them is that there hasn't been a wide range of support for people who are interested in employment need to go to work and there hasn't been a, good information to individuals who are interested in working.

So, I think that looking at this from a Voc. Rehab perspective. We could, I think that as a VR agency you could sit back and say well, we'll just do what we can, we'll take the Tickets and kind of do business as usual. But I don't think doing that you'd really achieve some of the outcomes that the Ticket was meant to achieve, nor would what the whole legislation was meant to achieve. So, I think speaking from a VR agency perspective, you really have look at the whole systems and how can we as providers encourage people on SSI and SSDI to seek and find employment. How can we overcome some of the barriers that they have been facing around disabilities and determination process in terms of the cash cliffs on SSDI and terms of the lack of access to health care. So, one thing the Ticket is planning is doing in many states is getting them to reconsider the sort of information they give to their own consumers. I think for decades we have all been programmed to say well, it's ok to get some work, but make sure you don't work too much, so that you lose your health care or you lose your cash benefits. But, with the enhancements in healthcare, a lot of that information is no longer correct and I think it is something we need to, as providers think about and reprogram ourselves to speak differently about employment and opportunities and really encourage people to achieve their ultimate employment goals.

I am first going to talk about opportunities under the Ticket from a state VR agency perspective. Certainly looking at the ticket one of the most exciting things about it is that there really is more of a large focus at the federal level on unemployment of people with disabilities. Probably never been stronger in terms of (and it's really a historic opportunity) in terms of the terms of changes in social security rules, the enhancements in healthcare, the opportunities for states to develop Medicaid buy-ins to support people with disabilities or work. As I said earlier the millions of dollars in grant funding that is going out through the Department of Labor, through CMS, through Social Security, to create some innovative programs to support people with disabilities.

I think another opportunity is that under the Ticket, payments can be delivered differently to employment networks and to the VR agencies. And the way payments are delivered is that under the Ticket program, is when a provider helps a person go off benefits through employment, the provider is eligible for payments. Most payments can extend up to sixty payments for an unlimited amount of time, so sixty-nine consecutive payments. So now providers have an incentive to really have a long-term attachment to people with disabilities. This is a challenge to VR agencies where success has traditionally been decided by a certain amount of employment, whether it be ninety days or something like that. So, under the Ticket the idea of helping a person go to work extends beyond the ninety days window, it really extends to long-term living independently and off cash benefits. So, it gives a, it provides an incentive for both employment networks and VR agencies to think long-term and how we can support a person who will be working.

Another opportunity under the, new opportunity under the Ticket to Work legislation was the ability to partner. I will be talking about this a little bit more, but I think the ticket legislation, I think, not only provides the opportunity for, but encourages innovative partnerships among providers to help long-term supports. You might have a VR agency that's very good at helping a person get the job, get into a job, and then you might have a mental health center partnering with a VR agency to provide some of the long term supported employment. The Ticket provides some opportunities for those types of agencies to collaborate in helping persons not only go to work but to stay at work, which has been a challenge for people working with people on SSI or SSDI.

Other opportunities: there really are some comprehensive services you can bring into play around the Ticket. The Ticket is a good tool to motivate consumers I think to look at their ability to work and to motivate vocational providers to step up to really provide good vocational services. But it also, it allows, the Ticket also allows you to look at how does a person decide to go work, what kind of health care is in place and many states have passed Medicaid buy-in legislation including Connecticut. That allows a person who goes to work to maintain their health benefits. It takes away the decision previously, often the decision was either I work, or I get health benefits. Too often a person given the choice will chose to get health benefits rather than work. Now under the Medicaid buy-in states have been able to successfully de-link employment, from de-link benefits from healthcare and even if cash benefits go away, healthcare is still there which is very important. And again, these work-incentive grants which many of VR agencies have taken advantage of have allowed states to create and look more comprehensively of the supports and how they help people go to work.

So, what strategies might a VR agency might pursue? I have been in Vermont and in Connecticut there is a fair amount of similarity between the basic area that they have been focusing on. I think this is true in many of the VR agencies around the country. First, the VR agencies have taken a major role in outreach and training in their states. Obviously, the VR agency has quite a motivation to train it's own staff on the Ticket to Work and how it might work and it has a lot of motivation to train its own consumers on what the Ticket is and what type of opportunities they might have.

But, many VR agencies have stepped up to really provide training to the community and what the Ticket is. In Connecticut there is going to be 85,000 Tickets going out in November of this year, or 85,000 starting to be mailed out November of this year. And so there will be 85,000 questions from people and there will probably be a lot of misconception of what this Ticket is and what it does. The more education the VR agencies are able to put out and the more providers there are in the state that understand what the ticket is the better. The more independent living centers know about this and the more protection advocacy notes about this, the better people will be able to get the answers they need and understand how the ticket can help them go to work. It also placed the VR agency in the role of being an expert in that state. Which is a natural role for a lot of VR agencies around the Ticket because it's a, the VR agencies have been serving people with, on SSI and SSDI. They have been the primary vocational provider and will remain the primary vocational provider for people with SSI and SSDI for the time being. They are also used to dealing with Social Security. I think it's just a natural fit for a VR agency to step up in that outreach and training role within the state.

The second area you see a lot of the VR agencies playing a key role in is around agreements and partnerships within that state. One of the first times I got really excited about the Ticket to Work legislation was when I realized that under the ticket, a VR agency can not only be part of an employment network itself, it can also be a member of multiple employment networks, in employment networks that include multiple partners. So a VR agency will be an employment network onto itself, but it will also join with a mental health center to be our employment network. Or, it can join with a Department of Labor one-stop to form a joint employment network or it can form a partnership with a business to form a joint employment network or can form a partnership with a university. Those sort of partnerships not only allows you to strengthen existing partnerships a VR agency might have around the Ticket, but it also allows for new partnerships, creative partnerships to be created. And I think these partnerships are just natural fits. Again, a VR agency might specialize in helping a person get some services and supports and training they need to find a job, but forming a partnership with an agency that might do very, very good at job placement or work with an employer who actually provides jobs or within the mental health center which can provide long-term support or employment. Those partnerships make a lot of sense and it provides, it ties, under the outcome payments, under the Ticket, it ties the agencies together in a financial interest to in making sure a person, not only gets a good job but stays in that job.

