State Partnership Systems Change Initiative (SPI) Project Office

Final Evaluation Report of the SSI Work Incentives Demonstration Project

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Introduction

The Social Security Administration (SSA) authorized implementation of the SSI Work Incentives Demonstration Project, conducted under the authority of section 1110(b) of the Social Security Act[1], on January 26, 2001. Also known as the SSI Waiver Demonstration Project, the SSI Work Incentives Demonstration was implemented by the State Partnership Initiative (SPI) Projects in California, New York, Vermont and Wisconsin. Although the Vermont Project enrolled a small number of participants in March and April, implementation across all four of the Projects began in May of 2001. The SSI Waiver Demonstration Project implementation ceased as of September 30th, 2004. This report constitutes the research analyses and final report for this endeavor.

Elements of the Waiver Demonstration. The alternative SSI program rules that were tested under the SSI Waiver Demonstration Project consist of four elements. Elements 1 through 3 apply to participants in the project who are SSI-only recipients or concurrent beneficiaries. Element 4 only applies to participants who are SSI-only recipients; it does not apply to concurrent beneficiaries. Each component is briefly summarized below:

1. Three-for-Four Earnings Deduction – This is also called the increased earned income exclusion work incentive. Under the increased earned income exclusion work incentive, SSA excluded the first $65 of a Project participant's gross monthly-earned income plus an additional 75 percent of any remaining gross monthly-earned income, or an additional $3 for every $4 earned. This differs from the current rules under which SSA excludes the first $65 of monthly earned income plus an additional 50 percent of any remaining gross monthly earned income, or an additional $1 for every $2 earned. The Vermont Project did not offer the three-for-four earnings deduction.

2. Unearned Income Related to Work Activity Treated as Earned Income – Under this element, for purposes of determining an SSI recipient's countable income certain types of temporary unearned income related to work activity were treated in the same manner as earned income was treated under the three-for-four earnings deduction described above. For Waiver Project participants, SSA excludes the first $65 per month of certain types of unearned income that result from work activity, plus 75 percent of the remainder of such unearned income in a month. This differs from current SSI rules under which SSA excludes only the first $20 of unearned income in a month. The types of temporary unearned income that result from work activity that are subject to the alternative rule are: Unemployment insurance benefits, worker's compensation benefits, State

[1] Section 1110(b) of the Social Security Act allows the Commissioner to test whether the implementation of alternative program rules will encourage recipients to attempt to work for the first time, return to work, or increase their work activity and earnings.

disability benefits, and disability-related benefits paid through private insurance plans. Other types of benefits, such as Social Security benefits or Veterans benefits from the Department of Veterans Affairs, were treated as unearned income based on current SSI rules.

3. Independence Account – An additional resource exclusion, what has been dubbed "Independence Accounts", was allowed for Waiver demonstration Project participants. Under this Waiver, SSA is allowing participants to maintain assets above the current $2,000 limit in these Independence Accounts. For purposes of determining an SSI recipient's countable resources, SSA excludes monies conserved (including any accrued interest) in one separate account for saved wages, not to be commingled with other monies, and with deposits limited to 50 percent of gross earnings, not to exceed $8,000 per year. The account may be a checking or savings account, certificate of deposit, money market or mutual fund account. It cannot be any type of retirement plan such as an IRA, Roth IRA, 401(k) plan, or 403(b) plan. The period during which a participant was permitted to deposit a portion of his or her wages into the Independence Account ended either when he or she ceased to be a Project participant, or September 30, 2004 when the Waiver ended. Following the close of the period for making deposits, SSA has allowed a 24-month spend-down period during which the resource exclusion under the Project would continue to apply to monies in the account.

4. Medical Continuing Disability Reviews – SSA suspended medical continuing disability reviews (CDRs) for Waiver demonstration Project participants who were SSI-only recipients with "medical improvement possible" (MIP) or "medical improvement not expected" (MINE) diaries. For a participant meeting these criteria, SSA did not initiate a medical CDR during the period this work incentive was in effect (i.e., through September 30, 2004). The suspension of medical CDRs did not apply to redeterminations of disability that are required for childhood disability recipients who attain age 18.

Model Tested. Each of the four Projects used slightly different criteria for implementation of the Waiver demonstration. The Projects in California, New York and Wisconsin offered all four of the alternative SSI program rules described in items 1 through 4 above, whereas the Project in Vermont offered the alternative SSI program rules described in items 2 through 4 above. Additionally, the New York Project considered waiver participation to be a component of the SPI Project in New York (e.g.; all SPI participants in the New York Project were automatically classified as waiver participants), whereas the other three Projects considered the Waiver demonstration to be in addition to the other SPI services (i.e.; a high percentage of the SPI participants in the California, New York, and Wisconsin Projects were offered the waivers, and individuals were required to be SPI participants in order to take advantage of the waivers, but participation in the SPI Project was not contingent upon waiver demonstration participation).

Although it may at first appear that the best way to evaluate the Waiver demonstration would be outcomes analyses of each of the four elements separately, especially in light of the fact that the Vermont Project did not offer the first element, an in-depth analysis of the independent elements is not feasible for several reasons. First, all but the fourth element are employment dependent. They are hypothetically available, and are put forth as an incentive to obtaining employment, but they cannot be used until the participant actually becomes employed. Therefore, the offer of an element may have influenced a participant to obtain and/or maintain or increase employment, but that particular element may have never been utilized within the timeframe of this study.

Second, and statistically most important, the elements are used on an as needed basis. There was no statistical control over who received what element when. Consequently, the elements must be viewed as a package. There is, therefore, one model being tested with the analyses – the Waiver demonstration implementation, regardless of the variations in implementation among the Projects.

Participants. Those disabled or blind SSI recipients and concurrent beneficiaries who were enrolled in the SPI Cooperative Agreement Projects in California, New York, Vermont and Wisconsin were eligible for participation. Participation of an SSI recipient or concurrent beneficiary in the SSI Work Incentives Demonstration Project was voluntary, as required under section 110(b)(2)(B) of the Act and the implementing regulation at 20 CFR 416.250(d). An enrollee in one of the SPI Projects would become a participant in the SSI Work Incentives Demonstration Project by providing a voluntary written consent. The individual's consent to participate in the SSI Work Incentives Demonstration Project could have been revoked by the individual at any time. In addition, an individual's status as a participant in the SSI Work Incentives Demonstration Project ended if that person’s participation in SPI ended for any reason.

Evaluation of the Demonstration. The individual SPI Projects collected data from each participant regarding identifying information, educational and vocational background, services provided, work attempts and outcomes. Additional data were maintained for the Waiver participants regarding the use of the alternative SSI program rules. These data were sent by each Project to the Virginia Commonwealth University (VCU) SPI Project Office for aggregate statistical analyses. Comparative employment outcome analyses were performed from three perspectives: outcomes versus baseline; Waiver participants versus eligible participants who did not enroll in the Waivers; and Waiver participants versus SPI participants from other Projects who would have been eligible to use the waivers if they had been offered. In addition, each Project provided a qualitative assessment of the effectiveness of the alternative SSI program rules under the Project model in that State.

Contents of This Report. This final evaluation report includes:

- A participation analysis, including the number and percent of eligible beneficiaries who were offered the waivers and the percent that actually used each of the four waivers;
- A description of the demographic characteristics of the beneficiaries who used the waivers;
- Descriptions of the employment situations attained by the participants who used the waivers;
- Statistical outcome analyses comparing the employment outcomes of participants who used the waivers to their employment situations at intake;
- Statistical outcome analyses comparing the employment outcomes of participants who used the waivers to participants who were eligible for the waivers, but elected to not use them;
- Statistical outcome analyses comparing the employment outcomes of participants who used the waivers to participants who were eligible for the waivers, but were served by non-participating SPI Projects;
- An assessment of the quality of the data collected;
- Examples of the ways in which the waivers helped beneficiaries achieve their employment goals and problems encountered;
- Descriptions of the processes used in the four Projects to implement the waivers, along with assessments from the state projects about how well those processes worked;
- Assessments from SSA field and regional offices staff regarding waiver implementation, and the ways in which the waiver processes affected other SSA operations, such as reducing overpayments;
- A discussion that identifies the limitations of this evaluation of the SSI Work Incentives Demonstration Project.
- A summary of results and conclusions.

I. Waiver, Demographic, and Historical Data

The following sections briefly describe the Waiver participation rates in the four Projects in California, New York, Vermont and Wisconsin. This section also provides basic demographic information, and training and employment experiences prior to enrollment in SPI, for the Waiver participants.

Waiver Participation Analysis

Tables 1 through 4 provide an indication of Waiver use by participants in the four Projects.[2] Table 1 identifies what percent of the SPI Projects' samples are eligible for the Waivers, and what percent of the eligible participants actually participate. The eligibility rate was 64% across the four projects, ranging from a low of 44% in the Vermont Project to 100% in the New York Project, a Project in which all SPI participants were SSI recipients. Over three fourths (78%) of the eligible individuals across the four Projects actually enrolled in the Waiver. Enrollment rates ranged from 57% in the Wisconsin Project to 60% in the Vermont Project, 75% in the California Project, and over 100% in the New York Project. Unfortunately, the New York Project enrolled over 200 individuals in the Waivers who were never enrolled in the SPI Core database[3]. Therefore, these individuals are reported here wherever data are available, but are eliminated from any statistical analyses.

As indicated in Table 2, basic enrollment in the Waiver demonstration does not mean that all recipients had actually used each of the individual components. For example, while over one third (37.5%) of participants had made use of the increased earned income exclusion, 20.3% had taken advantage of the Independence Account and 18.7% had made use of unearned income related to employment. However, although the Wisconsin Project meticulously tracked participation in the Waiver demonstration, they did not keep a record of use of individual components. They simply note that each participant enrolled to use the Waivers was enrolled for each individual component, regardless of whether the participant actually used it. The Vermont Project does not offer the increased earned income exclusion component.

Some Waiver participants had been enrolled in SPI prior to the initiation of the Waiver demonstration component. As indicated in Table 3, 387 participants were

[2] Throughout this document, tables that are provided on the individual Project level as well as the aggregate level will be labeled as 'All', 'CA', 'NY', 'WI' and 'VT' to indicated whether the table contains data for all four Projects or an individual state Project. Individual Project data tables were created only where appropriate.

[3] The VCU-Project Office worked with the New York Project throughout the Initiative, attempting to obtain the data for their participants. However, although the Project repeatedly promised data, and occasionally submitted various data components, they were not consistent, and never submitted any data on over 200 participants. Through monthly reports and other requests for intervention, the VCU Project Office kept SSA apprised of the situation.

enrolled prior to the Waiver. These participants are primarily from the California, Vermont and Wisconsin Projects, as the New York Project had a later start-up. The average length of time these individuals have been enrolled in the project was 9.4 months, indicating that there is a limited amount of data available on these participants prior to Waiver implementation.

On average, participants were enrolled in the Waivers for a year and a half, with some participants having only recently enrolled (Table 4). Average length of enrollment is very consistent across states, indicating the four Projects moved quickly to enroll individuals after the formal initiation of the Waiver program in the Spring of 2001. The analyses provided below are based on data provided by the states through September 30, 2004.

Waiver Participation Data Tables

All Projects

Table 1-All: Waiver Eligibility and Enrollment

Total Number of SPI Participants	3536
Number of Eligible SPI Participants (SSI Recipients)[4]	2255
Eligible SPI Participants Percent of Total	63.77
Number Who Actually Enrolled to Use the Waiver	1918
Enrolled Participants Percent of Eligible	85.06

Table 2-All: Number of Waiver Participants Using Each Component[5],[6]

	Frequency	Percent of Enrolled
Increased Earned Income Exclusion (IEIE)	719	37.5
Unearned Income Related to Work Activity (UIRWA)	358	18.7
Independence Account (IA)	390	20.3
Suspended Medical Continuing Disability Review (MCDR)	1124	58.6

[4] There were two factors that comprised eligibility for the waivers. 1) The individual was an SSI recipient (disabled or blind), including concurrent beneficiaries; and 2) The individual was enrolled in one of the four participating SPI Cooperative Agreement Projects: California, New York, Vermont and Wisconsin.

[5] The Vermont Project did not have the Increased Earned Income Exclusion Waiver.

[6] The Wisconsin Project reported all participants as using each component. The VCU-Project Office consulted with SSA in the Fall of 2004 with regard to handling these data, and was instructed to report it as Wisconsin had reported it, rather than reporting the Wisconsin usage as unknown. Therefore, Wisconsin is reported as having 100% usage for each of the four components. However, no statistical analyses are performed on individual Waiver components.

Table 3-All: Months between intake into the SPI project and use of the Waiver for those participants in the project prior to the Waiver

Number of Months in Project Prior to Waiver Participation	N = 387
Mean	9.36
Median	6.03
Minimum	0.17
Maximum	26.93
Standard Deviation	8.04

Table 4-All: Cumulative Months of Waiver Use

Number of Months Enrolled in the Waiver	N = 1918
Mean	27.46
Median	28.20
Minimum	0.00
Maximum	51.37
Standard Deviation	10.99

California

Table 1-CA: Waiver Eligibility and Enrollment

Total Number of SPI Participants	292
Number of Eligible SPI Participants (SSI Recipients)	206
Eligible SPI Participants Percent of Total	70.55
Number Who Actually Enrolled to Use the Waiver	155
Enrolled Participants Percent of Eligible	75.24

Table 2-CA: Number of Waiver Participants Using Each Component

	Frequency	Percent of Enrolled
Increased Earned Income Exclusion (IEIE)	124	80.0
Unearned Income Related to Work Activity (UIRWA)	18	11.6
Independence Account (IA)	18	11,6
Suspended Medical Continuing Disability Review (MCDR)	105	67.7

Table 3-CA: Months between intake into the SPI project and use of the Waiver for those participants in the project prior to the Waiver

Number of Months in Project Prior to Waiver Participation	N = 76
Mean	19.03
Median	22.03
Minimum	0.17
Maximum	26.93
Standard Deviation	7.73

Table 4-CA: Cumulative Months of Waiver Use

Number of Months Enrolled in the Waiver	N = 155
Mean	26.30
Median	25.67
Minimum	2.60
Maximum	42.43
Standard Deviation	13.51

New York

Table 1-NY: Waiver Eligibility and Enrollment

Total Number of SPI Participants	869
Number of Eligible SPI Participants (SSI Recipients)	869
Eligible SPI Participants Percent of Total	100.0
Number Who Actually Enrolled to Use the Waiver	1073
Enrolled Participants Percent of Eligible	123.48

Table 2-NY: Number of Waiver Participants Using Each Component

	Frequency	Percent of Enrolled
Increased Earned Income Exclusion (IEIE)	280	26.1
Unearned Income Related to Work Activity (UIRWA)	15	1.4
Independence Account (IA)	20	1.9
Suspended Medical Continuing Disability Review (MCDR)	523	48.7

Table 3-NY: Months between intake into the SPI project and use of the Waiver for those participants in the project prior to the Waiver

Number of Months in Project Prior to Waiver Participation	N = 129
Mean	3.00
Median	2.77
Minimum	0.20
Maximum	6.33
Standard Deviation	1.82

Table 4-NY: Cumulative Months of Waiver Use

Number of Months Enrolled in the Waiver	N = 1073
Mean	27.01
Median	27.13
Minimum	0.02
Maximum	51.37
Standard Deviation	10.84

Vermont

Table 1-VT: Waiver Eligibility and Enrollment

Total Number of SPI Participants	1419
Number of Eligible SPI Participants (SSI Recipients)	627
Eligible SPI Participants Percent of Total	44.19
Number Who Actually Enrolled to Use the Waiver	377
Enrolled Participants Percent of Eligible	60.13

Table 2-VT: Number of Waiver Participants Using Each Component

	Frequency	Percent of Enrolled
Increased Earned Income Exclusion (IEIE)	Not offered	
Unearned Income Related to Work Activity (UIRWA)	12	3.1
Independence Account (IA)	39	10.3
Suspended Medical Continuing Disability Review (MCDR)	183	49.5

Table 3-VT: Months between intake into the SPI project and use of the Waiver for those participants in the project prior to the Waiver

Number of Months in Project Prior to Waiver Participation	N = 63
Mean	9.32
Median	7.63
Minimum	0.37
Maximum	22.40
Standard Deviation	6.50

Table 4-VT: Cumulative Months of Waiver Use

Number of Months Enrolled in the Waiver	N = 377
Mean	29.64
Median	31.73
Minimum	8.63
Maximum	43.00
Standard Deviation	9.34

Wisconsin

Table 1-WI: Waiver Eligibility and Enrollment

Total Number of SPI Participants	956
Number of Eligible SPI Participants (SSI Recipients)	553
Eligible SPI Participants Percent of Total	57.85
Number Who Actually Enrolled to Use the Waiver	313
Enrolled Participants Percent of Eligible	56.60

Table 2-WI: Number of Waiver Participants Using Each Component

	Frequency	Percent of Enrolled
Increased Earned Income Exclusion (IEIE)	313	100
Unearned Income Related to Work Activity (UIRWA)	313	100
Independence Account (IA)	313	100
Suspended Medical Continuing Disability Review (MCDR)	313	100

Table 3-WI: Months between intake into the SPI project and use of the Waiver for those participants in the project prior to the Waiver

Number of Waiver Participants in SPI Prior to Waiver Implementation	N=119
Mean	10.10
Median	10.43
Minimum	0.17
Maximum	20.73
Standard Deviation	6.53

Table 4-WI: Cumulative Months of Waiver Use

Number of SPI Project Participants Using the Waiver	N=313
Mean	26.98
Median	29.43
Minimum	0.00
Maximum	41.60
Standard Deviation	11.64

Participant Demographics

Participant demographic information is provided in Tables 5 through 10, both in aggregate (All), and on the individual Project level. Information provided included type of SSA benefit, primary disability, gender, race, ethnicity and age.

