

The Intersection of Welfare and Disability

Early Findings from the TANF/SSI Disability Transition Project

OPRE Report 2013-06

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Overview

Policymakers and program operators have long worked to understand how state and federal programs can best serve low-income families in which one parent or more has a disability. The Temporary Assistance for Needy Families (TANF) program, administered by the Administration for Children and Families (ACF), serves low-income families, some of whom include individuals who have disabilities or other work limitations. The Supplemental Security Income (SSI) program, administered by the Social Security Administration (SSA), serves low-income individuals who are aged, blind, or disabled. Though these two programs have overlapping goals of supporting low-income people with disabilities, while encouraging self-sufficiency and employment, they have key differences in approach, structure, and definitions that pose challenges to coordination.

In order to understand how best to serve TANF recipients with disabilities, ACF contracted with MDRC and its partners, MEF Associates and TransCen, to conduct the TANF/SSI Disability Transition Project (TSDTP). This first report of the TSDTP describes how TANF agencies work with participants who have a disability and how they interact with local SSA offices. It is based on field assessments in California, Florida, Michigan, and Minnesota. The report also presents findings from analyses of merged TANF and SSI data, documenting the extent to which adult TANF recipients are connected with the SSI system and how they contribute to the overall dynamics of caseload changes in SSI. Data from these separate programs have not been analyzed together before now, so the report offers unique and important analytical insight.

Key Findings

- The overlap between the TANF and SSI populations is not large. In the research sample, less than 10 percent of TANF recipients had an open SSI application, and just 6 percent of adults applying for SSI received TANF benefits within a year of the application.
- Most TANF recipients who apply for SSI do so long before nearing their federal benefit time limit.
- After accounting for differences in basic eligibility characteristics between the two groups (differences driven by TANF eligibility rules), TANF recipients who applied for SSI were slightly less likely to be found disabled, especially at the initial level, than other SSI applicants.
- TANF recipients who are exempt from requirements to participate in work activities due to a disability generally have access to few targeted services designed to increase their self-sufficiency.
- There is little coordination between the TANF programs and the SSA field office or the Disability Determination Services (DDS) — the state agency that makes the initial disability determination for SSA — during TANF recipients' SSI application period. TANF employment counselors have expressed strong interest in knowing more about the SSI application process.

The TSDTP is in its second phase. This phase is assessing three pilot programs — developed using the knowledge gained during the first phase — that take varied approaches to improving services for TANF recipients with disabilities. Subsequent project reports will present pilot findings and further data analysis.

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Executive Summary

Policymakers and program operators have long sought to understand how state and federal programs can best serve low-income families who are headed by disabled parents. The Temporary Assistance for Needy Families (TANF) program, administered at the federal level by the Administration for Children and Families (ACF), and the Supplemental Security Income (SSI) program, administered by the Social Security Administration (SSA), are both designed to provide income support to individuals and families. The TANF program serves low-income families, some of whom include individuals who have work limitations or disabilities, while the SSI program serves low-income individuals who are aged, blind, or disabled. Though the TANF agencies and the federal disability system share the common goals of supporting people with disabilities while encouraging their self-sufficiency and employment, the two programs have key differences.

In order to understand how best to help TANF recipients with disabilities and to identify opportunities for improved coordination between the TANF and SSI programs, ACF contracted with MDRC and its partners, MEF Associates and TransCen, to assist ACF and SSA in managing the TANF/SSI Disability Transition Project (TSDTP). By working closely with both federal agencies and with participating state and county TANF agencies, the project analyzed program data and developed and implemented pilot tests of program interventions targeted to low-income families with disabled parents who are receiving TANF assistance. Families, states, TANF agencies, and SSA can all benefit when this population efficiently receives appropriate services. The goals of the TSDTP are to move individuals toward employment when possible, facilitate informed decisions about applying for SSI, help those who are eligible to receive SSI as quickly as possible, and reduce administrative costs.

This first report of the TSDTP describes the ways in which the TANF program and the SSI program currently operate, based on analysis of TANF and SSI administrative data and field assessments in seven sites in four states: Los Angeles and Riverside Counties, California; the Ocala region in Florida; Genesee, Mason, and Oceana Counties, Michigan;¹ and Hennepin and Ramsey Counties, Minnesota. It describes how TANF agencies work with participants who have been identified as having a work limitation due to a disability and how they interact with local SSA offices. It also presents findings from analyses of merged TANF and SSI data, documenting the extent to which adult TANF recipients are connected with the SSI system and how they contribute to the overall dynamics of caseload changes in SSI.

¹Because they are contiguous and shared a management structure, Mason and Oceana Counties are considered a single site.

Following are summaries of the key questions addressed by this report and of the findings from the field assessments and the data analysis. These are discussed in more detail below. (Box ES.1 presents key terms as defined in the Glossary at the end of the full report.)

Key Questions and Findings

How do TANF programs identify disabilities among the adult TANF recipient caseload? In the seven sites, TANF agencies rely largely on medical professionals to determine a recipient's ability to participate in work activities. The field study reveals that few of the TANF programs were conducting vocational assessments.

How do TANF and SSA currently interact and collaborate to serve low-income individuals with disabilities? In most of the sites, during the SSI application period, there is little coordination between the TANF program and the SSA field office or Disability Determination Services (DDS), the state agency that makes the initial disability determination for SSA. Coordination between TANF and SSA staff typically occurs after an SSI award has been made. Additionally, most TANF employment counselors know little about the SSI application process and rely on the recipient to guide their understanding of disability benefits, although some of the sites contract with SSI advocacy services to assist the recipients.

Are adult TANF recipients with disabilities required to participate in work activities? Are there promising strategies and partnerships to help them achieve employment? In the seven sites, TANF recipients who are identified as having a disability are generally not mandated to participate in work activities and are often overlooked. They rarely receive the same level of attention as recipients who are required to seek work, though they may be asked to participate in limited activities or to comply with treatment plans. Few TANF programs have employment services that target TANF recipients with disabilities; exempt TANF recipients with disabilities who are interested in employment are generally referred to the same services that nondisabled recipients receive.

Is there a large overlap between the TANF and SSI populations? Given the incentives that TANF programs have to move TANF recipients to SSI (discussed in the report), one might expect the overlap to be large. However, among adult TANF recipients from full-reporting states in Fiscal Year (FY) 2007, just 10 percent were engaged in the SSI application process during that year.² The proportion of SSI applicants who were associated with TANF is

²“Full-reporting states” are those that report their universe of TANF data, rather than a sample, to the ACF's Office of Family Assistance (OFA). Box 1.1 in Chapter 1 of the report lists the 26 full-reporting states in the study.

Box ES.1

Glossary

AFDC: Aid to Families with Dependent Children. Established by the Social Security Act of 1935, a grant program to enable states to provide cash welfare payments for needy families. State expenditures were matched by the federal government on an open-ended basis. States defined “need,” set their own benefit levels, established (within federal limitations) income and resource limits, and administered the program or supervised its administration. This program was replaced in 1996 by Temporary Assistance for Needy Families (TANF). Also see “TANF.”

DDS: Disability Determination Services. The state agency responsible for developing medical evidence and rendering the initial determination and reconsideration on whether a claimant is disabled.

exemption from the time limit. A circumstance under which a month of TANF assistance does not count toward a family’s time limit on benefits. Also see “extension of the time limit.”

exemption from the work requirements. A circumstance in which the individual will not be penalized for failure to engage in work; however, the TANF family may be included in the calculation of the work participation rate.

extension of the time limit. A circumstance under which TANF assistance may be continued even though a family has reached their time limit on benefits. Also see “exemption from the time limit.”

federally countable TANF work activities. One of twelve activities that federal law allows to satisfy a state’s obligation to ensure that a minimum percentage of TANF families with a work-eligible individual participate in employment-related activities. These activities include unsubsidized employment, subsidized private sector employment, subsidized public sector employment, work experience, on-the-job training, job search and job readiness assistance, community service, vocational educational training, providing child care to a participant in a community service program, job skills training, education related to employment, and completion of high school or a General Educational Development (GED) program. This report refers to federally countable work activities simply as “work activities.”

sanctions for noncompliance with work activities. The financial penalties imposed on families who do not comply with work requirements, without good cause. State sanctioning policies vary and range from partial sanctions, which reduce the grant amount, to full-family sanctions, which terminate cash assistance to the entire family.

SSF program: solely state-funded program. A program using state funds to provide non-TANF assistance that is not reported as MOE. States began implementing SSF programs after changes were made to the TANF program in the Deficit Reduction Act (DRA) of 2005 that began counting families receiving assistance through an SSP in the work participation calculation. Also see “SSP.”

(continued)

Box ES.1 (continued)

SSI: Supplemental Security Income. A federal supplemental income program funded by general tax revenues that helps aged, blind, and disabled people who have limited income and resources by providing monthly cash payments to meet basic needs for food, clothing, and shelter.

SSP: separate state program. A program using MOE funds without any TANF funds. Expenditures on SSPs can help states meet the MOE requirement. Prior to passage of the Deficit Reduction Act (DRA) of 2005, families who received assistance from an SSP were excluded from the work participation rate calculation. Also see “SSF program.”

TANF: Temporary Assistance for Needy Families. A federal block grant created by the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) to be used by states to meet any of the four purposes set out in federal law: (1) to provide assistance to needy families with children so that children can be cared for in their own homes or in the homes of relatives; (2) to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) to prevent and reduce out-of-wedlock pregnancies; and (4) to encourage the formation and maintenance of two-parent families. Also see “AFDC.”

TANF assistance. Cash payments, vouchers, and other forms of benefits paid for with TANF funds and designed to meet a family’s ongoing basic needs (that is, for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses), including such supportive services as transportation and child care provided to families who are not employed.

TANF federal time limit. A lifetime limit of 60 cumulative months of federal TANF assistance for most families with an adult recipient. Months of assistance receipt accrue when assistance is provided to families using federal TANF funds, in whole or in part. States may elect to impose shorter time limits.

work activities. See “federally countable TANF work activities.”

work participation rate. The percentage of TANF/SSP families with a work-eligible individual who are subject to a work requirement and who participate in a countable work activity for the required amount of time.

work-participation requirement. The requirement that at least 50 percent of families receiving TANF/SSP assistance with a work-eligible individual participate in employment-related activities (see “federally countable TANF work activities”) for a minimum average of 30 hours per week in a month (20 hours per week for a single parent with a child under age 6). For families with two work-eligible parents receiving TANF assistance, states must have at least 90 percent of families in work activities for at least an average of 35 hours per week in a month (55 hours per week for a family receiving federally subsidized child care). In most states, certain categories of recipients — for example, recipients with medical problems or those with very young children — are temporarily excused from these requirements. See “exemption from work requirements.”

also not large. In FY 2007, just under 6 percent had received TANF at some point in the year preceding or following their initial application to SSI.

Are there differences in award rates between TANF recipients who apply for SSI and non-TANF recipients? Overall, SSI award rates were similar for TANF recipients who applied for SSI and for SSI applicants who were not TANF recipients. However, TANF eligibility rules that shape the makeup of the pool of TANF recipients led to differences in characteristics of these two groups, which, in turn, affected award rates. The award rate for initial SSI applicants in 2007 was about one-third, regardless of their TANF affiliation. Underlying these similar award rates were some notable differences. Considering all adult SSI applicants, TANF recipients who applied for SSI were much less likely to be denied on technical grounds than other SSI applicants. After accounting for this difference in rates of technical denials (that is, when comparing SSI outcomes only among those who met basic SSI nonmedical eligibility requirements), it was found that SSI applicants who were associated with TANF/SSP were less likely to be awarded than other SSI applicants, especially at the initial adjudicative level. However, further controlling for basic differences in sample characteristics, such as age and gender, driven by TANF eligibility rules resulted in more similar outcomes between the two groups.

Background: TANF and SSI

The TANF program is intended to provide *temporary* cash assistance to low-income families with children, while preparing parents for employment. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 replaced Aid to Families with Dependent Children (AFDC), substantially strengthened the requirement to seek work, and placed time limits on cash assistance. In addition, the Deficit Reduction Act (DRA) of 2005, which reauthorized the TANF program, made it more difficult for states to exempt families headed by people with disabilities from work participation requirements and still engage the required percentage of recipients in work activities. Since states face financial penalties if they do not meet minimum work participation standards, they may have an incentive to move individuals who are not able to participate in work activities onto SSI.

Under the SSI program, SSA provides income to individuals who have limited income and resources and who are aged, blind, or disabled. While SSA imposes no work requirements on SSI recipients, it operates programs designed to encourage employment. However, few recipients take up voluntary employment services and leave SSI for employment. Additionally, recent years have brought an increase in applications for SSI disability benefits; this increased workload presents an ongoing challenge for SSA staff.

These programmatic and financial rules and incentives related to work make it challenging for the TANF and SSI programs to work together. TANF programs can encourage TANF recipients with disabilities to apply for SSI, which may be the appropriate step for individuals who are eligible. TANF recipients who move to SSI will have a more permanent source of income, as long as they meet the disability criteria, and they will generally see an increase in income. However, if recipients are not eligible for SSI, they will have endured a fairly complex and lengthy SSI application process and will have used up months (or years) of their TANF federal time limit, while not pursuing other avenues to self-sufficiency. Moreover, increasing referrals of TANF recipients to the SSI program increases the number of applications for SSA to process and administrative costs.

Given the broad policy interest in serving TANF recipients who have disabilities, both the Government Accountability Office (GAO) and the Social Security Advisory Board (SSAB) recommended that SSA and ACF jointly develop demonstrations to test new initiatives for recipients with disabilities.

Key Findings from Field Assessments

The first phase of the TSDTP included field visits to TANF, SSA, and DDS offices in seven different sites. Sites and methodology are discussed in detail in the full report. The field assessments in the seven sites yielded the following findings.

- **There is little coordination between the TANF program and the SSA field office or DDS during TANF recipients' SSI application period; coordination typically occurs after an award has been made.**

Although TANF recipients apply for SSI at the SSA field office and are determined to be medically eligible or ineligible for SSI by DDS, the coordination with TANF often occurs only with the field office and only after an award has been made, to determine the TANF grant amount and the expected TANF termination date. The SSI benefits due are reduced by the individual's countable portion of the TANF grant in the months that TANF was received. During the application process, the SSI advocates, who may be funded by the TANF agencies, are helpful to SSA field offices in ensuring that applications are complete and in helping recipients navigate a complex process.

- **The TANF employment counselors know little about the SSI application process and rely on SSI advocacy services or the recipient to help them understand disability benefits.**

State and local TANF staff, and especially senior management, have substantial interest in learning more about the SSI application process and how to identify people who might be

eligible for SSI benefits. Yet some TANF staff questioned whether recipients benefit from transitioning to SSI, inasmuch as they lose case management and employment supports that could help them become self-sufficient. TANF staff know little about the employment services that are available to SSI recipients. To help individuals navigate the SSI application process, several of the TANF programs in the study refer recipients to SSI advocates that have contracts with the state or county.

- **In most sites, TANF agencies rely largely on medical professionals to determine a recipient's ability to participate in work activities.**

When recipients self-report a disability, staff provide them with a form for their doctor to complete. Case managers rarely challenge the doctor's recommendation (and, in some sites, are not allowed to challenge the recommendation). While most of the sites have an assessment process that is designed to uncover barriers to employment — which might lead to the staff's determining that the recipient might be eligible for an exemption from the work requirements due to disability — medical professionals typically make the final determination. Few of the sites that are part of this study conducted vocational assessments, which are often used to match a person's abilities with appropriate employment opportunities. Michigan is unique in determining exemptions through a process that is designed to mimic the SSI disability determination process.

- **TANF recipients who are exempt from requirements to participate in work activities due to a disability are often overlooked and rarely receive the same level of employment and services to promote self-sufficiency as work-required recipients. They may be required to participate in limited activities or to comply with treatment plans, although they are rarely sanctioned for noncompliance.**

While this is true in all the sites, the degree to which it occurs differs. In the California counties, exempt TANF recipients are not required to participate in any activities, although they must periodically provide verification of their disability and can volunteer for employment services. The other sites may state that they require participation among recipients with disabilities, but they do not pursue or enforce the same levels of participation.

- **Few TANF programs have employment services that target TANF recipients with disabilities.**

Exempt individuals with disabilities who express interest in employment are generally referred to the same services that work-required clients receive. There are two exceptions: one site contracts with a community-based organization to operate a small subsidized employment program for individuals with barriers, and another provides one-on-one counseling by a contrac-

tor who used to be a vocational counselor. Two other sites — Los Angeles County and Ramsey County — implemented new supported employment programs for individuals with disabilities. The Los Angeles program, which had not been implemented when the field research for this report was conducted, focuses on recipients with mental health issues. Ramsey County’s program (discussed below) has targeted a broader group of recipients with disabilities.

- **Mental health services are available in most of the sites, and typically they are paid for with Medicaid funds.**

Most TANF programs make referrals to mental health services for individuals who need these services. In Los Angeles, recipients are referred to providers under contract with the county’s Department of Mental Health. Minnesota provides coverage for adult rehabilitative mental health services through mental health providers that have been certified by the state. In Michigan, recipients who have mental health issues are referred to a local community health center. Though there are active referrals from TANF to mental health services, the two programs may communicate little because of concerns about the recipient’s privacy. This limits the amount of collaboration that can take place between TANF workers and non-TANF-affiliated mental health counselors.

Key Findings from the Data Analysis

In addition to field assessments, the TSDTP is also the first time that federal TANF/separate state program (SSP) data had been merged with SSI data.³ The analysis of merged TANF/SSP and SSI data produced the following key findings.

- **The proportion of TANF/SSP recipients who were applying for SSI does not seem large, given that both programs serve low-income populations, and it was fairly steady from FY 2005 through FY 2009.**

From October 2004 through September 2009, the proportion of TANF/SSP recipients from full-reporting states in any given month who had an active SSI application ranged from 7 percent to 8 percent. Among the cohort of 556,673 adults who ever received TANF/SSP in the full-reporting states in FY 2007, about 10 percent were engaged in the SSI application process during that year. That is, these recipients had either submitted an SSI application prior to that time, which was still in process, or submitted an application in FY 2007.

³In an effort to develop strategies to meet federal participation requirements, some states created separate state programs (SSPs). Though counted separately, states were required to include SSP participants in their data submissions to the Office of Family Assistance at ACF.

- **Similarly, the proportion of SSI applicants who were associated with TANF/SSP is not large.**

Of the 415,300 initial SSI applications submitted by adults in full-reporting states in FY 2007, only about 6 percent had received TANF/SSP at some point in the year preceding or following that SSI application.

- **Moreover, an analysis of the timing of SSI applications relative to TANF/SSP receipt shows that the relationship can go in either direction.**

Although 6 percent of individuals who submitted an initial SSI application in a full-reporting state in FY 2007 received TANF/SSP within one year of that SSI application, about half of this group with overlap had not received TANF/SSP in the prior year or had received TANF/SSP for only a few months before their SSI application. The remaining portion of the group began receiving TANF after submitting their initial SSI application.

- **Differences in the characteristics of individuals who were associated with both the TANF/SSP and the SSI program and of SSI applicants who did not receive TANF/SSP are tied to differences in eligibility requirements for the two programs, which are shaped by their respective eligibility requirements.**

Compared with adult SSI applicants who were not receiving TANF/SSP, those who were receiving TANF/SSP were younger, were more likely to be female, and were more likely to meet the SSI program's nonmedical requirements (mostly, limits on income and other financial resources).

- **Considering SSI applicants who met the basic nonmedical eligibility requirements, those who were associated with TANF/SSP were less likely to be found disabled, especially at the initial level; differences in underlying characteristics appear to account for some of this difference.**

Of SSI applicants who were TANF/SSP recipients, 38 percent were awarded SSI, compared with 49 percent for other SSI applicants. Among TANF/SSP recipients who were found disabled, decisions were about evenly split between those who received this decision at the initial level and those who were found disabled after appeal. For the comparison group, nearly two-thirds were awarded at the initial level, and one-third were awarded following appeal. However, a matched analysis using such basic characteristics as gender, age, race/ethnicity, and state reduced differences between the two groups, though small differences remain. Among the matched sample of SSI applicants who were not associated with TANF/SSP, 43 percent were awarded, compared with 38 percent among TANF/SSP recipients.

Questions for Pilots and Further Research

The incentive that exists for states to encourage SSI applications among their TANF recipients increased after welfare reform legislation replaced the AFDC program with a TANF block grant to states, and subsequent regulations made it more costly for states to exempt families with disabilities from work participation requirements. Policymakers have expressed concerns that these changes would increase the number of welfare recipients applying for SSI and, thus, would increase the burden on SSA to process the applications. There were also concerns that a disproportionately large number of those applying would not qualify for SSI and, subsequently, that their applications would be denied.

However, analysis of merged TANF benefit and SSI application data found that a relatively small proportion — about 10 percent — of TANF recipients were engaged in the SSI application process in FY 2007. The analysis also found that, among all SSI applications in FY 2007, just 5 percent were submitted by individuals who received TANF in that year. Moreover, many who applied for SSI were not applying after lengthy periods on TANF; more than half of recipients had used up fewer than 12 months toward the TANF time limit. Additionally, many applied around the same time that they were applying for SSI, and some applied for TANF after their SSI application was denied. Finally, after accounting for differences in basic eligibility characteristics, the analysis found that TANF recipients who applied for SSI were only slightly less likely to be found disabled than other SSI applicants.

Taken together, this analysis counters the expectation that TANF programs would inappropriately refer a higher than usual proportion of recipients to SSI. In fact, the field assessments revealed that TANF agencies needed guidance regarding which recipients to refer to SSI, how to help referred recipients with the SSI process, and how to encourage employment among TANF recipients who had disabilities but were not eligible for SSI.

The following questions emerged from this first phase of the TSDTP:

- Are the overlap rates between TANF/SSP and SSI in participating sites similar to those found for the full-reporting sites?
- In sites with solely state-funded (SSF) programs, what effects do those have on the overlap rate?
- Are there effective assessments for identifying disabilities among TANF recipients?
- How can SSA and DDS staff coordinate with TANF staff to ensure that TANF staff refer potentially eligible recipients to SSA, assist with the SSI application process, and facilitate a smooth transition from TANF to SSI?

- For TANF recipients with disabilities who may not be eligible for SSI or who may not be interested in applying for it, are there promising strategies to help them become self-sufficient? Are there vocational assessments that can be used to develop appropriate employment goals?
- Should alternative policies or program designs be considered to ensure that people with disabilities are better served and — if they are placed in exempted status — that they receive appropriate services?

The Second Phase of the TSDTP

This project has examined the current connections between TANF and SSI to better understand how the two programs' agencies work together and, from the data analysis, the extent to which TANF recipients are applying for and receiving SSI benefits. In addition to conducting an analysis of SSI data merged with state-level TANF data, the second phase of the project used the knowledge attained during the first phase to develop pilot programs that served TANF participants with disabilities. To study three different approaches to serving them, three pilot programs were selected for the second phase of the project and have been implemented in Ramsey County, Minnesota; Los Angeles, California; and Muskegon County, Michigan.⁴ The pilot programs included:

- **Ramsey County's Families Achieving Success Today (FAST).** Ramsey County tested the efficacy of an integrated, colocated service design that used evidence-based practices — the Individual Placement and Support (IPS) supported employment model and motivational interviewing — to increase employment and self-sufficiency among TANF recipients with disabilities. The IPS supported employment design has been shown to help people who have serious mental illness. FAST was a partnership of several agencies that provided mental health, vocational rehabilitation, community health care, and TANF employment services — colocated to increase access for families and streamline the delivery of services. The program followed the core principles of the supported employment model, which include finding competitive jobs in the community that fit participants' needs and interests; fully integrating

⁴While not a part of first phase of the TSDTP, Muskegon County was recommended as a pilot site by local SSA staff and Michigan's Department of Human Services (DHS). After a brief assessment of Muskegon County, the research team determined that it was suitable for a pilot site, primarily due to its strong management structure and existing employment providers in the area. Staff structure and procedures were similar to those in Genesee, Mason, and Oceana Counties, allowing the project team to draw on the knowledge gained from these counties during the project's first phase to inform the pilot test.

mental health services with employment services; using a rapid job search approach to help participants find jobs directly, rather than providing lengthy assessments, training, and counseling; and setting goals and designing plans that are based on individuals' preferences, strengths, experiences, and abilities. FAST was pilot-tested using a random assignment research design with a group of TANF recipients with disabilities.

- **Los Angeles County's TSDTP Pilot.** Los Angeles sought to improve the quality of SSI applications submitted by TANF recipients and, by doing so, to improve the timeliness of SSI decisions, increase the approval rate, and improve families' economic well-being. In order to strengthen the quality of SSI applications, local SSA and/or DDS staff provided training to the county's SSI advocates in one of the county TANF offices. In addition, DDS provided ongoing feedback on the quality of applications received from the SSI advocates for that office. This feedback reinforced effective practices as well as strengthened areas that needed improvement. Finally, the county, SSA, and DDS established local liaisons to develop effective workflows, facilitate ongoing coordination and communication regarding the SSI application process, and troubleshoot specific cases, as appropriate. The research team documented the process changes that were implemented and tracked the flow of participants through the SSI advocacy process.
- **Muskegon County's TSDTP Pilot.** Muskegon County's pilot sought to improve the identification of disabilities among the TANF caseload and to provide motivational interviewing and employment services to recipients who were identified as having a disability. The pilot also presented an opportunity to test the SSI/SSDI Outreach, Access, and Recovery (SOAR) model — which has been used to help the homeless obtain SSI benefits — with some TANF recipients. The pilot's goals were to increase activity levels, improve employment outcomes, and improve decisions around disability assessments — all of which were tracked by the research team. This pilot also provided an opportunity to explore employment supports for TANF recipients with disabilities as well as ways to motivate them to engage in activity and work.

The implementation of the three pilots was assessed through ongoing formative feedback, and technical assistance was provided to ensure the implementation of strong program models. Subsequent reports will document the pilots' performance, outcomes, and experiences in implementing the models and will also include analyses of TANF administrative data, provided by the participating sites, merged with SSI data.