So, I think the second major strategy you see VR agencies pursue, in some states you see this more than others, but I think of certainly Oklahoma, Massachusetts, and Vermont are among the first states that played, and there are others that played a key role around creating some of these comprehensive agreements where providers are collaborating under the ticket for the better good of people with disabilities who are looking to go to work.

And the third strategy is really around, which I won't get into too much today, is really on what kind of policies, procedures, operational things do VR agencies need to do to accept Tickets? This is a great challenge to a lot of VR agencies. They have to change their MIS systems to; all of a sudden it becomes very important to know when a person walks in your door if they are an SSI, or SSPI and if they have a Ticket. So, getting that information up front can be very helpful to a VR agency, because then they can really start doing some comprehensive benefits planning

for an individual who is looking to go to work, because people on SSI and SSDI also need that comprehensive benefits planning. They can, they can do a lot of, then you have to create systems that track people for a longer period of time. Then again, this is not something VR agencies have not historically done but now we have an interest in seeing how if a person is working a year, two or three years after we stop working with them and that long term tracking then supports we might provide a person might be very valuable. The policy's procedures and operations are really a challenge for VR agencies, but I think it is a good challenge for them to take on.

So, just from some of my comments, the Ticket to Work program has really allowed many of VR agencies to think creatively about how to provide services, how to strengthen existing partnerships they have and create new partnerships. To provide effective, efficient services that enable more individuals to go to work and live independently and achieve the goals they have in life. I think many of the VR agencies are taking exactly this tact on this and also creates a new challenges for VR agencies around the tracking., around, all of a sudden they are operating in a competitive environment where they didn't earlier and consumers can freely move Tickets if they are dissatisfied with services. So, a VR agency might have role to play in both making sure their own consumers are more satisfied so that people want to keep their tickets with a VR agency and also might start to market to people. To say, look if you are interested in employment, we really can help you and we are the best place where you can get those services. So, I think that a lot of this is really causing a lot of VR agencies to rethink how they serve the community and the people that they serve.

So that's the end of my presentation.

Michael Collins: Thank you very much Peter. Dan O'Brian will have next before we have any internal questions and Dan is also coming from a rehab agency perspective and has some lessons learned from the field to share with us, I hope. So Dan?

Dan O'Brien: I hope so. Dan O'Brien, I'm the Ticket Coordinator for the Oklahoma State VR agency and we are one of the third out of the first thirteen states. We've been piloting an enhanced vocational voucher that is similar to the Ticket under state partnership agreement with Social Security for the last two and a half years. So we have some lessons learned there. And for the last year I've been working intently to try to partner with the One-Stops to get ready for the Ticket and so I think I have some things to share about that. I was a service provider before I worked for rehab so my comments are going to focus on kind of how did this, how did this work out as a business for one-stop and for VR agencies as well. I was the co-designer for the Milestone Payment System. On my comments, there's now one of my comments on the website, it's a PowerPoint presentation if people want to look at that.

The Milestone Payment System is probably the leading outcome based reimbursement system or results based funding payment system that is going today. We were going to incorporate into the Ticket to Work legislation because in 1997, we, Oklahoma won a Harvard Kennedy School of Government, Ford Foundation award for the Milestone Payment System. In the House, the Social Security Subcommittee called me in and we spend about two and a half hours with the staff looking at the milestone payment system as a way of dealing with what vendors were

complaining about. In the initial draft of the Ticket legislation included only the outcome payments and no payments prior to the going off benefits. The House had heard complaints from providers that it was too risky and wouldn't get a lot of enrollment. So, they incorporated the Milestone Payment System into the Bill so I would kind-of look from the frame of references of Milestone Payments of how the Ticket kind of stands up in terms of a milestone.

The largest implementation of milestone payments, and there are like five things that I evaluate Milestone Payment Systems on, whether they are customer-centric, whether they involved consumer or customer control, whether they are collaboratively planned with both providers and customers, whether they contain creaming and counter measures and whether they are based on proven concepts evidence-based practice.

And there are three of those that I want to highlight just because I think they are helpful to think about the current Ticket implementation. As Peter mentioned, I think in terms of being customer-centric, I think the Ticket goes a long way in terms of focusing the rehab provider on what's important to the customer, because ninety days of employment is not what the customer really comes in for. Very few come in and say they would like to have three-month job and that will be fine. People really want long-term employment, something they want to keep long term. The Ticket focus is really on a six-year plan, payments are stretched out over six years. I think that does focus on a long-term attachment to the workforce and attachment to the customer. I think that is a very good effect.

The consumer choice and control, the Ticket does give the customer choice. They can reassign the Ticket if they are not happy with the services. I think that is a very good effect. We've already seen that, we've already seen customers who have their Ticket, I think this is great. They come in and negotiate for a better job. Cases that were getting ready for closure, we have one person who is ready for closure and the rehab system had worked ninety days. They got their Ticket and they came in and to the rehab counselor said you know, this job is ok, but it is not really what I want. I will give you my ticket if you will help me upgrade. I think that an excellent, that's a good example of putting the control in the customer hands. So, I think the Ticket is a very big step, positive step in that direction.

There are some caveats in terms of customer choice. I think there needs to be some decision support. We've kind of piloted what we call, Vendor-Performance Report Card with our little pilot. I know there's logistical problems when you look at that nationally, but I think there may be some possibilities. Do something, kind of a consumer report for the customer so they can have some sense of what kind of results they might get from one vendor as opposed to another. And of course there is no choice if there aren't enough vendors. You know if there aren't enough providers of service and employment networks for customers to choose from and VR is the only choice, that really doesn't present a choice, but it didn't stop this customer from negotiating with us. So, I think it still has a positive effect.

And in terms of collaborative planning, I want to, while I have the opportunity I want to compliment Ken and his staff, especially Ken, because I ran into him in a lot of the meetings. His travels around the country to gather input from stakeholders and focus groups and regional meetings, he was tireless getting input from people and so I think that really made the final

product better. The creaming counter-measures that I think are important in a Milestone Payment System I think, is kind of the defect, which everybody recognizes with the Ticket is under a Milestone Payment System the way we, the way I articulate it is, it should, payment rates should be risk-adjusted. So, the higher risk that the venter is taking on, the higher the payment. And, actually the Ticket kind of is reversed--what I would call reverse risk referenced rates. Because the SSI recipients who are, I guess, generally considered more difficult to put to work, the payment rates are lower. With SSDI beneficiaries who have some work history typically who should be a little easier to put to work, the payment rates are higher. So, it's kind of a reverse of how these are recommended. So, that's an issue that Ken doesn't have any control over. And I also want to compliment Ken's staff working to get the rates up. They have doubled the rates between the preliminary regulations and the final regulations and it really made a huge difference, I think, in terms of the ability to serve people. So, that was a big improvement.