Type of SSA Benefit - All participants are SSI recipients, but a fairly high percentage of participants (37.07%) have dual eligibility (Table 5). The Vermont Project has the highest rate of participants with dual eligibility (48.53%), although concurrent beneficiaries account for at least one third of participants in the California (36.13%), New York (32.57%), and Wisconsin (36.42%) Projects.

Primary Disability - As indicated in Table 6, individuals with mental or emotional disabilities account for the overwhelming majority of Waiver participants (79.20%), followed by persons with physical disabilities (13.79%). Relatively few individuals with sensory or cognitive disabilities participated in the Waiver demonstration. The primary disability of Waiver participants varies considerably across states. The California Project exclusively targeted individuals with mental or emotional disabilities. Although the design of the New York Project was to

recruit only those SSI recipients with mental or emotional disabilities, no information was provided regarding disability for 204 of the New York Project participants. The disability label for these 204 participants is listed as "Not Reported' rather than the Project Office assuming that these participants had a mental or emotional disability.

Nearly half (47.28%) of the participants in the Wisconsin Project are individuals with physical disabilities, as are 24.70% of the participants in the Vermont Project. Individuals with cognitive disabilities comprise 17.17% of the Vermont Project participants and 10.22% of the Wisconsin Project participants. Individuals with sensory disabilities comprise only a small portion of the Waiver demonstration sample across the four Projects.

Gender - The sample is representative with regard to gender (Table 7), with nearly a 50-50 split across the four Projects. The percentage of males is slightly higher, at 50.3%, which is also in line with a higher percentage of males in the workforce.

Race and Ethnicity - The sample is representative with regard to race (Table 8) and ethnicity (Table 9) considering the geographic locations of the projects. Black or African American individuals account for 29.97% of all Waiver participants, ranging from less than 1% in the Vermont Project to 47.24% in the New York Project. Hispanic or Latino individuals comprised 21.29% of the participants in the California Project and 16% of participants in the New York Project.

Age - Age at intake (Table 10) is quite consistent across the four Projects, and is representative of a working age population. The median age for all Waiver participants is 40 years, with the Wisconsin Project serving the youngest (median age 34 years) and the New York Project serving the oldest (median age 42 years) samples.

Participant Demographics Data Tables

All Projects

Table 5-All: Type of SSA beneficiary who use the Waiver

	Frequency	Percentage
SSI	1062	62.00
SSI Blind	4	0.23
Both SSI and SSDI (concurrent)	635	37.07
Both SSDI and SSI Blind	12	0.70
TOTAL	1713	100.00

Frequency not reported: 205

Table 6-All: Type of disability

	Frequency	Percentage
Sensory	28	1.68
Physical	230	13.79
Mental/Emotional	1321	79.20
Cognitive	89	5.34
TOTAL	1668	100.00

Frequency not reported: 250

Table 7-All: Gender

	Frequency	Percentage
Male	862	50.32
Female	851	49.68
TOTAL	1713	100.00

Frequency not reported: 205

Table 8-All: Race

	Frequency	Percentage
American Indian or Alaska Native	43	2.71
Asian	35	2.21
Black or African American	474	29.87
Native Hawaiian or Other Pacific Islander	12	0.76
White	1023	64.46
TOTAL	1587	100.00

Frequency not reported: 331

Table 9-All: Ethnicity

	Frequency	Percentage
Hispanic or Latino	183	11.12
Not Hispanic or Latino	1463	88.88
TOTAL	1646	100.00

Frequency not reported: 272

Table 10-All: Age at intake of participants using the Waiver

Age	N = 1713
Mean	39.94
Median	40.51
Minimum	17.71
Maximum	75.01
Standard Deviation	10.68

California

Table 5-CA: Type of SSA beneficiary who use the Waiver

	Frequency	Percentage
SSI	96	61.94
SSI Blind	1	0.65
Both SSI and SSDI (concurrent)	56	36.13
Both SSDI and SSI Blind	2	1.29
TOTAL	155	100.00

Table 6-CA: Type of disability

	Frequency	Percentage
Sensory	0	0.00
Physical	0	0.00
Mental/Emotional	154	100.00
Cognitive	0	0.00
TOTAL	154	100.00

Frequency not reported: 1

Table 7-CA: Gender

	Frequency	Percentage
Male	69	44.52
Female	86	55.48
TOTAL	155	100.00

Table 8-CA: Race

	Frequency	Percentage
American Indian or Alaska Native	5	3.23
Asian	5	3.23
Black or African American	20	12.90
Native Hawaiian or Other Pacific Islander	5	3.23
White	120	77.42
TOTAL	155	100.00

Table 9-CA: Ethnicity

	Frequency	Percentage
Hispanic or Latino	33	21.29
Not Hispanic or Latino	122	78.71
TOTAL	155	100.00

Table 10-CA: Age at intake of participants using the Waiver

Age at Intake	N = 155
Mean	40.67
Median	41.01
Minimum	18.65
Maximum	64.70
Standard Deviation	10.09

New York

Table 5-NY: Type of SSA beneficiary who use the Waiver

	Frequency	Percentage
SSI	588	67.43
SSI Blind	0	0.00
Both SSI and SSDI (concurrent)	284	32.57
Both SSDI and SSI Blind	0	0.00
TOTAL	872	100.00

Frequency not reported: 201

Table 6-NY: Type of disability

	Frequency	Percentage
Sensory	0	0.00
Physical	0	0.00
Mental/Emotional	869	100.00
Cognitive	0	0.00
TOTAL	869	100.00

Frequency not reported: 204

Table 7-NY: Gender

	Frequency	Percentage
Male	441	50.57
Female	431	49.43
TOTAL	872	100.00

Frequency not reported: 201

Table 8-NY: Race

	Frequency	Percentage
American Indian or Alaska Native	30	3.76
Asian	23	2.88
Black or African American	377	47.24
Native Hawaiian or Other Pacific Islander	7	0.88
White	361	45.24
TOTAL	798	100.00

Frequency not reported: 275

Table 9-NY: Ethnicity

	Frequency	Percentage
Hispanic or Latino	135	16.00
Not Hispanic or Latino	709	84.00
TOTAL	844	100.00

Frequency not reported: 229

Table 10-NY: Age at intake of participants using the Waiver

Age at Intake	N = 872
Mean	42.22
Median	42.70
Minimum	21.17
Maximum	75.01
Standard Deviation	10.09

Vermont

Table 5-VT: Type of SSA beneficiary who use the Waiver

	Frequency	Percentage
SSI	188	50.40
SSI Blind	1	0.27
Both SSI and SSDI (concurrent)	181	48.53
Both SSDI and SSI Blind	3	0.80
TOTAL	373	100.00

Frequency not reported: 4

Table 6-VT: Type of disability

	Frequency	Percentage
Sensory	15	4.52
Physical	82	24.70
Mental/Emotional	178	53.61
Cognitive	57	17.17
TOTAL	332	100.00

Frequency not reported: 45

Table 7-VT: Gender

	Frequency	Percentage
Male	167	44.77
Female	206	55.23
TOTAL	373	100.00

Frequency not reported: 4

Table 8-VT: Race

	Frequency	Percentage
American Indian or Alaska Native	6	1.75
Asian	1	0.29
Black or African American	2	0.58
Native Hawaiian or Other Pacific Islander	0	0.00
White	333	97.37
TOTAL	342	100.00

Frequency not reported: 35

Table 9-VT: Ethnicity

	Frequency	Percentage
Hispanic or Latino	2	0.58
Not Hispanic or Latino	342	99.42
TOTAL	344	100.00

Frequency not reported: 33

Table 10-VT: Age at intake of participants using the Waiver

Age at Intake	N = 373
Mean	38.75
Median	39.50
Minimum	18.12
Maximum	60.75
Standard Deviation	10.58

Wisconsin

Table 5-WI: Type of SSA beneficiary who use the Waiver

	Frequency	Percentage
SSI	190	60.70
SSI Blind	9	2.88
Both SSI and SSDI (concurrent)	114	36.42
Both SSDI and SSI Blind	0	0.00
TOTAL	313	100.00

Table 6-WI: Type of disability

	Frequency	Percentage
Sensory	13	4.16
Physical	148	47.28
Mental/Emotional	120	38.34
Cognitive	32	10.22
TOTAL	313	100.00

Table 7-WI: Gender

	Frequency	Percentage
Male	185	59.11
Female	128	40.89
TOTAL	313	100.00

Table 8-WI: Race

	Frequency	Percentage
American Indian or Alaska Native	2	0.68
Asian	6	2.05
Black or African American	75	25.68
Native Hawaiian or Other Pacific Islander	0	0.00
White	209	71.58
TOTAL	292	100.00

Frequency not reported: 21

Table 9-WI: Ethnicity

	Frequency	Percentage
Hispanic or Latino	13	4.29
Not Hispanic or Latino	290	95.71
TOTAL	303	100.00

Frequency not reported: 10

Table 10-WI: Age at intake of participants using the Waiver

Age	N = 313
Mean	34.66
Median	34.17
Minimum	17.71
Maximum	62.46
Standard Deviation	10.67

Participant Prior Education, Training and Employment

Information regarding participant prior education, training, services and employment is provided in Tables 11 through 14 (All), and on the individual Project level. Information provided included prior education, prior receipt of a variety of employment related services and training, and employment prior to intake into SPI.

Prior Education – The prior educational experiences of Waiver Project participants is very diverse (Table 11). Nearly half of the sample (49.46%) had some type of postsecondary education, including postsecondary coursework not leading to a degree, an associate degree or vocational/technical certificate, bachelor's degree, or graduate degree. An additional 29.15% have earned either a high school diploma or diploma equivalent, such as a GED. However, 21.39% have not received a high school diploma or a certificate of attendance, including individuals with no formal schooling.

Prior education also varied considerably across the four Projects. In the California Project, 54.20% of participants have completed some type of postsecondary education, compared to 32.77% in the Vermont Project. In contrast, 28.85% of participants in the Vermont Project have yet to receive a high school diploma or its equivalent, compared to 15.76% of participants in the Wisconsin Project.

Other Prior Training – Table 12 describes the types of employment related training experiences that Waiver project participants have received since the onset of their disability, as well as in the six months prior to program intake. As is evident from the table, the participants have received few if any employment related training experiences. Overall, 22.73 (10.58+12.15?)% had received formal computer training and 14.74 (3.55 + 11.21)% had received supported

employment services, but participants had received little or no other prior training.

Prior training varied across state projects. In the New York Project, 23.02 (5.59 + 17.43)% of participants had received some type of formal computer training, compared to 11.67 (10.08 + 1.59)% of participants in the Vermont Project. On the other hand, 39.52 (1.59+37.93)% of the Vermont Project participants have received supported employment services, while less than 8.67% of the New York Project and none of the Wisconsin Project participants have received supported employment services.

Pre-Enrollment Employment Experiences - Most participants in the Waiver Demonstration have had some level of employment experience prior to enrollment in the State Projects. As indicated in Tables 13 and 14, 74.77% of all participants have been employed sometime prior to enrollment in the Projects, and 32.28% were employed at the actual point of intake. Even though all participants are SSI recipients, a high percentage is also SSDI beneficiaries, indicating that they have prior work activity. Within this general trend, however, there is considerable variability across the four Projects.

- The California Project has the highest percentage of individuals employed at any time prior to enrollment in the project (91.61%), as well as the highest percentage of individuals employed at program intake (56.77%).

- The New York Project has the lowest percentage of individuals who have worked at any time prior to enrollment in the project (70.92%), and has the lowest percentage of individuals actually employed at program intake (18%).

- The Vermont Project has the second highest percentage of participants who have worked at any time prior to employment (80.37%), but has the second highest percentage (along with the Wisconsin Project) of individuals actually employed at program intake (45.05%).

- The Wisconsin Project has the second lowest percentage of individuals who have worked at any time prior to enrollment in the project (72.84%), as well as the second highest percentage (along with the Vermont Project) of individuals actually employed at program intake (45.05%).

Participant Prior Education, Training, Services and Employment Data Tables

Table 11-All: Prior education

Education Type	Frequency	Percentage
No Formal Schooling	3	0.18
Elementary Education (Grades 1-8)	78	4.66
Secondary Education, no diploma (Grades 9-12)	227	13.56
Special Education Certificate of completion/attendance	50	2.99
High School Diploma Equivalent (e.g. GED)	201	12.01
High School Diploma	287	17.14
Post-secondary Education, no degree	436	26.05
Associate Degree or Vocational Technical Certificate	175	10.45
Bachelor's Degree	172	10.27
Masters Degree or higher	45	2.69
TOTAL	1674	100.00

Frequency not reported: 244

Table 12 - All: Other prior training Total possible= 1918[7]

Training	Prior to past 6 months		In past 6 months	
	Frequency	Percent	Frequency	Percent
Job Training Partnership Act or equivalent (JTPA)	59	3.08	46	2.40
Advanced training through the Armed Forces	22	1.15	24	1.25
Employer provided training programs	97	5.06	68	3.55
English as a Second Language (ESL)	23	1.20	68	3.55
Supported Employment	68	3.55	215	11.21
Projects with Industry (PWI) training	16	0.83	15	0.78
Formal computer training	203	10.58	233	12.15
Life skills training	116	6.05	119	6.20
Other	55	2.87	89	4.64
Any prior training	427	22.26	456	23.77

Table 13-All: Paid Work Activity at Any Time Prior to Intake into SPI

	Frequency	Percentage
No Paid Work Activity Prior to Intake	484	25.23
Paid Work Activity Prior to Intake	1434	74.77
TOTAL	1918	100.00

[7] The responses to these questions were 'check all that apply', which means that only affirmative responses are counted. Since the New York Project did not supply this information for at least 201 participants, these percentages are most likely deflated.