Chapter 1

Introduction

Policymakers and program operators have long worked to understand how state and federal programs can best serve low-income families who are headed by disabled parents. The Temporary Assistance for Needy Families (TANF) program, administered at the federal level by the Administration for Children and Families (ACF), and the Supplemental Security Income (SSI) program, administered by the Social Security Administration (SSA), are both designed to provide income support to individuals and families. The TANF program serves low-income families, some of whom include individuals who have work limitations or disabilities, while the SSI program serves low-income individuals who are aged, blind, or disabled. Though the TANF agencies and the federal disability system have common goals of supporting people with disabilities while encouraging their self-sufficiency and employment, the two programs have key differences.

In order to understand how best to help TANF recipients with disabilities and to identify opportunities for improved coordination between the TANF and SSI programs, ACF contracted with MDRC and its partners, MEF Associates and TransCen, to assist ACF and SSA in managing the TANF/SSI Disability Transition Project (TSDTP). By working closely with both federal agencies and with participating state and county TANF agencies, the project is analyzing program data and developing and implementing pilot tests of program interventions targeted to low-income families with disabled parents who are receiving TANF assistance. Families, states, TANF agencies, and SSA can all benefit when this population efficiently receives appropriate services. The goals of the TSDTP are to move individuals toward employment when possible, facilitate informed decisions about applying for SSI, help those who are eligible to receive SSI as quickly as possible, and reduce administrative costs.

This first report of the TSDTP describes the ways in which the TANF program and the SSI program currently operate, based on analysis of TANF and SSI administrative data and field assessments in seven sites in four states: Los Angeles and Riverside Counties, California; the Ocala region in Florida; Genesee, Mason, and Oceana Counties, Michigan;¹ and Hennepin and Ramsey Counties, Minnesota. It describes how TANF agencies work with adult participants who have been identified as having a work limitation due to a disability and how they interact with local SSA offices. It also presents findings from analyses of two administrative record data sources that have been combined: TANF data provided by the Office of Family

¹Because they are contiguous and shared a management structure, Mason and Oceana Counties are considered a single site.

Assistance (OFA) and SSI data provided by SSA. The analysis documents the extent to which adult TANF recipients are connected with the SSI system and how they contribute to the overall dynamics of application and caseload changes in SSI.²

The national administrative records data do not include data from all states, and none of the sites participating in TSDTP is included in this data set. However, full caseload data are being collected directly from the study sites and are being analyzed separately. Results from those analyses will be provided in subsequent reports.

The Relationship Between TANF and SSA

SSI is a federal program, administered by SSA, which provides cash benefits to disabled individuals, while TANF is a block grant to states for assistance to needy families with children. Social Security defines “disability” as an inability to engage in substantial gainful activity³ by reason of any mental or physical impairment, which can be expected to result in death or to last for at least one year. TANF individuals with work limitations exhibit a range of illnesses, impairments, and disabilities, only some of which meet the SSI standard. In addition, TANF policies and requirements vary by states (and sometimes counties) with regard to income eligibility, benefit levels, time limits, family caps, sanctions, and requirements imposed on TANF recipients who have work limitations. (See the Glossary at the end of this report.)

Movement from TANF to SSI

States receive a block grant allocation from the federal government for their TANF programs and are required to contribute to the cost of their TANF program through the maintenance-of-effort (MOE) requirement, under which states must spend 80 percent of Fiscal Year (FY) 1994 spending on qualified state expenditures to eligible families. (The MOE requirement is 75 percent if a state meets work participation requirements, discussed next.) In addition, states are prohibited from using federal TANF block grant funds to provide assistance to most families for more than 60 months over their lifetime and are required to meet established work participa-

²This study focuses on the interactions between TANF and SSA with regard to adult recipients who have disabilities. While children with disabilities also move from TANF to SSI, this study does not explore the issues that arise for TANF children with disabilities and the extent to which they are connected to SSI.

³The phrase “substantial gainful activity” describes a level of work activity that is both substantial and gainful. Substantial work activity involves performance of significant physical or mental duties, or a combination of both, which are productive in nature. For activity to be substantial, it need not necessarily be performed on a full-time basis; work activity on a part-time basis may also be substantial. Gainful activity is work performed for pay or profit; or work of a nature generally performed for pay or profit, whether or not a profit is realized. For SSI purposes, the substantial gainful activity provision does not apply to blind individuals.

tion rates (the proportion of families receiving TANF who participate in one or more of a listed set of work activities for a specified number of hours each week) or face financial penalties.

When the TANF block grant program was established in 1996, the pressure on states to reach work participation rates was mitigated by a caseload reduction credit that lowered the rates based on reductions in the caseload since 1995; the caseload reduction credit allowed a state to reduce its participation rate by 1 percentage point for every percentage point that the caseload had fallen since 1995 for reasons other than changes in eligibility rules. For example, in 2006, if a state's caseload had not changed since 1996, then 50 percent of its adult TANF recipients were expected to meet the federal participation requirements. However, because of substantial reductions in TANF caseloads across all states, the average *effective* work participation requirement for all families was just 5 percent; in 17 states, the effective rate was zero.⁴ Additionally, states could remove hard-to-employ recipients from the federal rate calculations by transferring them to MOE-funded separate state programs (SSPs), because the participation rate was calculated based on families with adults receiving TANF assistance.

In 2005, the Deficit Reduction Act (DRA) tightened both of these rules, along with others, by mandating that families receiving assistance through SSPs be included in the work participation calculation and by changing the base for the caseload reduction credit from 1995 to 2005. As a result of the DRA, states have faced increased pressure to meet federal participation rate requirements. With the recession of the late-2000s fueling declines in state revenue and, consequently, budget shortfalls, meeting the revised work participation mandates has become particularly challenging for states.

In response, some states have opted to move families with disabilities to state programs funded with state dollars not reported as MOE, referred to as “solely state-funded” (SSF) programs. While this helps the states increase their work participation rates, they are required to find additional state funding to meet the MOE requirement.

States can pursue another strategy, which involves seeking to help adult TANF recipients who are eligible for SSI qualify to receive SSI assistance. The children may still remain eligible for TANF, but the adult is removed from the TANF case, thus reducing the benefit paid to the family and converting the case into a “child-only” TANF case. States save money from the reduction in TANF benefits paid, and the families are not included in the work participation calculation.⁵

⁴Office of Family Assistance (2009).

⁵While the state benefits financially from paying reduced TANF benefits, depending on the state's policies, it may not save that much, overall. Child-only families are not subject to the TANF time limits and, thus, continue to receive assistance until the children age out (reach age 18 or, if attending high school full time, age (continued)

Financial Implications of Movement from TANF to SSI for TANF Recipients

Families are generally financially better off when an adult receives SSI rather than TANF. Table 1.1 shows the maximum TANF benefit that a single parent with two children received in 2010 in the four states that are participating in the project's field assessment. The table compares these levels with the benefit that the same family would receive if the adult were receiving SSI instead of TANF. Because many states supplement the SSI payment, this table includes the additional state payment. The example assumes that the adult is not working and has no other income. The four states in this example illustrate a range of TANF benefits, from a relatively low-benefit state (Florida) to a relatively high-benefit state (California). As the table shows, families benefit substantially from receiving SSI and the state supplement rather than TANF. On a percentage basis, the benefits increase substantially in Florida, the low-benefit state. Additionally, the SSI benefits are not time-limited, as long as the recipient is found to be disabled through "Continuing Disability Reviews," allowing more months of benefits than if the individual stayed on TANF.

Though families are generally better off financially if adults transfer from TANF to SSI, they may lose support services, such as subsidized child care and transportation benefits, which are often reserved for adults receiving TANF assistance. Families may also lose mental health services for mild-to-moderate mental health issues that are covered by some state TANF programs but are not covered by Medicaid. Finally, while the SSA program provides employment services — through SSA-funded Employment Networks and state Vocational Rehabilitation (VR) agencies — few SSI and Social Security Disability Insurance (SSDI) recipients participate in SSA's Ticket to Work (TTW) program. As of December 2006, the nationwide TTW participation rate was 1.6 percent.⁶ Additionally, few disability recipients leave disability benefits for employment and, thus, are unlikely to work their way out of poverty.⁷

Implications of Movement from TANF to SSI for SSA

When more adults move from TANF to SSI, states may benefit financially (since SSI benefits are federally funded), but this move affects SSA's workload. SSA has experienced significant increases in the number of individuals who applied for SSI in recent years, with a

19. In contrast, in many states, adult-headed cases lose all assistance when the family reaches the state time limit, which can be as short as 21 months (Connecticut). Additionally, some states supplement the SSI payment with an additional payment.

⁶Stapleton, Gruman, and Prenovitz (2009).

⁷Schimmel and Stapleton (2011) found that less than 1 percent of all recipients experienced their first month of benefit suspension or termination from work in each year from 2002 through 2006.

The TANF/SSI Disability Transition Project

Table 1.1

**Gain from Transferring Adult TANF Recipients to SSI in 2010,
Family of Three: One Adult, Two Children**

State	Maximum TANF Monthly Benefit, Not Receiving SSI (\$)	TANF/SSI/State Supplement Monthly Benefits, Adult on SSI, Children on TANF (\$)	Dollar Gain (\$)	Percentage Gain
California ^a	694 ^b	1,472 ^c	778	112.1
Florida ^d	303	915 ^e	612	202.0
Michigan	492	962	470	95.5
Minnesota	532	1,172 ^f	640	120.3

SOURCE: Authors' calculations.

NOTES: These calculations do not take into consideration that the families' Supplemental Nutrition Assistance Program (SNAP; formerly the Food Stamp Program) benefits would be reduced with the increase in SSI income.

^aThe TANF benefit in California depends on the region in which the family lives. The estimates for California are based on the maximum benefit for families living in Region 1, which includes the larger and higher-cost counties in the state (including Los Angeles County).

^bThe estimate is based on the maximum benefit provided to nonexempt cases (for cases in which the adult is not receiving SSI).

^cThe estimate is based on the maximum benefit provided to exempt cases (for cases in which all adults on the case are receiving SSI or other disability benefits). California's supplemental payment includes a payment in lieu of SNAP benefits.

^dThe estimates for Florida are based on the maximum benefit provided to families who have a monthly shelter obligation that is greater than \$50.

^eThe estimate does not include the SSI state supplement, which is limited to families receiving assisted living services.

^fThe estimate includes the SSI state supplement for families living independently (excludes the first \$20 of the SSI payment before applying the supplement).

notable increase of 14 percent in 2009 that is largely attributed to the downturn in the economy.⁸ During this period, the agency also experienced an increase in initial cases pending.

Understanding the extent of the overlap between the two programs and how this has changed over time provides important information to policymakers. If state agencies are encouraging more TANF recipients to apply for SSI, it is important for policymakers to know whether these applications are on behalf of individuals who should appropriately be applying

⁸Social Security Administration (2011).

for SSI. Denials of nonmeritorious applications merely increase SSA’s administrative burden without a returned benefit for TANF recipients and may delay their eventual employment. However, as discussed in more detail in Chapter 4, concerns that the TANF program was contributing significantly to SSA’s backlogs are not supported by the data analysis. Additionally, SSI outcomes for TANF recipients who apply for SSI are not so different from those for other SSI applicants with similar characteristics.

Also, it is not known how applications for SSI from TANF recipients contribute to the SSA backlog. Chapter 4 explores this question.

Prior Research

Studies have examined the levels of disability among recipients of TANF or, earlier, of Aid to Families with Dependent Children (AFDC) and the extent to which TANF/AFDC recipients are applying for SSI. This section summarizes some of the research that has been conducted to date.

Prevalence of Disability Among Adult TANF Recipients

Prior research has found high levels of disability among adult TANF recipients, though estimates range, in part, because there is not a single common definition of “disability” applied in this research. In 2005 and 2006, about 10 percent of TANF and food stamp recipients needed help with self-care (bathing, dressing, or eating) or help with routine activities (such as everyday household chores).⁹ When these researchers included other limitations — such as emotional or mental health limitations, sensory limitations, cognitive limitations, social limitations, work limitations, or receiving disability benefits — they found that about 40 percent of TANF and food stamp adult recipients had a disability. The same study found that more than a quarter of TANF recipients reported that they have a physical, mental, or emotional problem that keeps them from working or that limits the kind or amount of work that they can do.

Other studies have found similarly high rates of disability among TANF recipients. Based on diagnostic screening criteria for psychiatric disorders that are used by clinical professionals, the Women’s Employment Study (WES) found that 35 percent of female welfare recipients residing in an urban Michigan county had a mental health disorder.¹⁰ The study also found that about 19 percent of the women had a physical health problem. In 2001, the General Accounting Office (GAO) analyzed the Survey of Income and Program Participation (SIPP)

⁹Loprest and Maag (2009). In 2008, the Food Stamp Program was renamed the Supplemental Nutrition Assistance Program (SNAP).

¹⁰Seefeldt (2004).

and found that 44 percent of TANF recipients ages 18 to 64 self-reported having a physical or mental impairment in 1999 — compared with 16 percent of non-TANF adults.¹¹

Interaction Between TANF and SSI

Several noteworthy studies have examined interactions between AFDC/TANF and SSI. Studies in the 1990s examined the effect of state welfare policies on SSI receipt. For example, Stapleton and others used pooled state-level data and found that a 10 percent reduction in the value of AFDC benefits was associated with an increase of 2 percent to 3 percent in SSI applications.¹² This statistic suggests that individuals living in states that pay lower welfare benefits were more likely to apply for SSI, presumably because of the greater differential in benefits paid. Garrett and Glied used state-level data three years before and three years after the 1990 *Sullivan v. Zebley* decision that substantially relaxed the criteria by which children became eligible for SSI benefits.¹³ This study found that, after the U.S. Supreme Court made the ruling, child SSI participation increased more in states that had lower AFDC payments and higher state SSI supplementation payments, suggesting that families used SSI and AFDC as substitutes. While these studies shed light on the interaction between AFDC and SSI, they remain limited because they did not rely on individual-level data and could not directly observe transitions from AFDC to SSI. In addition, these studies were conducted before implementation of TANF.

Other studies have focused on the extent to which SSI applicants had a prior association with TANF and found that about 9 percent or 10 percent of SSI awards went to individuals with an association with TANF/AFDC. Specifically, Stapleton and others analyzed individual-level data in the 1990, 1991, 1992, and 1993 SIPP panels matched with SSA administrative records, using the SIPP to identify individuals who reported receiving AFDC and the SSA records to identify SSI applicants and recipients.¹⁴ This study found that, among female AFDC recipients between ages 18 and 40 who were interviewed between 1990 and 1993, about 9 percent filed a first SSI application sometime between 1990 and 1997. The study also found that about 7.5 percent of young female AFDC recipients in the 1990-1993 sample were receiving an SSI payment in 1996-1997. Wamhoff and Wiseman analyzed data from SSA's Supplemental Security Record (SSR) and TANF/SSP caseload data to estimate the incidence of SSI awards before and after enactment of the Personal Responsibility and Work Opportunity Reconciliation Act PRWORA of 1996, which created TANF to replace AFDC.¹⁵ They found that, among SSI awards to adults between 2000 and 2003, about 9.5 percent went to adults associated with

¹¹U.S. General Accounting Office (2001); renamed in 2004 as the Government Accountability Office.

¹²Stapleton, Dietrich, Furman, and Lo (1995).

¹³Garrett and Glied (2000).

¹⁴Stapleton, Wittenburg, Fishman, and Livermore (2001-2002).

¹⁵Wamhoff and Wiseman (2005-2006).

TANF; restricting the SSI awards to women ages 22 to 39, more than one-quarter were linked to TANF.¹⁶ It is not known how these estimates changed over time. While the study found that the share of AFDC/TANF recipients who were awarded SSI increased after PRWORA, this may not have translated into greater numbers moving to SSI, inasmuch as the overall TANF caseloads were declining substantially during this period.

Given that the research showed an overlap between TANF and SSI caseloads, policy-makers took notice. In 2004, the GAO conducted a qualitative study of the interaction between TANF and SSI, surveying county TANF offices.¹⁷ The study aimed to learn the extent to which TANF recipients with impairments are encouraged to apply for SSI, the extent to which work requirements are imposed on TANF recipients applying for SSI and the services available to them, and the extent to which interactions exist between the SSI and TANF programs. From the survey, most TANF offices reported that they encouraged at least some TANF recipients with impairments to apply for SSI. The level of encouragement across the offices varied from merely advising recipients to apply to assisting recipients with completing the application. The survey also found that 86 percent of the offices either sometimes or always exempted adult recipients with impairments who were awaiting SSI eligibility determinations from the work participation requirement. Lastly, this study found little interaction between the TANF and SSI programs, although 64 percent of the offices reported that they followed up with SSA regarding recipients' SSI applications. The vast majority (95 percent) reported that their interactions could improve, and 57 percent reported that it would be useful to receive training on the SSI application process and eligibility requirements.

The TANF/SSI Disability Transition Project (TSDTP)

Both the GAO and the Social Security Advisory Board (SSAB) recommended that SSA and ACF develop demonstrations to test new initiatives for TANF recipients with disabilities. These recommendations led ACF and SSA to launch the TANF/SSI Disability Transition Project (TSDTP), which is divided into the two phases described below.

Phase One

This report summarizes findings from the first phase of the TSDTP, which focuses on documenting the current state of interaction between TANF and SSI. It presents findings on

¹⁶The SSA's Supplemental Security Record (SSR) includes a field that records whether the recipient had federally funded income based on need, which, in addition to TANF, includes payments for foster care, refugee cash assistance, and other cash income. From a limited review, the authors reported that TANF accounted for about 95 percent or more of that income.

¹⁷U.S. Government Accountability Office (2004).

analyses of linked TANF-SSI administrative data, documenting the extent to which TANF recipients are connected to the SSI system and how they contribute to the overall dynamics of caseload changes in SSI. To complement the analysis, field assessments of the TANF-SSI linkages were conducted in seven sites to understand how TANF agencies currently serve recipients with disabilities, including the expectations placed on the recipients to participate in employment-related activities, the nature of their disabilities, the assistance provided to them with the SSI application process, and the recipients' and TANF staff's interactions with local SSA agencies.

This report addresses the following questions:

- How do TANF programs identify disabilities among the adult TANF recipient caseload?
- How do TANF and SSA currently interact and collaborate to serve low-income individuals with disabilities?
- Are there promising strategies and partnerships to help adult TANF recipients with disabilities who are not applying for SSI achieve employment?
- Is there a large overlap between the TANF and SSI populations? Has this overlap increased over time?
- Among SSI applicants who are also TANF recipients, at what point in their TANF history do they apply for SSI: before TANF participation, at the same time that they apply for TANF, while receiving TANF, or after leaving TANF? If they applied for SSI while on TANF, how long were they on TANF at the time of their SSI application?
- How do TANF recipients who apply for SSI compare with TANF recipients who do not apply for SSI? What are the key characteristics of TANF recipients who apply for SSI?
- How do TANF recipients who apply for SSI compare with SSI applicants who are not TANF recipients? Are there differences in processing time and award rates between TANF recipients who apply for SSI and non-TANF recipients?
- In which ways can practices be improved to support the goals of the project: By moving individuals toward employment when possible? By facilitating informed decisions about applying for SSI? By helping those who are eligible to receive SSI as quickly as possible? By reducing administrative costs?

Phase Two

In the second phase of the TSDTP, knowledge that was developed during the first phase was used to work with sites to develop and implement pilot programs that serve TANF participants with disabilities. The implementation of the pilot programs was assessed with ongoing formative feedback and data analysis, and technical assistance was provided to ensure the implementation of strong program models. Subsequent reports will document the pilots' performance, outcomes, and experiences in implementing the models.

Concurrently, the research team is analyzing full caseload data for each state participating in the project, including TANF, SSP, and SSF data when applicable. This will allow the team to conduct the analysis presented here with each participating site, to better understand variability in the overlap between the two systems, to understand how SSF programs may change the nature of the interactions observed in the national data, and — for those sites participating in the project's second phase — to inform pilot assessments and monitoring.

Data Sources and Samples

The data sources and samples for the analyses presented in the report are described below.

Field Assessment. At least two site visits were conducted to each of the seven sites. During the visits, the research staff interviewed staff from TANF, SSA, and Disability Determination Services (DDS) offices; observed program activities; and reviewed case files.

Administrative Data. The analysis of administrative data is based on information from the following sources:

- **Fiscal Years 2005 through 2009 TANF and SSP caseload and characteristics data reported by states to ACF's Office of Family Assistance (OFA).** The analysis focuses on adult TANF and SSP recipients in 26 states that provided data on their full caseloads to OFA during these years. Box 1.1 lists the full-reporting states.
- **Selected data related to SSI applications and their outcomes from the 2009 and 2010 SSA Disability Research Files (DRF).** A combined DRF file was created, and it includes all SSI applications submitted from 1999 through 2009, with statuses of these applications through July 2010. The TSDTP analysis focuses on adult applicants (ages 18 to 64).

The sample for the investigation of the overlap between TANF and SSI includes adult recipients of TANF and SSP benefits in the 26 full-reporting states shown in Box 1.1. Unfortunately, all the sites participating in the TSDTP reported sample data to ACF during this period

Box 1.1

States Reporting Their TANF/SSP Universe, FY 2005-2009

The analysis includes these twenty-six full-reporting states.

Alabama	Kentucky	Rhode Island
Alaska	Louisiana	Tennessee
Arizona	Maine	Utah
Delaware	Montana	Vermont
Georgia	New Hampshire	Virginia
Hawaii	New Jersey	Washington
Idaho	North Dakota	Wisconsin
Indiana	Oklahoma	Wyoming
Iowa	Oregon	

NOTE: Just over half of states reported their full caseloads, but these primarily include states with smaller TANF caseloads (about 25 percent to 30 percent of the national caseload of adult recipients) and are not nationally representative.

and, therefore, are not included in the analysis presented in this report. However, full caseload data are being collected directly from the participating sites and are being analyzed separately. Those results will be provided in subsequent reports.

The data for the current analysis cover the mid to late 2000s. Starting in FY 2007, some states began implementing solely state-funded (SSF) programs. By 2009, more than half the states had implemented or had plans to implement SSF programs. Almost all of these programs served or planned to serve two-parent families, and about a third served both two-parent families and families with a disabled parent.¹⁸ The administrative data used in this analysis do not capture participation in SSF programs, as states are not required to report caseload information for these programs to ACF. Data on SSF program participants are being collected from participating sites and will be included in those analyses. In this analysis, adult recipients from the TANF and SSP programs are analyzed together.

¹⁸Schott and Parrott (2009).

Roadmap of the Report

The remaining chapters of the report discuss the following topics:

- Chapter 2 describes the services provided to TANF recipients with disabilities in the seven participating sites and the mandates that the recipients face.
- Chapter 3 describes the process for applying for SSI and the SSI disability determination process.
- Chapter 4 describes how staff from the two programs interact and presents findings from the data analysis of matched federal-level TANF/SSI data, measuring the overlap between the populations served by both programs.
- Chapter 5 concludes the report with a summary of the findings from the field assessments and the data analysis and describes the second phase of the project, which includes program pilots implemented in three sites.

Chapter 2

Serving TANF Recipients with Disabilities

To better understand how Temporary Assistance for Needy Families (TANF) agencies work with participants who have been identified as having a disability, the MDRC team conducted field assessments of the TANF and Supplemental Security Income (SSI) program linkages. This first phase of the TANF/SSI Disability Transition Project (TSDTP) focuses on how the two programs currently operate, based on administrative data and field assessments in seven sites: Los Angeles and Riverside Counties, California; the Ocala region in Florida; Genesee, Mason, and Oceana Counties, Michigan; and Hennepin and Ramsey Counties, Minnesota.

Chapter 2 summarizes the mandates that TANF recipients with disabilities must meet in order to receive their full TANF benefits; the methods by which the agencies determine such participants' work capacity and limitations; and the services that are available to them, including employment-related services.

Mandates for Recipients with Disabilities

States are expected to engage a portion of their TANF recipients in work or work-related activities or face financial penalties. Specifically, states are required to meet a 50 percent participation rate for all families with an adult receiving assistance and a 90 percent participation rate for two-parent families, adjusting the rate downward for caseload declines since 2005. While some types of cases are not included in the calculation — primarily, some child-only cases, in which only the children are receiving TANF assistance, and single parents with children under age 1 — there is no federal exemption for individuals with disabilities. A state's participation rates are calculated based on the share of adults who are participating at least 30 hours per week in federally countable activities (or an average of 20 hours per week if they have a child under age 6), and adults in two-parent families who are participating in work activities for at least 35 or 55 hours per week, depending on whether they are receiving federally funded child care assistance.¹

¹Countable activities include unsubsidized or subsidized employment; work experience; on-the-job training; job search and job readiness assistance — not to exceed 6 weeks in a 12-month period and no more than 4 consecutive weeks (but up to 12 weeks if a state meets certain conditions); community service; vocational educational training — not to exceed 12 months; job skills training related to work; education directly related to employment; satisfactory secondary school attendance; and providing child care services to individuals who are participating in community service.

Even though the federal government counts individuals with disabilities when calculating the federal participation rates, many states have opted to provide for their own exemptions. A state may do so, though then it must generate sufficient participation from other families to meet its federal participation rate requirements. Some states have moved adults with disabilities to solely state-funded (SSF) programs, which are funded with state dollars not reported as maintenance-of-effort (MOE) funds, to remove them from the TANF work participation rate calculation, whereas other states have kept disabled adults in the TANF program and have striven to meet the required rate without their participation.

All the sites that were visited as part of this project reduced or eliminated the work requirements for TANF recipients with disabilities. The state may exempt the recipients from the full work participation requirements, although, in some of the sites, these recipients are still required to develop employment or individual service plans, which might include a plan for getting treatment or counseling. Sanctioning for not complying with the plans is rare. Table 2.1 describes the state policies. In two of the states, California and Michigan, the state TANF time limit does not apply for assistance provided to individuals who are assessed to have a disability; in the other two states, Florida and Minnesota, the months of assistance count toward the state time limit, although recipients who reach the time limit might receive an extension as a result of their condition.