I wanted to talk a minute about employment network risk if the One-Stops are thinking about becoming employment networks, that they have to be, I think clear about the risks they're taking on. Obviously SSI and SSA beneficiaries have already been determined, eligible for benefits based on the fact that they couldn't work. So there, you're kind of starting with a, I think, I think many of those determinations were not correct. Most of the people can work, but there is a psychological barrier that creates, that's probably harder to overcome than any of the physical problems that people bring. They've tried, they've convinced themselves that they can't work.

Second thing is that no funds, and Ken can correct me if I am wrong here, but no funds were actually appropriated to bank these Ticket payments. The Congress asked Social Security to take the payments that they are making to the employment networks out of projected savings which had the unfortunate, in my opinion, effect of putting a lot of the control over what the payment rates in the hands of the actuaries. They had to determine, rather than Ken, they had to determine what rates they could pay and recoup with people going to work and going off benefits. So that made the Ticket payments not based on the cost of providing the service, but based on the actuary's estimate of what a break-even scenario would be for Social Security. So it was very difficult I know for Ken's shop to negotiate reasonable rates that would look, would entice a One-Stop or a vocational provider to be an employment network. This obviously is not intended to serve everybody. I think Susan Daniels always said one half of one percent, if the one half of one percent went back to work, and off the benefits that would be a good result. That is about one out of about 200. I think that is probably about right in our pilot the first 400 people that we randomly selected off Social Security roles, out of those 400, one was an engineer and one was a nurse. That is one-half of one percent, one out of 200. Those would have been pretty easy cases in terms of finding a job and if they were willing to go off benefits, that would be easy to get them off benefits.

I think some of the problems that I've sited (the problems with the Ticket) I think are going to be addressed by what the Social Security is referring to as the Adequacy of Incentive Study and hold out a lot of hope for that, for maybe some adjustments for people with higher needs, higher payments for people who present higher need.

In my slide show I have two slides with the payment rates, one that Maximus, the chart that Maximus produced. I won't go over it, but the Milestone Payment for SSI total \$1945.00 over a

12 year period in for instance SSDI beneficiaries \$3230.00. Those represent for that amount of money, just as a frame of reference, we pay milestone payments to our vendors here in Oklahoma. We pay about four times that for the same service, same period of time for supported employment. A lot of the people, who are getting a Ticket, would be what we would consider supported employment qualified. So, that's below market rates.

So, next I would like to articulate I think are maybe three One-Stop possible responses, kind of a no risk, low risk response where the one-stop kind of looks at integrating with the Voc. Rehab. Agency and doing pretty much what the kind of things that are going on in many states already. A little higher risk investing in service facilitator system would be option two, and option three. The highest risk would be to just go alone and become an employment network independent of VR system or independent of any other partners. To flush that out a little bit, the integration with VR this is pretty much what we are doing the first two here in Oklahoma, integration with VR, this is pretty much just building on what we have pretty much already done. The Ticket holders are invited to a Ticket orientation meeting at the one-stop by VR and the one-stop staff. We have a toll-free calling center that people in any Ticket recipient in the state can call in and get registered for one of those meetings, and we have those weekly or biweekly depending on the demand. We go over a description of the Ticket, the benefits of working, what Social Security work incentives are available, what VR services are available and we offer a Work-World Work-Up. Which is a computer program which Social Security paid for, that kind of helps a beneficiary through what will happen to their benefits when they go to work. And then there is an application, we take an application at the One-Stop and make a referral to the local VR counselor and the one-stop is involved. Beyond that it is a source of leads.

The second option is a Service Facilitator System that I think Colorado really piloted, where a One-Stop hires a service facilitator to insure that people with significant disabilities have access to services, particularly focus on the scenario on Ticket-holders. This could be funded in collaboration with the state VR. There is going to be more posted tomorrow an agreement that I worked up with on the website, it is not on there today, but they said that it would be on tomorrow. A Milestone Payment agreement with the local One-Stop, that didn't get implemented yet, but we have a kind of outline for it, between the VR agency and the local one-stop that fund a service facilitator. And their job would be to work on career exploration, interest inventories and utilizing the One-Stop resources for the ticket holders, gather benefits information, VR application information, develop a basic benefits plan using Work-World software, doing a referral summary to VR counselor and assist the VR counselor and customer with job search and job leads.

The third option to go alone, were one-stop could apply directly via. the employment network. Then next to make the payments directly to the one-stop rather than the other two scenarios where the payments would go to VR and VR would make some kind of payment to the local One-Stop. I think if you are going to go it alone you need to assume, only assume the Milestone Payments will be available, and kind of built the system your breakeven point around the Milestone Payments. Because those require, only require a threshold of \$780.00 of income per month of that to be paid, so that is about minimum wage I think 35 hours per week, so that is a doable outcome and so you can kind of build your system around that and then the outcome payments are one top of that.

The only, only additional services that you would have to provide if you were going with it alone. You'd have to have a system for intake information gathering because Social Security is requiring, we understand (we haven't seen the form) 1366 yet, is going to require some background information on the person. So you'll have to have the ability to gather that information, and then the ongoing tracking that Peter talked about in case management for up to six years, but especially for the first year to get the Milestone Payments. But then we built the case management system within the rehab system, we built this capability, which wasn't there before to keep track of a case, provide support for a six year period beyond the case closure at 90 days and that is something new, as Peter mentioned, for the VR system. We have that capability now and the One-Stop, if they were going to go with it alone would have to have some way to track whether the person is working or not, how much their monthly income is and submit the bill to Social Security.

Like I said, all those comments are on the website and there's some additional information available at our Milestone website www.milestonemanagment.com That's pretty much what I have to say.

Michael Collins: Thank you very much Dan and thank you Peter. At this time if any panel members have any comments or questions of either Peter or Dan regarding to their reaction to the Ticket?

I only hope our audience will be more forthcoming.

Ken McGill: This is Ken, I had myself on mute. I do have a comment and a question. Dan I think you had asked me to comment on one piece.

Dan: Yes, do you want me to remind you of what that was?

Ken: No, I've got. Actually I love your example of one of the first Ticket holders coming in and negotiating a better deal. That is a good outcome.