Table 14-All: Employed at Intake

	Frequency	Percentage
Not Employed at Intake	1154	67.72
Employed at Intake	550	32.28
TOTAL	1704	100.00

Frequency not reported: 214

California

Table 11-CA: Prior education

Education Type	Frequency	Percentage
No Formal Schooling	0	0.00
Elementary Education (Grades 1-8)	4	2.58
Secondary Education, no diploma (Grades 9-12)	26	16.77
Special Education Certificate of completion/attendance	1	0.65
High School Diploma Equivalent (e.g. GED)	16	10.32
High School Diploma	24	15.48
Post-secondary Education, no degree	58	37.42
Associate Degree or Vocational Technical Certificate	14	9.03
Bachelor's Degree	11	7.10
Masters Degree or higher	1	0.65
TOTAL	155	100.00

Table 12-CA: Other prior training Total possible= 155

Training	Prior to past 6 months		In past 6 months	
	Frequency	Percent	Frequency	Percent
Job Training Partnership Act or equivalent (JTPA)	11	7.10	2	1.29
Advanced training through the Armed Forces	8	5.16	0	0.00
Employer provided training programs	17	10.97	3	1.94
English as a Second Language (ESL)	9	5.81	0	0.00
Supported Employment	19	12.26	22	14.19
Projects with Industry (PWI) training	3	1.94	0	0.00
Formal computer training	27	17.42	7	4.52
Life skills training	12	7.74	7	4.52
Other	34	21.94	8	5.16
Any prior training	87	56.13	22	14.19

Table 13-CA: Paid Work Activity at Any Time Prior to Intake into SPI

	Frequency	Percentage
No Paid Work Activity Prior to Intake	13	8.39
Paid Work Activity Prior to Intake	142	91.61
TOTAL	155	100.00

Table 14-CA: Employed at Intake

	Frequency	Percentage
Not Employed at Intake	67	43.23
Employed at Intake	88	56.77
TOTAL	155	100.00

Table 15-CA: For those employed at Intake into SPI, Earnings at intake

Earnings at Intake	N = 87
Mean	480.70
Median	400.00
Minimum	30.00
Maximum	2236.00
Standard Deviation	378.44

New York

Table 11-NY: Prior education

Education Type	Frequency	Percentage
No Formal Schooling	1	0.11
Elementary Education (Grades 1-8)	49	5.63
Secondary Education, no diploma (Grades 9-12)	111	12.76
Special Education Certificate of completion/attendance	17	1.95
High School Diploma Equivalent (e.g. GED)	119	13.68
High School Diploma	85	9.77
Post-secondary Education, no degree	244	28.05
Associate Degree or Vocational Technical Certificate	102	11.72
Bachelor's Degree	107	12.30
Masters Degree or higher	35	4.02
TOTAL	870	100.00

Frequency not reported: 203

Table 12-NY: Other prior training Total possible= 1073[8]

Training	Prior to past 6 months		In past 6 months	
	Frequency	Percent	Frequency	Percent
Job Training Partnership Act or equivalent (JTPA)	12	1.12	33	3.08
Advanced training through the Armed Forces	2	0.19	20	1.86
Employer provided training programs	21	1.96	46	4.29
English as a Second Language (ESL)	6	0.56	59	5.50
Supported Employment	43	4.01	50	4.66
Projects with Industry (PWI) training	4	0.37	7	0.65
Formal computer training	60	5.59	187	17.43
Life skills training	28	2.61	53	7.74
Other	21	1.96	81	7.55
Any prior training	142	13.23	284	26.47

Table 13-NY: Paid Work Activity at Any Time Prior to Intake into SPI

	Frequency	Percentage
No Paid Work Activity Prior to Intake	312	29.08
Paid Work Activity Prior to Intake	761	70.92
TOTAL	1073	100.00

Table 14-NY: Employed at Intake

	Frequency	Percentage
Not Employed at Intake	715	82.00
Employed at Intake	157	18.00
TOTAL	872	100.00

Frequency not reported: 201

[8] The responses to these questions were 'check all that apply', which means that only affirmative responses are counted. Since the New York Project did not supply this information for at least 201 participants, these percentages are most likely deflated.

Vermont

Table 11-VT: Prior education

Education Type	Frequency	Percentage
No Formal Schooling	2	0.56
Elementary Education (Grades 1-8)	18	5.04
Secondary Education, no diploma (Grades 9-12)	51	14.29
Special Education Certificate of completion/attendance	32	8.96
High School Diploma Equivalent (e.g. GED)	44	12.32
High School Diploma	93	26.05
Post-secondary Education, no degree	62	17.37
Associate Degree or Vocational Technical Certificate	23	6.44
Bachelor's Degree	26	7.28
Masters Degree or higher	6	1.68
TOTAL	357	100.00

Frequency not reported: 20

Table 12-VT: Other prior training Total possible= 377

Training	Prior to past 6 months		In past 6 months	
	Frequency	Percent	Frequency	Percent
Job Training Partnership Act or equivalent (JTPA)	15	3.98	4	1.06
Advanced training through the Armed Forces	5	1.33	0	0.00
Employer provided training programs	15	3.98	7	1.86
English as a Second Language (ESL)	3	0.80	3	0.80
Supported Employment	6	1.59	143	37.93
Projects with Industry (PWI) training	2	0.53	3	0.80
Formal computer training	38	10.08	6	1.59
Life skills training	27	7.16	7	1.86
Other	0	0.00	0	0.00
Any prior training	71	18.83	117	31.03

Table 13-VT: Paid Work Activity at Any Time Prior to Intake into SPI

	Frequency	Percentage
No Paid Work Activity Prior to Intake	74	19.63
Paid Work Activity Prior to Intake	303	80.37
TOTAL	377	100.00

Table 14-VT: Employed at Intake

	Frequency	Percentage
Not Employed at Intake	200	54.95
Employed at Intake	164	45.05
TOTAL	364	100.00

Frequency not reported: 13

Wisconsin

Table 11-WI: Prior education

Education Type	Frequency	Percentage
No Formal Schooling	0	0.00
Elementary Education (Grades 1-8)	7	2.40
Secondary Education, no diploma (Grades 9-12)	39	13.36
Special Education Certificate of completion/attendance	0	0.00
High School Diploma Equivalent (e.g. GED)	22	7.53
High School Diploma	85	29.11
Post-secondary Education, no degree	72	24.66
Associate Degree or Vocational Technical Certificate	36	12.33
Bachelor's Degree	28	9.59
Masters Degree or higher	3	1.03
TOTAL	292	100.00

Frequency not reported: 21

Table 12-WI: Other prior training Total possible= 313

Training	Prior to past 6 months		In past 6 months	
	Frequency	Percent	Frequency	Percent
Job Training Partnership Act or equivalent (JTPA)	21	6.71	7	2.24
Advanced training through the Armed Forces	7	2.24	4	1.28
Employer provided training programs	44	14.06	12	3.83
English as a Second Language (ESL)	5	1.60	6	1.92
Supported Employment	0	0.00	0	0.00
Projects with Industry (PWI) training	7	2.24	5	1.60
Formal computer training	78	24.92	33	10.54
Life skills training	49	15.65	22	7.03
Other	0	0.00	0	0.00
Any prior training	127	40.58	33	10.54

Table 13-WI: Paid Work Activity at Any Time Prior to Intake into SPI

	Frequency	Percentage
No Paid Work Activity Prior to Intake	85	27.16
Paid Work Activity Prior to Intake	228	72.84
TOTAL	313	100.00

Table 14-WI: Employed at Intake

	Frequency	Percentage
Not Employed at Intake	172	54.95
Employed at Intake	141	45.05
TOTAL	313	100.00

II. Waiver Outcome Analyses

One of the primary purposes of the State Partnership Initiative was the achievement of improved employment outcomes by participants. Therefore, all SPI Projects collected in-depth employment information. Detailed information about participants' job(s) was collected when the job began (or at intake if the job began before intake into the Project). Quarterly follow-ups varied across Projects, with eight projects (including the California Project) tracking individual jobs, and four Projects (including the New York, Vermont and Wisconsin Projects) using administrative data at the participant level to document participant quarterly earnings.[9] Projects also obtained updated employment information whenever a change in the job occurred.

The goal of the Waiver demonstration is even better employment outcomes than those attained through SPI. The purpose of the employment analyses in this report is to examine employment improvement over time, and partition as best as possible the cause of this improvement as either SPI services or a combination of SPI services and Waiver participation. To achieve this goal, the SPI data, Waiver-specific data, and employment outcomes data were analyzed from a variety of perspectives.

Comparisons Performed

The Waiver outcomes were distinguished from the full SPI study outcomes as best as possible by performing three independent outcomes analyses. First, to identify overall change in the Waiver demonstration study sample, statistical outcome analyses were performed comparing the employment outcomes of participants who used the Waivers to their employment situations at intake. Next, to determine whether there are differences in employment outcomes between the Waiver demonstration study sample and SPI participants who received the same SPI services, statistical outcome analyses were performed comparing the employment outcomes of participants who used the waivers to participants within the same projects who were eligible for the Waivers, but did not enroll. Finally, outcomes of participants (who would have been eligible for the Waivers) served by Projects who did not offer the Waivers were compared to the outcomes of those participants who used the Waivers.

There were therefore three types of analyses performed; 1) Pre-post Analyses of the Waiver participants; 2) Comparisons of the Waiver participants with Eligible Non-Participants; and 3) Comparisons of the Waiver participants with SSI Recipients in Other SPI Projects. Two different employment outcomes were

[9] Wisconsin and VT, and to a lesser extent NM collect earnings directly from the participant when the job begins (or at intake for those jobs that were in place at intake) but use Unemployment Insurance (UI) administrative databases, which are maintained on the individual person level, to obtain the employment follow-up information.

addressed with each type of analysis. The first is whether or not the individual was employed or became employed during the study, and includes all eligible individuals. The second is a more in-depth analysis of changes in wages, and is therefore limited to those eligible individuals employed at some time during the study. Table 15 is an overview table of the sample sizes of each analysis, and the State Project contribution to each of the six analyses.

Table 15: Sample Sizes for each of the Six Comparison Analyses

Project	Pre-Post Analyses of Waiver Participants		Comparisons with Eligible Non-Participants		Comparisons with SSI Recipients in Other SPI Projects	
	All	Employed Only	All	Employed Only	All	Employed Only
CA	146	124	206	150	146	124
CO	0	0	0	0	152	72
IAS	0	0	0	0	309	223
MN	0	0	0	0	266	195
NC	0	0	0	0	150	86
NH	0	0	0	0	59	32
NM	0	0	0	0	453	275
NY	869	285	869	285	869	285
OH	0	0	0	0	341	197
OK	0	0	0	0	314	25
VT	370	288	624	464	370	288
WI	291	239	549	354	291	239
Total	1676	936	2254	1253	3720	2041

Pre-post Analyses. It is theorized that: both employment and earnings will have increased for SPI participants who took advantage of any element of the Waiver. **The null hypotheses are**: 1) employment status did not change between intake and the end of the Project (or when the participant left the Project); and 2) mean gross earnings did not increase between intake and the end of the Project (or when the participant left the Project). The alternative hypotheses are: 1) employment status changed between intake and the end of the Project (or when the participant left the Project); and 2) the changes in gross earnings are positive.

Comparisons with Eligible Non-Participants. It is theorized that: both employment and earnings will be significantly better for SPI participants who took advantage of any element of the Waiver, when compared to SPI participants within the same Projects who were eligible for the waiver, but for some reason did not enroll. These non-participants either enrolled in SPI prior to the offer of the Waivers, or more likely were offered the Waivers, but elected to not use them. Since the New York Project enrolled all of their SPI participants in the Waiver demonstration, this sample consists of eligible non-participants from the California, Vermont, and Wisconsin Projects. **The null hypotheses are**: 1) The two groups have the same percentage of participants who improve their employment; and 2) mean gross earnings change is commensurate between the two groups. The alternative hypotheses are: 1) The Waiver participants were more likely to obtain employment than the non-waiver participants; and 2) the changes in gross earnings of the Waiver participants will be greater than that of the non-waiver participants.

Comparisons with SSI Recipients in Other SPI Projects. It is theorized that: both employment and earnings will be significantly better for SPI Waiver participants, when compared to SPI participants who would have been eligible for the waivers if their Projects had offered them. **The null hypotheses are**: 1) The two groups have the same percentage of participants who improve their employment; and 2) mean gross earnings change is commensurate between the two groups. The alternative hypotheses are: 1) The Waiver participants were more likely to obtain employment than the non-waiver Project participants; and 2) the changes in gross earnings of the Waiver participants will be greater than that of the non-waiver Project participants.

There are therefore three groups of analyses. All three groups of analyses use the same treatment group, the Waiver participants. The pre-post analyses compare the treatment group to itself, and therefore does not have a comparison group. Two comparison groups were therefore chosen in addition to comparing the Waiver participants to themselves at intake: 1) For the second group of analyses, the participants within the three state Projects that did not enroll all participants in the Waivers comprise the comparison group which is compared to the treatment group; and 2) For the third group of analyses, the eligible participants in the other SPI Projects that were not included in the Waiver

demonstration comprise the comparison group which is compared to the treatment group.

For analyses to highlight the Waivers specifically, the Waiver data was aggregated across the four Waiver Projects. This aggregation is valid, even though there are slight differences in Waiver tracking methodologies across the four Projects, for three primary reasons. First, the waiver data is but a small component of the data used in the analyses. The only true waiver data used in the statistical analyses is a gross indicator of participation. No analyses are performed on individual components. The variations in Waiver tracking methodologies across the four Projects pertain primarily to the tracking of individual components. Second, for all of their differences, the four Waiver Projects are a cohort. They went through the Waiver negotiations at the same time, and with the exception of the New York Project's delayed start-up, they are fairly contiguous with regard to recruiting and serving participants. Finally, all of the Projects participated in the overriding State Partnership Initiative, and with the exception of the 201 individuals reported by the New York Project (but not included in the New York Project data) excluded from these analyses, collected the standard SPI Core data on all participants. This SPI Core data is highly standardized across the Projects, and includes all of the demographic and outcomes data used in these analyses.

None of these three statistical comparisons designs is perfect. There are both positive and negative aspects of each of these statistical comparisons, which will be highlighted in their discussion. However, viewed as a complete package, they do provide an indication of the effects of the Waiver demonstration above and beyond the SPI Project interventions, if not independent of the SPI Project. Each of these analyses is discussed separately.

Preparation of the Employment Data

For each participant, all employment records were identified. If a participant had an employment record for a job in-progress at intake, the person is assigned the status of "employed at intake". The earnings at intake for that job are derived from the employment record at intake. Initial employment was reported by the Projects as it occurred, and quarterly employment updates were completed by the Projects on all employed participants. If a person has a later employment record for a job that is in-progress, then the person is assigned the status, "employed during the project". Participant earnings are aggregated over all jobs active during each quarter. If a participant was never employed during the course of the Initiative, no employment records for that individual should exist in the database.

A small number of participants were excluded from the samples because of excessively high earnings, hours or wages, or other anomalies that were

suspected to be inaccurate data.[10] All other employment data were considered valid, including the absence of employment data. Since a primary goal of this research Initiative was to increase the employment of participants, and since the Projects were prompted quarterly for employment information for each active participant, it is anticipated that the under-reporting of employment is fairly low.

In conducting this analysis Waiver use data and actual earnings data provided by the states was utilized. Therefore, there was no need to correct the earnings data recorded in SSA's administrative data[11].

Table 16: Data Completeness of Waiver Demonstration Participants

Project	Total # Served as Reported by Project	# Enrolled in SPI Core Database	Enrolled % of Total Reported Served	# Removed with Out-of-Range Data	# Included in Waiver Analyses	% of Enrolled Included in Analyses
CA	155	155	100	9	146	94.2
NY	1073	872	81.3	3	869	99.7
VT	377	377	100	7	370	98.1
WI	313	313	100	22	291	93.0
TOTAL	**1918**	**1714**	**89.5**	**41**	**1676**	**97.8**

Although a total of 1918 individuals enrolled in the Waivers, 201 individuals reported by the New York Project as receiving waiver services were never enrolled in the SPI core database, and were therefore eliminated from these comparative analyses. An additional 41 participants were dropped for various data anomalies as mentioned above, bringing the final effective Waiver Project analysis total possible sample size to 1676. These 1676 participants comprise the Treatment group used in these analyses. Therefore, nearly 98% of those SPI participants enrolled in the Waivers were included in these analyses. Additional incidents of missing data, such as specific demographic variables, reduced the effective sample size of particular analyses. No imputations or data substitutions of any sort were used in these analyses.

[10] Participants are excluded from the sample if: 1) the earnings at any job (or the earnings aggregated across jobs) are greater than $28,000 per month; or 2) the hours at any job (or the hours aggregated across jobs) are greater than 320 per month or 3) the wage at any job (or aggregate earnings divided by aggregate hours) are greater than $200 per hour. Empirically inspecting hours, earnings and wages to identify outliers determined these cutoff points, which excluded less than 1.35% of the sample.

[11] The $3 for $4 Waiver was implemented manually in SSA field offices by reducing the earnings reported to SSA's main SSI data system, the Supplemental Security Record (SSR). Thus, the SSR will underreport the earnings of those beneficiaries who used the Waivers. This selective underreporting would have biased the evaluation against findings that the SPI interventions increased earnings.

Pre-post Analyses

Hypotheses. It is theorized that both employment and earnings will have increased for SPI participants who took advantage of any element of the Waiver. The null hypotheses are: 1) employment status did not change between intake and the end of the Project (or when the participant left the Project); and 2) mean gross earnings did not increase between intake and the end of the Project (or when the participant left the Project). The alternative hypotheses are: 1) employment status changed between intake and the end of the Project (or when the participant left the Project); and 2) the changes in gross earnings are positive.

Sample Construction. For the Pre-Post analyses, statistical outcome analyses were performed comparing the employment outcomes of participants who used the waivers to their employment situations at intake. Rather than reviewing specific snapshots in time, the employment outcome used here was the most recent employment record, and includes participants with either no employment data (there was no record of employment at any time during the service period) or verified employment data. With the exception of the small number of participants who were excluded from the samples because of excessively high earnings, hours or wages, or other anomalies that were suspected to be inaccurate data, as noted above in the Preparation of the Employment Data section, all other employment data were considered to be valid, including the absence of employment data. If a participant was never employed during the course of the Initiative, no employment records for that individual should exist in the database. Therefore, a participant not have employment data is not missing data. It is an indication that the participant was not employed. The second analysis is an analysis of changes in wages, and only includes individuals employed at some time during the Initiative. Again, exclusion from this analysis because of not meeting the criteria of having been employed during the Initiative is not an indication of missing data.