Assessing TANF Recipients with Disabilities

There are several points when TANF staff might assess a recipient's abilities and determine whether to exempt or excuse the recipient from work activities. Table 2.2 outlines the processes used in the seven sites. All the sites except for those in Michigan rely on doctors or medical professionals to make final determinations about a client's disability. Michigan uses a special team to make this determination. (See Box 2.1.)

When TANF Recipients Are Assessed

For most families applying for TANF, an eligibility worker reviews the TANF application and assigns the case to a welfare-to-work case manager. In all the states included in the field assessment, the application poses a question regarding the existence of any disabilities that would prevent the individual from working. When staff make a determination that a recipient should be exempted, deferred, or excused (referred to in the rest of the report as "exempted," for simplicity), the referral process changes for the recipient. For example, in Hennepin and Ramsey Counties, recipients are referred to a case manager who has a caseload of clients who are exempt from the federal work participation requirement.

The TANF/SSI Disability Transition Project

Table 2.1

Project Sites' State Mandates for Recipients with Disabilities

State	Mandate for Recipients with Disabilities	State TANF Time Limit	Funding
California	<i>No mandate to participate in work activities.</i> Clients who are physically or mentally unable to work or participate in a welfare-to-work activity are exempted from participating in the welfare-to-work program. Exempt clients can volunteer for activities but are not required to participate in any activities.	When clients are exempted, the state's 48-month TANF clock stops. ^{a,b}	TANF block grant / State MOE
Florida	<i>Mandated to register with the local workforce agency.</i> Participants with disabilities may be "excused" from the work participation requirements. The case manager may assign activities considered to be appropriate and reasonable, given the doctor's recommendation.	When clients are excused from the work participation requirements, the months of assistance count toward the state's 48-month TANF time limit.	TANF block grant / State MOE
Michigan	<i>Required to comply with service plan.</i> Clients "deferred" from the work participation requirements are required to comply with a service plan, which could include accessing physical therapy, mental health supports, drug treatment, parenting classes, reunification efforts, and other services. Doctors and other health care providers in the community can help arrange these services. There are sanctions for recipients who do not take part in activities detailed in the service plan, although, in practice, sanctions are rarely invoked.	When clients are deferred, the state's 48-month TANF clock stops.	Solely state-funded program
Minnesota	<i>Required to comply with employment plan.</i> While clients who are assessed to have a disability are required to develop employment plans, the activities are generally related to the treatment for their disability, taking into consideration the recipients' goals and needs. Clients who do not comply with their plan can be sanctioned, though several steps are required, and, as a result, sanctioning is rare.	When clients are exempted from the federal work participation requirements, the months of assistance count toward the state's 60-month TANF time limit (though the same criteria for exempting client are used to extend benefits to families who reach the 60-month state TANF time limit).	Solely state-funded program

NOTES: ^aIn order to receive a time-limit exemption in California, individuals must meet three criteria: (1) they must be able to provide verification of their disability from a doctor; (2) the disability must be expected to last at least 30 days; and (3) they must be actively seeking appropriate medical treatment.

^bThe passage of SB 1041 on June 27, 2012, created a new welfare-to-work (WTW) 24-month time clock, within the 48-month time limit, during which for 24 cumulative months clients are allowed to participate in the full array of WTW activities, after which they must meet the federal requirements. The WTW 24-month time clock, which went into effect on January 1, 2013, stops when individuals are exempted from work requirements. See <http://www.cdss.ca.gov/lettersnotices/entres/getinfo/acl/2012/12-53.pdf>.

The TANF/SSI Disability Transition Project

Table 2.2

Points in TANF Processes at Which Disabilities May Be Determined

State	Intake	Welfare-to-Work Assessments	State TANF Time-Limit Extension Criteria
Los Angeles County, CA	Eligibility workers conduct the initial eligibility application interviews. A client who responds that he or she has a disability is given a form to be completed by a doctor. If a doctor verifies that the client has a disability, the client is exempt from the county's welfare-to-work program (GAIN). Otherwise, the client is referred to GAIN.	During interviews with the GAIN worker, recipients may disclose a disability and be given a form to take to their doctor for verification. Recipients are also screened for mental health, substance abuse, homelessness, and/or domestic violence. If any of these arise, the recipient is referred to Specialized Supportive Services for additional assessment and services. The assessments may reveal that an individual should be exempted from the work participation requirement.	If a disability goes undetected and disabled adult recipients reach the 48-month time limit, they may receive an extension. ^a They must be evaluated by the county and found to be unable to work.
Riverside County, CA	Same as in Los Angeles County	The GAIN appraisal has two steps: (1) a one-hour group orientation and (2) a one-on-one interview with a GAIN counselor to assess the recipient's strengths and weaknesses related to employability. During this interview, some recipients inform GAIN counselors of disabilities or other qualifiers for exemptions that they may not have mentioned before. In these situations, recipients are given the form to take to their doctor for verification.	Same as in Los Angeles County

(continued)

Table 2.2 (continued)

Site	Intake Process	Welfare-to-Work Assessments	State TANF Time-Limit Extension Criteria
Ocala Region, FL	Individuals apply for assistance by mail, facsimile, or online. They can access the Internet at Customer Service Centers, where staff can help applicants with the online application. While the application asks about disabilities, adults with disabilities are not exempted from the work requirements and are required to register with the Welfare Transition (WT) program of the local Regional Workforce Board (RWB).	Individuals with a medical limitation are given a form that must be completed by a doctor. A verified medical limitation or incapacity will excuse the recipient from the work participation requirements. Recipients are not exempt and must participate in activities based on their medical ability to do so.	When an adult receives 48 months of assistance, the case closes unless an extension is granted. An individual with significant barriers to employment is evaluated by RWB staff and may be granted an extension of 3 to 6 months.
Genesee, Mason, and Oceana Counties, MI	Recipients can apply for cash assistance in person, by mail, by telephone, or online. After the initial application is received, recipients go through a brief screening with a specialist, and applicants are assigned to a case manager. Case managers have the ability to provide immediate deferrals from work and training requirements, up to 90 days, with a doctor's note. If the doctor indicates a greater than 90-day deferral, staff provide a medical packet for the Medical Review Team (MRT). (See Box 2.1.)	After the eligibility worker has reviewed and approved the application, the recipient attends an orientation for an overview of TANF and basic testing and assessments. If not deferred, the recipient is referred to an employment provider contractor. Individuals who are deferred due to a disability are not required to participate in work activities but are still required to meet with their TANF case manager.	Individuals who reach the time limit are not granted an extension, even if a disability is detected later.

(continued)

Table 2.2 (continued)

Site	Intake Process	Welfare-to-Work Assessments	State TANF Time-Limit Extension Criteria
Hennepin and Ramsey Counties, MN	All families apply for cash assistance with a financial eligibility worker. If the eligibility worker determines that the recipient is exempt from the federal work participation requirement due to a disability, the recipient is assigned to a special track for cases not included in the work participation calculation (Family Stabilization Services, or FSS) and assigned to an FSS case manager. Recipients are required to provide documentation from a qualified professional, which could include a licensed physician or psychological practitioner. Other cases not in FSS are assigned to a regular case manager.	The state mandates that all case managers implement a comprehensive assessment, referred to as the “Employability Measure,” within the first 3 months following enrollment. This assessment focuses on recipients’ strengths and challenges in 11 areas and is used to help the case manager develop an employment plan with the recipient. While this is not intended to assess for disabilities, the case manager may gain information from the questions asked, particularly those focused on health issues, and may then refer the participant for further screening by a qualified professional. If the client is not in FSS but is eligible, the case is transferred to an FSS case manager.	The criteria used to grant an extension to someone who reaches 60 months are the same criteria used to exempt someone from the federal work requirements. Therefore, someone who had been exempted may reach 60 months and be provided an extension if their condition persists.

NOTES: All these states also run diversion programs designed to meet short-term needs of some recipients who may not need long-term assistance. These applicants are first referred to the diversion program. If they continue to receive assistance after the diversion period (typically, four months), they are referred to the TANF program. In all states except for Minnesota, only a small portion of applicants are referred to the diversion program. In Minnesota, most applicants are first referred to their diversion program, before moving to the regular TANF program or FSS.

^aThe passage of SB 1041 on June 27, 2012, created a new welfare-to-work (WTW) 24-month time clock, within the 48-month time limit, during which for 24 cumulative months clients are allowed to participate in the full array of WTW activities, after which they must meet the federal requirements. The WTW 24-month time clock, which went into effect on January 1, 2013, stops when individuals are exempted from work requirements. See <http://www.cdss.ca.gov/lettersnotices/entres/getinfo/acl/2012/12-53.pdf>.

Box 2.1

Process Used by Michigan's Medical Review Team (MRT) to Determine Disability

In Michigan, a doctor can provide for deferrals from TANF work requirements for up to 90 days, but the Medical Review Team (MRT) makes the final determination for longer-term exemptions. The MRT is colocated with Disability Determination Services (DDS), which determines eligibility for the Social Security Administration disability programs. The MRT was colocated with DDS to create administrative efficiencies (shared technology, clerical staff, and medical consultant staff). It uses similar criteria as DDS for disability determination, but it does not require the same level of documentation as DDS, resulting in faster decisions.

The process for getting a deferral from work requirements under TANF for a specified period occurs as follows:

- The local TANF caseworker puts together and forwards to the MRT a medical packet for TANF recipients who claim a work limitation. This packet includes medical forms, any available Medicaid records, the self-sufficiency plan, and other relevant medical and situational information, including an Activities of Daily Living (ADL) self-assessment.
- If the MRT has sufficient medical evidence, it makes a decision on cases within five working days, on average. If it needs additional medical evidence, it sends the case back to the local TANF office. This process may take longer than a month if additional information is needed.
- After a disability decision is made, the MRT sends the entire medical packet to the TANF case manager, and the decision is good for up to one year.

If a client discloses a disability at intake and is determined to be exempt, recipients in Los Angeles and Riverside Counties are not assigned to the welfare-to-work program. Additionally, in Los Angeles, if they are not exempt but are determined to have a mental health, substance abuse, or other issue (but not so limiting as to exempt them), they will be referred to Specialized Supportive Services, a unit operated by the county, for further assessments and assistance.

For those who are not assessed to have a disability at intake, the assigned welfare-to-work case manager may later make the determination, either from formal assessments or when the clients self-report a disability. A few of the sites require that an assessment be done soon after the initial meeting. The case manager may also learn of a client's disability after the client

fails to participate in required activities and the case manager examines the reasons for the lack of participation.

Finally, disabilities may be uncovered when a client reaches the state time limit and the program has the option of extending benefits past the time limit. Three of the four states (California, Florida, and Minnesota) provide extensions to recipients with disabilities. Individuals who reach the time limit in Michigan are not granted extensions, although — if the disability is identified while the client is receiving benefits — the client’s TANF clock stops, and the client does not accrue months toward the limit. (That is, clients should not reach the time limit as long as they are in a deferred status.)

After Recipients Are Exempted

In all the sites except for those in California, recipients who are exempted must still develop a plan with their case manager to address their employment barriers. In some cases, this might include keeping regular appointments with their doctor, participating in soft skills training provided by the agency, taking parenting skills training, or engaging in work activities for fewer hours or with accommodations. In order to retain the exemption in California, exempt recipients must actively seek treatment and must provide verification of their disability from a doctor, who attests that the disability is expected to last at least 30 days.

For the sites that rely wholly on the doctor’s form, some states or localities do not allow staff to overturn a doctor’s judgment after the doctor has determined a recipient to be disabled. Several county administrations observed that, in some cases, a doctor’s report — which states that the participant’s condition renders the individual unable to obtain or retain competitive employment — can discourage the participant from pursuing activities that could help him or her move closer to self-sufficiency.

Few of the sites conducted vocational assessments, although Ramsey County was considering doing so at the time of the visits and Hennepin County had vocational counselors who could conduct vocational assessments as needed. Vocational assessments are designed to evaluate recipients’ strengths and abilities and, based on the assessments, to match recipients with appropriate employment opportunities. (See Box 2.2.)

Share of Recipients Exempted

Although not all states in the study have comparable data on the percentage exempted due to a disability, states report to ACF each year on the adult TANF recipients who are exempted from the work participation requirement due to a disability, poor health, or another

Box 2.2

Vocational Assessments

Vocational assessments are designed to assess an individual's career interests, job aptitudes and skills, and work capacities. The assessments can be used to help individuals develop career goals and a plan to achieve their goals, given their strengths, needs, and career potential. There is variation in how vocational assessments are conducted. Some assessments involve standardized tests of capacity and aptitude. Some use work tasks (which can be simulated) to test an individual's ability to complete the tasks required for a given job. For example, the task could require filing, sorting, using a computer, or sweeping a floor. Some assessments place individuals in an actual job, and staff assess their performance. In addition to assessing an individual's ability to perform the job, these situational assessments can assess the extent to which the individual is able to follow instructions, behave appropriately on the job, and interact with others. Trained staff use one of these tools or a combination of them, along with interviews of the individual, to recommend appropriate employment or training.

reason.² Table 2.3 lists the percentage of TANF recipients in Fiscal Year (FY) 2007 who were exempted in the four study states and nationally.³ Nationally, just under 12 percent of TANF recipients were exempted from the work participation requirement. This varies across the states that were studied, from a low in Florida of 4 percent to a high in California of 12 percent.

Data on the reasons for the exemptions (for example, the type of disability) were not available from all sites. From discussions with staff and a review of case files, the more common conditions noted for exemptions were mental health issues, learning disabilities, and physical health issues, such as diabetes and chronic back pain. Many recipients have multiple impairments, and the reasons for the exemption might include a constellation of issues rather than one specific impairment.

²States are required to report on whether adult TANF recipients who are included in the data that are submitted to OFA are exempted by the state and will not be penalized for failure to engage in work (that is, these individuals have "good-cause exemptions"). However, the individual's TANF family is included in the calculation of the state's work participation rate.

³Data are available after FY 2007, although some states created solely state-funded (SFF) programs and transferred some exempt recipients into these in order to remove them from the work participation calculation. Because states do not report data for individuals in SFF programs, earlier years provide a better estimate of the percentage of recipients who are exempt from the work participation requirements.

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Table 2.3

Adult TANF Recipients Exempted from Work Participation Requirement Due to Good-Cause Exception (Disabled, in Poor Health, or Other), FY 2007

State	Percentage
California	12.0
Florida	4.4
Michigan	8.4
Minnesota	6.6
United States	11.9

SOURCE: U.S. Department of Health and Human Services, Administration for Children and Families, "Temporary Assistance for Needy Families: Active Cases, Percent Distribution of TANF Adult Recipients by Work Participation Status: October 2006 - September 2007."

NOTE: States are required to report on whether adult TANF recipients who are included in the data submitted to OFA are exempted by the state and will not be penalized for failure to engage in work (that is, these individuals have "good-cause exception"). However, the TANF family is included in the calculation of the work participation rate.

Services for TANF Recipients with Disabilities

Recipients who are exempt from work participation requirements include individuals who may be eligible for SSI, as well as those whose disabilities are not severe enough to qualify for SSI. Depending on the site and the recipient's work limitation, recipients with disabilities may receive case management services, mental health and counseling services, SSI advocacy services, and employment services, as discussed below.

Case Management Services

As mentioned above, TANF recipients are generally required to develop a plan with their case manager, which is variously referred to as a "service plan," an "employment plan," or an "individual responsibility plan." The plan may establish goals for moving toward self-sufficiency, outlining a set of activities that the recipient agrees to do, defining the time frame and expectations, and listing the supports and services that will be provided by the agency. As mentioned above, in all the states except California, exempt recipients are required to develop a plan and to meet with their case manager regularly to review their progress. In California, exempt recipients are given the option of volunteering for the welfare-to-work program.

While recipients in most of the sites are required to meet with their case manager, usually on a monthly basis, and to report their participation in work activities, they are generally not provided the same level of attention that is paid to those who are mandated to participate. For example, in the Minnesota counties, employment counselors are required to get updated activity

logs monthly from all clients — including individuals with disabilities — which the recipient can mail or fax, and they update the recipient’s employment plan every six or twelve months. In Hennepin and Ramsey Counties, given their large caseloads, case managers tend to spend the most time with participants who seek out their assistance and support services. This is also true in Florida and Michigan. Limited state budgets have meant that staff have large caseloads and less time to spend with recipients; because of pressures related to work participation requirements, most case managers focus on recipients who are mandated to participate.

Employment Services

Although disabled TANF recipients are generally eligible for employment services available to the broader TANF population, few employment services target individuals with disabilities unless they are approved for SSI, at which time they are eligible for SSA’s work supports and incentives. However, small programs targeted to TANF recipients do exist in some sites. For example, in Ramsey County, a nonprofit organization operated a small subsidized employment program that received referrals from case managers. Because the organization has a reputation for employing individuals with disabilities in its retail stores, it tended to receive referrals among the exempted caseload.

In one of the counties in Michigan, a former staff person from the state vocational rehabilitation agency — Michigan Rehabilitation Services (MRS) — visited the office once a month to help staff with clients who had disabilities. Michigan previously had a contract with MRS to provide disability-specific employment services to TANF recipients. However, the State of Michigan canceled the MRS contract due to cost and performance. The MRS portion of the state’s welfare-to-work program has not been replaced with any specific supports for TANF recipients with disabilities.

Because of the limited services, two sites, Los Angeles and Ramsey Counties, implemented new programs based on the Individual Placement and Support (IPS) supported employment model for individuals with disabilities. (See Box 2.3.) With funding from the Los Angeles County Department of Public Social Services (DPSS), the Los Angeles County Department of Mental Health (DMH) provides supported employment services to TANF recipients who have mental health issues. DMH began implementing the program in spring 2012 in nine of its mental health clinics but will eventually operate in all 70 of its mental health clinics. This program is evaluated in six of the clinics using a random assignment research design. Ramsey County’s program, which provides supported employment services to a broader group of TANF recipients with disabilities, is one of the pilot sites that is being evaluated as part of this project and is discussed further in Chapter 5.

Box 2.3

Individual Placement and Support (IPS)

Individual Placement and Support (IPS) is a supported employment model that was developed to help individuals with mental illness in their efforts to achieve steady employment in mainstream competitive jobs. IPS was found to be effective with individuals who have severe mental illness.* The eight core principles of the model are:

- **Focus on Competitive Employment:** Agencies providing IPS services are committed to competitive employment as an attainable goal for clients with serious mental illness who are seeking employment.
- **Eligibility Based on Client Choice:** Clients are not excluded on the basis of readiness, diagnoses, symptoms, history of substance use, psychiatric hospitalizations, level of disability, or involvement with the legal system.
- **Integration of Rehabilitation and Mental Health Services:** IPS programs are closely integrated with mental health treatment teams.
- **Attention to Client Preferences:** Services are based on clients' preferences and choices, rather than providers' judgments.
- **Personalized Benefits Counseling:** Employment specialists help clients obtain personalized, understandable, and accurate information about their Social Security, Medicaid, and other government entitlements.
- **Rapid Job Search:** IPS programs use a rapid job search approach to help clients obtain jobs directly, rather than providing lengthy preemployment assessment, training, and counseling.
- **Systematic Job Development:** Employment specialists build an employer networks based on clients' interests, developing relationships with local employers by making systematic contacts.
- **Time-Unlimited and Individualized Support:** Follow-along supports are individualized and continue for as long as the client wants and needs the support.

While the IPS program has been shown to be effective with those who have severe mental illness, research studies are currently under way to determine whether it is effective with other populations (such as veterans with posttraumatic stress disorder, individuals with spinal cord injuries, and TANF recipients).†

*Bond, Drake, and Becker (2008).

†Davis et al. (2012); Chandler (2011); Ottomanelli et al. (2012).

SSI Advocacy Services

SSI advocacy services, which provide assistance to individuals making SSI applications, are available in all the study sites except the Ocala region in Florida. Differences exist across the sites in terms of how services are provided and funded.

In terms of the contractual and staffing arrangements, Los Angeles and Riverside Counties use trained staff to provide assistance to TANF recipients applying for SSI. In contrast, the State of Minnesota contracts out SSI advocacy services to organizations across the state. Michigan operates a state SSI advocacy program.

Minnesota compensates the contractors for successful SSI outcomes, providing an incentive for the organizations to be somewhat selective in which recipients they might assist.⁴ Ramsey County had supplemented its SSI advocate to be able to serve more TANF recipients and provide additional services, but this contract was eliminated in June 2011. Thus, there were differences in how recipients in Ramsey and Hennepin Counties were served while this contract was in place. As an example, the Ramsey County contractor took a more case management approach: advocates met participants in their homes, scheduled doctors' appointments for them to gather medical documentation, and accompanied clients to the SSI field office to complete the application. The Hennepin County contractor takes a more businesslike approach: participants meet advocates at their office, where staff help them complete the application that will be mailed to the SSI field office; it is up to the clients to supply the information, but staff can schedule subsequent appointments to gather it.

In the California and Michigan sites, staff are county or state employees. Riverside has a mental health advocacy program with licensed clinical therapists, psychiatrists, and certified substance abuse counselors who provide mental health services and also assist participants with the SSI application process. Staff can assist a recipient in applying for SSI only if the recipient had one or more mental health conditions, based on self-assessment and disclosure. Los Angeles County staffs three offices (in Glendale, San Gabriel Valley, and Wilshire) with two social workers/advocates to help participants with the initial application for SSI and to assist with the reconsideration process. In Michigan, only recipients who are funded with the SSF program are allowed to access the advocacy services.

In all sites with SSI advocates, the services are offered on a voluntary basis; TANF recipients are not required to use the services, although they might be required to apply for SSI

⁴In 2012, the contractors were compensated \$1,000 for each person successfully placed on SSI as a result of the advocate's outreach, application, and assistance during the initial application or reconsideration level and \$2,500 for successful appeals work beyond the reconsideration level. (See "SSI determinations appeals levels" in the Glossary.)

(and all other federal benefits for which they might be eligible). In Minnesota, for example, recipients are expected to apply for SSI after they have been exempted due to a disability for 12 months. In Ramsey County, if the SSI advocacy agency refuses to accept an SSI advocacy referral, written notification of the refusal can serve as proof of pursuing an SSI application. In Los Angeles, an automatic referral to the SSI advocacy program is made when a participant is in exemption status for one year or has a condition that would result in a one-year exemption, although the State of California does not require TANF clients to apply for SSI.

Mental Health and Counseling Services

Mental health services are available in all the TSDTP sites, and these services are typically funded by Medicaid. In some sites, referrals are made to contracted providers. For example, Minnesota contracts with health and community-based organizations across the state to provide adult rehabilitative mental health services, which assist individuals who have been diagnosed with mental health conditions. The services are designed to address identified disability and functional impairments and individual recipient's goals. In Ramsey County, the rehabilitative staff conduct home visits and work with participants one-on-one to help them handle everyday challenges (such as help making appointments, organizing and paying bills, getting their children to school, and putting meals on the table). Counseling services are also available. In Michigan, individuals who demonstrate a mental health issue are referred to the local community health center. Similarly, in Florida, TANF recipients with mental health issues are referred to a contracted service provider specializing in substance abuse and/or mental health.

The California legislature set aside TANF money for mental health services to be provided by the county Department of Mental Health.⁵ In Los Angeles, staff in the Specialized Supportive Services unit within the TANF program handle cases with mental health, substance abuse, homelessness, and domestic violence issues, conducting assessments and referring those who need mental health services to DMH. In Riverside, licensed clinical therapists help recipients alleviate their employment barriers and refer those who need counseling services to a local mental health clinic.

In Los Angeles, the services and assessments conducted by DMH cannot be shared with TANF staff because of privacy concerns and restrictions outlined in the Health Insurance Portability and Accountability Act (HIPAA) of 1996. Thus, there is little communication between the two programs and the TANF staff.

⁵The legislature allocated \$119,417,000 for FY 2011-2012 to be spent on mental health or substance abuse services. Although \$71,973,000 was allocated for mental health services, counties could shift funds between the two programs to meet their needs (State of California Department of Social Services, County Fiscal Letter).

Chapter 3

The SSI Disability Process

This first phase of the TANF/SSI Disability Transition Project (TSDTP) examines how the Temporary Assistance for Needy Families (TANF) program and the Supplemental Security Income (SSI) program operate and are linked, based on administrative data and field assessments in seven sites: Los Angeles and Riverside Counties, California; the Ocala region in Florida; Genesee, Mason, and Oceana Counties, Michigan; and Hennepin and Ramsey Counties, Minnesota.

TANF staff help recipients who have been identified as having a disability that exempts them from work requirements to apply for SSI, and they make referrals to that program. Yet they often do not have a clear understanding of the disability determination process, how long the process should take, and whether the actions that TANF recipients take during the application period will jeopardize their prospects for being awarded SSI.

Chapter 3 highlights information about the process of applying for SSI and about the disability determination process. The information is based on reports from the Social Security Administration (SSA) field office managers and staff from each state's Disability Determination Services (DDS). The discussion focuses on the issues most relevant for TANF recipients and does not provide a full description of the disability determination process.

SSA Field Offices

An individual applies for SSI through the SSA field office. Based on SSA policy, individuals have the choice of applying in person with an SSA claims representative, over the telephone, or by mailing the application to SSA. Mailing the application is rare and is generally done with the assistance of someone, such as an advocate who is familiar with the application forms. The initial application is used to help determine nonmedical eligibility and includes questions about income, resources, living arrangements, and citizenship or immigration status. SSA encourages applicants to start the process online by completing the SSA disability report, although, currently, this is the only part of the application that can be completed online.

The SSA field offices are responsible for verifying the nonmedical eligibility requirements. This includes ensuring that the applicant is a citizen or a qualified alien, a resident of the United States or Northern Mariana Islands, and earning less than the monthly substantial gainful activity (SGA) amount, with limited resources. Earnings above the SGA amount may result in a denial without obtaining a medical decision.