Dan: Yeah, Exciting isn't it?

Ken: The Vendor Report Card that you were noting, that is also a requirement on this program too, nationally even though it is more logistically tough to do and it will be coming along once we have a track record with providers. So, that is a requirement in the legislation and something that will be available later. Obviously now the employment networks are in their first couple of weeks of work. So, that will be something similar to what you've provided at the local level. And it was envisioned by the drafters of the legislation. You also asked me to comment on the appropriations business. Actually, the ticket payments, the Milestone as well as the outcome payments are, do not have to be appropriated, those are funding from our program, what are called program dollars here, those are for SSDI beneficiaries from the Disability Insurance Trust Fund and for SSI beneficiaries out of general revenues. Those are something that we paid based on eligibility, not based on Congress appropriating a certain number of those. All of our other administrative costs items are something that are part of the

Social Security appropriation. Congress did not specifically appropriate anything for this legislation, they just basically in our last two budgets have required that that come out of our general overall appropriation as with most of our programs.

So, I guess those are the only comments that I had.

Michael Collins: Thanks Ken. Others, before we move on? Finally, we have Bobby Silverstein, the Director of the Center for the Study and Advancement of Disability Policy. And Bobby will look at the Ticket in terms of critical policy implications and challenges, so Bobby you are on.

Bobby Silverstein: Thanks very much Michael. All of you should have access to a policy brief that I completed which, for those who do not like to read regs, regulations or the Federal Register, it is a comprehensive policy brief explains all of the major provisions in the regulations. The policy brief is divided into three sections. The first section is a self contained two or three page summary of all of the key provisions. Then, the bulk of the policy brief goes through all of the major provisions in the regulations and the appendix, which is the third part, describes in bullet form the major changes between the proposed regs and the final regulations.

My role today is kind of a gas light. Other folks were kind of describing things--the way we set things up is, I am going to be raising policy issues and challenges. Before I do that I think it is very important to put this whole initiative in a historical context. The legislation was passed in part, because of findings by GAO and others that only one-half of one percent of folks on SSI and SSDI were leaving the roles. It was also found by Congress that there's a multiplicity of barriers that people with significant disabilities face. Including issues dealing with loss of health care, issues dealing with the complexity of existing programs, issues dealing with the fact that the DI program does not provide a gradual loss of benefits based on increases in earnings and income, but rather it is a precipitous loss. You reach a certain level and you lose your eligibility for benefits. People were very concerned with that. Issues of more comprehensive, consumer directed vocational rehabilitation issues of transportation and housing. So, in a nutshell TWWIA, Ticket to Work and Work Incentive Improvement Act, try to look at the person as the center of policy, rather than the various silos, the various agencies. And to try to say, if we're going to come up with enhance employment with significant disabilities, we are going to need to do it in a comprehensive way. The Ticket to Work program that we are talking about, was as others have said, one component of that initiative. I think what Peter and others were saying is very critical to look at the policy intent--the objectives of this legislation. And try, regardless of how you, whether you are an individual provider, or One-Stop, or Voc. Rehab, whether you agree or disagree with the specifics of the program, which I'll get into shortly. There are a whole bunch of very, very positive messages, or principles, or values that are implicit here. That regardless of what we do, we should think of adopting and taking the basic approach that Peter is putting forward, to individualize, to have comprehensive approaches, to recognize individual needs, to have consumers control and direct what they are doing, to try to have more choice etc.

Now what I thought I would do is to look at this from a number of perspectives in terms of the policy issues and the challenges. First, from the point of view from the individual, then from the point of view of CDR, I'm sorry, Community Rehab. Providers, CRPs, and One-Stops. And

then look at it from the point of view of Voc. Rehab. Agencies, and then nobody has talked about it yet, but I think it is very important from the perspective of employers as well.

First of all from the point of view of individuals: The essence of this is awesome. The notion, the principle here is a provider has to provide to an individual. You don't get rewarded just for providing services and you don't get rewarded just for finding any job, you get rewarded if, and only if you get a high paying job. That is a job that gets sufficient income so that you are no longer eligible for cash benefits. And, the entity might have to provide ongoing supports for you, so you could have theoretically the choice of the provider, you have, you can force the provider to provide you with good jobs. Not just any job, and they have an obligation to provide ongoing support. So, the concept here is terrific. Now the question then becomes, as I think Dan eluded to is, will there be creaming, in other words, will providers get sufficient reimbursement so that they will in fact serve people with all kinds of disabilities, significant disabilities, cognitive, physical disabilities? Will there in fact be an increase in the number of providers so that you have the option to go to an entity other than Voc. Rehab., for example? Or, will we find that the payment structure, which we will talk about shortly, actually as written will have the effect of forcing folks to cream? If they cream, that will mean there will not be more choices for people with disabilities. There may in fact be no additional choices or potentially fewer choices. So, the first real question to think about, from the individuals point of view is will in fact there be additional service providers, or will the system have the effect of not increasing the number of providers, but have the same providers maybe in different relationships?

The second issue is what is the essence of this program? In the statement of purpose in other sections they talk about not only increasing choice for individuals but also reducing or eliminating dependency on cash benefits. Reduce or eliminate. But if you look at the actual regulations and you see when a provider gets paid, they only get paid if and only if they eliminate an individual's dependency. So that in fact, reductions in dependency on benefits is really not in my opinion, one of the, it may be a stated objective, but in reality that is not the focus of this program. It is eliminating dependency. You only get paid as a provider if and only if the individual is no longer eligible for cash benefits.

Now, the issue, again from the individuals perspective, Peter kind of gave the impression that every state, or well, I won't say he gave the impression, well let me not say that, all states don't Medicaid Buy Ins. All states have not at this point developed comprehensive approaches for dealing with the needs of those with significant disabilities. What is it about 15 or 16 states have approved plans. So what if you were an individual in a Ticket state and there is no Medicaid Buy In, or there is no other provision for allowing you to keep your health care. What is the obligation of folks benefit counselors or others to let that individual know that in fact they may be still risking their health insurance if they go to work? What about informing if they are on SSDI, that if they earn more than the SGA level that they, that there is a precipitous loss of entitlement to benefits? There is something called "easy-back on reinstatement", but the phrase itself says something to you. "easy-back-on", that means you are off and then you have to get back on. People with disabilities who have fought for years to get benefits might be reluctant or fearful of getting quote "back on". Then there is something called the suspension of CDR, Continuing Disability Reviews. In the regs it goes on for five, six, seven, nine, ten pages in terms of when the CDRs suspended for an individual. They have to show their using a Ticket;

they have to show that they are making progress. There's all sorts of different criteria and different standards for the first year and the second year and reviews. Folks need to understand that if their CDR is suspended it's only in circumstances and if not then SSA can review the individual and determine that the person may not meet the definition anymore and then lose their benefits.