Analyses. The two hypotheses were tested using 1) Chi-square analyses; and 2) Analysis of covariance. The Chi-square statistic was used to test if the distribution of employment at intake is independent of the distribution of employment at follow-up.[12] An analysis of covariance was used to test for improvement in gross earnings over time. In order to test for the statistical significance of the increase in earnings, pre-post employment analyses were

[12] The Chi-square statistic is calculated by taking the square of the difference of the observed count and the expected count (under the hypothesis of independence) for each cell in the 2X2 (employed versus unemployed) cross-tabulation at intake and at the last data point. Each squared difference is then divided by the expected count for the cell and the results are summed across all cells in the table to form the Chi-square statistic. When differences between the expected and observed values in the cells are large, the statistic is large, and the hypothesis of independence between employment at intake and employment at follow-up is rejected. If the Chi-square significance level (p-value) is less than 0.01, the null hypothesis of independence (or no association) between timeframes is rejected.

performed comparing gross pay at intake to the most recent employment.[13] The actual length of time in the Project was used as a covariate in the analysis. An assessment of effect/ no effect is made by whether there is a relationship between participants' change in wages and length of time they are served by the Initiative. Because this analysis type is related to length of time served rather than absolute Waiver participation, it is the weakest of the three analysis types with regard to showing the effect of the Waiver. The measures of central tendency (Table series 19-20) are better indicators for interpreting the effect of the Waivers than the significance of the statistical analysis.

Table 17-All: Employed at Intake Versus later in the Project

	Frequency	Percentage
Employed at Intake	352	21.00
Employed Later	680	40.57
Never Employed	644	38.42
TOTAL	1676	100.00

Chi- square (employed vs. unemployed; intake vs. later) = 104.8;
Probability = 0.0001

Table 17-CA: Employed at Intake Versus later in the Project

	Frequency	Percentage
Employed at Intake	82	56.16
Employed Later	42	28.77
Never Employed	22	15.07
TOTAL	146	100.00

Table 17-NY: Employed at Intake Versus later in the Project

	Frequency	Percentage
Employed at Intake	1	0.12
Employed Later	292	33.60
Never Employed	576	66.28
TOTAL	869	100.00

Table 17-VT: Employed at Intake Versus later in the Project

	Frequency	Percentage
Employed at Intake	150	40.54
Employed Later	220	59.46
Never Employed	0	0.00
TOTAL	370	100.00

[13] The pre-post analyses are analyses of the means of the difference in gross earnings between the two time periods. The gross earnings at intake are subtracted from the gross earnings at the later date. If the participant is not employed at both intake and this follow-up point, the value of the new variable is zero. If the participant is employed at intake and either unemployed at follow-up or earning less (in constant dollars) at follow-up, the value of the new variable is negative.

Table 17-WI: Employed at Intake Versus later in the Project

	Frequency	Percentage
Employed at Intake	119	40.89
Employed Later	126	43.30
Never Employed	46	15.81
TOTAL	291	100.00

Table series 18, categorical changes in earnings from intake to current, was added to the report at the behest of SSA, using the categories defined by SSA. Because these categories are uneven, the categorical data should be interpreted with caution.

Table 18-All: Categorical Changes in Earnings from Intake to Current

Gross Pay Change	Frequency	Percentage
$201+ Less	106	11.32
$1-$200 Less	64	6.84
Up to $100 More	155	16.56
$101-$200 More	108	11.54
$201-$350 More	113	12.07
$351-$500 More	90	9.62
$500+ More	300	32.05
TOTAL	936	100.00

Table 18-CA: Categorical Changes in Earnings from Intake to Current

Gross Pay Change	Frequency	Percentage
$201+ Less	29	23.39
$1-$200 Less	14	11.29
Up to $100 More	9	7.26
$101-$200 More	14	11.29
$201-$350 More	8	6.45
$351-$500 More	13	10.48
$500+ More	37	29.84
TOTAL	124	100.00

Table 18-NY: Categorical Changes in Earnings from Intake to Current

Gross Pay Change	Frequency	Percentage
$201+ Less	23	8.07
$1-$200 Less	33	11.58
Up to $100 More	41	14.39
$101-$200 More	36	12.63
$201-$350 More	152	53.33
$351-$500 More	23	8.07
$500+ More	33	11.58
TOTAL	285	100.00

Table 18-VT: Categorical Changes in Earnings from Intake to Current

Gross Pay Change	Frequency	Percentage
$201+ Less	47	16.32
$1-$200 Less	33	11.46
Up to $100 More	75	26.04
$101-$200 More	34	11.81
$201-$350 More	31	10.76
$351-$500 More	17	5.90
$500+ More	51	17.71
TOTAL	288	100.00

Table 18-WI: Categorical Changes in Earnings from Intake to Current

Gross Pay Change	Frequency	Percentage
$201+ Less	30	12.55
$1-$200 Less	17	7.11
Up to $100 More	48	20.08
$101-$200 More	27	11.30
$201-$350 More	33	13.81
$351-$500 More	24	10.04
$500+ More	60	25.10
TOTAL	239	100.00

While a considerable number of participants were employed prior to, or at the time of, project enrollment, they were often not employed in jobs that provided higher earnings. Table series 19 reports average monthly earnings for individuals employed at intake into the SPI Projects beside the average of the most recent reported wages for those jobs that, to the best of our knowledge, were current when the participant left the Project, or on September 30th, 2004. Mean earnings were $589.75 currently (at the end of the Project, or most recent record for the participant) for all Waiver participants, as opposed to $540.43 at intake, but the number of participants employed nearly tripled, rising from 345 to 939 (Table 19-All). These measures of central tendency (i.e.; mean, median, standard deviation) for gross earnings at intake (Table series 19), and the end of the Initiative (Table series 19), and the difference between the two (Table series 20) are reported for individual Projects to allow for interpretation of the changes within the individual Projects.

Table 19-All: Earnings at Intake and Most Recent Earnings

	Earnings At Intake	Most Recent Earnings
N	345	936
Mean	540.43	589.75
Median	420.00	412.00
Minimum	6.00	1.00
Maximum	3000.00	5566.67
Standard Deviation	448.73	630.11

Table 19-CA: Earnings at Intake and Most Recent Earnings

	Earnings At Intake	Most Recent Earnings
N	82	124
Mean	540.76	657.23
Median	411.00	447.50
Minimum	62.00	7.00
Maximum	2683.00	4006.00
Standard Deviation	432.07	656.15

Table 19-NY: Earnings at Intake and Most Recent Earnings

	Earnings At Intake	Most Recent Earnings
N	1	285
Mean	275.94	714.73
Median	275.94	560.00
Minimum	275.94	20.00
Maximum	275.94	3309.10
Standard Deviation	.	613.29

Table 19-VT: Earnings at Intake and Most Recent Earnings

	Earnings At Intake	Most Recent Earnings
N	149	288
Mean	583.62	487.81
Median	500.00	250.00
Minimum	6.00	3.67
Maximum	3000.00	5566.67
Standard Deviation	460.09	660.42

Table 19-WI: Earnings at Intake and Most Recent Earnings

	Earnings At Intake	Most Recent Earnings
N	113	239
Mean	485.58	527.91
Median	335.00	360.00
Minimum	10.00	1.00
Maximum	2276.00	3000.00
Standard Deviation	444.50	569.97

Table series 20 focuses on measures of central tendency surrounding changes in earnings. Participants from the New York Project reported the largest increase in wages (Table 20-NY; Mean = $713.77), but this is possibly an underreporting of the New York Project of participant earnings at intake. Participants from the Vermont Project reported the lowest earnings increase (Table 20-VT; Mean = $186.91).

Table 20-All: Changes in Earnings from Intake to Current

Earnings Changes	N = 936
Mean	391.19
Median	250.50
Minimum	-2910.67
Maximum	5406.67
Standard Deviation	692.97

Table 20-CA: Changes in Earnings from Intake to Current

Earnings Changes	N = 124
Mean	299.63
Median	172.50
Minimum	-2045.00
Maximum	3656.00
Standard Deviation	723.01

Table 20-NY: Changes in Earnings from Intake to Current

Earnings Changes	N = 285
Mean	713.77
Median	560.00
Minimum	20.00
Maximum	3309.10
Standard Deviation	612.25

Table 20-VT: Changes in Earnings from Intake to Current

Earnings Changes	N = 288
Mean	186.91
Median	77.00
Minimum	-2910.67
Maximum	5406.67
Standard Deviation	703.50

Table 20-WI: Changes in Earnings from Intake to Current

Earnings Changes	N = 239
Mean	298.33
Median	198.00
Minimum	-2264.00
Maximum	3000.00
Standard Deviation	619.62

Table 21 shows that there was a statistically significant improvement in wages, and the improvement does increase with the length of time in the Project, even when the covariate of whether the participant was employed at intake is included in the analysis.

Table 21: Analysis of Covariance of Wage Change over Time. Sample Size=936

Source	DF	Sum of Squares	Mean Square	F Value	Pr>F
Model	2	80108472.2	40054236.1	101.24	<.0001
Error	933	370331312.4	395653.1		
Job Attained Later vs. Intake	1	69454354.79	3473541.54	175.54	<.0001
Time in Project	1	69454354.79	3473541.54	26.93	<.0001

Summary of Pre-Post Employment and Earnings. For some participants, especially those who were unemployed at intake but later obtained employment, participation in the Waiver Project had a sizeable positive effect on their employment outcomes (Table 20-All, median = $250.50; maximum = $5406.67). Participants who were employed at intake experienced far less positive outcomes (Table 20-All; minimum=-2910.67). However, on average there was improvement (Table 20-All, mean = $391.19), which was found to be

statistically significant improvement (Table 21, $P < 0.0001$). A very sobering fact is that over one-third of the Waiver demonstration sample never became employed during the course of this study (Table 17-All).

Although the statistical outcomes analyses are reported for only the aggregate, employment rates and measures of central tendency (i.e.; mean, median, standard deviation) for gross earnings at intake, and the end of the Initiative, and the difference between the two are reported for individual Projects to facilitate the review of individual Project progress. There is a high degree of variability among the Waiver Projects with regard to both employment at intake and later employment. In fact, for the change in employment, the standard deviation is greater than the mean, indicating a huge range in differences from intake to later in the Initiative (Table 19). To facilitate individual interpretation of these differences, SSA requested a categorical representation of the changes in earnings (Table 18). Many participants who were employed at intake were not employed later, and vice versa, contributing to the huge variation in the sample.

Overall the change in earnings is positive, but there is definitely a bimodal distribution to the data. There are two major areas of change reflecting increases in earnings and decreases in earnings. Not to be confused with a 'bimodal effect', this distribution is most likely an artifact of the chosen research design, rather than a result of the intervention. If the design had specified that only unemployed individuals would be enrolled in the study, or that the evaluation statistics would be one-tailed (i.e.; testing for improvement in earnings rather than a change in earnings), this bimodal distribution would not be observed. People can lose their jobs for a variety of reasons totally unrelated to the study (e.g.; economic factors, illness, death, etc.). There is a great increase in earnings when someone starts unemployed with $0 and then obtains a job, and a concomitant great decrease in earnings when someone ends a job, and goes to $0. These events are the primary contributors to the bimodal component of the distribution. It is therefore recommended that future employment studies include only participants who are unemployed at intake, unless the expressed purpose of the study is to improve the employment situation of underemployed individuals, in which case all participants should be employed, but underemployed at intake. This slight modification in research design would focus the study on the outcome of interest.

There is some variability between Projects. The Vermont data indicate that all Waiver participants were employed at some point in time during the Initiative, but many were no longer employed at the end. The New York Project reported very high unemployment, both at intake, and throughout the Project. It is possible that this is underreporting, but these analyses are based on what was reported to the SPI Project Office. Again, all statistics are performed on the aggregate, decreasing the influence of any individual Project variation in reporting.

Comparisons with Eligible Non-Participants

Hypotheses. It is theorized that both employment and earnings will be significantly better for SPI participants who took advantage of any element of the Waiver, when compared to SPI participants within the same Projects who were eligible for the waiver, but for some reason did not enroll. These non-participants either enrolled in SPI prior to the offer of the Waiver, were not offered the Waiver for some other reason, or were offered the Waiver, but elected to not use it. Since the New York Project enrolled all of their SPI participants in the Waiver demonstration, this sample consists of eligible non-participants from the California, Vermont, and Wisconsin Projects. The null hypotheses are: 1) The two groups have the same percentage of participants who improve their employment; and 2) mean gross earnings change is commensurate between the two groups. The alternative hypotheses are: 1) The Waiver participants were more likely to obtain employment than the non-waiver participants; and 2) the changes in gross earnings of the Waiver participants will be greater than that of the non-waiver participants.

Sample Construction. All SSI recipients with complete data within the four Projects were included in the employment analysis, either as Waiver participants, or Waiver non-participants. Table 22 has been added in response to a request by SSA, to show the sample size and composition of these analyses. All of the participants in this table were included in the analyses, unless missing demographic data excluded them from individual analyses. A General Linear Models analysis design was used to accommodate the sample size differences between the two groups. Both samples were robust for these analyses.

Table 22: Sample Size of Waiver Projects by Waiver Participation			
Frequency Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
CA	146 6.47 70.87 8.69	60 2.66 29.13 10.38	206 9.12
NY	869 38.62 100.00 51.90	0 0.00 0.00 0.00	869 38.62
VT	370 16.39 59.01 22.02	257 11.38 40.99 44.46	624 27.77
WI	291 12.93 52.80 17.38	261 11.56 47.20 45.16	549 24.49
Total	1676 74.40	578 25.60	2254 100.00

All SSI recipients within the four Projects with reported earnings data were included in the subsequent earnings comparison. Those who were not employed during the Initiative are excluded from the earnings comparison because this is an analysis of employed individuals. Those who were never employed are NOT missing data – they are simply not part of the analysis, much the same way that SSDI only beneficiaries are not missing data in the Waiver analyses. The Waivers simply do not apply to their benefits situation. Table 23 has been added in response to a request by SSA, and shows the sample size and composition of these analyses. All of the participants in this table were included in the earnings comparison analyses, unless missing demographic data excluded them from individual analyses.

Table 23: Sample Size of Waiver Projects by Waiver Participation: Employed Participants Only			
Frequency Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
CA	124 9.90 82.67 13.25	26 2.08 17.33 8.20	150 11.97
NY	285 22.75 100.00 30.45	0 0.00 0.00 0.00	285 22.75
VT	288 22.98 62.07 30.77	176 14.05 37.93 55.52	464 37.03
WI	239 19.07 67.51 25.53	115 9.18 32.49 36.28	354 28.25
Total	936 74.70	317 25.30	1253 100.00

The preferred design for this study would have been to randomly assign SSI recipients to a group to be offered the Waivers, and another group that received all other SPI services, but were not offered the Waivers. As this was not possible, it was anticipated that the group that did not use the Waivers may be systematically different than the group that used the Waivers. To test for these differences, a series of Chi-Square analyses were performed, comparing the demographic characteristics and prior experiences of the two groups. Any statistically significant differences would be used as covariates in the Analysis of Variance.

Preparatory Demographic Comparisons. Because the Projects did not randomly assign or stratify the assignment of the participants to treatment (Waiver participant) or control (Waiver non-participant) groups, the possibility of demographic differences between the two groups arises. Therefore, statistical analyses of primary demographic variables that are known to be related to wages

were performed to determine whether in fact the two groups were different for these variables. If significance is found, these variables should be controlled for in the subsequent outcome analyses. This control is obtained by including the significant demographic variable in the outcome analysis. The variance in the outcome variable is therefore partitioned among the independent variables in a more equitable manner. If no significance is found between the two groups for the demographic variable in question, then any minor differences in the demographic variable will not affect the outcome analyses appreciably, and no corrective action needs to be taken. If these demographic comparison analyses had not been perform, no corrective action would have been taken, and the differences in wage changes between the two groups would have been wholly attributed to the implementation of the Waivers.