Most individuals who receive TANF meet the SSI nonmedical eligibility requirements, given that the monetary requirements tend to be more stringent for TANF than for SSI. In addition, the claims representative also determines whether the applicant is eligible for Social Security Disability Insurance (SSDI), SSA's other disability program. If the applicant is eligible, he or she also completes an application for SSDI.

The SSA field office also collects the SSA disability report, which is the portion of the SSI application process that can be completed online or with a claims representative. This form asks about applicants' medical condition(s); the effect of the condition(s) on their work activity; their education and training, including attendance in special education classes; their job history before becoming unable to work because of the condition; medications that they are currently taking; and their medical treatment.

After collecting the appropriate forms and documentation and making a preliminary nonmedical eligibility determination, the claims representative sends the case to DDS. The time frame for processing and sending applications to DDS depends on how quickly a client can assemble the required information, the availability of medical records, how extensive the medical records are, and whether the client might be a special type of case. If the application is missing the information needed to make a nonmedical determination, the claims representative may decide to send the case to DDS, while simultaneously working on the nonmedical eligibility determination.

While the case typically flows from the field office to DDS, to await a determination, there are some variations in the process:

- **“Presumptive” SSI payments** begin when a presumptive disability finding is made either in the SSA field office while a client is awaiting a DDS decision or by DDS, where the application is undergoing a medical review. Only a small number of alleged impairments qualify for presumptive payments; some examples are amputation of a leg at the hip, total deafness, total blindness, and complete bed confinement. Applicants can be paid for up to six months while awaiting a formal decision.
- **“Quick Disability Determinations” (QDDs)** are initial Electronic Disability Collect System (EDCS, sometimes known as “Collect”) cases identified electronically by a predictive model as having a high degree of probability that the claimant is disabled; evidence of the claimant's allegations is expected to be verified easily and quickly; and the case can be processed quickly by DDS. With such applicants, a fully favorable determination should be made quickly after receipt by DDS, usually within 20 days.

- **“Compassionate allowances” (“CALs”)** are also automatically identified by the “Collect” system and have a 20-day turnaround period for a DDS decision. Compassionate allowances are a way of quickly identifying diseases and other medical conditions that invariably qualify under the Listing of Impairments based on minimal, but significant, objective medical information. Examples include certain types of muscular dystrophy and certain cancers.¹
- **“Fast Track” cases** are those applications that have complete paperwork and all medical records and documentation in order. Essentially, everything is already done for these applications, and SSA claims representatives do not need to do additional fact-finding. These applications are indicated by a cover letter with the words “Fast Track” on it. Field offices vary in the extent to which they fast-track cases.

In all the field offices that were visited for this project, claims representatives do not process applications by TANF recipients any differently than they do for other applicants. None of the field offices visited had dedicated representatives to work with TANF recipients applying for SSI. When SSA advocates assist the TANF recipient with the application, the process may move more smoothly as a result, but the basic process remains the same. A major challenge mentioned by several field office staff is getting SSI applicants to provide the complete medical information and functional information needed for the application, and SSI advocates can help the applicants gather this necessary information.

Disability Determination Services (DDS): The Initial Decision

DDS is responsible for gathering medical information and making the medical eligibility determination. It is a state agency, not an SSA program or division (though DDS employees are entirely funded by SSA), and there is variation in how the programs are organized. In Minnesota, one DDS office in St. Paul covers the state; in the other study states, one DDS covers multiple counties. In California and Michigan, DDS operates within the same agency that oversees the TANF program. In Minnesota, DDS operates within the Department of Employment and Economic Development. In Florida, DDS operates within the Department of Health.

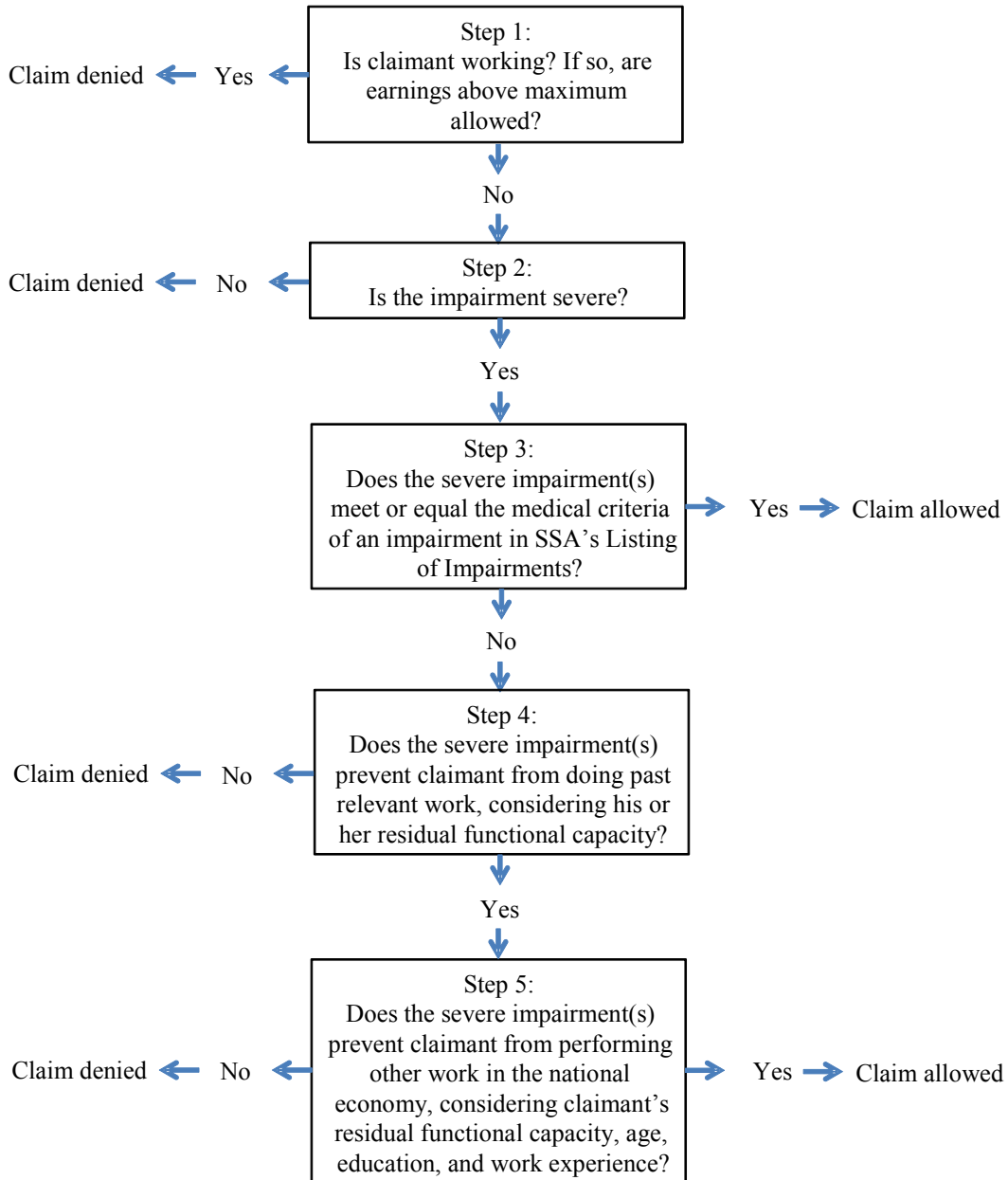
All DDS branches follow SSA’s five-step “Sequential Evaluation Process” when adjudicating claims. Figure 3.1 illustrates the steps.

¹For a complete listing of compassionate allowance conditions, see Social Security Administration (2012).

The TANF/SSI Disability Transition Project

Figure 3.1

SSA's Five-Step Sequential Evaluation Process



SOURCE: U.S. Government Accountability Office (2005).

The process begins (Step 1) when an SSA field office determines whether the claimant is performing substantial gainful activity (SGA); if so, the claim is denied. If the claimant is not performing SGA, then DDS obtains and reviews medical evidence to determine whether the claimant's condition is severe (Step 2). DDS considers an impairment or combination of impairments to be severe if it significantly affects an individual's ability to work. If it does, DDS reviews the medical evidence to determine whether the claimant's condition meets or equals the severity of one of SSA's listed impairments, which are diseases and conditions that qualify for disability without further exploration of functional capacity (Step 3).

If a severe condition does not meet or equal a listed impairment, then DDS determines a claimant's "residual functional capacity" (RFC). There are two versions of the RFC assessment: one for physical conditions and the other for mental conditions. The RFC is based primarily on all relevant evidence in the file, including laboratory findings, mental capacities, symptoms such as pain, and medical source statements. The RFC assessment describes what an individual is able to do, despite functional limitations resulting from a medically determinable impairment and impairment-related symptoms, and is an administrative determination of an individual's capacity to perform work-related physical and mental activities. The RFC must be stated in work-related terms, generally consistent with the terms used by the Department of Labor's *Dictionary of Occupational Titles*, or DOT — which, for instance, would list any particular job's requirements for lifting, acute vision, and hours of standing.

In Step 4 of the sequential evaluation process, DDS does a function-by-function comparison of the claimant's RFC with his or her past relevant work. If the claimant has the RFC to perform past relevant work as he or she describes it or as it is usually performed in the national economy, the claim will be denied. If the claimant does not have the RFC to perform past relevant work, DDS proceeds to Step 5 and determines — based on the claimant's age, education, and past relevant work — whether the claimant can do other work available in the national economy. If the claimant is able to perform other work, the claim is denied. Otherwise, it is allowed.

Medical Evidence, Documentation, and Consultative Exams

In order to perform the five steps outlined above, DDS has to gather medical documents and other information. While the application asks for information about the medical conditions and the medical treatment received, DDS is responsible for collecting information from the applicant's medical sources. Sometimes the application is incomplete; for example, it might be missing the doctor's contact information. DDS can request additional information, and, according to SSA policy, applicants have 90 days to assemble medical evidence supporting their application.

If the medical evidence received from the claimant’s treating sources is insufficient to assess the severity of the claimant’s impairment(s), or if the claimant has no treating medical sources, DDS can purchase a “consultative exam.” Consultative examiners are qualified medical professionals (such as physicians, psychologists, and speech and language pathologists) who receive training to identify the specific measures that analysts require for making SSI determinations. In addition, laboratory tests may be purchased to evaluate particular impairments. Interviews with DDS staff indicate that they may request a consultative exam if a doctor documents a patient’s disease but does not provide details about its work-limiting effects (“functionality reports”), such as a claimant’s inability to walk across a room.

In Los Angeles, DDS mentioned that, in addition to consultative exams, if a claimant alleges a mental impairment or if a potential mental impairment is discovered in the course of DDS case development, the claimant is required to complete a questionnaire regarding daily activities. For example, a question related to a physical condition may ask, “How many asthma attacks do you have per day?” while a question related to a mental health condition may ask, “How many panic attacks do you have per day?” This questionnaire is conducted by mail, but, upon return of the form, staff may need to call the claimant to clarify responses.

While all DDS offices follow the Sequential Evaluation Process, variations were observed in how the offices in this study gathered information. The Florida DDS uses a system called “Direct Express” that allows pertinent medical information to be pulled directly from the medical records of applicants who are patients within the Florida health system. As long as the health care provider utilizes electronic medical records, DDS can access the information. In Minnesota, DDS was developing relationships with some of the larger hospitals to access electronic records.

As described in Chapter 2 (Box 2.1), Michigan’s Medical Review Team (MRT), which makes disability determinations for TANF recipients, is colocated with DDS, and the two are able to share medical information — although timing issues (as when they are working on cases at different points in time) sometimes make it difficult to collaborate. The MRT and DDS also use different forms, and the MRT forms are filled out by TANF staff. Finally, unlike DDS, the MRT does not do its own case development. Instead, it uses materials that it gets from TANF, and it relies on TANF to gather additional information, if necessary.

Participation in TANF Work Activities

TANF staff in several of the sites expressed concern that participation in work activities can hinder a person’s ability to obtain SSI benefits. As a result, staff indicated that they would not require participants to do very much while they await SSA’s decision. When a claimant is attending school or vocational training, DDS may request school or vocational training

records and may consider this information in making the disability determination. For example, one DDS staff person mentioned that attendance in school activities could be a factor if the applicant were alleging a learning disability but excelling in intellectually rigorous coursework with no signs of the proclaimed learning disability. Attendance in special education classes provides additional information. Participation in job readiness training or job search activities is not taken into consideration, but if these activities lead to employment, the employment would be considered.

Several DDS and SSA staff noted that documenting failed attempts to move into self-sufficiency could be taken into consideration. For example, if an SSI applicant has attempted particular types of work but was unsuccessful, this could strengthen the application.

Regardless of whether it would actually be a factor affecting disposition of the SSI application, TANF recipients may decide not to pursue any work-related activities during the application process because of the fear that the participation could jeopardize their application. Consequently, if their SSI application is subsequently denied, they will have used months against their TANF time limit, without making any progress in improving their job prospects.

After the Initial Disability Determination

After DDS reaches an initial determination, it returns the case to the SSA field office. If DDS determines that the claimant is disabled, the field office will complete the case and begin making payments. Field office staff may interact with TANF eligibility staff at this point to determine the amount of TANF benefits paid during the period when the claimant was eligible for SSI. The SSI benefits due are reduced by the individual's portion of the TANF grant in the months that TANF was received. The family still receives TANF for their children.

If DDS determines that the claimant is not disabled, the case resides with the field office in the event that the claimant decides to appeal the decision. Most states have four levels of appeal: reconsideration, a hearing by an administrative law judge (ALJ), a review by the appeals council, and a federal court review.

- **Reconsideration.** The field office sends the case back to DDS, where the claim will be reviewed by a new examiner. SSA established that claimants have 60 days from the date of denial to request reconsideration. In Michigan, parts of Los Angeles County, and eight other states (which are “prototype”

regions), the reconsideration level is skipped, and appealed cases move to the hearing level.²

- **Hearing before an administrative law judge (ALJ).** If the reconsideration is denied, according to SSA policy, the claimant has 60 days from the date of denial to appeal this decision. The case is then transferred to an ALJ who will make an independent decision based on the testimony at the hearing, typically presented in person or by video (unlike the DDS decision, for which the examiner very rarely sees the applicant). The claimant can submit new evidence. After the hearing, the ALJ reviews the evidence and issues a written decision.
- **Appeals Council review.** If the hearing ends in a denial, according to SSA policy, the claimant has 60 days from the date of denial to ask for a review by the Appeals Council. At this level, the Appeals Council will review the disability hearing decision to determine whether it was rendered properly according to the law. The Appeals Council has discretion as to whether it will review a case or not and does so only under specific circumstances.³
- **Federal court review.** A claimant who wishes to continue pursuing the case may file a civil suit in the Federal District Court.

²The 10 prototype states/areas are Alabama, Alaska, California (Los Angeles North and West), Colorado, Louisiana, Michigan, Missouri, New Hampshire, New York, and Pennsylvania.

³Such circumstances include the appearance of an abuse of discretion by the ALJ; an error of law; the action, findings, or conclusions of the ALJ are not supported by substantial evidence; a broad policy or procedural issue that may affect the general public interest; or new and material evidence is submitted, the evidence submitted relates to the period on or before the date of the ALJ decision, and the Appeals Council finds that the ALJ's action, findings, or conclusions is/are contrary to the weight of the evidence currently on record.

Chapter 4

Interactions Between TANF and SSI

As noted in Chapter 1, one of the concerns that led to the TANF/SSI Disability Transition Project (TSDTP) was the growing number of applications to Supplemental Security Income (SSI) and the possibility that changes in Temporary Assistance for Needy Families (TANF) policies might have affected SSI application rates for welfare recipients. Not much was known, however, about the interaction between the TANF and SSI programs.

Chapter 4 begins by describing how staff from the two programs interact with each other in the seven sites participating in the project: Los Angeles and Riverside Counties, California; the Ocala region in Florida; Genesee, Mason, and Oceana Counties, Michigan; and Hennepin and Ramsey Counties, Minnesota. This overview is followed by findings from the data analysis, which combines administrative data from state TANF programs and data on SSI applications to measure the overlap between the populations served by both programs.

The chapter addresses the following key research questions:

- How do TANF and the Social Security Administration (SSA) currently interact and collaborate to serve low-income individuals with disabilities?
- How large is the overlap between the TANF and SSI populations? Has this overlap increased over time?
- Among SSI applicants who are also TANF recipients, at what point in their TANF history do they apply for SSI: prior to TANF participation, at the same time that they apply for TANF, while receiving TANF, or after leaving TANF?
- What are the key characteristics of TANF recipients who apply for SSI? How do TANF recipients who apply for SSI compare with TANF recipients who do not apply for SSI?
- How do TANF recipients who apply for SSI compare with SSI applicants who are not TANF recipients? Are there differences in processing time and award rates between TANF recipients who apply for SSI compared with non-TANF recipients?

Key Findings

The field assessments and the data analysis suggest the following key findings:

- The field assessment found that nearly all agencies relied on some kind of medical documentation to determine whether a TANF recipient had a work limitation or disability. Many agencies provided mental health services when necessary.
- Few of the studied TANF agencies offered employment-related services and supports specifically tailored to the needs of this population. Most TANF recipients with work limitations or disabilities either were exempted from having to participate in work-related activities or were told that they had to participate in some type of activity related to their medical limitation (for example, seeking treatment).
- There was little coordination between TANF and SSA, and most TANF caseworkers were unaware of the SSI application and approval process (discussed in Chapter 3). When there was coordination between the two systems, it was often informal, locally based, and driven by personal relationships.
- The data analysis reveals a relatively small level of overlap between TANF and SSI populations, with little change from FY 2005 to FY 2009.
- The assumption that the TANF system was leading to a large increase in SSI applications is not supported by the data analysis.
- Although the original framing of questions regarding the relationship between the programs assumed mostly movement from TANF/SSP to SSI, an analysis of the timing of SSI applications relative to TANF/SSP receipt shows that SSI applications can occur before, during, or after the start of TANF/SSP receipt.
- Differences in the characteristics of individuals who were associated with both the TANF/SSP program and the SSI program, compared with SSI applicants who did not receive TANF/SSP, are related to differences in eligibility requirements and to demographic profiles of the two programs. SSI outcomes for TANF/SSP recipients who apply for SSI are not so different from those for other SSI applicants with similar characteristics.

The Field Assessments

In each of the sites, the research team met with staff from TANF, SSA field offices, and the state's Disability Determination Services (DDS) and discussed how they interacted with one another to share information, make appropriate referrals, better assist their clients, and improve the application process. Overall, the reported interactions were limited, and most staff expressed an interest in improving their relationships. This corroborates findings from a survey that the Government Accountability Office (GAO) conducted of TANF offices in 2004, which found that 95 percent of county TANF offices reported that their interactions with SSA could be improved.¹

TANF and SSA Interactions

The field assessments indicate that the interactions that occur between TANF and SSA staff at the local level are generally limited to three areas: (1) SSA presentations to county and state staff on the SSI and SSDI programs, including the application process; (2) updates from SSA on the status of an SSI application on behalf of a client; and (3) financial information needed after an SSI claim is awarded.

First, public affairs specialists present information about SSA programs to county staff, at their request. This might include information on the eligibility determination process and the benefits and work incentives available to SSI recipients. For example, in 2009, Riverside County coordinated with an outreach liaison from the SSA regional offices in San Diego to conduct training on disability benefits to county staff. They presented information on the disability application process, how to use the SSA Web site for information and application submittal, and other items related to the disability application process.

Another type of interaction occurs when TANF staff call the SSA field office to get an update on the status of an SSI application on behalf of their clients. In interviews, TANF staff noted it was often difficult to get updated information, unless they knew someone at the field office.

Finally, after a case has been awarded SSI, an SSA field office claims representative may call a TANF worker to get financial information about the grant in order to determine the TANF grant amount and TANF termination date. The SSI benefits due are reduced dollar-for-dollar by the individual's portion of the TANF grant in the months that TANF was received. Some sites have tried to automate or streamline the process. For example, in Los Angeles

¹U.S. Government Accountability Office (2004).

County, TANF staff should be able to access this information through the State Data Exchange (SDX), although staff said that this information was not always available.²

While SSA and TANF staff may not have extensive interactions, the SSA field offices noted that they do interact with SSI advocates in those sites with these services. The advocates often have key contacts within the field office and are more able to get status updates or to track down information that is needed for the application. Also, the field office staff appreciated the assistance provided by the SSI advocates, noting that the applications were more complete and required less of their time to process.

Many TANF staff expressed an interest in learning how to make more appropriate referrals to SSA. They believed that if they understood the determination process better, they could better identify which of their clients should apply for SSI.

TANF and DDS Interactions

Interactions between TANF and DDS are also limited. In some cases, TANF staff might contact DDS directly to get updates on the status of an application. Also, TANF clients can list the TANF case manager as a source of medical information on the disability report that they submit with their application. This allows DDS to contact the case manager for information they might have that will help DDS make the medical determination. Case managers are often aware of medical treatments that the client is receiving, and they can discuss the client's work attempts.

One exception to the limited interaction was seen in Michigan, where the Medical Review Team (MRT), which makes disability determinations for TANF recipients, and DDS are colocated (Chapter 2, Box 2.1). The agencies have an agreement that allows each to share medical evidence with the other. Nevertheless, staff expressed some difficulties sharing medical evidence, largely because of timing issues that surface when cases are at different points in the eligibility process. The MRT and DDS also use different forms, and, unlike DDS, the MRT does not do its own case development. Instead, it uses materials that it gets from TANF, and it relies on TANF to gather additional information, if necessary.

Other Coordination

In states that have General Assistance (GA) programs, which provide cash assistance to low-income adults without dependents, there might be coordination between GA and SSA. Los

²The SDX is a system developed by SSA to provide states with information about individuals who apply for or receive SSI. The SDX includes information on SSI eligibility and payment data.

Angeles County announced that it was restructuring the GA program in 2010, which involved upfront disability assessments and assistance to help those who are eligible for SSI. As a result of the new plans, staff from the county, DDS, and SSA met regularly to discuss ways in which the agencies could coordinate across the programs. In contrast, Minnesota has a GA program and a state medical review team that assesses GA participants for disabilities. This team has little interaction with the state DDS, and while both this team and DDS gather medical evidence, the information gathered by one is not shared with the other.

The Administrative Records Analysis

This section uses administrative records data to further explore the relationship between the TANF and separate state programs (SSPs) and SSI. As described in Chapter 1, TANF and SSP caseload and characteristics data for Fiscal Years (FY) 2005 through 2009 were obtained from the Office of Family Assistance (OFA). These data were combined to create a longitudinal record of TANF and SSP receipt over the five-year period, but the record is limited to data from 26 states that reported full caseload data to OFA during this period and does not include information on participants in solely state-funded (SSF) programs.³

The TANF and SSP data were merged with information on SSI applications and outcomes, which are available from SSA's Disability Research File (DRF) for 2009 and 2010. These data include SSI applications from 1999 to 2009 and their outcomes as of June 2010.

The sample for the investigation of the overlap between TANF and SSI includes adult recipients of TANF and SSP benefits and adult SSI applicants (ages 18 to 64) in the full-reporting states.⁴

As laid out in the key research questions in Chapter 1, the analysis in the following sections explores different aspects of overlap between the TANF/SSP and SSI programs. The analysis includes both perspectives, starting with some general measures of overlap: the portion of TANF/SSP recipients who apply for SSI, and the portion of SSI applicants who were TANF/SSP recipients. This is followed by a look at the timing of SSI applications relative to receipt of TANF/SSP, before turning to an examination of the characteristics of TANF/SSP recipients who apply for SSI. These individuals with overlap between the two programs are compared with those who have no overlapping participation. First, from the TANF/SSP perspective, TANF/SSP recipients who apply for SSI are compared with TANF/SSP recipients

³Box 1.1 in Chapter 1 lists the 26 full-reporting states.

⁴As noted in Chapter 1, none of the sites participating in the TSDTP are full-reporting states and are, therefore, not included in this analysis.

who did not apply for SSI; then, from the SSI perspective, they are compared with the general population of SSI applicants (who were not TANF/SSP recipients). Addressing these different questions requires the use of several sampling frames, which are described within each section.

National Trends in TANF/SSP Caseloads and SSI Applications

Before turning to the analysis of administrative data, a brief overview of national TANF/SSP and SSI trends is provided for context. As shown in Appendix Figure A.1, TANF and SSP caseloads declined from 2000 to late 2008, when they began to increase coinciding with the onset of the recession. SSP caseloads were drastically reduced in 2007, following implementation of the 2005 Deficit Reduction Act (DRA), as states created solely state-funded (SSF) programs, and many states used them to serve individuals who had formerly been in their SSP programs. During the same period, the number of adult SSI applications nearly doubled from 2000 to 2009. However, as shown in Appendix Figure A.2, much of this growth was driven by older individuals, particularly by older males. SSI applications increased for females and males in all age groups around the time of the recession in the early 2000s, and then they increased again in the late 2000s, but the increases were more marked for those ages 40 to 64, and especially among older men. Although the rate of increase in applications slowed after 2002 for those under 40, and the rate leveled off by 2005, the growth in applications for older individuals remained high for nearly the entire period. These trends suggest that it is unlikely that changes in TANF policies in the mid to late 2000s contributed to the increase in SSI applications.

Furthermore, published data from SSA on the proportion of SSI recipients with prior TANF receipt do not show increases over the period from 2006 to 2010.⁵ These data show that, among SSI recipients ages 18 to 64 in December 2006, 27 percent were TANF recipients at the time of SSI application, and the proportion has changed very little: the rate was 26 percent for SSI recipients in December 2010.⁶ It is possible that these rates could be affected by movement of some former TANF/SSP recipients to SSF programs, in which case, increases in the proportion of SSI recipients with Interim Assistance Reimbursements (IARs) might be expected.⁷ Yet those rates have not increased during this same period: the rate was 15 percent for SSI recipients in December 2006, and it decreased to 14 percent by December 2010.