So, those are some of the issues from the point of view of the individual. In terms of providers, there are a number of issues. First of all, and they fall into two categories: administrative responsibilities and the second one is whether it is cost benefit to participate in this program.

It's critical to look at the payments systems and understand them very carefully before you make a judgment--should I do this? Should I not do it? Should I go alone? Or, should I do it in partnership? Because, the way it works if you have for example an SSDI beneficiary, you get for meeting one of the first milestone, which is, the first milestone is work for one calendar month at the SGA level. Second milestone is three months at the SGA level. Three is work seven calendar months at the SGA level. You get \$269 for the first milestone. \$538 for the second, \$1000 for the third, and \$1346 for the fourth. In terms of actually getting paid, again you only get paid if and only if the person is no longer eligible for cash benefits. You can get \$250 for DI, \$250 a month a month for each month they are off. A total in a year of about \$2500 total, over a sixty-month period of \$12,900 dollars. Again, you have to figure out, you only get paid for each month, there's recessions, there's somebody on the job, or on the job, or off the job. Is this worth it? Can you stay in business by using the Ticket program going it alone? That is, as whether you are a One-Stop or a Community Rehab. Provider by going it alone, can you stay in business using this system, which is a very critical thing.

And the second issue is the administrative issues in terms of the responsibilities that you have with respect to Maximus as the program manager, the reporting requirements, what you have to do in terms of developing plans? How you have to determine whether or not the individual is in fact off of cash benefits, that is earning a sufficient amount of money? From the point of view of providers they can also think as other have said, maybe I can't go it alone, maybe I don't want to go it alone, but how about in partnership with Voc. Rehab. Agencies? How about in partnership with MRDD agencies? Medicaid agencies? Mental Health agencies? Can I do what I call double dipping, which is negative connotation, but that's not the way I mean it, can I get paid up front? Or, could I get some of the kind of reimbursements that Dan O'Brien was talking about, in terms of an outcome based reimbursement system that risk adjusts those serving those with significant disabilities? Can I get more payments from the MRDD agency and then work out with the Community Rehab. Providers that say hey, I, my folks, the history in my state is they're only making, they're only staying in jobs for short periods of time if at all? Hey, I being the MRDD agency, I will pay up front for some of these different kinds of milestones and then you can keep all the outcome payment system, you being a Community Rehab. Provider if you can agree to provide these ongoing supports.

So, in partnership, Community Rehab. Providers, One-Stops have an actual opportunity to make this program work. The question is can it work by going it alone under the outcome payment system and the outcome milestone payment system? Those are the kind so questions that is providers you need to be asking yourself, or can it work if and only if there's a partnership with a

public entity, agency that otherwise will provide other kinds of up front resources. From a Voc. Rehab agency they have a dilemma a typical Voc. Rehab. Agency has a line item in their budget and it's basically reimbursement from the Social Security Administration, under the old cost reimbursement scheme. Some states it is \$500,000, some states its 3, 4, 5 million dollars. They get reimbursed on an average based on the information that I've seen recently, about \$11,000 dollars for getting somebody to work for nine consecutive months. Nine consecutive months, not payment over a five-year period, for only that month, which you are off the rolls. Nine months above SGA you get about \$11,000. That's already in your kitty. You know and you've been budgeted that. Are you as a Voc. Rehab. Agency, which has the option of getting paid under the old cost reimbursement scheme, or the new system, the outcome payment system, or the outcome milestone payment system. You have a choice, are you going to choose to give up your \$11,000 after nine months with the possibility of 12 to 14 to 16 or whatever thousand over a five year period, if and only if somebody is totally off the rolls?

So that's a very difficult decision for rehab plan in terms of budget with shrinking budgets. But, that doesn't mean that hey, maybe some of them I use the old system, but maybe when I partner with other folks, Community Rehab. providers, One-Stops, employers maybe I can get X plus Y. That is, the number I serve under the old system plus additional folks, but what is the issue from a budget point of view if you supplant that 2, 3, 4 million that you've gotten in reimbursements in the old scheme with the new scheme. So, that's some of the issues form the point of the view of the rehab. agency.

In terms of employers this is an interesting notion here. Actually, let me do one-stops first, then I'll do employers. One-stops really have four or five options to think about. First is to become an employment network and go it alone. And Dan has talked about that. The other one, the second one is to consider entering into an agreement with the state VR agency, where you can figure out a shared cost and shared payment with the VR agency. The next one is to consider entering into an agreement with a state or local agency that's not a mandatory partner under the one-stop. Like Panus, like MRDD mental health. Work out an arrangement with them to share responsibilities. They may have budget for people putting back to work, but they don't have an infrastructure. The one stop offers the infrastructure. Maybe something can be worked out there. The next one is to consider actually entering into a partnership, you being the one-stop with Community Rehab. Providers. Where again, you can figure out a way of sharing responsibility, maybe assuming more of the administrative responsibility, and then figuring out how the rehab providers can provide some ongoing supports and workout and arrangement.

The last one is to consider entering into partnership with employers. There may be employers out there who want to hire. That's why they are working with One-Stops. I want to hire somebody, so whether or not the person is SSI or DI they don't care. So, they are going to hire anyway. Maybe you can work out an arrangement where the One-Stop does the administrative work and the employers get the most of the payment or significant percentage of the payment once that person goes to work for the individual. So, the employer doesn't want the hassle of dealing with the administrative issues. The One-Stop can do that. The employer can hire the person, pay the person, and they can get a significant amount of money to reduce their labor cost because they are going to get money back. Hell, they were going to train the people anyway, if they're a new employee, so its not extra cost for training. They are going to hire the person

anyways, so it's nothing there. They get a net benefit and if they don't have to hassle with the administrative costs; maybe you can work it out with them.

So, those are some of the policy issues and challenges that folks face under this program from various perspectives.

Michael Collins: Thank you Bobby. Panel, any comments or questions of Bobby, before we open it up to the audience.