Table 24: Demographic comparisons between Waiver participants and Waiver Project non-participants

Demographic	N	Chi-Square	DF	Probability
Type of SSA Benefit (SSI, Concurrent)	1427	33.9720	1	<.0001
Primary Disability (Sensory, Physical, Mental/Emotional, Cognitive)	1346	44.5665	3	<.0001
Primary Disability (Mental/Emotional, Other)	1427	57.3310	1	<.0001
Gender	1427	0.0184	1	0.8920
Race (White, Black or African American, Other)	1352	18.0383	2	0.0001
Race (White, Other)	1352	15.2777	1	<.0001
Ethnicity (Hispanic, Not-Hispanic)	1366	2.6150	1	0.1059
Age (Under 40, 40 and over)	1427	1.9148	1	0.1664

Statistical analyses comparing the demographics of the two groups showed no statistically significant differences between the two groups for gender, ethnicity, or age (Table 24). In addition to the summary table of the Chi-square analyses (Table 24), detailed Chi-square analysis results, including percentage differences within the Waiver participant and Waiver Project non-participant groups, is included in Tables 24a-24h, as requested by SSA. A review of the Cell Chi-square statistics shows where the significance lies. For example, individuals who did not participate were more likely to be concurrent beneficiaries (Table 24a; Cell Chi-square=13.498). Although these four Projects targeted individuals with mental and emotional disabilities, those individuals who did not participate in the Waivers were more likely to have an 'other' disability (Table 24c; Cell Chi-square=123.854; 58% as compared to 36% of the Waiver sample). Although the race distribution of the four Projects was predominantly white, the SPI participants who did not use the Waivers were even less likely to be minorities (Table 24f; Cell Chi-square=8.6602). The statistically significant demographic comparisons (e.g.; Type of SSA Benefit, Primary Disability, and Race) were controlled for in the Analysis of Variance comparing the two groups for Waiver

participation by including these demographic variables as independent variables in the analysis. The Primary disability and race analyses were rerun as two categories to facilitate these variables being used as independent variables in the subsequent Analysis of Variance.

Table 24a: Benefit type by Waiver Participation			
	Waiver Participation		
Frequency Cell Chi-Square Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
SSI Only	616 4.2372 43.17 78.57 59.69	168 11.07 11.77 21.43 42.53	784 54.94
Concurrent	416 5.1664 29.15 64.70 40.31	227 13.498 15.91 35.30 57.47	643 45.06
Total	1032 72.32	395 27.68	1427 100.00
Chi-Square=33.9720, **DF**=1, **Probability** <.0001			

Table 24b: Primary Disability by Waiver Participation			
	Waiver Participation		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Sensory	21 1.5828 1.56 55.26 2.15	17 4.2064 1.26 44.74 4.62	38 2.82
Physical	189 5.2023 14.04 61.56 19.33	118 13.826 8.77 38.44 32.07	307 22.81
Mental/ Emotional	685 4.171 50.89 78.56 70.04	187 11.085 13.89 21.44 50.82	872 64.78
Cognitive	83 1.2286 6.17 64.34 8.49	46 3.2651 3.42 35.66 12.50	129 9.58
Total	978 72.66	368 27.34	1346 100.00
Chi-Square=44.5665, **DF**=3, **Probability** <.0001			

Table 24c: Two Category Primary Disability by Waiver Participation			
DIS2CAT	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Mental/ Emotional	657 6.7392 46.04 80.02 63.66	164 17.607 11.49 19.98 41.52	821 57.53
Other	375 9.1302 26.28 61.88 36.34	231 23.854 16.19 38.12 58.48	606 42.47
Total	1032 72.32	395 27.68	1427 100.00
Chi-Square=57.3310, **DF**=1, **Probability** <.0001			

Table 24d: Gender by Waiver Participation			
Gender	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Male	511 0.0026 35.81 72.48 49.52	194 0.0067 13.59 27.52 49.11	705 49.40
Female	521 0.0025 36.51 72.16 50.48	201 0.0066 14.09 27.84 50.89	722 50.60
Total	1032 72.32	395 27.68	1427 100.00
Chi-Square=0.0184, **DF**=1, **Probability**=0.8920			

Table 24e: Three Category Race by Waiver Participation			
race3c	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
White	740 0.9084 54.73 69.42 76.13	326 2.3235 24.11 30.58 85.79	1066 78.85
Black or African American	183 4.1472 13.54 83.56 18.83	36 10.608 2.66 16.44 9.47	219 16.20
Other	49 0.0143 3.62 73.13 5.04	18 0.0367 1.33 26.87 4.74	67 4.96
Total	972 71.89	380 28.11	1352 100.00
Chi-Square=18.0383, **DF**=2, **Probability** =0.0001			

Table 24f: Two Category Race by Waiver Participation			
race2c	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
White	740 0.9084 54.73 69.42 76.13	326 2.3235 24.11 30.58 85.79	1066 78.85
Other	232 3.3857 17.16 81.12 23.87	54 8.6602 3.99 18.88 14.21	286 21.15
Total	972 71.89	380 28.11	1352 100.00
Chi-Square=15.2777, **DF**=1, **Probability** <.0001			

Table 24g: Ethnicity by Waiver Participation			
Ethnicity	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Hispanic or Latino	74 0.6743 5.42 79.57 7.49	19 1.7626 1.39 20.43 5.03	93 6.81
Not Hispanic or Latino	914 0.0493 66.91 71.80 92.51	359 0.1288 26.28 28.20 94.97	1273 93.19
Total	988 72.33	378 27.67	1366 100.00
Chi-Square=2.6150, **DF**=1, **Probability**=0.1059			

Table 24h: AGE by Waiver Participation			
AGE	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
22 -< 40	551 0.2411 38.61 70.82 53.39	227 0.6298 15.91 29.18 57.47	778 54.52
40 -< 65	481 0.289 33.71 74.11 46.61	168 0.755 11.77 25.89 42.53	649 45.48
Total	1032 72.32	395 27.68	1427 100.00
Chi-Square=1.9148, **DF**=1, **Probability**=0.1664			

Preparatory Prior Experience Comparisons. Because the Projects did not randomly assign or stratify the assignment of the participants to treatment (Waiver participant) or control (Waiver non-participant) groups, the possibility of prior experience differences between the two groups arises. Therefore, statistical analyses of primary prior experience variables that are known to be related to wages were performed to determine whether in fact the two groups were different for these variables. If significance is found, these variables should be controlled for in the subsequent outcome analyses. This control is obtained by including the significant prior experience variable in the outcome analysis. The variance in the outcome variable is therefore partitioned among the independent variables in a more equitable manner. If no significance is found between the two groups for the prior experience variable in question, then any minor differences in the prior experiences between the two groups will not affect the outcome analyses appreciably, and no corrective action needs to be taken. If these prior experience comparison analyses had not been perform, no corrective action would have been taken, and the differences in wage changes between the two groups would have been wholly attributed to the implementation of the Waivers.

In addition to the summary table of the Chi-square analyses (Table 25), detailed Chi-square analysis results, including percentage differences within the Waiver

participant and Waiver Project non-participant groups, is included in Tables 25a-25d, as requested by SSA. A review of the Cell Chi-square statistics shows where the significance lies. Statistical analyses comparing the two groups for prior employment showed no statistically significant differences (Table 25). Both groups were highly likely to have been employed in the past. However, there were differences in prior education, prior training, and whether the participant was employed at intake. Education was divided into three categories for this analysis; less than High School diploma, High School diploma or equivalent, and College. Those individuals who did not use the Waivers were more likely to have a diploma, but were less likely to have attended college. Prior training is an indication of whether the participant has had any prior training to help with employment (as enumerated in Table 12). Those who did not participate in the Waivers were more likely to not have had prior training. Finally, those who did not participate in the Waivers were more likely to have a job at intake. The statistically significant prior experience comparisons (e.g.; Prior Education, Prior Training, and Employment at Intake) were controlled for in the Analysis of Variance comparing the wages of the two groups by including these prior experience variables as independent variables in the analysis.

Table 25: Prior experience comparisons between Waiver participants and Waiver Project non-participants

Demographic	N	Chi-Square	DF	Probability
Prior Education	1372	16.0076	2	0.0003
Prior Training	1427	11.5757	1	0.0007
Prior Employment	1359	0.1491	1	0.6994
Employment at Intake	1427	8.7506	1	0.0031

Table 25a: Prior Education by Waiver Participation			
PriorEd	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Less than High School Diploma	172 0.0324 12.54 73.82 17.22	61 0.0868 4.45 26.18 16.35	233 16.98
High School Diploma or Equivalent	342 2.5454 24.93 66.80 34.23	170 6.8172 12.39 33.20 45.58	512 37.32
Post-secondary Education or Degree	485 1.7741 35.35 77.35 48.55	142 4.7517 10.35 22.65 38.07	627 45.70
Total	999 72.81	373 27.19	1372 100.00
Chi-Square=16.0076, **DF**=2, **Probability**=0.0003			

Table 25b: Any Prior Training by Waiver Participation			
TATALL	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Yes	592 1.455 41.49 75.99 57.36	187 3.8015 13.10 24.01 47.34	779 54.59
No	440 1.7492 30.83 67.90 42.64	208 4.57 14.58 32.10 52.66	648 45.41
Total	1032 72.32	395 27.68	1427 100.00
Chi-Square=11.5757, **DF**=1, **Probability**=0.0007			

Table 25c: Prior Work Activity by Waiver Participation			
PRIORJOB	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Yes	867 0.0049 63.80 72.67 87.58	326 0.0133 23.99 27.33 88.35	1193 87.79
No	123 0.0355 9.05 74.10 12.42	43 0.0953 3.16 25.90 11.65	166 12.21
Total	990 72.85	369 27.15	1359 100.00
Chi-Square=0.1491, **DF**=1, **Probability**=0.6994			

Table 25d: Intake Job by Waiver Participation			
IntakeJob	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Pre-Intake Job	352 1.5395 24.67 67.69 34.11	168 4.0223 11.77 32.31 42.53	520 36.44
Post-Intake Job	680 0.8826 47.65 74.97 65.89	227 2.3061 15.91 25.03 57.47	907 63.56
Total	1032 72.32	395 27.68	1427 100.00
Chi-Square=8.7506, **DF**=1, **Probability**=0.0031			

Analyses. The two hypotheses were tested using 1) Chi-square analyses; and 2) General Linear Models Analysis of Variance. The Chi-square statistic was used to test if the increase in employment from intake to follow-up was different between the two groups. A General Linear Models Analysis of Variance was used for the statistical outcome analyses comparing the most recent wages of employed participants who used the waivers to those of employed participants who were eligible for the waivers, but elected to not use them.

Attainment of Employment Comparisons. The test of whether the distribution of employment was different between the two groups was statistically significant (Table 26; Chi-square = 17.65; Probability = 0.0001). A review of the Cell Chi-square statistics shows where the significance lies. Those who did not participate in the Waivers were significantly more likely to be employed at intake (Table 26; Cell Chi-square=9.0064). This could be an artifact of the Waiver enrollment process (i.e.; if a participant was employed at intake, he may have been less likely to be recruited by the Project for the Waivers, or may have been less likely to agree to participate). However, if they were not employed at intake, those who did not participate in the Waivers were significantly more likely to not become employed later in the program (Table 26; Cell Chi-square=3.9849). In other words, more unemployed waiver participants became employed than unemployed waiver non-participants receiving SPI services from the same

Projects. This difference can be attributed to the addition of the Waivers. Again, these results would have been more clear-cut and easier to interpret if all participants were either employed at intake or unemployed at intake. Likewise, more could be said about the difference between the groups for employment at intake if the waiver recruitment process had been more standardized or randomized.

Table 26: Chi-square for improvement in employment situation between Waiver participants and Waiver Project non-participants. Sample Size = 2254.

Frequency Cell Chi-Square Percent Row Pct Col Pct	**Waiver participants**	**Waiver non-participants**
Employed at Intake	352 3.106 15.62 67.69 21.00	168 9.0064 7.45 32.31 29.07
Employed Later	680 0.0462 30.17 74.97 40.57	227 0.1341 10.07 25.03 39.27
Never Employed	644 1.3743 28.57 77.87 38.42	183 3.9849 8.12 22.13 31.66
TOTAL	1676 100.00	578 100.00

Chi- square = 17.65; DF = 2; Probability = 0.0001

Comparison of Wages. The following analysis of variance of wage change includes only those individuals who were employed at some time during the Project (Table 27). This analysis was used to estimate the marginal effect of offering Waivers while controlling for the offer of other services as much as possible and for characteristics of the beneficiaries and their local environments. This analysis included all participating SSI beneficiaries who had been employed at any time during the Initiative from all Projects, including the eight Projects who did not offer the Waivers. The independent variables included the treatment indicator for whether a beneficiary used the SSI Waivers. Other independent variables control for individual characteristics. The characteristics, based upon prior significance, used in this model are: Type of SSA Benefit (SSI, Concurrent);

Primary Disability (Mental /Emotional, Other); Race (White, Other); Prior Education; Prior Training; and Employment at Intake. In this model, the coefficient for the SSI Waiver variable indicates the extent to which the effects of the SPI services are increased due to the offer of the SSI Waivers.

Table 27: Analysis of Variance of wage change between Waiver participants and Waiver Project non-participants. Sample Size =1154

Source	DF	Sum of Squares	Mean Square	F Value	Pr>F
Model	8	100782950.4	12597868.8	30.09	<.0001
Error	1145	479377565.4	418670.4		
Waiver Participation	1	3473541.54	3473541.54	8.30	0.0040
Type of SSA Benefit (SSI, Concurrent)	1	1037166.88	1037166.88	2.48	0.1158
Primary Disability (Mental/Emotional, Other)	1	3542518.58	3542518.58	8.46	0.0037
Race (White, Other)	1	4589186.62	4589186.62	10.96	0.0010
Prior Education	2	11391518.81	5695759.41	13.60	<.0001
Prior Training	1	6458.90	6458.90	0.02	0.9012
Employment at Intake	1	76742559.09	76742559.09	183.30	<.0001

Waiver participation had a statistically significant effect between the two groups (Table 27). In addition to receipt of the waivers, Primary Disability, Race, Prior Education, and Employment at Intake were found to have a statistically significant relationship with changes in gross earnings. The most significant variable was employment at intake (Table 28), with those who were not employed at intake having a much greater increase in income. Prior education was also highly statistically significant, with those with college experience having greater improvement. However, even when the analysis accounted for the variance in gross wage change related to these demographic and prior experience differences in the sample, the Waiver participants had a significantly greater mean improvement in wages ($388.75), over those who were employed, but did not use the Waivers ($262.41; Table 28).

Table 28: Post-hoc comparisons of statistically significant Independent variables between Waiver participants and Waiver Project non-participants. N =1154

Variable Name	N	Mean Monthly Earnings
Waiver Participation		
Participated in Waiver	863	388.75
Did not Participate	291	262.41
Primary Disability		
Mental/Emotional	707	406.70
Other	447	278.11
Race		
White	894	316.06
Other	260	497.30
Prior Education		
Post-secondary Education or Degree	554	466.19
Less than High School Diploma	188	317.84
High School Diploma or Equivalent	412	227.74
Employment at Intake		
Post-Intake Job	698	584.78
Pre-Intake Job	456	8.07

Table 29, mean monthly earnings of statistically significant independent variables by waiver participation, has been added as requested by SSA. The differences between the two groups for these independent variables has already been established as a study design issues unrelated to Waiver implementation. These variables were included in the Analysis of Variance and subsequent analyses because they are known to be related to earnings, and it was determined by the Chi-square analyses that the composition of groups in this study were not equally distributed by race, primary disability, prior education, and employment at intake. This table is unrelated to any statistical analyses performed, and all data within it should be viewed with caution.

Table 29: Mean Monthly Earnings of statistically significant Independent variables by Waiver Participation. Sample Size =1154

	Participants		Non-participants	
Variable Name	**N**	**Mean Monthly Earnings**	**N**	**Mean Monthly Earnings**
Waiver Participation				
Participated in Waiver	863	388.75		
Did not Participate			291	262.41
Primary Disability				
Mental/Emotional	574	464.60	133	174.03
Other	289	246.02	158	336.81
Race				
White	644	343.56	246	250.80
Other	219	532.08	45	326.00
Prior Education				
Post-secondary Education or Degree	436	498.23	119	377.50
Less than High School Diploma	142	330.01	47	260.70
High School Diploma or Equivalent	285	258.55	125	153.60
Employment at Intake				
Post-Intake Job	547	597.11	151	555.24
Pre-Intake Job	316	35.31	140	-53.42

Summary of Comparisons with Eligible Non-Participants. Both analyses showed a statistically significant improvement for the Waiver participants, above and beyond SPI services. If they were not employed at intake, those participants who participated in the Waivers were significantly more likely to become employed later in the program. Likewise, Waiver participants attained higher wages throughout the course of the Initiative.

Comparisons with SSI Recipients in Other SPI Projects

These statistical outcome analyses compare the employment outcomes of participants who used the waivers to participants who were eligible for the waivers, but were served by non-participating SPI Projects. The SPI participants who would have been eligible for the waivers had they been served by the Projects that offered the waivers were used as a comparison group to the waiver participants.

This analysis estimates the extent to which the addition of the Waivers changed the employment and earnings of those beneficiaries who enrolled. To estimate the effect of the Waivers, the evaluation compared outcomes of the participants who enrolled in the Waivers with outcomes for participants within Projects that offered similar interventions but without the Waivers. In essence, the evaluation looked for an extra effect caused by making the Waivers available.