⁵Social Security Administration (2007, 2011).

⁶Although reported as TANF receipt at the time of SSI application, it is unclear whether the TANF receipt was at the time of SSI application or at any point between when the application was submitted and when the individual was found eligible for SSI.

⁷States may claim IARs for state-funded benefits paid to SSI recipients during the disability determination period.

How large is the overlap between the TANF and SSI populations? Has this overlap increased over time?

This question is first addressed from the perspective of TANF/SSP recipients in the full-reporting states and explores their connections to SSI. Figure 4.1 shows the proportion of TANF/SSP recipients in a given month who had an active SSI application. The sample for each point on the graph includes all TANF/SSP recipients in that month.⁸ These measures give a sense of how big a share of welfare caseloads, at any given time, are engaged in the SSI application process. For example, in January 2005, nearly 7.5 percent of TANF recipients had an active SSI application. From FY 2005 through FY 2009, the rates for TANF recipients ranged from 7 percent to 8 percent, with the dip to 7 percent occurring in late 2007 and returning to just under 8 percent starting in mid-2009.

Prior to FY 2007, the monthly overlap rates for SSP recipients were about a percentage point lower than for TANF recipients. In FY 2007, the observed monthly overlap rate began to drop, and, by January 2008, it was around 3 percent — less than half of what it had been. This change was driven by changes in the size and composition of SSP programs. As noted in Chapter 1, in response to the DRA, some states implemented SSFs — in many cases, designed to serve groups that had formerly been part of their SSP programs.⁹ (States are not required to report caseload and characteristics data for SSF programs to OFA, as they are for TANF and SSP.) In most states, SSP programs served two-parent families, but, in some cases, they also served families with a disabled parent. The drop in the overlap rates suggests that disabled recipients were less likely to be served in SSP programs after the DRA.

In the full-reporting states, SSP caseloads decreased by nearly 85 percent from FY 2006 to FY 2007, from average monthly caseloads of around 40,000 to around 6,400. (The SSP caseload trend for full-reporting states is shown in Appendix Figure A.3.) Given the diminishing role of SSPs after passage of the DRA, TANF and SSP are considered as a single program in this analysis and are referred to as “TANF/SSP.”

Given that welfare caseloads include a mix of long-term and short-term recipients, taking a point-in-time slice of the caseload results in long-term recipients representing a disproportionately larger share than would be the case with a broader time horizon. Looking at the

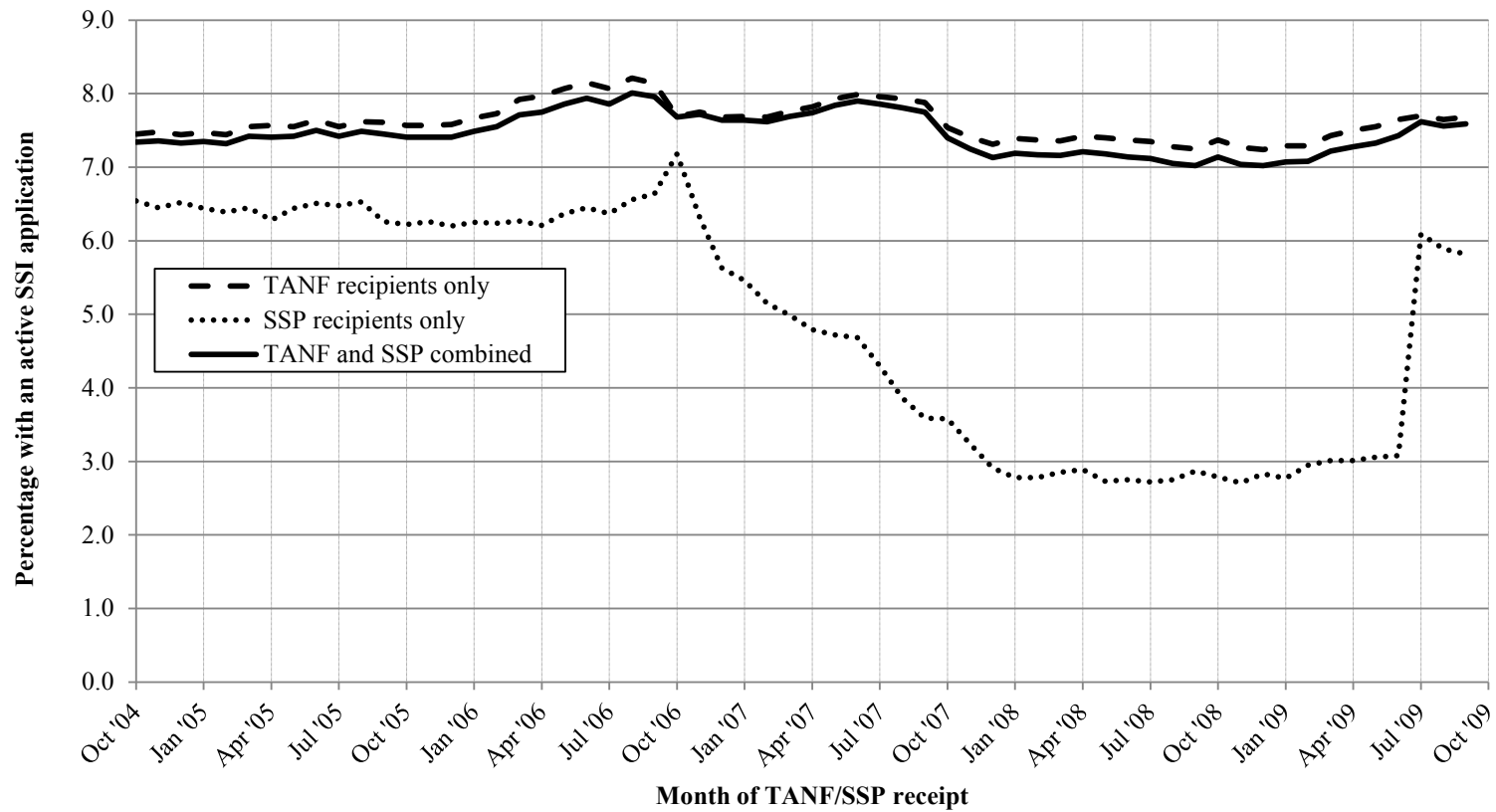
⁸The graphs in Appendix A present national trends in TANF/SSP caseloads and SSI applications.

⁹The uptick in the overlap rate that is observed in July 2009 is due to program changes in Oregon. In October 2007, Oregon implemented its SSF program, the Pre-SSI/SSDI program, to assist recipients applying for federal disability benefits; in July 2009, Oregon reverted to including these recipients in its SSP program (State of Oregon Department of Human Services, 2011).

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Figure 4.1

Proportion of Monthly Adult TANF/SSP Caseload with Active SSI Applications in Full-Reporting States



SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

caseload over the course of a year provides a more balanced view of short- and long-term recipients.¹⁰ The sample for Table 4.1 includes adults who received TANF/SSP benefits in a full-reporting state at any time during FY 2007, and it shows the proportion who applied for SSI during selected periods from 1999 through 2009. Nearly a quarter of TANF/SSP recipients had applied for SSI in the 11-year period, with about half the applications occurring in or around FY 2007. That is, of 556,673 adult TANF/SSP recipients in the full-reporting states in FY 2007, 25,656 (4.6 percent) began the period with an active SSI application, and 31,522 others (5.7 percent) submitted an SSI application at some point during the year. In total, 10.3 percent of adult TANF/SSP recipients in FY 2007 were engaged in the SSI application process during that year. These rates are unsurprising, given the overlap in populations targeted by the TANF/SSP and SSI programs.

The analysis suggests that a relatively small, though not insignificant, proportion of the TANF/SSP caseload is engaged in the SSI application process. However, when viewed from the perspective of the SSI program, it might be possible that a significant proportion of SSI applications that are submitted within a period of time are submitted by TANF/SSP recipients. The available data suggest, however, that this is likely not the case: the 31,522 TANF/SSP recipients in FY 2007 who applied for SSI in that year represent 5.4 percent of the 579,108 adults who submitted an SSI application in full-reporting states in FY 2007.¹¹

Taken together, these measures counter the notions that there are unusually high rates of overlap between TANF/SSP and SSI and that welfare policy changes are causing a high proportion of TANF/SSP recipients to apply for SSI.

Among SSI applicants who are also TANF recipients, at what point in their TANF history do they apply for SSI: prior to TANF participation, at the same time that they apply for TANF, while receiving TANF, or after leaving TANF?

¹⁰By definition, the caseload in a given month includes only those receiving benefits in that month, whereas the annual caseload includes all individuals who received benefits in any month during the year. Individuals who receive benefits in all months during a year are guaranteed inclusion in any monthly snapshot, whereas those with fewer months of receipt during the year have decreased odds of being included in a monthly snapshot.

¹¹For context, consider that Wamhoff and Wiseman (2005-2006) found that, among SSI awards to women ages 22 to 39 from 2000 to 2003, more than one-quarter are linked to TANF/SSP. Approximating that measure by using the number of SSI applications in FY 2007 by women ages 22 to 39 in the full-reporting states (n = 85,166) as the denominator, the proportion of SSI applicants who are linked to TANF/SSP is 37 percent. This is higher than reported by Wamhoff and Wiseman, but a number of differences in the measures account for the difference: The current measure includes men and individuals outside the specified age range in the numerator, and covers SSI applications rather than awards. Without the men the rate is 29 percent, similar to the rates reported by Wamhoff and Wiseman.

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Table 4.1

SSI Applications Filed by TANF/SSP Recipients, FY 2007

SSI Application Status	Total Adult Recipients, FY 2007	Adult TANF/SSP Recipient
Total adults	556,673	100.0
No record of SSI application Jan. 1999 - Dec. 2009	426,755	76.7
Adult has at any time, Jan. 1999 - Dec. 2009, filed an SSI application	129,918	23.3
Began FY 2007 with an active SSI application	25,656	4.6
Filed an SSI application during FY 2007	31,522	5.7
No active application in FY 2007, but applied Jan. 1999 - Sept. 2006	40,844	7.3
Initial SSI application filed after FY 2007 (Oct. 2007 - Dec. 2009)	31,896	5.7

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2007; Social Security Administration Disability Research File (DRF) 2009-2010.

NOTE: The sample includes all adult TANF/SSP recipients in FY 2007 in full-reporting states.

While the point-in-time measures presented above describe the size of the overlap between the two programs, they do not provide information about the nature of the overlap. Engagement with the two programs can be fluid, as individuals can receive TANF/SSP for short or long spells, and patterns of receipt can be sporadic. Similarly, the SSI application process can span more than one month, and individuals may submit multiple applications over several years. However, if awarded, SSI recipients tend to remain eligible, making subsequent TANF/SSP receipt unlikely.¹² An understanding of the timing of the overlap between the two programs helps inform the proper framework for making comparisons between TANF/SSP recipients who apply for SSI and those who do not, as well as for comparing SSI applicants who are associated with TANF/SSP and those who are not.

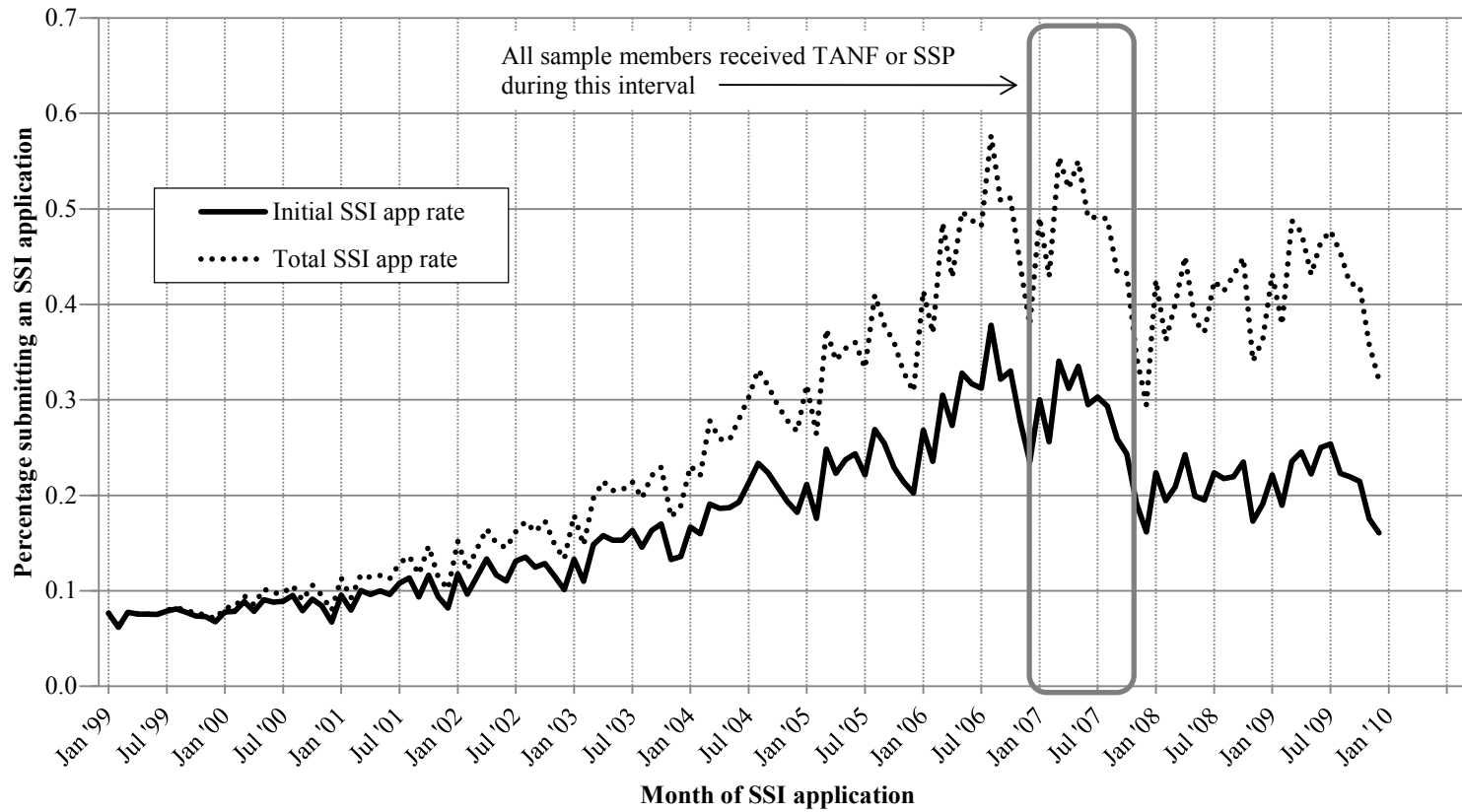
To help clarify the relationship between SSI applications and TANF/SSP receipt, it is useful to look at individuals at the start of their engagement with each program. This shift in focus is presented in stages. In the first stage, the focus of the analysis shifts from active SSI applications (in any phase of the process) to the point when the application was submitted; results are presented in Figure 4.2. The sample includes all adult TANF/SSP recipients in FY 2007, and the dotted line shows the proportion who submitted an SSI application in each month

¹²Rupp and Scott (1995).

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Figure 4.2

Percentage of TANF/SSP Recipients in FY 2007 Filing an Application for SSI in Full-Reporting States



45

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2007; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTE: The sample includes all adult TANF/SSP recipients in FY 2007 in full-reporting states (n = 556,673).

from January 1999 to December 2009; the solid line shows the proportion who submitted an initial SSI application in each period. As described in Chapter 3, some applicants may reapply rather than appeal a denial on their initial claim in their bid for SSI benefits. Therefore, this analysis of timing uses the initial application as the starting point for engagement with the SSI program. Although smaller in magnitude, the trend line for initial SSI applications among TANF/SSP recipients in FY 2007 is similar to that for all applications.

The solid line surrounding the portion of the graph that falls in FY 2007 highlights that application activity peaked around the time that these individuals were receiving TANF/SSP. However, what cannot be determined from this graph is in which months these individuals were receiving TANF/SSP or whether they were receiving TANF/SSP at the time of their SSI application. What is known is simply that these individuals had received TANF/SSP at some point during the FY 2007 window and that SSI applications appear to have been rising during this period.

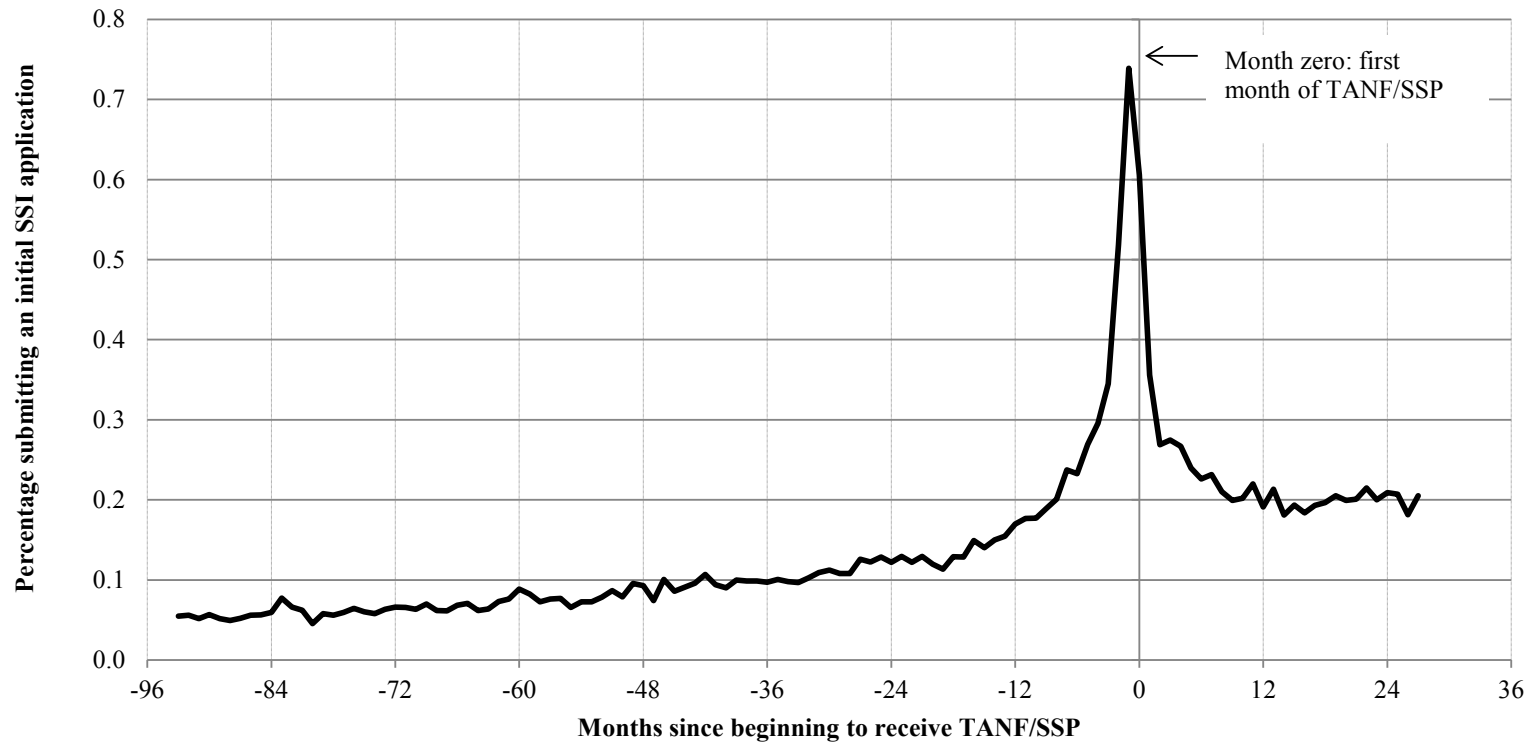
The measures of overlap presented thus far hint at increased SSI activity around the period of TANF/SSP receipt, but recipients in a given year include both new and ongoing TANF recipients. In order to isolate SSI activity relative to TANF/SSP receipt, the second stage of the analysis shifts focus again to look at the start of TANF/SSP receipt. This is achieved by looking at a subset of new TANF/SSP recipients, defined as not having received TANF/SSP in the two prior years. For Figure 4.3, the sample includes 186,058 individuals who were new TANF/SSP recipients in FY 2007 (who had not received benefits in FY 2005 or FY 2006) — about one-third of all recipients in that period.¹³ The horizontal axis represents the months since the start of TANF/SSP receipt, where month zero is the first month of TANF/SSP receipt; the vertical axis shows the proportions of the sample who submitted an initial SSI application. Clearly, initial SSI application activity peaked nearly simultaneously with the start of TANF/SSP receipt. Roughly 7 percent of new TANF/SSP recipients in FY 2007 submitted an initial SSI application in the two-year period centered on the start of TANF/SSP receipt (represented by the area under the curve from Months -12 to 12), for an annual rate of 3.5 percent. Going forward, SSI application activities continue, although the rate decreases to 2.4 percent during the next 12-month period. Though one of the assumptions at the start of the TSDTP was that changes in TANF policy could be driving clients to apply for SSI, this analysis shows that the interaction between TANF/SSP receipt and SSI applications can move in either direction. That is, many TANF/SSP recipients who apply for SSI do so before or at the same time that they apply for TANF, and others apply for SSI after they have begun receiving TANF benefits.

¹³This definition of new recipients includes individuals returning to TANF/SSP after a two-year hiatus.

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Figure 4.3

New TANF/SSP Recipients in FY 2007: Timing of Initial SSI Applications Relative to First Month of TANF/SSP Receipt



SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2007; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTE: The sample includes 186,058 new TANF/SSP recipients in FY 2007 (who did not receive TANF/SSP in FY 2005 or 2006).

The pattern noted above can be seen from the SSI perspective as well and is demonstrated in Figure 4.4, using a sample of initial adult SSI applicants in 2007 in the full-reporting states. As depicted in the pie chart on the left, of the 415,300 initial adult SSI applicants in FY 2007 in the full-reporting states, only about 6 percent (n = 24,553) were found to have received TANF/SSP within a year before or after their application. The pie chart on the right of Figure 4.4 shows that, of initial SSI applicants who had received TANF/SSP around the time of their SSI application, one-third had not received TANF/SSP in the year prior to their application, and just over half had received TANF/SSP for three months or less in the prior year. In other words, although 6 percent of SSI applicants who initially applied in FY 2007 are linked to TANF/SSP, for some of these individuals, TANF/SSP activity began after or around the time of their SSI application.

Characteristics of TANF/SSP Recipients Who Apply for SSI

This section examines selected characteristics of TANF/SSP recipients who applied for SSI and compares them with the characteristics of those who did not have overlapping participation in the two programs. Two comparisons are made. First, from the TANF/SSP perspective, TANF/SSP recipients who applied for SSI are compared with those who did not apply for SSI; then, from the SSI perspective, TANF/SSP recipients who applied for SSI are compared with the general population of SSI applicants (who were not TANF/SSP recipients).

Although the original framing of questions regarding the relationship between the two programs assumed movement from TANF/SSP to SSI, as discussed above, SSI applications can occur before, during, or after the start of TANF/SSP receipt. It is important that any analysis of overlap acknowledge these patterns, as the data show that some individuals apply for SSI before receiving TANF/SSP. Therefore, “overlap” is defined so that it includes interaction between the two programs that occurred around the same time, regardless of which program an individual applied to first.

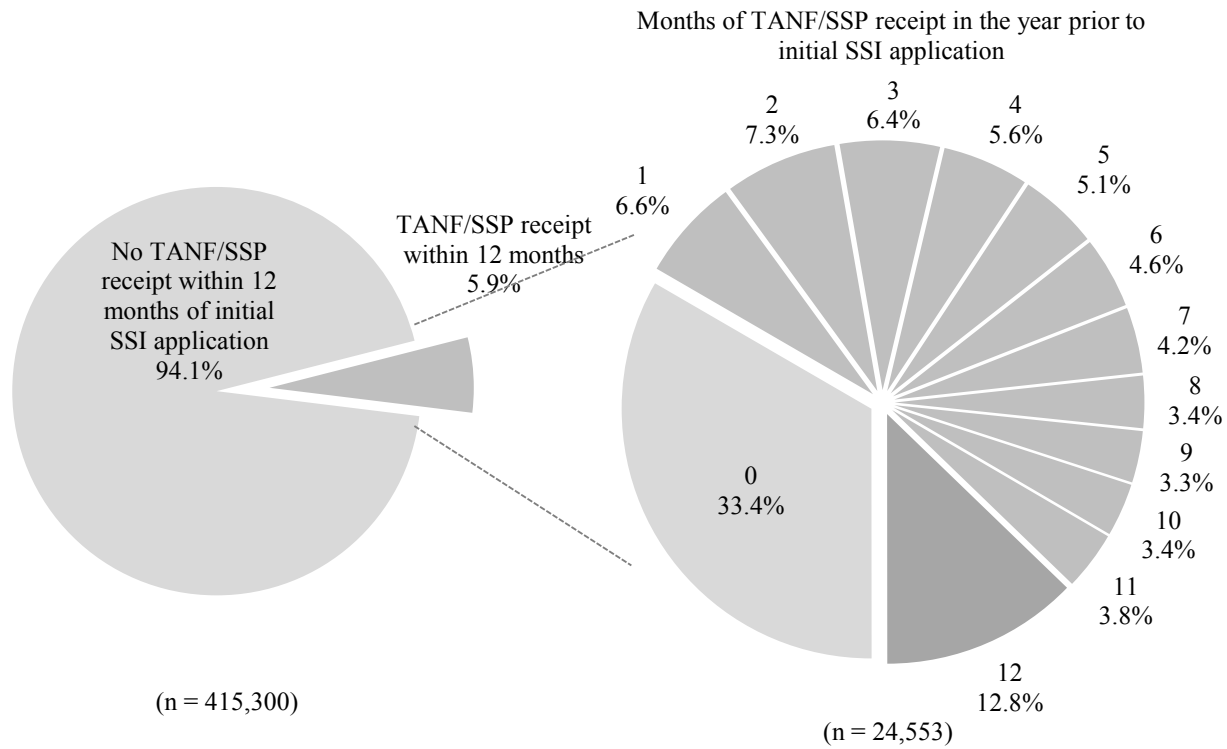
Conceptually, the *overlap sample* is defined as individuals who applied for SSI in a specified year and who also received TANF/SSP around the time of their initial SSI application. More specifically, the overlap sample is defined as initial SSI applicants in FY 2007 who received TANF/SSP in a full-reporting state at some point during the 12 months before or after that SSI application.