Ken McGill: Michael this is Ken, I have one Bobby. I just wanted to add a note on your statement about the providers, whether they be One-Stops or state agencies or whoever only getting paid when the person leaves the role. That's true for the outcome part of the process, but the milestone payments in many cases will be paid before the person ever leaves the cash benefits. They are based just on the time at work.

Bobby Silverstein: I'm sorry, that was the point that I tried to make. I totally agree there on the milestones, and Dan, I hope that you will chime in here. I would like you, if you could to compare your milestone system in Oklahoma under rehab with this milestone system. See how it compares and contrasts because you get a whole lot more up front for doing things short of work and here these milestones are based on earning at a certain level for certain period of time. To talk about why you developed your system and possibly describe some of the likely impact of this system.

Dan O'Brien: This is Dan O'Brien. I would be glad to do that. Let me just make one point following up on what Bobby said about double-dipping and partnering with another state entity because I'm doing some consulting with the Office of Mental Health in New York (that's the Mental Health authority). They have decided that the Ticket payments, they are setting up a Milestone Payment System, or they have been piloting it, for vocational services with the Mental Health vendor, behavioral health providers. They've decided that the Ticket payment can be on top of whatever the state pays them. I think they are paying about \$7,000 for the milestone payments over about a six month period, no, nine month period. So, over nine months they pay \$7,000 of milestone payments to the vocational provider. They have decided that the Ticket payments will just be an added incentive to get the wages and the hours of the consumers up to a higher level, which I think is an excellent. That's a really good outcome. A really good example of what Bobby is talking about of how the Ticket, well that's easy for Mental Health to do because they are not addicted to the Social Security money like the VR system is. I mean we're, as Bobby pointed out, we are used to getting a million dollars here a year and we are not in a position to give that away, because we have learned to be dependant on it, whereas the Mental Health in New York, they are not used to getting anything, so it was easy for them to make the decision. If a lot of money starts rolling into the providers they might change.

So to answer Bobby's question, we kind of like New York, we pay six milestone payments over six months rather than nine months in New York. Between six and ten thousand dollars the value of those milestone payments over the first six months somebody works. Then, with our pilot, we've added on outcome payments like the Ticket has, of three to seven hundred dollars a

quarter for the next three years. So, it actually adds up to a similar amount of money to what the total value of the ticket is. It is just distributed differently. There is more up front to obviate the risk or to help the provider manage the risk of the high cost services that are necessary up front and then less money as they go along.

Bobby Silverstein: How many of you know the difference between SSDI and SSI, because again under the Ticket regs the SSDI beneficiaries can make a maximum, I'm sorry the providers can get \$3230 total for the four milestones and SSI beneficiaries. The employment network can only get reimbursed \$1945. You deal with that, that sounds like dealing with in terms of the incentive to serve SSI because it doesn't seem like it's there. Do you make up for it some way in your system?

Dan O'Brien: We pay about a 30% up charge for what we called highly challenged people or the more difficult to place and train. So, there's an incentive to serve the more difficult cases so a lot of the people you are talking about who are SSI who might be more difficult, we would actually pay about 30%.

Bobby Silverstein: More as opposed to 50% less?

Dan O'Brien: Yeah, right. But these issues, I know Ken's got this on his sites, with the Adequacy of Incentive study and I think we need to, you know, I think that's going to look at these issues and

Bobby Silverstein: Remember, I am the resident the bad guy on this conversation.

Dan O'Brien: Ok, ok, but I think we need to keep this conversation going, but focus that these issues need to be addressed as part of the Adequacy Incentive study.

Ken McGill: Yes, this is Ken, those figures were at the statutory limits as Dan's mentioned, and, and, but the statute does allow us to deal with those as we go through the roll-out and make changes without new legislation, but based on Commissioner decisions.

Bobby Silverstein: Right, again, and my role in this conversation is to identify the policy issues and challenges, not to say if, Ken you are a good guy or a bad guy. Because you're a good guy.

(all laughing)

And just for the record, Ken has been awesome in doing this process, but I don't think that, that at least my role is to at least identify the policy issues and challenges not whether Ken is a good guy or not.

Ken McGill: Well, you know I think that if the Ticket is going to be more than a small help to a small number of people, these issues have to be address. So, I think that is really important.

Michael Collins: Ok, at this point, I'd like to bring Mike, our conference Administrator, I'm going to bring up the mike and we are going to let the audience come in. Mike, you want to give them their instructions and we'll try to bring some people in.

Conference Administrator: Thank you very much. If you do have a question for our panel at this time, please press the one-key on your touch tone telephone. One moment please while we see if there are any questions.

Again, press the one key if you'd like to ask a question. We do have a question from Jim Kreatschman.

Jim Kreatschman: Hi, can you hear me? Hi, my name is Troy Urcheck((sp?)). I am listing form Fairbanks, Alaska. The question I had was reporting requirements for Maximus. I work here at a local non-profit, we became an entitlement network for care-coordination. We already doing PSP's and plans of cares. Are we going to have another separate report, or document process of individuals.

Michael Collins: Thank you, Mary?

Mary Satterfield: Yes. Hi, thank you for the question and we recently had the delightful opportunity to go up to your state and talk to your Ticket planning group up there. There are some reporting requirements for employment networks and the two fundamental reporting requirements are number one to send the IWP, the Individualized Work Plan, to us once you've formulated it with a client and they've signed it so that we can make the Ticket assignment for that beneficiary to your organization. We don't review those, in other words we don't look over your shoulder to second guess your judgment. I've held the plan of what the plan should be we are really looking for a couple of required elements in the plan indicating that the beneficiary understands their rights and their confidentiality and privacy will protected in those kinds of things.

The other fundamental reporting requirement is something called the annual report. Which, when we did the prototype for that and took a look at the information we need to get. We realized it was really information we already would have had in our database, so we created a prototype where by we would populate the elements for you basically how many Tickets you have assigned to you. How many payments you may have received under one of the two methods and some other information, so that we would populate it from our database. We send it to you, let you update any other demographics you might want to change, review the report, sign off on it and send it back to us, and that would fulfill your annual reporting requirement.

Michael Collins: Thank you. Other questions.

Conference Administrator: We have a question from Christine King.

Christine King: My name is **Kathleen Kensington** and I am a mental health consumer who lives in Anchorage Alaska. In Alaska, I used to fill out the national (inaudible) before TWWIA went to the Congress, but after that all the information came through the state.