Hypotheses. It is theorized that both employment and earnings will be significantly better for SPI Waiver participants, when compared to SPI participants who would have been eligible for the waivers if their Projects had offered them. The null hypotheses are: 1) The two groups have the same percentage of participants who improve their employment; and 2) mean gross earnings change is commensurate between the two groups. The alternative hypotheses are: 1) The Waiver participants were more likely to obtain employment than the non-waiver Project participants; and 2) the changes in gross earnings of the Waiver participants will be greater than that of the non-waiver Project participants.

Sample Construction. All Waiver recipients and all SSI recipients within the eight Projects that did not offer the Waivers are included in the employment analysis. Table 30 has been added in response to a request by SSA, to show the sample size and composition of these analyses. All of the participants in this table were included in the analyses, unless missing demographic data excluded them from individual analyses. A General Linear Models analysis design was used to accommodate the sample size differences between the two groups. Both samples were robust for these analyses.

Table 30: Sample Size of non-Waiver Projects and Waiver Participants			
Frequency Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
CA	146 3.92 100.00 8.69	0 0.00 0.00 0.00	146 3.92
CO	0 0.00 0.00 0.00	152 4.08 100.00 7.44	152 4.08
IAS	0 0.00 0.00 0.00	309 8.30 100.00 15.12	309 8.30
MN	0 0.00 0.00 0.00	266 7.14 100.00 13.01	266 7.14
NC	0 0.00 0.00 0.00	150 4.03 100.00 7.34	150 4.03
NH	0 0.00 0.00 0.00	59 1.58 100.00 2.89	59 1.58
NM	0 0.00 0.00 0.00	453 12.16 100.00 22.16	453 12.16
NY	869 23.42 100.00 51.90	0 0.00 0.00 0.00	869 23.42

Table 30: Sample Size of non-Waiver Projects and Waiver Participants			
Frequency Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
OH	0 0.00 0.00 0.00	341 9.16 100.00 16.68	341 9.16
OK	0 0.00 0.00 0.00	314 8.43 100.00 15.36	314 8.43
VT	370 9.94 100.00 22.02	0 0.00 0.00 0.00	370 9.94
WI	291 7.84 100.00 17.38	0 0.00 0.00 0.00	291 7.84
Total	1680 45.11	2044 54.89	3720 100.00

All SSI recipients within the four Projects with reported earnings data were included in the subsequent earnings comparison. Those who were not employed during the Initiative are excluded from the earnings comparison because this is an analysis of employed individuals. Those who were never employed are NOT missing data – they are simply not part of the analysis, much the same way that SSDI only beneficiaries are not missing data in the Waiver analyses. The Waivers simply do not apply to their benefits situation. Table 31 has been added in response to a request by SSA, and shows the sample size and composition of these analyses. All of the participants in this table were included in the earnings comparison analyses, unless missing demographic data excluded them from individual analyses.

Table 31: Sample Size of non-Waiver Projects and Waiver Participants: Employed Participants Only			
Frequency Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
CA	124 6.08 100.00 13.25	0 0.00 0.00 0.00	124 6.08
CO	0 0.00 0.00 0.00	72 3.53 100.00 6.52	72 3.53
IAS	0 0.00 0.00 0.00	223 10.93 100.00 20.18	223 10.93
MN	0 0.00 0.00 0.00	195 9.55 100.00 17.65	195 9.55
NC	0 0.00 0.00 0.00	86 4.21 100.00 7.78	86 4.21
NH	0 0.00 0.00 0.00	32 1.57 100.00 2.90	32 1.57
NM	0 0.00 0.00 0.00	275 13.47 100.00 24.89	275 13.47
NY	285 13.96 100.00 30.45	0 0.00 0.00 0.00	285 13.96

Table 31: Sample Size of non-Waiver Projects and Waiver Participants: Employed Participants Only			
Frequency Percent Row Pct Col Pct	Participated in Waiver	Did not participate	Total
OH	0 0.00 0.00 0.00	197 9.65 100.00 17.83	197 9.65
OK	0 0.00 0.00 0.00	25 1.22 100.00 2.26	25 1.22
VT	288 14.11 100.00 30.77	0 0.00 0.00 0.00	288 14.11
WI	239 11.71 100.00 25.53	0 0.00 0.00 0.00	239 11.71
Total	936 45.86	1105 54.14	2041 100.00

The preferred design for this study would have been to randomly assign SSI recipients to a group to be offered the Waivers, and another group that received all other SPI services, but were not offered the Waivers. As this was not possible, and because of possible regional differences, it was anticipated that the group that were not offered the Waivers may be systematically different than the group that used the Waivers. To test for these differences, a series of Chi-Square analyses were performed, comparing the demographic characteristics and prior experiences of the two groups. Any statistically significant differences would be used as covariates in the Analysis of Variance of wages.

Preparatory Demographic Comparisons. As noted above, because these analyses compare participants from different stat Projects, there was no way to randomly assign or stratify the assignment of the participants to treatment (Waiver participant) or control (Waiver non-participant) groups. There is therefore the possibility of differences in demographics between the two groups.

Therefore, statistical analyses of primary demographic variables that are known to be related to wages were performed to determine whether in fact the two groups were different for these variables. If significance is found, these variables should be controlled for in the subsequent outcome analyses. This control is obtained by including the significant demographic variable in the outcome analysis. The variance in the outcome variable is therefore partitioned among the independent variables in a more equitable manner. If no significance is found between the two groups for the demographic variable in question, then any minor differences in demographics between the two groups will not affect the outcome analyses appreciably, and no corrective action needs to be taken. If these demographic comparison analyses had not been perform, no corrective action would have been taken, and the differences in wage changes between the two groups would have been wholly attributed to the implementation of the Waivers.

Statistical analyses comparing the demographics of the two groups showed no statistically significant difference in type of SSA benefit or gender (Table 32). However, there were statistically significant differences between the two groups with regard primary disability of participant, race, ethnicity and age. In addition to the summary table of the Chi-square analyses (Table 32), detailed Chi-square analysis results, including percentage differences within the Waiver participant and non-participant groups, is included in Tables 32a-32h, as requested by SSA. A review of the Cell Chi-square statistics shows where the significance lies. The Initiative in general had a high percentage of individuals with mental and emotional disabilities, but the Waiver participants had a higher percentage (63.7% as opposed to 52.1% in other Projects). Those Projects that did not offer the Waivers had a high percentage of participants with sensory disabilities (20% as compared to 8.5% of the Waiver sample). Although the race distribution of the Initiative was predominantly white, the Waiver participants were more likely to be minorities (Table 26). However, the Waiver participants were significantly less likely to be Latino compared to the other Projects in the Initiative (7.5% as opposed to 13.5%). The Waiver participants also tended to be older than the participants in the rest of the Initiative, with 46.6% over the age of 40, whereas the other Projects had only 38% over the age of 40. The statistically significant demographic comparisons (e.g.; Primary Disability, Race, Ethnicity and Age) were controlled for in the Analysis of Variance comparing the two groups for Waiver participation by including these demographic variables as independent variables in the analysis.[14] The Primary disability and race analyses were rerun as two categories to facilitate these variables being used as independent variables in the subsequent Analysis of Variance of wages.

[14] Independent variables within an Analysis of Variance explain a portion of the variance observed in the dependent variable of the analysis. When there is a significant relationship between two independent variables, leaving one of the independent variables out of the analysis may make the other independent variable appear as if it explains more of the variance demonstrated in the dependent variable than it really does. Therefore, including all known variables that are different between the groups in question tempers this effect, keeping the variable of interested (i.e.; Waiver participation) from looking like it has a more significant influence than it really does.

Table 32: Demographic comparisons between Waiver participants and Non-Waiver Project SPI participants

Demographic	N	Chi-Square	DF	Probability
Type of SSA Benefit (SSI, Concurrent)	2148	3.5915	1	0.0581
Primary Disability (Sensory, Physical, Mental/Emotional, Cognitive)	2093	73.7419	3	<.0001
Primary Disability (Mental/Emotional, Other)	2148	29.5577	1	<.0001
Gender	2148	0.9595	1	0.3273
Race (White, Black or African American, Other)	2068	7.0055	2	0.0301
Race (White, Other)	2068	5.4957	1	0.0191
Ethnicity (Hispanic, Not-Hispanic)	2102	19.6347	1	<.0001
Age (Under 40, 40 and over)	2148	16.3245	1	<.0001

Table 32a: Benefit type by Waiver Project Participation

ben2cat	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
SSI Only	616 0.7914 28.68 49.80 59.69	621 0.7318 28.91 50.20 55.65	1237 57.59
Concurrent	416 1.0746 19.37 45.66 40.31	495 0.9937 23.04 54.34 44.35	911 42.41
Total	1032 48.04	1116 51.96	2148 100.00
Chi-Square=3.5915, **DF**=1, **Probability**=0.0581			

Table 32b: Primary Disability by Waiver Project Participation			
DISCODEP	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Sensory	21 6.2368 1.00 27.27 2.15	56 5.4705 2.68 72.73 5.02	77 3.68
Physical	189 0.4603 9.03 49.09 19.33	196 0.4038 9.36 50.91 17.58	385 18.39
Mental/ Emotional	685 7.112 32.73 51.74 70.04	639 6.2381 30.53 48.26 57.31	1324 63.26
Cognitive	83 25.475 3.97 27.04 8.49	224 22.345 10.70 72.96 20.09	307 14.67
Total	978 46.73	1115 53.27	2093 100.00
Chi-Square=73.7419, **DF**=3, **Probability** <.0001			

Table 32c: Two Category Primary Disability by Waiver Project Participation			
DIS2CAT	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Mental/ Emotional	657 6.5059 30.59 53.07 63.66	581 6.0162 27.05 46.93 52.06	1238 57.64
Other	375 8.8509 17.46 41.21 36.34	535 8.1847 24.91 58.79 47.94	910 42.36
Total	1032 48.04	1116 51.96	2148 100.00
Chi-Square=29.5577, **DF**=1, **Probability** <.0001			

Table 32d: Gender by Waiver Project Participation			
Gender	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Male	511 0.2571 23.79 49.13 49.52	529 0.2378 24.63 50.87 47.40	1040 48.42
Female	521 0.2414 24.26 47.02 50.48	587 0.2232 27.33 52.98 52.60	1108 51.58
Total	1032 48.04	1116 51.96	2148 100.00
Chi-Square=0.9595, **DF**=1, **Probability**=0.3273			

Table 32e: Three Category Race by Waiver Project Participation			
race3c	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
White	740 0.6296 35.78 45.65 76.13	881 0.5583 42.60 54.35 80.38	1621 78.38
Black or African American	183 3.0807 8.85 53.51 18.83	159 2.7322 7.69 46.49 14.51	342 16.54
Other	49 0.0025 2.37 46.67 5.04	56 0.0022 2.71 53.33 5.11	105 5.08
Total	972 47.00	1096 53.00	2068 100.00
Chi-Square=7.0055, **DF**=2, **Probability**=0.0301			

Table 32f: Two Category Race by Waiver Project Participation			
race2c	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
White	740 0.6296 35.78 45.65 76.13	881 0.5583 42.60 54.35 80.38	1621 78.38
Other	232 2.2831 11.22 51.90 23.87	215 2.0248 10.40 48.10 19.62	447 21.62
Total	972 47.00	1096 53.00	2068 100.00
Chi-Square=5.4957, **DF**=1, **Probability**=0.0191			

Table 32g: Ethnicity by Waiver Project Participation			
Ethnicity	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Hispanic or Latino	74 9.2969 3.52 33.04 7.49	150 8.2454 7.14 66.96 13.46	224 10.66
Not Hispanic or Latino	914 1.1089 43.48 48.67 92.51	964 0.9835 45.86 51.33 86.54	1878 89.34
Total	988 47.00	1114 53.00	2102 100.00
Chi-Square=19.6347, **DF**=1, **Probability** <.0001			

Table 32h: AGE by Waiver Project Participation			
AGE	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
22 -< 40	551 3.5734 25.65 44.33 53.39	692 3.3044 32.22 55.67 62.01	1243 57.87
40 -< 65	481 4.908 22.39 53.15 46.61	424 4.5386 19.74 46.85 37.99	905 42.13
Total	1032 48.04	1116 51.96	2148 100.00
Chi-Square=16.3245, **DF**=1, **Probability** <.0001			

Preparatory Prior Experience Comparisons. As noted above, because these analyses compare participants from different stat Projects, there was no way to randomly assign or stratify the assignment of the participants to treatment (Waiver participant) or control (Waiver non-participant) groups. There is therefore the possibility of differences in prior experience between the two groups. Therefore, statistical analyses of primary prior experience variables that are known to be related to wages were performed to determine whether in fact the two groups were different for these variables. If significance is found, these variables should be controlled for in the subsequent outcome analyses. This control is obtained by including the significant prior experience variable in the outcome analysis. The variance in the outcome variable is therefore partitioned among the independent variables in a more equitable manner. If no significance is found between the two groups for the prior experience variable in question, then any minor differences in the prior experiences between the two groups will not affect the outcome analyses appreciably, and no corrective action needs to be taken. If these prior experience comparison analyses had not been perform, no corrective action would have been taken, and the differences in wage changes between the two groups would have been wholly attributed to the implementation of the Waivers.

In addition to the summary table of the Chi-square analyses (Table 33), detailed Chi-square analysis results, including percentage differences within the Waiver participant and non-participant groups, is included in Tables 33a-33d, as requested by SSA. A review of the Cell Chi-square statistics shows where the significance lies. Statistical analyses comparing the two groups for prior employment showed no statistically significant differences (Table 33). Both groups were highly likely to have been employed in the past (Table 33c). However, there were differences in prior education, prior training, and whether the participant was employed at intake (Table 33). Education was divided into three categories for this analyses; less than High School diploma, High School diploma or equivalent, and College. Waivers participants were less likely to have a diploma (Table 33a; Cell Chi-square=3.5903), but were more likely to have attended college (Table 33a; Cell Chi-square=2.5978). Prior training is an indication of whether the participant has had any prior training to help with employment (as enumerated in Table 12). Waiver participants were more likely to not have had prior training (Table 33b; Cell Chi-square=3.8025), and were also less likely to have a job at intake (Table 33d; Cell Chi-square=25.269). The statistically significant prior experience comparisons (e.g.; Prior Education, Prior Training, and Employment at Intake) were controlled for in the Analysis of Variance comparing the wages of the two groups by including these prior experience variables as independent variables in the analysis.

Table 33: Prior experience comparisons between Waiver participants and Non-Waiver Project SPI participants

Demographic	N	Chi-Square	DF	Probability
Prior Education	2112	11.8217	2	0.0027
Prior Training	2148	13.7541	1	0.0002
Prior Employment	2106	1.5999	1	0.2059
Employment at Intake	2148	87.7150	1	<.0001

Table 33a: Prior Education by Waiver Project Participation			
PriorEd	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Less than High School Diploma	172 0.0418 8.14 48.04 17.22	186 0.0376 8.81 51.96 16.71	358 16.95
High School Diploma or Equivalent	342 3.5903 16.19 42.70 34.23	459 3.2225 21.73 57.30 41.24	801 37.93
Post-secondary Education or Degree	485 2.5978 22.96 50.89 48.55	468 2.3317 22.16 49.11 42.05	953 45.12
Total	999 47.30	1113 52.70	2112 100.00
Chi-Square=11.8217, **DF**=2, **Probability**=0.0027			

Table 33b: Any Prior Training by Waiver Project Participation			
TATALL	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Yes	592 3.3434 27.56 51.79 57.36	551 3.0918 25.65 48.21 49.37	1143 53.21
No	440 3.8025 20.48 43.78 42.64	565 3.5163 26.30 56.22 50.63	1005 46.79
Total	1032 48.04	1116 51.96	2148 100.00
Chi-Square=13.7541, **DF**=1, **Probability**=0.0002			

Table 33c: Prior Work Activity by Waiver Project Participation			
PRIORJOB	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Yes	867 0.0974 41.17 46.51 87.58	997 0.0864 47.34 53.49 89.34	1864 88.51
No	123 0.7504 5.84 50.83 12.42	119 0.6657 5.65 49.17 10.66	242 11.49
Total	990 47.01	1116 52.99	2106 100.00
Chi-Square=1.5999, **DF**=1, **Probability=**0.2059			

Table 33d: Intake Job by Waiver Project Participation			
IntakeJob	**Waiver Participation**		
Frequency **Cell Chi-Square** **Percent** **Row Pct** **Col Pct**	**Participated in Waiver**	**Did not participate**	**Total**
Pre-Intake Job	352 25.269 16.39 36.78 34.11	605 23.367 28.17 63.22 54.21	957 44.55
Post-Intake Job	680 20.304 31.66 57.09 65.89	511 18.776 23.79 42.91 45.79	1191 55.45
Total	1032 48.04	1116 51.96	2148 100.00
Chi-Square=87.7150, **DF**=1, **Probability** <.0001			

Analyses. The two hypotheses were tested using 1) Chi-square analyses; and 2) General Linear Models Analysis of Variance. The Chi-square statistic was used to test if the increase in employment from intake to follow-up was different between the two groups. A General Linear Models Analysis of Variance was used for the statistical outcome analyses comparing the most recent wages of employed participants who used the waivers to those of employed participants who were eligible for, but were not offered, the waivers.