From the TANF/SSP perspective, characteristics of this overlap group are presented in comparison with the characteristics of TANF/SSP recipients who did not apply for SSI. However, due to the fluid nature of engagement between the two programs, it is not appropriate to construct a comparison group of TANF/SSP recipients who did not apply for SSI by simply taking the converse of the overlap group. That is, TANF/SSP recipients who did not apply for

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Figure 4.4

TANF/SSP Receipt Within 12 Months Before or After Submitting an Initial Application for SSI in FY 2007



SOURCES: ACF Section I TANF and SSP/MOE data, FY 2006-2008; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTE: The sample includes all adult initial SSI applicants in FY 2007 in full-reporting states.

SSI in FY 2007 could have applied around that time but in either the prior year or the following year. Therefore, the *TANF/SSP reference group* is defined more broadly to include recipients who did not apply for SSI around the time of their TANF/SSP receipt. Specifically, it includes TANF/SSP recipients in FY 2007 who did not have an active SSI application during the period from FY 2005 through FY 2009.

From the SSI perspective, the *SSI reference group* includes initial SSI applicants who were not TANF/SSP recipients around the time of their SSI application. The construction of the reference group in this case is more straightforward: it includes adults who submitted an initial SSI application in FY 2007 who did not receive TANF/SSP between 12 months before and 12 months after applying for SSI. Note that these definitions of samples are different from those used in the discussions of overlap earlier in this chapter; therefore, the sample sizes do not match across the tables in this chapter.

**What are the key characteristics of TANF recipients who apply for SSI?
How do TANF recipients who apply for SSI compare with TANF recipients who do not apply for SSI?**

The following discussion of characteristics of the overlap sample compares those TANF/SSP recipients who applied for SSI with TANF/SSP recipients who did not apply for SSI. For the overlap sample (defined above), characteristics are as of the month of TANF/SSP receipt closest to their SSI application date; for non-SSI applicants, characteristics are as in a typical month of receipt. Due to large sample sizes, even small differences are statistically significant. Therefore, effect sizes are presented (instead of stars or p-values) as an indicator of meaningful differences between the overlap group and reference group.¹⁴

The family and individual-level characteristics of adult TANF/SSP recipients that are presented in Table 4.2 show differences in age, age of youngest child, gender, race/ethnicity, and marital status. Compared with TANF/SSP recipients who did not apply for SSI, those who did apply were older and had older children at the time of application. SSI applicants are also more likely to be white. The effect size for household type does not indicate a large difference, but several related measures point to differences in household composition and gender: although TANF/SSP recipients are predominantly female, the proportion of males to females is higher among those who applied for SSI than among those who did not apply for SSI, and SSI

¹⁴The effect size is calculated by dividing the difference between the two groups for a given outcome by the observed variation for that outcome within the comparison group (the comparison group's standard deviation). The following characterization of the magnitude of effect size is generally accepted: 0.2 = small, 0.5 = medium, and 0.8 = large (Cohen, 1988).

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Table 4.2

Selected Characteristics of TANF/SSP Recipients, by SSI Applicant Status

Characteristic	Overlap Sample	TANF/SSP Reference Group	Effect Size
<u>Family characteristics</u>			
Amount of cash assistance (\$)	323	320	0.02
Number of aided adults	1.2	1.1	0.15
Number of children on case	1.7	1.8	-0.09
Age of youngest child ^a	6.6	3.9	0.63
Type of household (%)			
One-parent	85.8	87.9	-0.07
Two-parent	13.3	10.8	0.08
Child-only	0.9	1.2	-0.03
Funding stream (%)			
TANF	95.5	97.8	-0.17
SSP	4.5	2.2	0.17
<u>Characteristics of adults</u>			
Average age (years)	34.3	28.4	0.74
Gender (%)			
Female	78.8	89.2	-0.34
Male	21.2	10.8	0.34
Race/ethnicity (%)			
Hispanic	8.2	9.9	-0.06
White	58.7	46.9	0.24
African-American	26.7	34.5	-0.16
Other	6.4	8.8	-0.08
Highest education level (%)			
No high school diploma or GED certificate	37.3	36.9	0.01
High school diploma or GED certificate	56.8	57.6	-0.02
Some postsecondary education	3.4	2.8	0.04
Other credential	2.6	2.7	-0.01
Marital status (%)			
Single	48.9	67.3	-0.39
Married	20.0	12.9	0.21
Separated, divorced, or widowed	31.1	19.8	0.29
Relationship to head of household (%)			
Self	88.3	93.2	-0.20
Spouse	8.6	4.5	0.20
Other	3.2	2.4	0.06
Sample size	24,553	444,022	

(continued)

Table 4.2 (continued)

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age. Characteristics data are as of the month closest to the individual's initial SSI application date. For individuals with no TANF/SSP receipt in the month of SSI application or in the prior year, the first month of TANF/SSP receipt following the initial SSI application is used.

The TANF/SSP reference group includes individuals who received benefits in a full-reporting state as an adult in FY 2007 and did not have an active application for SSI as a disabled adult during FY 2005-2009. The descriptive data are based on average characteristics across all months of TANF/SSP receipt in FY 2007.

^aTANF/SSP adults from families with no eligible recipient children (for example, a pregnant mother in her third trimester) are excluded from this measure.

applicants were more likely to have ever married. Smaller effect sizes are seen for the following indicators: SSI applicants had slightly more aided adults in the household, were more likely to be receiving aid from SSP programs, and were the spouse of the head of household. The overlap sample and the TANF/SSP reference group are more similar on other measures: household size, number of children, and education level.

Work participation statuses for SSI applicants and non-SSI applicants among TANF/SSP recipients are presented in Table 4.3 and show that 20 percent of TANF recipients applying for SSI were exempt from TANF activity requirements, mostly due to disability, in the month closest to their application, compared with 5 percent of nonapplicants. Although about 32 percent of TANF recipients who applied for SSI participated in any work activities, this is lower than the rate for non-SSI applicants (48 percent). In addition, TANF recipients who applied for SSI and participated in work activities were proportionately less likely to have sufficient participation to count toward the participation requirement than their non-SSI applicant counterparts (respectively, 43 percent and 62 percent). These percentages are calculated as the proportion “counted as participating” out of those with “any work activity.” However, sanction rates are low and are the same for SSI applicants and nonapplicants. Information on measures related to the time limit at the bottom of Table 4.3 shows that SSI applicants had slightly higher clock values (that is, more months of TANF receipt). Altogether, these measures hint of an inability to work due to disability for those in the overlap sample, and so these individuals may be candidates for SSI. However, the fact that disability exemption levels are not higher might suggest that these statuses are not known by or closely tracked by TANF program

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Table 4.3

Work Participation Experiences of TANF/SSP Recipients, by SSI Applicant Status

Characteristic	Overlap Sample	TANF/SSP Reference Group	Effect Size
Work participation status (%)			
Counted as participating	13.8	29.9	-0.44
Not meeting participation requirement	52.7	46.8	0.15
Not participating, exempt from requirement	19.6	4.8	0.80
Disregarded from rate calculation	13.4	17.8	-0.14
Not applicable	0.6	0.8	-0.03
Exempt due to disability (%)	15.5	2.0	1.10
Sanctioned for failure to comply with work requirements (%)	3.5	3.5	-0.01
Participated in any work activities (%)	31.8	48.3	-0.40
Total hours of work activities	7.4	13.5	-0.44
Employment status (%)			
Employed	13.8	27.9	-0.37
Unemployed	45.4	44.0	0.03
Not in labor force	40.7	28.1	0.32
Months toward federal time limit ^a	17.1	15.6	0.09
Months toward federal time limit ^a (%)			
Zero	7.5	7.8	-0.01
1-12	49.7	50.1	-0.01
13-24	17.6	20.1	-0.07
25-36	9.8	10.0	-0.01
37-48	6.4	5.9	0.03
49-60	4.3	3.4	0.05
Over 60	4.8	2.8	0.12
Sample size	24,553	444,022	

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age. Characteristics data are as of the month closest to the individual's initial SSI application date. For individuals with no TANF/SSP receipt in the month of SSI application or in the prior year, the first month of TANF/SSP receipt following the initial SSI application is used.

The TANF/SSP reference group includes individuals who received benefits in a full-reporting state as an adult in FY 2007 and did not have an active application for SSI as a disabled adult during FY 2005-2009. The descriptive data are based on average characteristics across all months of TANF/SSP receipt in FY 2007.

^aMonths of SSP receipt do not count toward the federal time limit on TANF.

staff. As discussed in Chapter 2, although some states exempt individuals with disabilities from the work requirement, these individuals must still be counted when calculating work participation rates.

How do TANF recipients who apply for SSI compare with SSI applicants who are not TANF recipients? Are there differences in processing time and award rates between TANF recipients who apply for SSI compared with non-TANF recipients?

The discussion now switches perspectives to look at SSI applicant characteristics and outcomes for the overlap sample and to compare them with the characteristics and outcomes for SSI applicants who were not TANF/SSP recipients. As described above, the SSI reference group is defined as initial adult SSI applicants in FY 2007 in full-reporting states who did not receive TANF/SSP between 12 months before and 12 months after applying for SSI. Because some applicants may reapply for SSI rather than appeal a denial on an earlier claim, this analysis looks at the outcomes for each applicant's latest SSI application (applications as of December 2009; outcomes as of June 2010).

The upper panel of Table 4.4 shows that SSI applicants with TANF/SSP overlap were more likely to meet the nonmedical SSI eligibility rules than their counterparts who did not receive TANF/SSP.¹⁵ Over one-third of SSI applicants who were not associated with TANF/SSP were denied on technical grounds, compared with around 10 percent of those who were associated with TANF/SSP. This is not surprising, given that the overlap sample is made up of recipients of means-tested TANF/SSP benefits. Considering all applicants — including those whose application resulted in a technical denial early in the process — about 35 percent of applicants who were associated with TANF/SSP ultimately were awarded, compared with about 32 percent of those who were not associated with TANF/SSP.

As described in Chapter 3, an initial review of the SSI application occurs at the SSA field office, before it is forwarded to DDS for a medical decision. In order to explore differences in disability decisions between the two groups, the lower panel of Table 4.4 excludes those applicants who were denied on technical grounds following the initial review, inasmuch as they do not meet nonmedical SSI eligibility criteria and do not get further consideration. Among applicants who do meet the SSI eligibility rules, differences between the overlap and comparison samples on age and gender are as one would expect, given the target populations of the two

¹⁵As described in Chapter 3, nonmedical eligibility is based on income, resources, living arrangements, and citizenship or immigration status.

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Table 4.4

Selected Characteristics of SSI Applicants, by TANF/SSP Status

Characteristic	Overlap Sample	SSI Reference Group	Effect Size
<u>All applicants</u>			
Technical denials	7.9	34.4	-0.56
Residency	0.4	0.4	0.00
Employment, income, and assets	4.0	31.4	-0.59
Withdrew, failure to pursue or cooperate	3.3	2.0	0.09
Inmate, fleeing felon	0.1	0.2	-0.02
Other	0.0	0.0	-0.01
Missing	0.1	0.4	-0.04
Ever awarded SSI	35.2	32.3	0.06
Sample size	24,553	390,747	
<u>Excluding initial technical denials</u>			
Average age (years)	34.6	41.5	-0.53
Gender (%)			
Female	79.1	45.9	0.67
Male	20.9	54.1	-0.67
Race/ethnicity (%)			
Hispanic	7.2	4.1	0.16
White	59.8	63.9	-0.09
African-American	27.2	25.9	0.03
Other	4.2	4.0	0.01
Missing	1.7	2.2	-0.03
Diagnostic group (%)			
Mental disorders	36.6	27.1	0.21
Musculoskeletal system	25.8	25.3	0.01
Cardiovascular system	3.7	7.2	-0.14
Neurological systems	5.8	7.2	-0.06
Neoplastic diseases	2.5	4.9	-0.11
Other impairments ^a	12.3	16.5	-0.11
Unknown	7.9	6.0	0.08
Missing	5.5	5.8	-0.02
Sample size	22,619	256,373	

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age.

The SSI reference group includes individuals who applied for SSI as a disabled adult for the first time in FY 2007 in a full-reporting state and did not receive TANF/SSP as an adult in a full-reporting state between 12 months before and 12 months after the month of SSI application.

SSI outcomes reflect the status of the sample member's latest SSI application (through December 2009).

^aThe five most frequent diagnostic groups among awarded adult claims in FY 2007 are listed.

programs: TANF recipients are poor parents, mostly younger women. The diagnostic group information that is presented with the characteristics data in the table is actually determined by the disability examiner at DDS on the basis of the review of medical evidence. In other words, this information is available only for those whose applications go on to get a medical decision from DDS, and it does not represent a true baseline measure of impairment as provided by the applicant. However, it can still be useful in understanding the types of impairments experienced by applicants. For both groups, the two largest categories of impairments are within the musculoskeletal system and mental disorders. There are not many large differences, but the overlap sample has lower rates of cardiovascular disorders and neoplasm and higher rates of mental disorders.

Outcomes of the latest SSI applications for the overlap and comparison samples are shown in Table 4.5. The samples in this table are the same as those in the bottom of Table 4.4 (that is, excluding those who were technically denied following an initial review). Compared with SSI applicants who were not TANF/SSP recipients, the overlap sample was more likely to be denied and less likely to be awarded, especially at the initial level. The overlap sample had an allowance rate of about 38 percent, compared with 49 percent for the comparison group. Among TANF/SSP recipients who were awarded, decisions were about evenly split between the initial level and after appeal. Looking at the breakdown of awards by adjudicative level, for the comparison group, nearly two-thirds were awarded at the initial level, and one-third were awarded following an appeal. These differences are also reflected in application processing times: 13.7 months from SSI application to final decision for TANF/SSP recipients, compared with 11.3 months for nonrecipients.

Information on the reason for the award is presented in the second-to-last panel of Table 4.5, although the high rate of “other” suggests that it may be incomplete. Nevertheless, the award reasons suggest that non-TANF/SSP recipients are more likely to be found disabled because their medical conditions meet those on SSA’s Listing of Impairments or can be determined to be of equal severity.¹⁶ Among those who were denied (last panel of Table 4.5), TANF/SSP recipients and nonrecipients were equally likely to be found able to perform their usual past work, but TANF/SSP recipients were more likely to be considered able to perform other types of work. TANF/SSP recipients were less likely to be denied on technical grounds subsequent to a medical decision.

¹⁶See the discussion of SSA’s five-step process for disability determination in Chapter 3 (Figure 3.1).

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Table 4.5

SSI Outcomes for Applicants Without an Initial Technical Denial,
by TANF/SSP Status

Characteristic	Overlap Sample	SSI Reference Group	Effect Size
Consultative exam requested on any application (%)	36.2	37.3	-0.02
Highest adjudicative level reached (%)			
Initial level	57.8	64.8	-0.15
Reconsideration level	11.5	9.6	0.07
Hearing level	30.7	25.7	0.11
<u>Application processing time</u>			
Months from application to initial decision (not including pendings)	4.1	3.7	0.13
Months from application to final decision (not including pendings)	10.4	8.9	0.16
Months of total processing time from earliest application to final decision on latest application	13.7	11.3	0.22
<u>Final outcomes (%)</u>			
Awards	38.2	49.2	-0.22
Initial adjudicative level	19.2	31.6	-0.27
Reconsideration level	3.6	3.7	0.00
Hearing level	15.4	13.9	0.05
Medical denials	52.0	39.0	0.27
Initial adjudicative level	37.3	28.6	0.19
Reconsideration level	7.2	4.9	0.10
Hearing level	7.5	5.5	0.09
Subsequent technical denials	3.1	7.5	-0.17
Medical denial, subsequent nonmedical denial ^a	0.1	0.1	0.00
Medical allowance, subsequent nonmedical denial ^b	3.0	7.4	-0.17
Pending final decision	6.7	4.3	0.12
Initial adjudicative level	0.0	0.0	0.00
Reconsideration level	0.4	0.3	0.01
Hearing level	6.3	4.0	0.12
Award rate ^c	41.0	51.4	-0.21
<u>Reason for award (%)</u>			
(includes only final awards)			
Meets level of severity of listings	26.4	32.1	-0.12
Equals level of severity of listings	4.1	5.0	-0.04
Medical and vocational factors considered	24.8	27.4	-0.06
Other	44.8	35.6	0.19

(continued)

Table 4.5 (continued)

Characteristic	Overlap Sample	SSI Reference Group	Effect Size
Reason for denial (%)			
(includes only denials)			
<i>Impairment did not or is not expected to last 12 months</i>	5.6	5.8	-0.01
<i>Impairment is not severe</i>	11.2	10.9	0.01
<i>Able to do usual past work</i>	21.0	19.2	0.05
<i>Able to do other type of work</i>	35.6	29.5	0.13
<i>Withdrew/failed to pursue or cooperate</i>	0.5	0.7	-0.03
<i>Insufficient/no medical data, consultative exam</i>	19.5	16.5	0.08
<i>Other</i>	0.9	1.3	-0.03
<i>Subsequent technical denials</i>	5.7	16.2	-0.29
Sample size ^d	22,619	256,373	

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age.

The SSI reference group includes individuals who applied for SSI as a disabled adult for the first time in FY 2007 in a full-reporting state and did not receive TANF/SSP as an adult in a full-reporting state between 12 months before and 12 months after the month of SSI application.

SSI outcomes reflect the status of the sample member's latest SSI application (through December 2009).

Italic type signals measures that are calculated for a subset of the full sample.

^aApplications were denied for nonmedical reasons after a decision was made that the applicants did not meet the medical severity criteria for disability benefits.

^bApplications were denied for nonmedical reasons after a decision was made that the applicants met the medical severity criteria for disability benefits.

^cThe award rate is determined by dividing awards by all applications minus pending claims for that year.

^dSSI outcome measures in this table are not available for applications that were denied on technical (nonmedical) grounds.

What Drives SSI Outcomes for TANF Recipients?

In an attempt to better understand what might be driving SSI outcomes for TANF/SSP recipients who apply for SSI, those who were awarded were compared with those who were denied. Few meaningful differences were found; the greatest differences are seen in age and age of youngest child (Appendix Table B.1). This suggests that differences in SSI application outcomes for the overlap group and for the SSI reference group may be due to differences in composition of the groups. To explore this, an effort was made to “control for” some of the underlying differences between the overlap group and the SSI reference group by using a matched sample. Although limited data were available, a match for overlap sample members was found among the members of the SSI reference group using the following criteria: gender,

age, race/ethnicity, state, and technical denials for financial reasons and for other reasons. As shown in Tables 4.6 and 4.7, the matched comparison reduces differences between the two groups. Some small differences remain: the overlap sample has a higher rate of impairments of the musculoskeletal system (25.8 percent, compared with 21.6 percent; Table 4.6). It also has a lower award rate (38.2 percent, compared with 42.7 percent; Table 4.7) and a lower proportion of awards decided at the initial adjudicative level than after an appeal (overlap sample: about 50/50, SSI reference group: about 60/40; Table 4.7).

Recall that the overlap sample includes TANF/SSP recipients who had varying lengths of prior receipt and that some began receiving TANF/SSP after applying for SSI. Thus, individuals arrived at the juncture of TANF/SSP and SSI programs through different pathways, and it is possible that some of what is observed as characteristics may be driven by when (and where in their trajectory) their measure was taken. For example, because characteristics data are available only during the months of TANF/SSP receipt, those measures are as of the month of receipt closest to the point of SSI application — which, for some in the overlap sample, may be several months after they applied for SSI. A subgroup analysis is used to tell this story.

Data on monthly TANF/SSP receipt were used to define the following subgroups: those who were SSI applicants prior to becoming TANF/SSP recipients, those who applied to both programs around the same time, and those who were TANF/SSP recipients prior to applying to SSI. This last group is further broken out into those who received TANF/SSP in each month during the year prior to SSI application and those who had more intermittent receipt, referred to as “cyclers.”

Table 4.8 presents SSI outcomes for the overlap sample, by subgroup.¹⁷ SSI award rates for two subgroups — the steady TANF recipients (“TANF First, Long Term”) and those coming to SSI and TANF/SSP at the same time (“Simultaneous”) — are the same as for the matched SSI reference group, about 43 percent. The low allowance rate for the “SSI First” subgroup is, in some ways, tautological: by definition, this group applied for SSI first and later received TANF/SSP; it therefore likely includes a number of SSI applicants who have turned to TANF/SSP after their SSI application was denied. For the remaining subgroup, those who had received TANF/SSP in the year prior to SSI application but intermittently (“TANF First, Cycler”), low allowance rates could be related to low appeal rates. Compared with the other subgroups of the overlap sample, this group had the highest denial rate and was least likely to

¹⁷Appendix Table B.2 presents additional measures for these groups.

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Table 4.6

**Selected Characteristics of SSI Applicants, by TANF/SSP Status,
Using a Matched SSI Comparison Group**

Characteristic	Overlap Sample	Matched SSI Comparison Group	Effect Size
<u>All applicants</u>			
Total number of applications	1.3	1.2	0.12
Technical denials	7.9	8.8	-0.03
Residency	0.4	0.3	0.01
Employment, income, and assets	4.0	4.9	-0.04
Withdrew, failure to pursue or cooperate	3.3	3.0	0.01
Inmate, fleeing felon	0.1	0.2	-0.02
Other	0.0	0.0	0.00
Missing	0.1	0.3	-0.03
Sample size	24,553	23,797	
<u>Excluding initial technical denials</u>			
Diagnostic group (%)			
Mental disorders	36.6	35.9	0.01
Musculoskeletal system	25.8	21.6	0.10
Cardiovascular system	3.7	3.7	0.00
Neurological systems	5.8	6.8	-0.04
Neoplastic diseases	2.5	3.1	-0.04
Other impairments ^a	12.3	14.6	-0.07
Unknown	7.9	7.6	0.01
Missing	5.5	6.7	-0.05
Sample size	22,619	21,714	

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age.

The matched SSI comparison group includes a subset of individuals who applied for SSI as a disabled adult for the first time in FY 2007 in a full-reporting state, and who did not receive TANF/SSP as an adult in a full-reporting state between 12 months before and 12 months after the month of SSI application, who were matched to the overlap sample on the following characteristics: gender, age, race/ethnicity, state, technical denials for financial reasons, and technical denials for other reasons.

SSI outcomes reflect the status of the sample member's latest SSI application (through December 2009).

^aThe five most frequent diagnostic groups among awarded claims are listed.

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Table 4.7

SSI Outcomes for Applicants Without an Initial Technical Denial,
by TANF/SSP Status, Using a Matched SSI Comparison Group

Outcome	Overlap Sample	Matched SSI Comparison Group	Effect Size
Consultative exam requested on any application (%)	36.2	34.2	0.04
Highest adjudicative level reached (%)			
Initial level	57.8	63.1	-0.11
Reconsideration level	11.5	10.9	0.02
Hearing level	30.7	26.1	0.10
<u>Final outcomes (%)</u>			
Awards	38.2	42.7	-0.09
Initial adjudicative level	19.2	26.2	-0.16
Reconsideration level	3.6	3.5	0.01
Hearing level	15.4	13.0	0.07
Medical denials	52.0	48.7	0.07
Initial adjudicative level	37.3	35.3	0.04
Reconsideration level	7.2	6.7	0.02
Hearing level	7.5	6.7	0.03
Subsequent technical denials	3.1	3.1	0.00
Medical denial, subsequent nonmedical denial ^a	0.1	0.1	0.02
Medical allowance, subsequent nonmedical denial ^b	3.0	3.0	0.00
Pending final decision	6.7	5.5	0.05
Initial adjudicative level	0.0	0.0	0.00
Reconsideration level	0.4	0.4	0.01
Hearing level	6.3	5.2	0.05
Award rate ^c	41.0	45.2	-0.09
<u>Reason for award (%)</u>			
(includes only final awards)			
<i>Meets level of severity of listings</i>	26.4	34.4	-0.17
<i>Equals level of severity of listings</i>	4.1	4.9	-0.04
<i>Medical and vocational factors considered</i>	24.8	22.2	0.06
<i>Other</i>	44.8	38.4	0.13

(continued)

Table 4.7 (continued)

Outcome	Overlap Sample	Matched SSI Comparison Group	Effect Size
<u>Reason for denial (%)</u>			
(includes only denials)			
<i>Impairment did not or is not expected to last 12 months</i>	5.6	6.3	-0.03
<i>Impairment is not severe</i>	11.2	12.1	-0.03
<i>Able to do usual past work</i>	21.0	21.4	-0.01
<i>Able to do other type of work</i>	35.6	34.6	0.02
<i>Withdrew/failed to pursue or cooperate</i>	0.5	0.6	-0.02
<i>Insufficient/no medical data, consultative exam</i>	19.5	17.8	0.04
<i>Other</i>	0.9	1.4	-0.04
<i>Subsequent technical denials</i>	5.7	6.0	-0.01
<u>Application processing time</u>			
Months from application to initial decision (not including pendings)	4.1	3.9	0.08
Months from application to final decision (not including pendings)	10.4	9.3	0.11
Months of total processing time from earliest application to final decision on latest application	13.7	12.0	0.15
Sample size ^d	22,619	21,714	

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age.

The matched SSI comparison group includes a subset of individuals who applied for SSI as a disabled adult for the first time in FY 2007 in a full-reporting state, and did not receive TANF/SSP as an adult in a full-reporting state between 12 months before and 12 months after the month of SSI application, who were matched to the overlap sample on the following characteristics: gender, age, race/ethnicity, state, technical denials for financial reasons, and technical denials for other reasons.