Still we are need of invitation on this. So, you told us to look on website, but it is not practical so if you could develop one good list-serve? so that the consumer in local level, when the state people don't like us, we can go straight through your list-serve we get all the information. Number two, we do not have any grievance where if we speak up, another one of these, they don't like us, we don't get invited. So, how you could develop consumer grievance. Number three, you said that choices are the consumer controlled, it is easy to say and in the wonderful bill for English, but it's not done, especially the consumer of color. So, how do we deal with these things?

Michael Collins: Ok, would you like that directed to any particular panel member?

Kathleen Kensington: To the best expert of the nation.

(laughter from all)

Bobby Silverstein: That must be you Ken.

Peter Baird: Yeah, I think that was Ken.

Ken McGill: I guess I would answer your question, a couple of questions. There are websites as you've noted and we can certainly try to provide you a little more information both about our website as well as the one that Maximus operates with. Lot's of good information on it. We also send quite a bit of information out to other list-serves that are in operation in various other agencies at the state and national level that keep track of all of this and do a pretty good job of getting word out for us. Some of that funded partly by us. The consumer control really of course as I think Bobby said is a vision behind this legislation, I believe that it's embedded in what we try to put together. I think that as we find that there are problems with that because if there are not enough providers or if there are issues that interstate agencies providers or others are presenting to consumers then. We've got the opportunity and also the required responsibility to try to take those on and solve them. I believe ultimately the system as we roll it out will be a big step forward for consumer control, but we have to just show that, we have to prove it and we have to make it real.

Michael Collins: Thank you. Other callers? Mike?

Conference Administrator: We have a question from Bob Pollack.

Bob Pollack: The question that I have, I am Bob Pollack with Goodwill Industries and Easter Seals in Dayton, Ohio. Actually it is a series of questions. We are currently an alternate provider. We will be grandfathered into the network or into the new Ticket to Work application process, or do we need to fill out a new application, and is there a deadline for when we have to submit our application to be part of the Ticket to Work? The second component, which is a little different is that a participant who has a Ticket, if they are working with one network and they decide to move to another network, does all the reimbursement go to that new network, or how is that divided up?

Bobby Silverstein: This is Bobby, I got thrown off, but now I am back on.

Ken McGill: This is Ken, I will tackle that Mary if you want to add anything on it certainly feel free. On the alternate participant process, as the ticket starts up in Ohio, which is not one of the first thirteen, then you will be offered the opportunity to join the new system and you will be eligible for it. You do have to fill out, since we have signed to agree to the new process and the new payment process and chose one and the new regulations, but based on the statutory language you are eligible to do that. You will get that letter requesting your choice on that before the roll-out starts in Ohio. There is not a deadline; it's an open enrollment process. For the first thirteen states as well ones that are coming up. In fact we have not started enrolling anybody in the second round yet, although we are going to be starting up pretty soon. Because Mary and her crew will be out starting to do their recruitment as we look toward that second round of recruitment. Similar to what we did this past year, which is sign people up in advance of the ticket start up. So that you are ready and able to join in as soon as the tickets go out.

Michael Collins: Mary, anything you would like to add to that?

Mary Satterfield: Yes, I will just let you know that we've talked to a lot of current APs last year in the first thirteen states. We did tell them that the new application process was much easier than the old one and they did agree with us, it's pretty simple. The other thing that can happen to expedite your status as an employment network is that if your credentials and licensure and so forth are up to date under the AP program, you don't have to resubmit all of that to us.

I will just address the third part of his question, which is where he asked how our payments distributed if a ticket is unassigned from one employment and moved over to another one. There is flexibility in the regulations for us to make a determination about splitting payments between employment networks if that becomes necessary so that's a simple answer to the question, but it can be done.

Peter Baird: One clarification on that to, this is Peter Baird from Connecticut. The only exception to that sharing of payments is if the state VR agency was one of the employment providers, I mean one of the vocational providers, and another employment network also served that individual and state's voc. rehab agency had chosen their traditional reimbursement and the employment network had chosen, I mean the employment network obviously will have an outcome or milestone system. It would be my understanding that whatever agency submitted the claim first would get payment and it would preclude the other agency from getting a payment. Is that right Mary?

Mary Satterfield: That's the way I understand it, that if it is being split between the VR and the EN, if the VR is seeking traditional reimbursement than payment will only go to one place or the other.

Michael Collins: Ok, thank you. Mike, do we have any other callers?

Mike (Conference Administrator): We do have a question from Michelle Morehouse.

Michelle Morehouse: Hi, can you hear me?

Michael Collins: Certainly can.

Michelle Morehouse: Great. I have a question as far as the distribution of employment support representatives at the local Social Security Offices, that the employment support representatives that we are suppose to use here in Alaska is in Washington state. This is pretty difficult as far as getting training and outreach to the different agencies and different people that hey are support to be doing and wondering how we can best advocate to get an employment support representative here in Alaska. I guess that I direct that to Ken.

Ken McGill: Yes, the position you are referring to, the employment support representative, something that we have been piloting in 32 places and including in the Washington area for your area. We are right now basically looking at what we found from that pilot and trying to decide how we can meet the needs, such as what you are pointing out. How do we, with our budget, personnel budget, get the specialization that is necessary under the legislation to provide services. So, you are going to have to stay tuned a little bit longer on the real answer for that because obviously 32 individuals in 32 sites around the county don't cover the entire breadth of the county right now, even under the pilot. Now the regional office in Seattle, you know, is your sort of first contact point for how to get service needs met such as for outreach activities, for other kinds of service in Alaska.

Michael Collins: Thank you. Mike?

Conference Administrator: We do have a question on the line with Christine King.

Christine King: Hi, this is Jennifer Jones also in Alaska. I have what I hope is.

Ken McGill: We're on in more places than Alaska, by the way.

(laughter from all)

Jennifer Jones: There is obviously a big crew of us. I hope this is a simple question, and maybe Ken is the best person to answer the question. I just needed a little clarity here. I have sat in on many presentations now about the Ticket and its been explained as when the Ticket, or the letters are sent out to consumers that its not an actual, physical Ticket, its been explained as not being a real thing that people carry around with them. I guess my confusion is that I am seeing the letter that is being sent out to consumers and it, it says enclosed with this letter is your Ticket to Work. The Ticket to Work is a very important paper you should keep in a safe place. So, my question is, is this something that people really need to keep with them and a golden ticket, or will Social Security know that it's a symbolic thing if someone asks the question, am I eligible to use my ticket?