Attainment of Employment Comparisons. The Chi-square test of whether the distribution of employment was different between the two groups was statistically significant (Table 34; Chi-square = 106.815; Probability = 0.0001). Those SPI participants who also participated in the Waivers were significantly more likely to become employed later in the program if they were not employed at intake (Table 34; Cell Chi-square = 38.328). Those SPI participants who also participated in the Waivers were also significantly less likely to be employed at intake (Table 34; Cell Chi-square = 14.535).

Table 34: Chi-square for improvement in employment situation between Waiver participants and non-Waiver Project SPI participants. N = 3720

Frequency Cell Chi-Square Percent Row Pct Col Pct	**Waiver participants**	**Non-Waiver Project Participants**
Employed at Intake	352 14.535 9.46 36.78 21.00	605 11.918 16.26 63.22 29.60
Employed Later	680 38.328 18.28 57.09 40.57	511 31.427 13.74 42.91 25.00
Never Employed	644 5.8277 17.31 40.97 38.42	928 4.7785 24.95 59.03 45.40
TOTAL	1676 100.00	2044 100.00

Chi-square = 106.815; Probability = 0.0001

Comparison of Wages. The following analysis of variance of wage change includes only those individuals who were employed at some time during the Project (Table 35). This analysis was used to estimate the marginal effect of offering Waivers while controlling for the offer of other services as much as possible and for characteristics of the beneficiaries and their local environments. This analysis included all participating SSI beneficiaries who had been employed at any time during the Initiative, from the eight Projects who did not offer the Waivers. The independent variables included the treatment indicator for whether a beneficiary used the SSI Waivers. Other independent variables control for individual characteristics (including age, sex, education, disabling condition, and employment history). In this model, the coefficient for the SSI Waiver variable indicates the extent to which the effects of the SPI services are increased due to the offer of the SSI Waivers.

Waiver participation did have a statistically significant effect between the two groups (Table 35). In addition to receipt of the waivers, Primary Disability, Race, Prior Education, and Employment at Intake were found to have a statistically significant relationship with changes in gross earnings. The most significant variable was employment at intake (Table 36), with those who were not employed at intake having a much greater increase in income. Prior education

was also highly statistically significant, with those with college experience having greater improvement. However, even when the analysis accounted for the variance in gross wage change related to these demographic and prior experience differences in the sample, the Waiver participants had a significantly greater mean improvement in wages ($387.78), over those who were employed, but were served by Projects that did not offer the Waivers ($313.20; Table 36).

Table 35: Analysis of Variance of wage change between Waiver participants and non-Waiver Project SPI participants. Sample Size =1936

Source	DF	Sum of Squares	Mean Square	F Value	Pr>F
Model	9	164794599.1	18310511.0	60.30	<.0001
Error	1926	584885209.3	303678.7		
Waiver Participation	1	2655522.3	2655522.3	8.74	0.0031
Primary Disability (Mental/Emotional, Other)	1	4221500.6	4221500.6	13.90	0.0002
Race (White, Other)	1	3383525.40	3383525.4	11.14	0.0009
Ethnicity	1	578496.0	578496.0	1.90	0.1677
Age	1	115212.5	115212.5	0.38	0.5380
Prior Education	2	17214701.5	8607350.8	28.34	<.0001
Prior Training	1	588803.2	588803.2	1.94	0.1639
Employment at Intake	1	136036837.5	136036837.5	447.96	<.0001

Table 36: Post-hoc analyses of statistically significant independent variables between Waiver participants and non-Waiver Project SPI participants. Sample Size =1936

Variable Name	N	Mean Monthly Earnings
Waiver Participation		
Participated in Waiver	855	387.78
Did not Participate	1081	313.20
Primary Disability		
Mental/Emotional	1132	389.68
Other	804	284.84
Race		
White	1514	320.18
Other	422	439.27
Prior Education		
Post-secondary Education or Degree	886	449.38
Less than High School Diploma	318	310.46
High School Diploma or Equivalent	732	236.67
Employment at Intake		
Post-Intake Job	1035	611.45
Pre-Intake Job	901	41.37

Summary of Comparisons with SSI Recipients in Other SPI Projects. Both analyses showed a statistically significant greater improvement for the Waiver Project participants. For those participants who were not employed at intake, those who participated in the Waivers were significantly more likely to become employed later in the program than contemporaries who were served by Projects that did not offer the Waivers. Likewise, the Waiver Project participants attained higher wages throughout the course of the Initiative.

Assessment of the Quality of the Data

Included in this section is a review of the data in relation to availability, sample size, completeness, and potential comparison groups among State SPI Projects that affect the ability to complete process, participation, and impact analyses on the four SSI Waiver Demonstration Projects. This section of the report highlights strengths and unique aspects as well as weaknesses of each SSI Waiver Demonstration Project's data collection efforts. Although each SPI Project developed their own research design, they were all required to collect the SPI Core data, which includes all employment outcomes used in these analyses. As a component of the Waiver Demonstration, the four SSI Waiver Demonstration Projects were also required to collect basic Waiver usage data. All four Projects did, in fact, have data collection procedures in place that track Waiver implementation and outcomes, and these procedures were for the most part compatible with each other. Therefore, the data can be validly aggregated across SSI Waiver Demonstration Projects.

Data Availability. All four SSI Waiver Demonstration Projects were able to track Waiver usage on the individual component level, and these data can be aggregated across states, as is exemplified in this report.

The largest data availability issue resolves around the way that the individual states track employment. Vermont and Wisconsin collect initial information about the job from the participant in addition to collecting participant employment administratively, but maintain follow-up employment tracking (and initial earnings in Wisconsin) using administrative databases. Using administrative databases is an efficient time saving measure that all four states use to varying degrees. However, the Vermont and Wisconsin Projects (and to some extent the New York Project as well) are therefore not able to consistently track individual jobs if a participant has more than one job concurrently or even in close temporal proximity (i.e.; within the same quarter). Since an important component of the California Project's research design is documenting career advancement, the California Project kept meticulous records of all individual jobs. However, because the other three Projects were not able to collect ongoing data on individual jobs, these analyses aggregated all concurrent jobs, and analyzed employment outcomes on the participant level.

The Vermont and Wisconsin Project's both reported some jobs with zero earnings. It is probable that these earnings were simply not available as

opposed to the records representing unpaid work experiences. The Project Office verified as many wages as possible these jobs, and the remaining zero-value wages are 'not reported' in the current tables. All records with unreported wages are excluded from the statistical outcomes analyses. This is a change in design from the draft Waiver report, which included a mean substitution of missing wages, so that these records could be included.

Sample Size. All Projects reached or exceeded their SPI target sample size. However, with the exception of the New York Project, not all SPI participants are eligible for the SSI Waiver Demonstration Project, reducing the potential sample size available for analysis of the Waivers. All of the New York Project participants were eligible, as a requirement of the New York SPI Project was that they are SSI recipients, but not all New York Project Waiver participants enrolled in SPI. Since the waiver component was added at a later date, the anticipation of Project-specific waiver outcomes analyses was not considered when the target sample sizes were chosen. Therefore, individual Project-level comparisons were not feasible. However, aggregating across projects created a robust sample, and alleviated sample size concerns.

Completeness. For the most part, the Waiver data are very complete. The two exceptions to this are the New York Project data, which will be discussed below, within the Project-specific Quality Assessment, and missing wages for some jobs, as noted above, for the Vermont and Wisconsin Projects, especially the jobs held at intake in the Wisconsin Project. Some jobs that had ended prior to the end of the Project may still be included in these analyses, if the specific job was not reported as having ended. However, the information does reflect the participants' improved employment situation during the demonstration.

Project-Specific Quality Assessments. Each state Project was designed and implemented independently. As such, different data collection issues and quality concerns arose within each of the Projects. Although the data from the four Projects were aggregated for these analyses, the Project-specific issues are mentioned here. Each state has unique issues that affect the quality of the analyses. The following paragraphs discuss the unique issues with each state Project, as well as the unique qualities that enhance the data acquisition for each state Project. With the possible exception of the dearth of data collected in the New York Project, none of these issues would preclude the aggregation of data across the four Projects.

California – The California Project was the only Project for which the VCU Project Office maintained Waiver data on an ongoing basis. Participant records were be updated quarterly. The California Project had two distinct sites, one of which was very diligent in quantitatively tracking Waiver activity by submitting these quarterly updates. The other site maintained paper files on each participant, but did not always consistently submit this information to the Project Office for data entry. A quality check of data for the draft report revealed a considerable discrepancy between the project sites' interpretation of participants' status, and what was reflected in the data. It is believed that all but three

participants (approximately 5% of the site) were resolved prior to the draft report. There is no record of these three individuals in the SPI database, and they were not included in this report.

New York – The New York Project maintained a longitudinal database with monthly records for Waiver participation. However, the completion rate of the monthly records is quite low, ranging from 0% to 70% for the various components. Although these monthly completion rates are on average better than if the reporting were quarterly, the distribution of the records is not equal across participants (e.g.; one participant may have all monthly reports, whereas another participant may be missing all or several in a row). Additionally, only the basic identifying information (e.g.; no demographic information, including disability and SSA status, services or employment information) was collected on 201 of their 1073 (18.7%) participants. These participants, although they had ostensibly taken part in the New York Waiver demonstration, as well as the New York SPI Project, were never included in the SPI Core database, and are excluded from these outcome analyses.

The New York Project had initially committed to providing all of the SPI Core data (as had all of the SPI Projects), but was never able to coordinate their data collection efforts. They elected instead to rely on SSA administrative data for their individual Project outcome analyses. However, these waiver outcome analyses are of a wider scope than the availability of the SSA administrative data (these analyses span Intake through September 30, 2004, and the SSA administrative outcome data is only available through August of 2003). Those New York participants that are missing SPI Core data are therefore excluded from these outcomes analyses.

It is unknown, but questionable, as to whether all outcomes data are complete and accurate for the remaining New York Project participants included in these analyses. Repeated attempts by the VCU-Project Office to assist the New York Project in data collection and amelioration were met with half-hearted attempts and promises of improvement. The VCU-Project Office liaison for New York, as well as the Evaluation Coordinator, visited the New York Project office several times over the course of the initiative, detailed discrepancy analyses were prepared for the Project after every data submission, and visits and discrepancy analyses were followed up with conference calls. Serious data discrepancies continued to show up in the data, in addition to 201 New York participants never being enrolled in SPI. After much deliberation, the decision was made to not include the New York Project in the outcome analyses of SPI. However, as one of only four Waiver Demonstration Projects, available data from the New York Project was included in this report. The effect of missing later employment data would suppress the ability of the analyses to find significance when in fact it does exist, or to show a reduced significant effect.

Vermont – The Vermont Project's data appear to be quite complete. Very diligent follow-ups, supplemented by administrative databases, provides for a very complete longitudinal record of Waiver participation and employment. The biggest issue regarding the Vermont Project data is the transition from collecting

information on the job level (at placement), and follow-up tracking of earnings on the participant level. Because the Vermont Project took advantage of available state administrative databases for earnings at follow-up, it is sometimes difficult to match information to a specific job if a participant has more than one job concurrently or even in close temporal proximity. This issue was resolved in these analyses by tracking employment on the participant level only.

Wisconsin – The Wisconsin Project also maintained a monthly record of data participation. However, if a participant missed two reporting months in a row, that individual was dis-enrolled from the Waivers. This extra incentive allowed the Wisconsin Project to maintain a reporting system with a nearly 100% completion rate.

Because the Wisconsin Project took advantage of available state administrative databases for earnings, it was sometimes difficult to match information to a specific date, such as when the job began prior to intake. Issues that arose included the administrative database being backlogged for data entry, needing to match timeframes to specific dates, and not being able to identify specific jobs if a participant had more than one job concurrently or even in close temporal proximity. As with the Vermont Project, the concurrent job issue was resolved in these analyses by tracking employment on the participant level only. However, the issue of missing wages for the jobs held at intake was never fully resolved. Consequently, most intake wages are still missing in the Wisconsin Project data.

Non-Waiver Projects – The SPI participants who would have been eligible for the waivers had they been served by the Projects that offered the Waivers were used as a comparison group to the Waiver participants. All of these Projects either entered data into the SPI Core database or provided complete data that was converted to the SPI Core format. These data are highly complete and accurate, comparable to the California, Vermont and Wisconsin Project data.

In conclusion, with the above-mentioned exceptions, data on both the Waiver participants and the non-Waiver participants in these SPI Projects are available and very complete, and the sample size is appropriate when the Projects are aggregated. Although administrative databases were used on occasion, their use was consistently documented, and all issues were resolved or fully documented as the projects longitudinally track the participants.

Limitations of the Outcomes Analyses

Each of the three outcomes analyses has inherent limitations. Although the Pre-post analysis provides an accurate account of the actual change in the Waiver Demonstration sample, it cannot determine the causes of the change. It is hypothesized to be a combination of the SPI interventions and the Waivers, but the contribution of the Waivers beyond the SPI interventions cannot be determined from the Pre-post analyses. The two comparison group analyses

were added to help detect the added effect of the Waivers. However, as discussed below, they each have their own limitations and issues.

Comparison Groups. It was originally thought that New York would be in the best position to identify a comparison group on the individual Project level, as all of the SPI participants in the New York Project are also Waiver participants, allowing for the individuals chosen for the SPI comparison group to also be the Waiver comparison group. However, the New York Project ended up changing their design so that they did not directly collect any data from the comparison group members, and collected only sparse data from the participants They relied heavily upon SSA administrative data, which does not span the timeframe of this research endeavor.

In addition to the pre-post analyses, two comparison groups were therefore chosen; 1) the participants within the three state Projects that did not enroll all participants in the waivers (California, Vermont and Wisconsin); and 2) The participants in the other SPI Projects which were not included in the Waiver demonstration (Colorado, Iowa, Minnesota, New Hampshire, New Mexico, North Carolina, Oklahoma, and Ohio).

The within-Project comparison group is more economically appropriate because the comparison group members came from the same area. However, the members of this group were potentially offered, and refused, the Waivers. Waiver services were made available to virtually all eligible participants who enrolled after the Waivers became available. They may have also been offered to eligible participants who were still actively participating in SPI, even if they had enrolled prior to the Waivers becoming available. There is the group of early participants who enrolled in SPI prior to the Waivers becoming available. Additionally, it has been noted that in some cases, efforts were made to contact beneficiaries who had left the program to see if they were interested in actively participating once the Waivers had become available. Thus, this comparison group may differ systematically from those who received the Waivers.

Controlling for SPI Service Differences. Although benefits counseling was originally viewed as a major defining variable that could be used to account for the variation is services rendered, the initial analyses soon made it apparent that this was not the case. Based upon the composition of the sample, some outcome analyses showed that benefits counseling alone had a greater association with later employment than benefits counseling with additional supports, whereas other analyses showed significantly greater employment outcomes when other supports were added.

Further review of the definition of ‘benefits counseling only’ in the various state designs provided some explanation for this phenomenon. Some state Projects, such as Minnesota, considered benefits counseling to usually be a one-time participant-specific intervention, in which the individual participant’s situation is discussed in detail, and advisement is given. Other Projects, such as the Vermont Project, considered benefits counseling to be a longitudinal interactive

process, in which the participant is guided and advised over time. On the other end of the spectrum, the Oklahoma Project participants who received only benefits counseling received generic definitions of programs and guidance. Those Oklahoma Project participants who assigned their vouchers to a vendor received more specific guidance and support, in the 'full services' component of the Project. Therefore, it was determined that there was too much variability in the Projects' definitions of benefits counseling to use it as a covariate in the analyses. Consequently, aside from the fact that all participants in the Waiver and comparison groups received SPI services, these analyses do not control for variations in SPI services received.

Variations in Waiver Implementation and Waiver Tracking. For analyses to highlight the Waivers specifically, the Waiver data were aggregated across the four states. Although it may seem that the best way to evaluate the waiver demonstration would be the outcomes analyses of each of the four elements separately, especially in light of the fact that the Vermont Project did not offer the first element, an in-depth analysis of the independent elements is not feasible for several reasons. The first three elements are hypothetically available, and are put forth as an incentive to obtaining employment, but they cannot be used until the participant actually becomes employed. Also, the Wisconsin Project did not track use of the separate elements, considering all Waiver participants 'enrolled' in all four elements. For the other three Projects, the first three elements are used on an as needed basis. There was no statistical control over who received what element when.