SSI outcomes reflect the status of the sample member's latest SSI application (through December 2009).

Italic type signals measures that are calculated for a subset of the full sample.

^aApplications denied for nonmedical reasons after a decision was made that the applicants did not meet the medical severity criteria for disability benefits.

^bApplications were denied for nonmedical reasons after a decision was made that the applicants met the medical severity criteria for disability benefits.

^cThe award rate is determined by dividing awards by all applications minus pending claims for that year.

^dSSI outcome measures in this table are not available for applications that were denied on technical (nonmedical) grounds.

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Table 4.8

SSI Outcomes for TANF/SSP Subgroups and a Matched SSI Comparison Group

Outcome	Overlap Sample: Subgroups				Matched SSI Comparison Group
	SSI First	Simultaneous	TANF First, Cyclers	TANF First, Long Term	
<u>Final outcomes (%)</u>					
Awards	36.7	42.5	36.1	42.9	42.7
Initial adjudicative level	12.2	22.1	19.6	22.8	26.2
Reconsideration level	4.7	4.0	3.1	3.6	3.5
Hearing level	19.8	16.4	13.4	16.4	13.0
Medical denials	52.9	47.5	54.4	47.4	48.7
Initial adjudicative level	37.3	33.7	39.6	33.5	35.3
Reconsideration level	7.2	6.6	7.4	7.0	6.7
Hearing level	8.5	7.2	7.4	7.0	6.7
Subsequent technical denials	3.3	4.5	2.8	2.0	3.1
Medical denial, subsequent					
nonmedical denial ^a	0.2	0.1	0.1	0.1	0.1
Medical allowance, subsequent					
nonmedical denial ^b	3.1	4.3	2.7	1.9	3.0
Pending final decision	7.1	5.6	6.7	7.8	5.5
Initial adjudicative level	0.0	0.0	0.0	0.0	0.0
Reconsideration level	0.4	0.4	0.4	0.4	0.4
Hearing level	6.7	5.2	6.3	7.4	5.2
Award rate ^c	39.5	45.0	38.7	46.4	45.2
Sample size ^d	3,810	4,352	11,694	2,763	21,714

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months before and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age.

The matched SSI comparison group includes a subset of individuals who applied for SSI as a disabled adult for the first time in FY 2007 in a full-reporting state, and did not receive TANF/SSP as an adult in a full-reporting state between 12 months before and 12 months after the month of SSI application, who were matched to the overlap sample on the following characteristics: gender, age, race/ethnicity, state, technical denials for financial reasons, and technical denials for other reasons.

SSI outcomes reflect the status of the sample member's latest SSI application (through December 2009).

^aApplications were denied for nonmedical reasons after a decision was made that the applicants did not meet the medical severity criteria for disability benefits.

^bApplications were denied for nonmedical reasons after a decision was made that the applicants met the medical severity criteria for disability benefits.

^cThe award rate is determined by dividing awards by all applications minus pending claims for that year.

^dSSI outcome measures in this table are not available for applications that are denied on technical (nonmedical) grounds.

have appealed. The proportion of each subgroup that appealed is calculated by taking the sum of the proportion of applications with outcomes at reconsideration and hearing levels. A possible explanation for this behavior may be that, after the initial SSI judgment, these individuals opted to rely on TANF/SSP for the time being, rather than continuing their pursuit of SSI. This could be seen as a rational choice for some TANF/SSP recipients who, for the most part, are not imminently facing termination of TANF benefits due to time limits. In a report on TANF recipients with impairments, the GAO characterized TANF as “a temporary stopping point for low-income individuals with physical or mental impairments.”¹⁸ These results suggest that the characterization is still apt.

For cash-strapped states that are focused on the challenge of meeting work participation rates with the more able-bodied among their caseloads, it may be particularly difficult to address the special employment and support needs of TANF/SSP recipients who have work limitations. Although more resources for such services are available for disabled individuals through SSA’s Ticket to Work program, prior research has found that it may be even more difficult to engage this group in employment services after they have been found eligible for SSI.¹⁹ For low-income parents with impairments — who might be likely to receive cash support from one program or the other — the source of cash benefits, while not unimportant, may be the lesser issue, compared with the question of how best to provide timely services to address the special needs of this group. The pilot studies that are part of the second phase of the TSDTP aim to provide answers to some of these questions.

¹⁸U.S. General Accounting Office (2002); renamed in 2004 as the Government Accountability Office.

¹⁹Livermore and Stapleton (2010); Altshuler, Prenovitz, O’Day, and Livermore (2011).

Chapter 5

Conclusions and Next Steps

The knowledge development phase of the TANF/SSI Disability Transition Project (TSDTP) has revealed that there is more to be learned about what strategies are effective in helping disabled recipients of Temporary Assistance for Needy Families (TANF). The project's first phase shows that there are gaps in employment services targeting individuals with disabilities, gaps in the TANF staff's knowledge about the process of applying for Supplemental Security Income (SSI), and gaps in communication between TANF programs and the Social Security Administration (SSA). The data analysis also shows that there is an overlap between the TANF and SSI populations, although it is not as large as anticipated. Even so, among TANF recipients who do apply for SSI, the award rates tend to be a little lower. This difference appears to be attributable to differences in the composition of TANF recipients compared with the general SSI applicant pool, due to differences in eligibility rules.

Chapter 5 briefly summarizes the findings from this report on the knowledge development phase of the TSDTP, and then it describes promising interventions that were pilot-tested in three sites. Findings from these pilot tests could help inform future policy decisions and programmatic changes at the local level.

Key Findings from the Field Assessments

The field assessments were conducted in seven sites: Los Angeles and Riverside Counties, California; the Ocala region in Florida; Genesee, Mason, and Oceana Counties, Michigan;¹ and Hennepin and Ramsey Counties, Minnesota. They revealed several common themes regarding how TANF recipients with disabilities are served and how TANF and SSI agencies coordinate their activities.

- **TANF staff rely primarily on medical professionals to determine a recipient's capacity to participate in work activities.** This assessment is used as the basis for exempting a recipient from work requirements. In some states, TANF staff cannot overturn a doctor's judgment after a doctor determines that a recipient is disabled.

¹Because they are contiguous and shared a management structure, Mason and Oceana Counties are considered a single site.

- **Exempt TANF recipients are often overlooked and rarely receive the same attention as work-required recipients.** When TANF recipients are exempted from work participation, there is less motivation on the part of staff to help them pursue self-sufficiency, compared with recipients who are mandated to participate. In several of the project’s sites, recipients are required to comply with an employment plan, although this plan might focus more on treatment than employment.
- **Few of the TANF programs have employment services that target TANF recipients with disabilities.** All of the programs offer mental health services to those who are assessed to need such services.
- **Little coordination exists between TANF and SSA.** The field assessments reveal that there is little coordination between TANF and SSA staff when TANF recipients are applying for SSI, although some of the TANF programs fund advocacy services to help recipients with the SSI application process.

Key Findings from the Data Analysis

The analysis of merged data from TANF/SSP (separate state programs) and SSI suggest the following broad themes:

- **The level of overlap between the TANF/SSP and SSI systems is not particularly large.** Prior research on the level of overlap between TANF and SSI raised concerns that changes in TANF policies could cause SSI applications and caseloads to increase. However, the current analysis of full-reporting states (Chapter 1, Box 1.1) has found that rates of overlap are not especially high and are unlikely to be a major driver of SSA backlogs.
- **TANF recipients who apply for SSI are not notably different from other SSI applicants.** The perception that policy changes could affect TANF recipients’ decisions to apply for SSI or could cause TANF agencies to encourage individuals to apply for SSI suggests that TANF recipients who apply for SSI might be different from other SSI applicants. The current analysis did not find striking differences between applicants who were TANF/SSP recipients and other applicants, beyond the obvious ones — such as age, gender, and income — mostly attributable to TANF eligibility requirements.
- **Overall, SSI award rates were similar for TANF recipients who applied for SSI and for SSI applicants who were not TANF recipients. However, TANF eligibility rules that shape the makeup of the pool of TANF recip-**

ients led to differences in characteristics of these two groups, which, in turn, affected award rates. The award rate for initial SSI applicants in 2007 was about one-third, regardless of their TANF affiliation. Underlying these similar award rates were some notable differences. Considering all adult SSI applicants, TANF recipients who applied for SSI were much less likely to be denied on technical grounds than other SSI applicants. After accounting for this difference in rates of technical denials (that is, when comparing SSI outcomes only among those who met basic SSI nonmedical eligibility requirements), SSI applicants associated with TANF/SSP were less likely to be awarded than other SSI applicants, especially at the initial adjudicative level. However, further controlling for basic differences in sample characteristics, such as age and gender, driven by TANF eligibility rules resulted in more similar outcomes between the two groups.

Questions for Pilots and Further Research

The findings from the knowledge development phase of the TSDTP reveal gaps in services for TANF recipients with disabilities; lack of coordination between TANF, Disability Determination Services (DDS), and SSA staff; and a lack of information about how best to help recipients who have work limitations.

Questions that emerged from this first phase of the project include the following:

- How does the overlap rate between TANF/SSP and SSI in the study sites compare with rates found in full-reporting sites?
- In sites with solely state-funded (SSF) programs, what effects do those have on the overlap rate?
- Are there effective assessments for identifying disabilities among TANF recipients?
- How can SSA and DDS staff coordinate with TANF staff to ensure that TANF staff refer potentially eligible recipients to SSA, assist with the SSI application process, and facilitate a smooth transition from TANF to SSI?
- For TANF recipients with disabilities who may not be eligible for SSI or who may not be interested in applying for it, are there promising strategies to help them become self-sufficient? Are there vocational assessments that can be used to develop appropriate employment goals?

- Should alternative policies or program designs be considered to ensure that people with disabilities are better served and — if they are placed in exempted status — that they receive appropriate services?

The Second Phase of the TSDTP

This report examines the current connections between TANF and SSI to better understand how the two agencies work together and the extent to which TANF recipients are applying for and receiving SSI benefits.

The second phase of the TSDTP used the knowledge attained during the first phase of the project to develop pilot programs that serve TANF participants with disabilities. To examine three different approaches to serving them, three pilot programs were selected and have been implemented in Ramsey County, Minnesota; Los Angeles, California; and Muskegon County, Michigan.²

The implementation of the pilots, which is discussed below, was assessed with ongoing formative feedback, and technical assistance was provided to ensure the implementation of strong program models. Subsequent reports will document the pilots' performance, outcomes, and experiences in implementing the models. The research team conducted site visits and collected data on outcomes from case files and administrative records.

Ramsey County

Ramsey County implemented a new initiative known as Families Achieving Success Today (FAST) to test the efficacy of an integrated, colocated service design that uses evidence-based practices for families with disabilities. This pilot program was an opportunity to test the use of the Individual Placement and Support (IPS) supported employment model — a service design that has been shown to help people with serious mental illness — and motivational interviewing for TANF recipients with disabilities.

The key components of FAST included the following:

²While not a part of the first phase of the TSDTP, Muskegon County was recommended as a pilot site by local SSA staff and Michigan's Department of Human Services (DHS). After a brief assessment of Muskegon County, the research team determined that it was suitable for a pilot site, primarily due to its strong management structure and existing employment providers in the area. Staff structure and procedures were similar to those in Genesee, Mason, and Oceana Counties, allowing the project team to draw on the knowledge gained from these counties during the project's first phase to inform the pilot test.

- TANF families who are exempted from the work participation requirement due to a disability were assigned to a FAST case manager, who coordinated the participant's activities.
- Partner agencies — which provided mental health and community health care for adults and children, vocational rehabilitation, and TANF employment services — were colocated to increase access for families, reduce competing demands, and streamline services. Staff from the partner agencies met regularly to review cases in common and to develop coordinated plans to meet the family's needs.
- The program followed the core principles of the supported employment model, which include finding competitive jobs in the community that fit participants' needs and interests; fully integrating mental health services; using a rapid job search approach to help participants find jobs directly, rather than providing lengthy assessments, training, and counseling; and setting goals and designing plans that are based on individuals' preferences, strengths, experiences, and abilities.

Using a random assignment research design, the assessments of FAST compared the early experiences and outcomes of its participants with those of individuals who went through the traditional services for recipients with disabilities. The research sample comprises study participants who were randomly assigned to one of these two groups from April 2010 through December 2011. The sample size of about 240 FAST participants and a slightly smaller control group is too small to detect anything but large differences in outcomes, but the pilot will contribute to answering the following questions:

- What were the early implementation challenges of the supported employment model? To what extent did families participate in these services?
- Is the supported employment model appropriate for families on public assistance? Are adaptations needed?
- Does early experience indicate trends toward increases in employment and economic stability?
- Does early experience show increased access and coordination of services, adherence to treatment, and the elimination of service gaps or overlaps?
- Is program scale-up feasible for a large-scale random assignment evaluation?

A fidelity review was conducted to measure the level of implementation of the IPS supported employment model, and site visits were undertaken to meet with program staff and participants and gather their views on the challenges and benefits of implementing this program. In addition, the research team collected information from the automated case management systems used by the FAST program and the control groups, the TANF benefit system, and unemployment insurance (UI) wage records. Key outcomes of the FAST group will be compared with those of the control group.

Los Angeles County

Los Angeles County's TSDTP pilot sought to increase the number of eligible adult SSI applications approved at the initial stage by the SSA by improving the quality of SSI applications submitted by the Los Angeles County Department of Public Social Services (DPSS) on behalf of disabled TANF participants. It was hoped that doing so would result in increased families' economic well-being, faster SSI decisions, and quicker movement toward employment services in the event that an individual was found ineligible for SSI.

The key components of the pilot included the following:

- DPSS SSI advocates — typically assigned primarily to help TANF participants who are exempt from work participation due to incapacity apply for SSI — received training from local SSA and/or DDS staff designed to strengthen the quality of SSI applications. Training focused on two areas:
 - Improving the quality of behavioral and functional observations included in the SSI applications
 - Providing better descriptions of a participant's work history
- DDS provided ongoing feedback on the quality of applications received from the SSI advocates. This feedback aimed to reinforce effective practices as well as to strengthen areas that need improvement.
- DPSS, SSA, and DDS established liaisons to develop effective work flows, to facilitate ongoing coordination and communication regarding the SSI application process, and to troubleshoot specific cases as appropriate.

DPSS has SSI advocates stationed at three county TANF offices. SSI advocates in each office worked with participants who are normally served by the office in which they are stationed as well as participants served by other offices across the county that do not have advocates. DPSS selected the Glendale office to implement pilot activities related to improving the quality of applications submitted from this office.

The research team monitored the pilot operations to address the following research questions:

- Were the changes to the SSI advocacy program for TANF participants implemented as planned? What adaptations were made during implementation?
- How did the process changes that were implemented by DPSS influence the number of TANF participants applying for SSI?
- Did the quality of SSI applications that were submitted by DPSS improve after implementation of the pilot?
- Was there a change in the SSI approval rates and processing time?
- What implementation challenges emerged as DPSS, SSA, and DDS put the pilot's process changes in place? How were these challenges addressed?
- What lessons does the pilot offer for other TANF agencies with regard to helping participants through the SSI application process?

The evaluation in Los Angeles focused on documenting the changes implemented in the SSI application process and on tracking the flow of participants through the SSI advocacy process. While administrative data will be analyzed to address the research questions related to application approval rates and decision time, the size and duration of the pilot as well as the absence of a strong counterfactual pose challenges to drawing causal inferences. Nonetheless, the research team may be able to make qualitative judgments with regard to the effects of the process changes on these outcomes.

Muskegon County

Michigan's Department of Human Services (DHS) implemented an intervention in Muskegon County that was designed to improve the identification of disabilities in the TANF program and provided motivational interviewing and employment services in order to increase activity levels and improve employment outcomes for TANF recipients. This pilot presented an opportunity to test with a TANF population the SSI/SSDI Outreach, Access, and Recovery (SOAR) model, which has been used to help homeless individuals obtain SSI benefits. This pilot also provided a chance to explore better employment supports for TANF recipients with disabilities as well as better ways to motivate recipients to engage in work activities and employment.

The key components of the pilot included the following:

- Better development of medical evidence for the Medical Review Team (MRT) and SSA disability applications. Michigan DHS staff have typically developed medical evidence for review by the state's MRT (Chapter 2, Box 2.1). However, DHS staff have little training on this development, and the review process is hampered by incomplete evidence and applications. Under this pilot, DHS identified specialized staff who used the SOAR model as well as adopted medical evidence standards used on SSA disability applications in order to improve the quality of applications to the MRT and subsequent applications to SSA, if the MRT found that the individual has a disability. TANF recipients who claimed a disability in Muskegon County during the time of the pilot went through this process.
- Michigan provided evidence-based motivational interviewing to both new applicants claiming a disability and existing TANF recipients who claimed a disability but were not exempt from and did not participate in work activities. The purpose of this interviewing was to develop higher expectations and a more positive approach to work activities and employment.
- Michigan contracted with Goodwill Industries of Western Michigan to provide disability-specific employment services to TANF recipients after they went through the motivational interviewing. Under typical services, no such disability-specific employment supports are available.

The pilot test was designed to address the following questions:

- Did motivational interviewing and vocational supports lead to increased engagement?
- Did pilot services increase employment rates or engagement in vocational activities and job search activities?
- Did the SOAR model and specialized staff result in quicker and more accurate decisions about disability? When appropriate, can that information be shared successfully with DDS in Michigan to support applications for SSA disability programs?

The research team will capture information about MRT decisions and how they differ from historical SSI application decisions. Activity levels and employment will be compared with those of existing TANF recipients.

Additional Data Analysis

Even though the current analysis pools data across all the full-reporting states, it is likely that there are differences in interactions between SSI and TANF/SSP programs by state, driven by differences in the composition of TANF/SSP caseloads due to program rules as well as local economic conditions. In addition, although SSI is a national program, the field research suggests that there may be some small variations in local practice.

Conducting separate state analyses and understanding the extent of these variations across all the full-reporting states is beyond the scope of this project. However, the second phase of the TSDTP will explore this variation by conducting overlap analyses similar to the one presented here, using caseload data provided by participating sites. These analyses will provide information about the interactions between TANF/SSP and SSI in large states or counties, which are underrepresented in the sample of full-reporting states, and also about recipients being served in solely state-funded programs. The second phase of the TSDTP benefits from leveraging the contextual knowledge gained from the field research conducted in the first phase of the project to shed more light on the results of the site-specific analysis. The state analyses will also address questions and concerns specific to each site, such as the links between SSI and solely state-funded programs that were developed as a strategy for working with disabled recipients.

Subsequent Reports from the Project

Subsequent reports from the TSDTP will summarize the key features and components of the pilot programs and their outcomes. These reports will also include results from analysis of the participating sites' TANF/SSP data merged with SSI data. Together, the two phases of the TSDTP will provide important information about the current connections between TANF and SSI and the findings from three pilots that are designed to improve these connections and better serve adult TANF recipients with disabilities.

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Appendix A

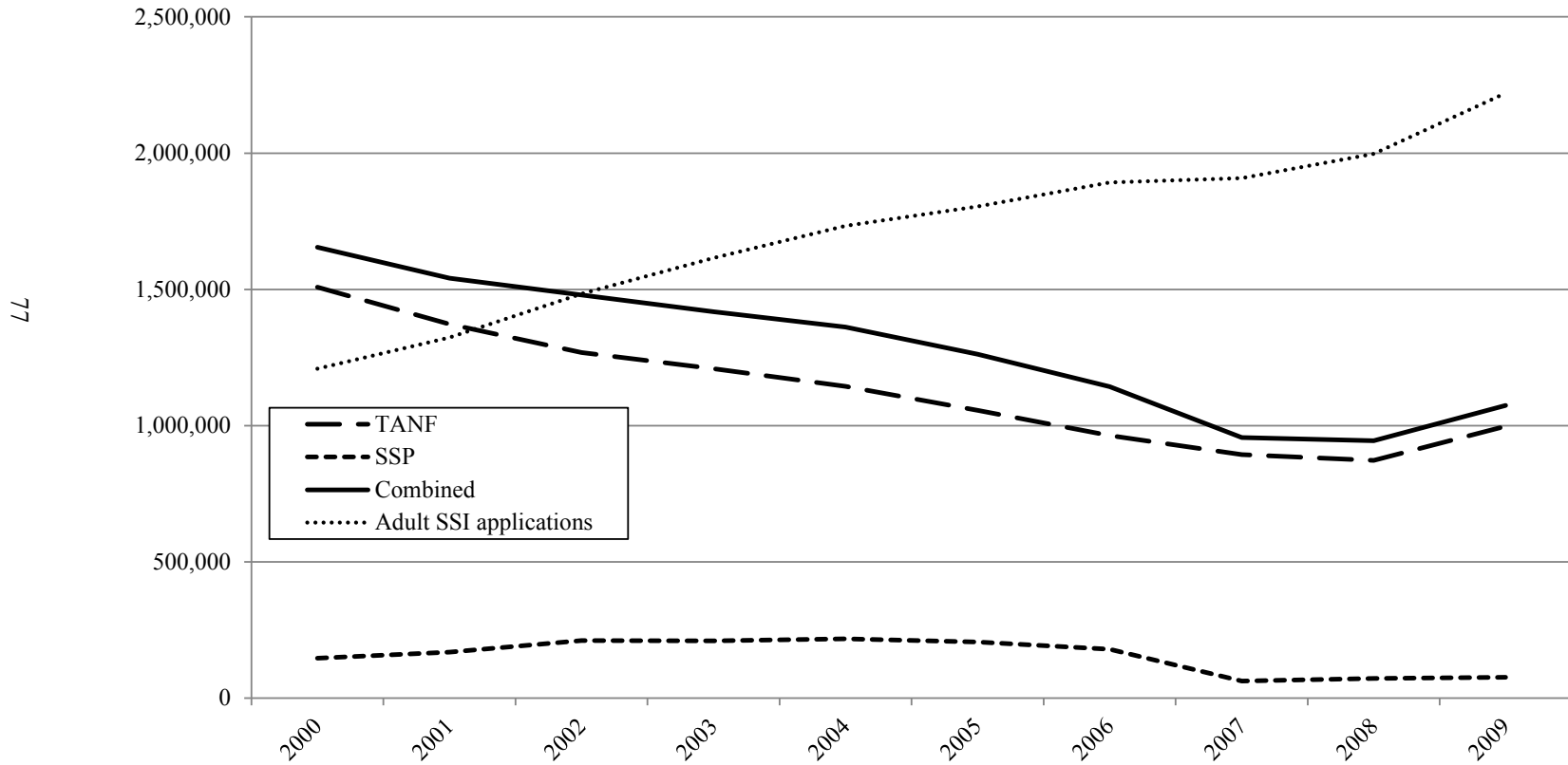
**Supplemental Exhibits:
Trends in TANF/SSP Caseloads and in
SSI Applications and Awards**

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The TANF/SSI Disability Transition Project

Appendix Figure A.1

National Trends in Adult TANF/SSP Recipients and SSI Applications, 2000-2009

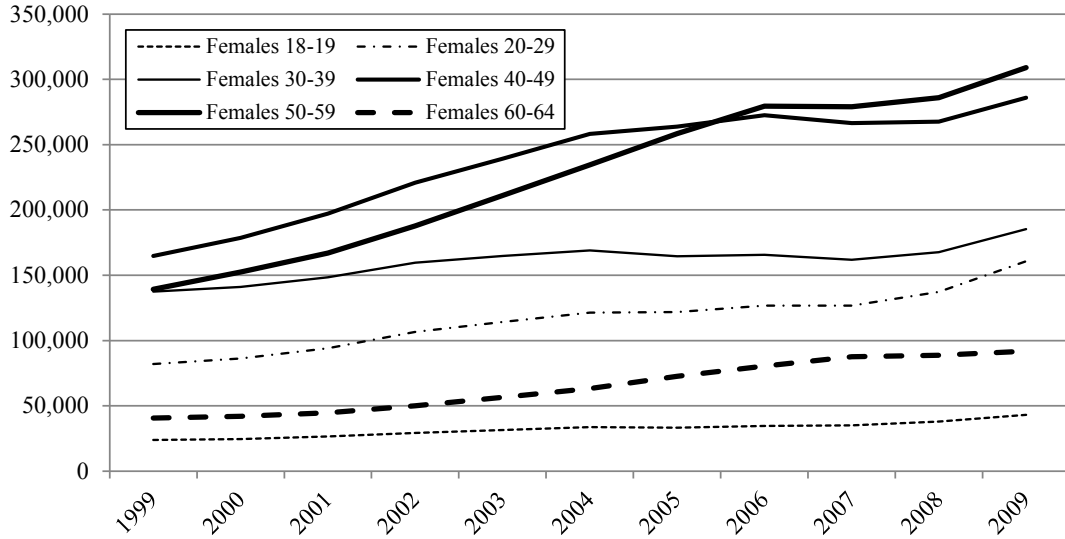


SOURCES: TANF and SSP caseload data for 2000-2009 are from ACF's Office of Family Assistance. Web Site: <http://www.acf.hhs.gov/programs/ofa/tanf/index.html>; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