Peter Baird: It is a physical ticket that we actually send out to people, but it is not a golden sacrament devise that they have to, that if they lose it, that they are out luck. It's

symbolic of the fact that in our system we keep track of who is eligible for Tickets and what their status is, so that it is a physical document that we send out for people to use but it is ok, I guess to answer the fear behind your question that if it is lost that doesn't mean that you can't keep moving.

Jennifer Jones: Great. As someone who I know we are going to have to answer these kinds of questions of consumers those are some of the things that will initially come up, is am I out of luck if I lose this letter?

Peter Baird: No, it does not have cash value of itself, of like a bond or something. It is a symbol as well as being an actual document for someone to use.

Dan O'Brien: This is Dan O'Brien, can I just add. I have been explaining it as like an electronic ticket for an airplane. If you lose it, it is ok but it's good to have it. That only works for those of us that fly.

Peter Baird: Just to follow up to that to, and this will happen in the Northeast a lot with all our small states up here and pretty Mobil populations. People are starting to come into Connecticut Voc. Rehab offices with Tickets. Connecticut is not a first round state. They are getting them from New York or Massachusetts or whatever, but my understanding is that we can't accept Tickets until the Ticket program is live in Connecticut. Is that right Ken?

Ken McGill: Right. An individual can operate, you know they are eligible for a Ticket and they don't lose it, but they have to work with a provider and we can only operate with the employment networks that are eligible to serve in the state.

Michael Collins: Thank you. Mike do we have any calls from anywhere but Alaska?

(laughter)

Conference Administrator: We have a call from Sharon Brent.

Michael Collins: Hello Sharon

Sharon Brent: Hello.

Michael Morris: Hi, it is actually Michael with Sharon and I wanted to ask a question of Mary in Maximus. Can you tell us two parts? One is of the 200+ employment networks that have already been certified, can you tell us a little more about any sort of trends or characteristics of them. Are they single, private agencies, multiple, public and private, you know tell us a little bit more about who has become employment networks? And then the second question is whether any one-stop or local Workforce Investment Boards have been certified, either individually or as a group employment network application.

Sharon Brent: And then to add this one piece, is I would like to know if there are any employment networks who are considered national employment networks?

Mary Satterfield: Ok, I am going to answer the easy ones first. (laugh)
We do have four national providers that have been approved. We also have some providers that aren't necessarily national, but they are serving more than one state. They may serve two, three or four different states. We do have some one-stops that have been approved. I know three that are in Massachusetts. I think we may have some in Florida. What become difficult is if the name of the organization is not readily identifiable as a one-stop and they don't indicate on their application, they we can't help them.

A profile of the current ENRP I have been asked that before. I should have prepared for that question. They're kind of all over the map. There are four profits, some non-for profits, what you might just consider traditional rehab providers, community rehabilitation providers. There is some creative, slightly out of the box approaches to some of it. And there are some real creative out of the box approaches. It is difficult for us to pin down how much partnership is going on out there because in the application process they don't necessarily have to tell us if they have partnered with other providers when they are submitting an application as the one of record. So, unless they let us know that by telling us either how many locations they may have in a given state, and unless we talk to them in person and get that information it is difficult to know of the 260 some, where we know many of them have multiple locations, but how many other providers are partnered in that network?

Peter Baird: This is Peter in Connecticut. That's one thing I had concerns about the employment network lists. I know in Vermont all ten one-stop centers had formed a partnership with the public Voc. Rehab. Agency but the only thing listed on the website and on the listing is the Voc. Rehab. Agency, because they are the employment network of record. I always thought there might be a way to explore listing of partnerships under employment networks. I think it might more accurately represent the richness of options for consumers if they had those expended lists.

Mary Satterfield: I agree completely. I think getting that information, unless it is volunteered to us is what's difficult. Yeah, if you could encourage anyone you know who has done that, we are happy to put it up there.

Peter Baird: So, if they told you about all the partners, you would list them all?

Mary Satterfield: Oh sure, yeah.

Michael Morris: Mary, this is Michael Morris again back here in Washington DC. Thinking again in terms of the issues around customer choice, is there anything that would prevent you from changing the application for employment networks so that you would in fact require a full listing of current or contemplative partners which ultimately then would provide the increased information and better choices or informed choices by Ticket holders?

Mary Satterfield: The application or the ENRP, is a contracting tool that SAA created out of their office, out of OAG. We have made some suggestions which they were very accommodating to us about how to amend it and change it so that richer information could be collected so that it is becoming a little more not so much a contracting tool where you are looking for legal contacts, but you are gathering other kinds of information. So, it's evolving in that direction. You know you have to also be careful to not run the risk of being too intrusive and asking, you know making it mandatory to supply too much information or its kind of a turn-off, so our tact has been can we evolve it towards something where certain areas of information are required, but other areas are voluntary?

Ken McGill: Michael, this is Ken. I guess the evaluation over time is going to tell us some of that too, because it will be more—there will be interviews with employment networks and state agencies in the like to get some of that data as we got to report to Congress on that, both for the adequacy of incentives part of the study, but also the overall evaluation about what kind of providers are serving whom and for what and how much it will cost and all of that. So, but I hear that concern and question and then we'll think a little bit more about how we can capture the richness of the provider community that's involved with this as we go through time.

Michael Collins: I think we probably have time for one last call. Have anyone on the line Mike?

Conference Administrator: Yes, our final question comes from Martha Gabehart.

Martha Gabehart: This is for Bobby. I have the policy brief that I printed off of the Internet, but the one that I have doesn't have an appendix. You mentioned an appendix with the differences between the proposed regs. Do you have that available somewhere?

Bobby Silverstein: That's the one that should have been on the web, so if its not it will be fixed by folks who can put it on.

Martha Gabehart: Ok, thank you.

Michael Collins: Thank you. We only have a couple of minutes to go. I'd just like to thank Mary, Ken, Peter, Dan, and Bobby for the panel presentation on the Ticket and I'd like to thank our sponsors, the Rehabilitation, Research and Training Center on Workforce Investment and Plymouth Policy for Persons with Disabilities. The Law, Health Policy and Disability Center to University of Iowa, College of Law, and the Center for the Study and Advancement of Disability Policy. I would like to thank them for sponsoring the series and we'll see you next month. Thank you very much.