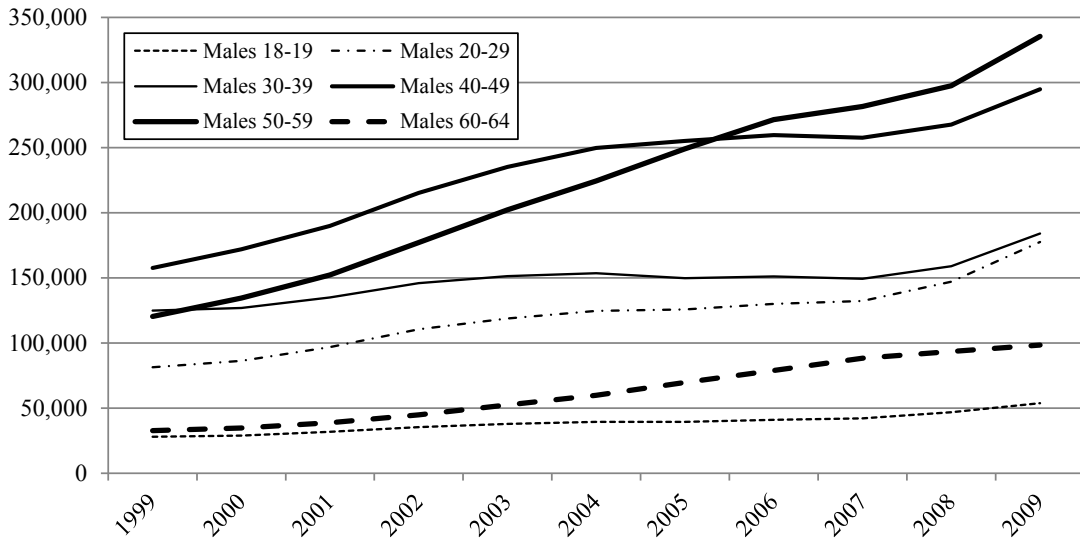
Appendix Figure A.2

National Trends in Adult SSI Applications, by Gender and Age Group, 1999-2009

Female SSI applications, by age



Male SSI applications, by age

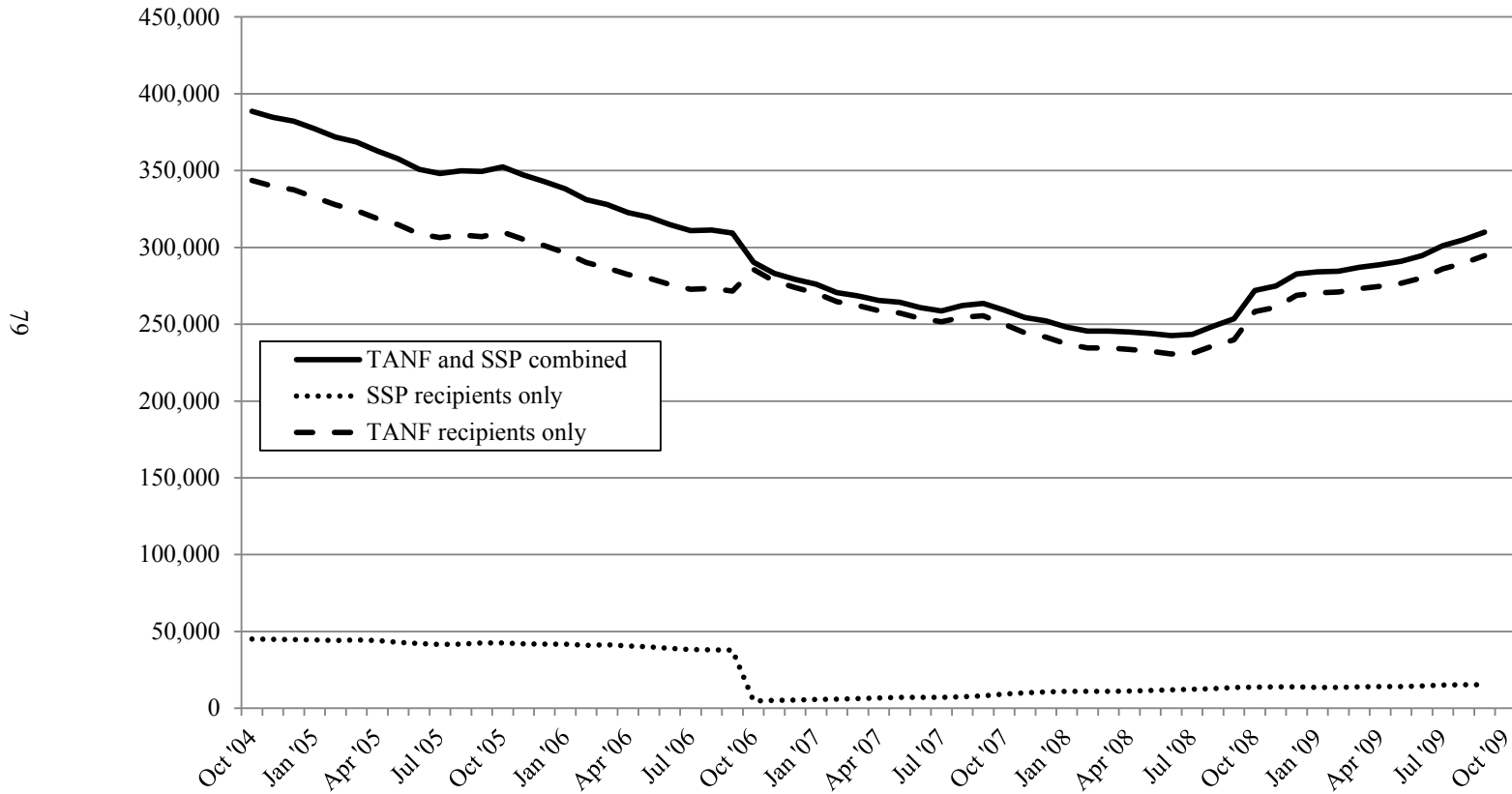


SOURCE: MDRC calculations using Social Security Administration SSI Disability Research File (DRF) 2009-2010.

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Appendix Figure A.3

Trends in TANF and SSP/MOE Caseloads in Full-Reporting States, FY 2005-2009

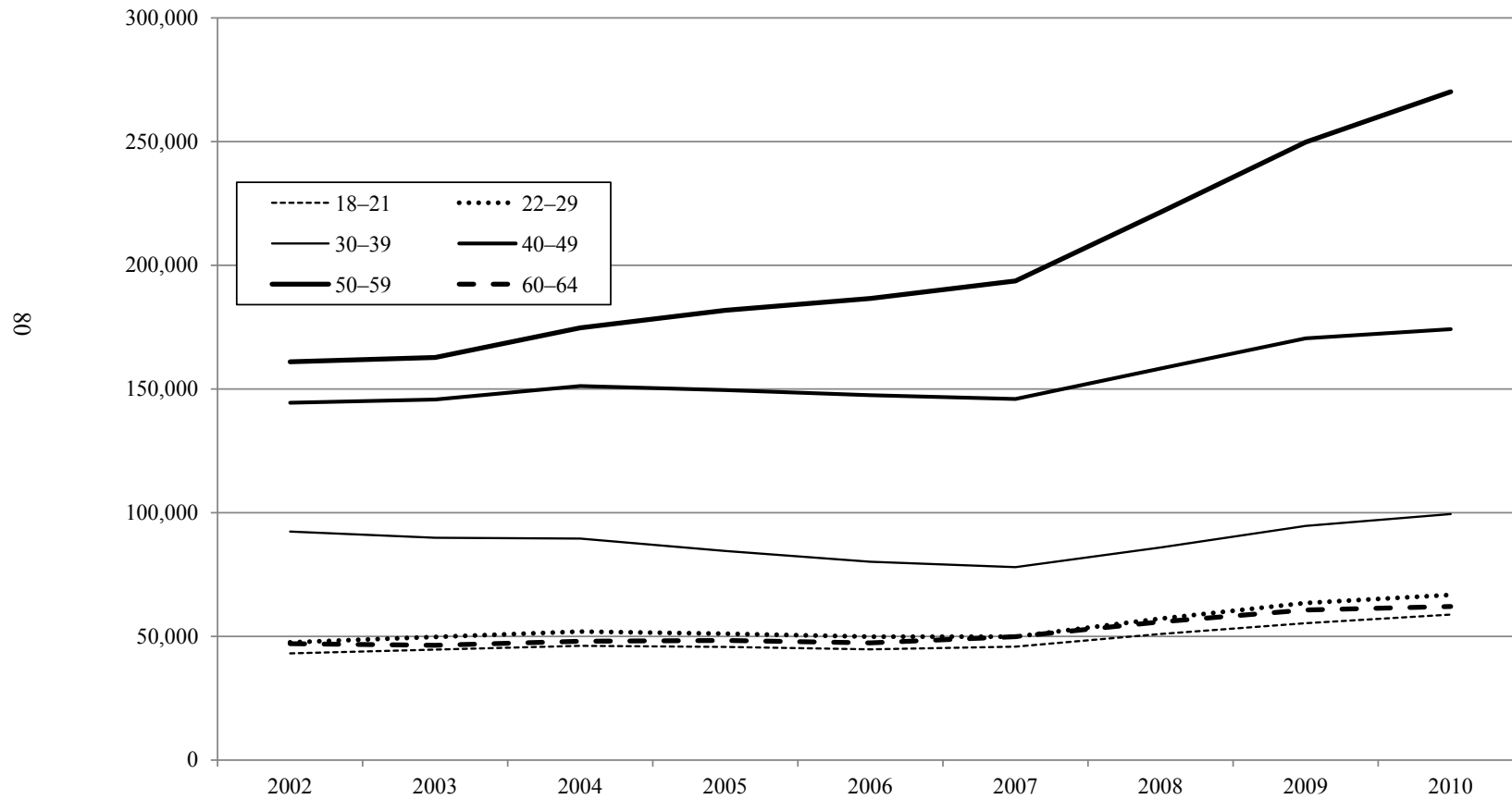


SOURCE: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009.

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Appendix Figure A.4

National Trends in SSI Awards for Adults Ages 18 to 64, 2002-2010



SOURCE: SSI Annual Statistical Report, 2010, Social Security Administration.

Appendix B

**Supplemental Exhibits:
Selected Characteristics of the SSI Overlap Sample
and of TANF/SSP Recipients**

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The TANF/SSI Disability Transition Project

Appendix Table B.1

Selected Characteristics of Overlap Sample, by SSI Application Outcome

Characteristic	Awarded	Not Awarded	Effect Size
<u>Family characteristics</u>			
Amount of cash assistance (\$)	338	315	0.13
Number of aided adults	1.2	1.2	0.00
Number of children on TANF case	1.7	1.7	-0.06
Age of youngest child on TANF case ^a	7.8	6.0	0.32
Type of household (%)			
One-parent	86.3	85.5	0.02
Two-parent	12.7	13.6	-0.03
Child-only	1.0	0.8	0.02
Funding stream (%)			
TANF	95.5	95.6	0.00
SSP	4.5	4.5	0.00
<u>Characteristics of adults</u>			
Average age (years)	37.1	32.8	0.46
Gender (%)			
Female	76.6	79.9	-0.08
Male	23.4	20.1	0.08
Race/ethnicity (%)			
Hispanic	8.3	8.1	0.01
White	60.2	57.8	0.05
African-American	24.5	27.9	-0.08
Other	7.0	6.1	0.03
Highest education level (%)			
No high school diploma or GED certificate	36.7	37.5	-0.02
High school diploma or GED certificate	56.3	57.0	-0.01
Some postsecondary education	4.1	3.0	0.06
Other credential	2.8	2.4	0.03
Marital status (%)			
Single	44.3	51.5	-0.14
Married	21.0	19.4	0.04
Separated, divorced, or widowed	34.7	29.1	0.12
Relationship to head of household (%)			
Self	87.8	88.5	-0.02
Spouse	9.4	8.1	0.05
Other	2.8	3.4	-0.03

(continued)

Appendix Table B.1 (continued)

Characteristic	Awarded	Not Awarded	Effect Size
Work participation status (%)			
Counted as participating	10.7	15.5	-0.13
Not meeting participation requirement	53.4	52.3	0.02
Not participating, exempt from requirement	24.4	17.1	0.19
Disregarded from rate calculation	11.0	14.6	-0.10
Not applicable	0.6	0.5	0.01
Exempt due to disability (%)	20.0	13.1	0.21
Sanctioned for failure to comply with work requirements (%)	3.2	3.6	-0.02
Participated in any work activities (%)	28.8	33.4	-0.10
Total hours of work activities	6.3	8.0	-0.11
Employment status (%)			
Employed	11.6	15.1	-0.10
Unemployed	43.5	46.5	-0.06
Not in labor force	44.9	38.4	0.13
Time-limit characteristics (TANF months only)			
<i>Months toward federal time limit</i>	<i>18.0</i>	<i>16.6</i>	<i>0.07</i>
<u>Characteristics of SSI application</u>			
Application processing time			
Months from application to initial decision (not including pendings)	4.1	3.7	0.15
Months from application to final decision (not including pendings)	13.1	7.6	0.63
Months of total processing time from earliest application to final decision on latest application	14.4	12.1	0.20
Consultative exam requested on any application (%)	34.9	33.3	0.03
Reason for denial (%)			
<i>Pendings</i>		9.5	
<i>Technical denials</i>		12.2	
<i>Residency</i>		0.6	
<i>Employment, income, and assets</i>		6.2	
<i>Withdrew, failure to pursue or cooperate</i>		5.0	
<i>Inmate, fleeing felon</i>		0.2	
<i>Other</i>		0.0	
<i>Missing</i>		0.2	
<i>Subsequent technical denials</i>		4.4	
Sample size	8,649	15,904	

(continued)

Appendix Table B.1 (continued)

Characteristic	Awarded	Not Awarded	Effect Size
<u>Excluding initial technical denials</u>			
Diagnostic group (%)			
Mental disorders	42.0	33.2	0.19
Musculoskeletal system	20.9	28.9	-0.18
Cardiovascular system	3.9	3.5	0.02
Neurological systems	6.0	5.6	0.01
Neoplastic diseases	4.4	1.4	0.26
Other impairments ^b	12.9	11.9	0.03
Unknown	2.3	11.4	-0.29
Missing	7.7	4.1	0.18
<u>SSI decision</u>			
Highest adjudicative level reached (%) (medical decisions only)			
Initial level	50.2	62.5	-0.25
Reconsideration level	9.5	12.8	-0.10
Hearing level	40.3	24.7	0.36
Sample size ^c	8,649	13,970	

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months prior to and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age. Characteristics data are as of the month closest to the individual's initial SSI application date. For individuals with no TANF/SSP receipt in the month of SSI application or in the prior year, the first month of TANF/SSP receipt following the initial SSI application is used.

SSI outcomes reflect the status of the sample member's latest SSI application (through December 2009). The "Not Awarded" status includes denials as well as those SSI applicants whose applications were still pending as of June 2010.

Italic type signals measures that are calculated for a subset of the full sample.

^aTANF/SSP adults from families with no eligible recipient children (for example, a pregnant mother in her third trimester) are excluded from this measure.

^bThe five most frequent diagnostic groups among awarded adult claims in FY 2007 are listed.

^cSSI outcome measures in this table are not available for applications that were denied on technical (nonmedical) grounds.

The TANF/SSI Disability Transition Project

Appendix Table B.2

Selected Characteristics of TANF/SSP Recipients,
by TANF/SSP Receipt Relative to SSI Application

Characteristic	Overlap Sample: Subgroups			
	SSI First	Simultaneous	TANF First, Cycler	TANF First, Long Term
<u>Family characteristics</u>				
Amount of cash assistance (\$)	277	298	333	385
Number of aided adults	1.2	1.2	1.2	1.1
Number of children on TANF case	1.5	1.6	1.7	1.8
Age of youngest child on TANF case ^a	6.7	7.5	6.3	6.8
Type of household (%)				
One-parent	85.7	84.2	85.4	90.3
Two-parent	13.7	15.2	13.8	7.2
Child-only	0.6	0.7	0.7	2.4
Funding stream (%)				
TANF	97.8	97.7	93.3	98.3
SSP	2.2	2.3	6.7	1.7
<u>Characteristics of adults</u>				
Average age (years)	34.3	36.4	33.5	34.7
Gender (%)				
Female	73.5	68.1	82.1	89.3
Male	26.5	31.9	17.9	10.7
Race/ethnicity (%)				
Hispanic	7.5	8.2	8.3	8.7
White	60.9	61.6	57.6	55.2
African-American	26.4	23.7	27.4	29.2
Other	5.3	6.5	6.7	7.0
Highest education level (%)				
No high school diploma or GED certificate	35.8	32.4	39.1	39.1
High school diploma or GED certificate	57.9	60.7	55.3	55.2
Some postsecondary education	3.9	4.2	3.0	3.5
Other credential	2.4	2.7	2.6	2.3
Marital status (%)				
Single	46.6	41.8	50.9	55.5
Married	22.5	25.6	18.2	14.9
Separated, divorced, or widowed	30.9	32.7	30.9	29.6
Relationship to head of household (%)				
Self	86.0	82.8	89.6	94.9
Spouse	9.9	13.1	7.4	4.3
Other	4.2	4.1	3.1	0.8

(continued)

Appendix Table B.2 (continued)

Characteristic	Overlap Sample: Subgroups			
	SSI First	Simultaneous	TANF First, Cycler	TANF First, Long Term
Work participation status (%)				
Counted as participating	7.8	8.0	18.3	12.3
Not meeting participation requirement	59.0	58.0	49.9	46.8
Not participating, exempt from requirement	20.5	24.2	15.7	28.4
Disregarded from rate calculation	12.2	9.5	15.6	11.4
Not applicable	0.5	0.4	0.5	1.1
Exempt due to disability (%)	16.8	20.8	11.6	22.1
Sanctioned for failure to comply with work requirements (%)	0.8	0.6	5.5	2.8
Participated in any work activities (%)	21.4	24.4	37.2	35.7
Total hours of work activities	4.3	4.8	9.3	7.7
Employment status (%)				
Employed	8.2	9.2	18.4	9.7
Unemployed	48.4	47.3	44.6	41.7
Not in labor force	43.5	43.6	36.9	48.6
Time-limit characteristics (TANF months only)				
Months toward federal time limit	7.5	7.9	19.9	34.5
Months toward federal time limit (%)				
Zero	10.0	12.5	5.9	2.6
1-12	71.6	67.7	43.2	15.5
13-24	8.8	9.9	22.0	24.4
25-36	4.8	4.7	11.6	17.8
37-48	2.4	2.7	7.2	14.9
49-60	1.4	1.4	5.0	10.2
Over 60	1.1	1.2	5.1	14.7
Sample size	4,220	4,775	12,671	2,887

SOURCES: MDRC calculations using ACF Section I TANF and SSP/MOE data, FY 2005-2009; Social Security Administration SSI Disability Research File (DRF) 2009-2010.

NOTES: The overlap sample includes individuals who applied for SSI as a disabled adult (ages 18-64) for the first time during FY 2007 in a full-reporting state and who received TANF or SSP benefits as an adult in a full-reporting state between 12 months prior to and 12 months after his or her initial SSI application. TANF/SSP adults may be under 18 or over 64 years of age.

^aTANF/SSP adults from families with no eligible recipient children (for example, a pregnant mother in her third trimester) are excluded from this measure.

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Glossary

AFDC: Aid to Families with Dependent Children. Established by the Social Security Act of 1935, a grant program to enable states to provide cash welfare payments for needy families. State expenditures were matched by the federal government on an open-ended basis. States defined “need,” set their own benefit levels, established (within federal limitations) income and resource limits, and administered the program or supervised its administration. This program was replaced in 1996 by Temporary Assistance for Needy Families (TANF). Also see “TANF.”

child-only TANF cases. TANF cases in which only the children, and no adults, are included in the TANF assistance unit.

consultative exam. Physical or mental examination performed by a qualified medical professional when information (for example, clinical findings, laboratory tests, diagnosis, and prognosis) is needed to make a disability determination.

DDS: Disability Determination Services. The state agency responsible for developing medical evidence and rendering the initial determination and reconsideration on whether a claimant is disabled.

exemption from the time limit. A circumstance under which a month of TANF assistance does not count toward a family’s time limit on benefits. Also see “extension of the time limit.”

exemption from the work requirements. A circumstance in which a state determines that an individual is not required to engage in work; however, the TANF family may be included in the calculation of the work participation rate.

extension of the time limit. A circumstance under which TANF assistance may be continued even though a family has reached their time limit on benefits. Also see “exemption from the time limit.”

federally countable TANF work activities. One of twelve activities that federal law allows to satisfy a state’s obligation to ensure that a minimum percentage of TANF families with a work-eligible individual participate in employment-related activities. These activities are unsubsidized employment, subsidized private sector employment, subsidized public sector employment, work experience, on-the-job training, job search and job readiness assistance, community service, vocational educational training, providing child care to a participant in a community service program, job skills training, education related to employment, and completion of high school or a General Educational Development (GED) program. This report refers to federally countable work activities simply as “work activities.”

GA: General Assistance. State-run programs that provide cash assistance to low-income individuals.

IPS model: Individual Placement and Support model. An evidence-based model of supported employment specifically designed to serve individuals with serious mental illness.

MOE: maintenance of effort. Expenditures of state funds required in order for a state to receive its full TANF federal block grant each year. Under the basic MOE requirement, states must spend 80 percent of Fiscal Year 1994 spending (75 percent, if they meet work participation requirements) on qualified state expenditures to eligible families.

motivational interviewing. A counseling method that takes a collaborative, “client-centered” approach to behavior change. Motivational interviewing aims to strengthen an individual’s motivation for and movement toward a specific goal.

prototype process. A disability redesign model being tested in 10 states. This model includes, among other things, the elimination of the reconsideration step of the SSI appeals process.

sanctions for noncompliance with work activities. The financial penalties imposed on families who do not comply with work requirements, without good cause. State sanctioning policies vary and range from partial sanctions, which reduce the grant amount, to full-family sanctions, which terminate cash assistance to the entire family.

SGA: substantial gainful activity. A level of work activity that is both substantial and gainful. Substantial work activity involves performance of significant physical or mental duties, or a combination of both, which are productive in nature. For activity to be substantial, it need not necessarily be performed on a full-time basis; work activity on a part-time basis may also be substantial. Gainful activity is work performed for pay or profit; or work of a nature generally performed for pay or profit, whether or not a profit is realized. For SSI purposes, the substantial gainful activity provision does not apply to blind individuals.

SOAR. See “SSI/SSDI Outreach, Access, and Recovery.”

SSA field office. A local Social Security Administration (SSA) office that assists individuals with issues related to programs administered by Social Security, including applying for disability benefits.

SSDI: Social Security Disability Insurance. SSDI provides benefits to disabled or blind persons who are insured by workers’ contributions to the Social Security trust fund.

SSF program: solely state-funded (SSF) program. A program using state funds to provide non-TANF assistance that is not reported as MOE. States began implementing SSF programs after changes were made to the TANF program in the Deficit Reduction Act (DRA) of 2005

that began counting families receiving assistance through an SSP in the work participation calculation. Also see “SSP.”

SSI: Supplemental Security Income. A federal supplemental income program funded by general tax revenues that helps aged, blind, and disabled people who have limited income and resources by providing monthly cash payments to meet basic needs for food, clothing, and shelter.

SSI advocates. Staff of local TANF agencies, advocacy groups, or other service providers — unassociated with SSA or SSA field offices — who provide assistance to individuals applying for SSI and SSDI; some also help individuals with the appeals process.

SSI determinations appeals levels:

Reconsideration. This is the first step in the administrative review process in nonprototype states. When an individual disagrees with an initial determination, the individual may ask SSA to reconsider the decision.

Hearing before an administrative law judge (ALJ). When an individual disagrees with a reconsideration determination, he or she may request a hearing before an ALJ.

Appeals Council review. When an individual disagrees with the decision or dismissal by the ALJ, he or she may request that the Appeal Council review that decision. The Appeals Council may deny or dismiss the request for review, or it may grant the request and either issue a decision or remand (return) the case to an ALJ. The Appeals Council may also review any ALJ action on its own motion.

Federal court review. When an individual disagrees with SSA’s final decision, he or she may request judicial review by filing a civil action in a federal district court.

SSI/SSDI Outreach, Access, and Recovery (SOAR). This is a national project funded by the Substance Abuse and Mental Health Services Administration that was designed to increase access to SSI/SSDI for eligible adults who are homeless or at risk of homelessness and who have a mental illness and/or a co-occurring substance use disorder.

SSP: separate state program. A program using MOE funds without any TANF funds. Expenditures on SSPs can help states meet the MOE requirement. Prior to passage of the Deficit Reduction Act (DRA) of 2005, families who received assistance from an SSP were excluded from the work participation rate calculation. Also see “SSF program.”

state MOE funds. Expenditures of state funds that count toward the maintenance-of-effort (MOE) requirement. Under the basic MOE requirement, states must spend 80 percent of Fiscal Year 1994 spending (75 percent, if they meet work participation requirements) on qualified state expenditures to eligible families

TANF: Temporary Assistance for Needy Families. A federal block grant created by the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) to be used by states to meet any of the four purposes set out in federal law: (1) to provide assistance to needy families with children so that children can be cared for in their own homes or in the homes of relatives; (2) to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) to prevent and reduce out-of-wedlock pregnancies; and (4) to encourage the formation and maintenance of two-parent families. Also see “AFDC.”

TANF assistance. Cash payments, vouchers, and other forms of benefits paid for with TANF funds and designed to meet a family’s ongoing basic needs (that is, for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses), including such supportive services as transportation and child care provided to families who are not employed.

TANF federal time limit. A lifetime limit of 60 cumulative months of federal TANF assistance for most families with an adult recipient. Months of assistance receipt accrue when assistance is provided to families using federal TANF funds, in whole or in part. States may elect to impose shorter time limits.

vocational assessment. The process of determining an individual’s interests, job aptitudes and skills, and work capacities in order to help the individual develop career goals.

work activities. See “federally countable TANF work activities.”

work participation rate. The percentage of TANF/SSP families with a work-eligible individual who are subject to a work requirement and who participate in a countable work activity for the required amount of time.

work-participation requirement. The requirement that at least 50 percent of families receiving TANF/SSP assistance with a work-eligible individual participate in employment-related activities (see “federally countable TANF work activities”) for a minimum average of 30 hours per week in a month (20 hours for a single parent with a child under age 6). For families with two work-eligible parents receiving TANF assistance, states must have at least 90 percent of families in work activities for at least an average of 35 hours per week in a month (55 hours for a family receiving federally subsidized child care). In most states, certain categories of recipients — for example, recipients with medical problems or those with very young children — are temporarily excused from these requirements. See “exemption from work requirements.”

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