The fourth element, suspension of medical CDRs, is dependent upon SSA's schedules. Medical CDRs are usually scheduled, at SSA's discretion, at least once every five years. This element was out of both the participant's and the Project's control, except for the fact that the longer a participant is enrolled in the Project, the more likely a medical will be waived. Therefore, the elements must be viewed as a package. There is consequently, one model being tested with these analyses – the Waiver demonstration implementation, regardless of the fact that the Vermont Project did not offer the fourth element. This aggregation is valid, even though there are differences in Waiver implementation and Waiver tracking methodologies across the four states. However, the study would have been a stronger measure of the effectiveness of the Waivers if all states would have offered the same Waiver package and implemented it in a similar fashion.

Waiver Outcome Analyses Conclusions

Although the effects of SPI could not be fully disassociated from the effects of the Waivers, the results from the analyses suggest that the Waiver demonstration was a success. For some Waiver participants, especially those who were unemployed at intake, but later attained employment, participation in the Waiver Project had a positive effect on their employment outcomes (a total of 680 individuals who were unemployed at intake later became employed; Table 17). Although over a third of participants did not attain employment (644 participants;

Table 17), and participants who were employed at intake experienced far less positive outcomes, there was statistically significant improvement. The average increase in income for those participants employed at any time was $391.19 per month (Table 20).

Those demographic characteristics that were significantly different between the two groups were included in the statistical analyses as independent variables. Even when the comparison group analyses accounted for the variance in gross wage change related to these demographic and prior experience differences in the sample, Waiver participants had a significantly greater mean improvement in wages over those who were employed, but were either served by the same Projects but did not received the Waivers ($388.75 average increase, as compared to $262.41 average increase; Table 28), or were served by Projects that did not offer the Waivers ($387.78 average increase, as compared to $313.20 average increase; Table 36). It is very interesting that the two comparison group analyses turned out so much alike, with the same demographic variables being significantly different between the comparison group and the Waiver sample. Although different independent variables were chosen (because they were based on the comparisons of the differences in demographic variables between the groups), the same variables ended up being statistically significant in the two analyses.

For both of the comparison group analyses, the most statistically significant independent variable was employment at intake, with those who were not employed at intake having a much greater increase in income (Tables 27 and 35). This is logical, as those who were employed at intake also have the potential to have a decrease in earnings, and in fact many participants did. Further review of the data in the form of case studies could reveal which of the wage reductions was related to Project services, and which were totally unrelated (e.g.; participant became ill or moved out of the area). Although there was a great deal of variance in change in wages for those Waiver participants employed at intake (as highlighted by the standard deviation of the change being greater than the mean average change; Table 20), the average change was positive.

Also for both of the comparison group analyses, in addition to receipt of the Waivers and employment at intake, primary disability, race and prior education were found to have a statistically significant relationship with changes in gross earnings (Tables 28 and 36). Prior education was the most highly statistically significant of these demographic variables, with those with college experience having greater improvement. This is also perfectly logical. Race was just barely statistically significant, and is possibly due to regional differences. Primary disability was probably statistically significant because the New York Project targeted individuals with mental illness, and did not contribute participants to either comparison group. Regardless, Waiver participation had a statistically significant effect even when demographic and prior employment differences in the samples were accounted for by including prior employment and significant demographic variables as independent variables in the Analysis of Variance (Table 27; F=8.30; P=0.0040 for comparisons between Waiver participants and

Waiver non-Participants; Table 35; F=8.74; P=0.0031 for comparisons between Waiver participants and non-Waiver Projects).

Although these analyses show that the Waivers did indeed have a positive effect, the Waiver (and SPI in general) did not help every participant. A very sobering fact is that over one-third of the Waiver demonstration sample never became employed during the course of this study. A full 644 waiver participants (38.4%) of the 1676 Waiver participants for whom data were available (Table 17) remained unemployed throughout the study. Additional case reviews could possibly reveal potential reasons for why these participants did not obtain employment, both related and unrelated to the Waiver demonstration and State Partnership Initiative.

The Waiver Demonstration was conducted in addition to other services provided as components of the State Partnership Initiative. When these analyses were designed, although it was hoped that the added effects of the Waivers could be measured as an independent addition to SPI services, it was doubtful that the effects of the Waiver would be extricated from the full SPI service package. In an attempt to separate the effect of the Waivers from the effect of the SPI interventions, the primary SPI Project intervention, benefits counseling, was originally proposed as a covariate in the statistical analyses. However, services varied greatly among the Projects, even within the umbrella definition of 'benefits counseling'.

Viewed as a complete package, these analyses provide an indication of the effects of the Waiver demonstration above and beyond the SPI Project interventions, but not independent of the SPI implementation. The analyses reviewed the data from three different vantage points to attempt to differentiate the Waiver component from the rest of SPI. However, wide variation in the implementation of the benefits counseling component of SPI precluded the analyses from being as independent as originally conceptualized when benefits counseling was proposed as a covariate. To truly differentiate the Waiver component, an additional comparison group which was a true control, receiving no SPI services, but still being longitudinally tracked for the SPI Core data, would be required. This was known at the outset of Waiver implementation, and was seen by all as not possible with this study. Therefore, to be a valid replication any replication of this particular Waiver Demonstration would need to include at least the benefits counseling component as piloted in SPI.

III. Case Studies of the Impact of the SSI Waiver Demonstration on Individual Participants' Lives

The four SSI Waiver Demonstration Projects were asked in late Fall 2003 to submit case studies illustrating the impact of the SSI Waivers on participant quality of life. Examples of both positive and negative experiences resulting from participating in one or more of the Waivers were provided by the Projects and included in the Preliminary Waiver Report submitted in February 2004. These same case studies are included in the Final Report.

Positive Impact on Quality of Life by the SSI Waivers

In reviewing the following case studies there are several anecdotal trends that emerged after enrollment in the SSI Waiver:

- The utilization of the $1 for $4 benefit offset helped individuals to develop good work habits, to gain confidence in their ability to keep and hold a job, and for some, the commitment to establish long term career and employment goals. Additionally, a number of participants identified working their way off of SSA cash benefits as a personal goal.

- A few individuals who used the Waiver to offset what is traditionally viewed as "unearned" income reported an increased ability to maintain their health care coverage. This improved their ability to move back into the workforce after lay-offs or job loss.

- People who utilized Independence Accounts returned money into the economy and bought items that assisted in meeting employment goals, such as adaptable vans, automobiles, or moving into stable housing. This work incentive allowed individuals to focus on earning and saving versus having to ensure that they did not go over a resource threshold in order to remain eligible for health care and/or a cash benefit.

- Suspending medical Continuing Disability Reviews (CDR's) allowed individuals to focus on their work efforts without being worried that their work would make life worse for them rather than feeling rewarded for working and earning. For many, as they more fully integrated into the community, they reported an overall improvement in their health.

Ricky enrolled in the SSI Waiver in California where he is currently working at a bicycle shop from 32-40 hours per week. At the time that Ricky was enrolled he was homeless. Through his work with San Mateo's ISSP Project, Ricky received mental health treatment as well as home and board care. Through his employment he is now in his own apartment, he has purchased an automobile and has $4,000 in his Independence Account. He has gained much confidence

and stability in his life and has changed his view of his own ability to be successfully employed.

Judy entered the mental health system around 1984. She began receiving SSI at the age of 36, in 1985. Prior to involvement in the California ISSP project, she had a very spotty work record. Before reaching age 18, she started a house cleaning business with her mother-in-law, and worked for a car dealer in the Accounts Receivable department. She never made enough to file income taxes. Besides becoming a teacher, Judy had another goal, which was completely getting off of SSI. She felt that it could happen as soon as she had steady employment with benefits. "You're a regular person when you work," she said. "I took it one step at a time. The ISSP staff help[ed] me stay on track and see an end to SSI. I don't like the government in my business." Judy took advantage of the SSI waivers. The $1 for $4 waiver and having no CDRs was really helpful. A barrier to greater self-sufficiency was the fact that her rent went up when her wages went up. Judy felt that HUD waivers in the Section 8 subsidy program would be of tremendous help to her situation.

Sue enrolled in the SSI Waiver in Vermont where she has a full time job working in the cafeteria of North East Kingdom High School. Sue receives community services through a Home and Community Based Medicaid Waiver for people with developmental disabilities. Sue is laid off from her job in the summer. If she had not enrolled in the SSI Waiver in the summer of 2003 the effect when she received her Unemployment Insurance Compensation benefits would have been to "zero out" her cash benefit, and lose her 1619B eligibility. Because of the SSI Waiver, Sue kept a portion of SSI payment as well as her UI benefit. She maintained her Medicaid eligibility and returned to work in the Fall.

KD was a waitress on a full time basis in Rutland, Vermont. She received both SSI and SSDI benefits. Because she had no health coverage through her job she relied on her Medicaid and Medicare coverage. KD had a severe psychiatric disability and received supported employment services and case management services through the local community mental health center. These services and her treatment were covered through Medicaid. Like most Vermonters she needed reliable transportation to get to work. Her car was old and unreliable. On occasion she was late to work and had missed days because of car trouble. She has enough income to save money, however prior to the SSI Waiver she could not save over the $2,000 resource limit. After signing up for the SSI Waiver she opened up an Independence Account and was able to save enough money to purchase a new (second hand) car. She hoped to have enough money set aside to get the car in the spring of 2004.

John enrolled in the SSI Waiver in Wisconsin. Through his work with the Pathways to Independence Project staff he began working part time and utilized the Waiver in 2001. John has paraplegia and in the past was very cautious about how much he earned because he feared he would lose all of his SSI cash

benefit. Since enrolling in the Waiver John has continued to work with the same company. He has increased his work hours and has also received two raises. John's confidence in his ability to work has increased dramatically. He reports an increase in his self-esteem and that his overall health has improved. John has dual eligibility SSI/SSDI and has worked his way off of his SSDI cash benefits; he does remain eligible for a small SSI cash payment and the Wisconsin State SSI supplement. He has purchased an accessible lift for his home, has purchased a reliable vehicle, and has been able to participate in activities he loves like fishing and hunting that he could not afford in the past.

Micah also enrolled in the Wisconsin SSI Waiver program. He was a recipient of support services through community programs for individuals with persistent mental illness for over 5 years prior to enrolling in SPI. Prior to enrolling in SPI, Micah considered himself unemployable and that that SSI was his only income option. After two work experiences, Micah found a good employment situation in March, 2003. He was very frugal and enjoyed saving the extra income that came from enrollment in the 3 for 4 Waiver as a safety net in case he unexpectedly experiences a change in health or income in the future. Micah was very interested in the Wisconsin Medicaid Buy-In (i.e., Medicaid Purchase Program) so that he could continue to work and same more. He worried that when the Waiver was no longer in effect, he would not be able to save as much of his income.

Estel enrolled in the SSI Waiver in New York. When Estel began working with NY WORKS in December 2000 she had no work history, no job supports, and a history of depression and anxiety. At fifty, Estel was divorced and had never worked outside of the home. Estel felt that with new medications to treat her illness she wanted to go to work for the first time in her life. In her interaction with NY WORKS she developed a goal to work in the field of horticulture. She was very knowledgeable and loved wild flowers. Estel became employed in June of 2001 after becoming an SSI Waiver participant. The job was in a rural suburb of Buffalo, Estel did not drive, and there was very limited public transportation. Estel developed a plan to get her driver's license and buy a car. Estel benefited from the Waiver and also developed a Plan for Achieving Self-Sufficiency to help her purchase a car. In September 2001 Estel got her driver's license, bought a car, and moved from part-time to full-time employment. Today Estel is happy at the same job, has gotten her Master Gardener certification, and contributes in a way she was never able to do before in her life.

Charles was working part-time at a residence care center for adults when he joined the New York WORKS project. He had himself been a resident of this facility, with a diagnosis of chronic depression, schizo-affective disorder and anti-social personality disorder. When his condition eventually improved and he was discharged, the center hired him as a client advocate 14 hours a week, for which he earned $672 a month. He was also getting $338 in SSI for a total of $1259 a month. During his first few months with New York WORKS, Charles was employed part-time at the residence care center, earning under $1000 a month in

addition to his SSI cash benefit of $338. After several months, and with the application of the 3-for-4 SSI Waiver, he began working longer hours and was promoted to higher positions, earning more money. Working with his Benefits Advisor, Charles utilized another New York WORKS Waiver by opening an Independence Account (IDA). Due to the IDA Waiver, he was able to far exceed Social Security's $2000 resource limit on savings, and, in fact, he saved $8000. He planned on buying a home computer and other home office equipment with those savings.

Negative Experiences After Enrollment in the SSI Waivers

A few of the SPI Participants who have enrolled in the SSI Waivers have not achieved positive outcomes. For a number of enrollees in the Waiver successful use of the components depends upon their ability to access benefit advisement and ongoing resources to understand how different changes in work, earnings, and savings will affect them long-term. Success for some enrollees is still very incremental and is measured in very personal terms. For many enrollees they have not saved from their earnings, but have purchased those things that they have needed for a long time. It takes a long time for some enrollees to experience what might be viewed as job stability and it takes a variety of supports to be in place before work efforts are successful. The SSI Waiver Projects are confirming that the paradigm shift from work as an incentive versus work as a disincentive is an incremental, long-term process.

- There are enrollees who have great difficulty in following through on the administrative tasks necessary to benefit from the Waiver. Submitting paychecks on time or remembering to save their paycheck is a problem for some enrollees.

- For others reporting their income is a difficult task. This may mean that project staff must spend substantial time in attempting to obtain necessary documentation. This is exacerbated for individuals who have fluctuating hours, and when it is difficult to predict work hours from week to week or month to month.

- There are also enrollees who cannot deal with the uncertainty inherent in a short-term "test." People worry that they will depend upon one of the features of this Waiver Demonstration and when it goes away they will be worse off than before they enrolled.

- For others a Waiver is perceived as adding more complexity to an already complex system. As with almost any new work incentive feature, it is taking time for enrollees to benefit from options of this Waiver package.

- There have been difficulties associated with the maintenance of Independence Accounts including verification of “earned income” into the account, and keeping accounts separate.

Earl became eligible for unemployment benefits this last November (2003). His unemployment stubs were regularly turned into the SSA field office as required. The new information was posted by the Social Security Office in a timely manner. Project staff worked with Earl to explain the impact of his unemployment benefits on Earl’s SSI cash benefit so he would be able to budget for January. January’s SSI came in almost $80.00 short. This was a significant shortfall for Earl and produced a great deal of stress. The figures were double-checked by the project staff, and the Social Security Office was contacted for clarification. In following up with the SSA field office it was determined that Earl was due the additional money. A check was sent out. Earl was much relieved and he was able to pay his bills for the month.

Taylor wants to take advantage of the SSI Waiver. Her Benefits Advisor has told her about the 3 for 4 work incentive provision and even the Independence Account which she can establish only if she works. But the chances that Taylor will ever work are slim to none. The housing facility and many others like it have a vested interest in keeping Taylor unemployed. The housing manager is concerned that the housing subsidy he receives would be affected if Taylor were to start working. There may be a conflict of interest between the local housing system that discourages employment and work incentives that encourage employment. Taylor might consider moving, but the residence has discouraged her by threatening the loss of supports. Taylor has been given a once in a lifetime opportunity to use the SSA work incentive Waivers, but she has to make an unconscionable choice. She can leave all her supports and the stability they provide behind, for the goal of self-sufficiency through employment. This would require her to take a leap of faith, and risk all that is comfortable and familiar in pursuit of a dream. On the other hand, Taylor could remain with all that is comfortable and familiar. So far, she has chosen the latter, but she is stressed by the choice she has ignored.

IV. Implementation of the Waiver Demonstration by the State Projects and Examples of the Impact on Local and Regional SSA Offices

Implementation of the Waiver Demonstration by State Projects

All four states devoted significant resources to planning the operation of the Waiver program prior to implementation.

- States developed outreach plans and materials to reach out to existing and potential State Partnership Initiative participants. Mailings were completed, information packages were distributed, and benefit counselors and other project staff discussed the Waiver in their contacts with current participants. When follow up contact was made with project participants, individuals were informed of the availability of the SSI Waiver.

- All states had an SSI Waiver application that provided a format for obtaining necessary information to determine eligibility and secure informed consent for participation. All enrollees were required to submit proof of earnings on a monthly basis.

- For the Independence Account an enrollee was required to set up an account that could not be a retirement or pension account. There were specific requirements for an independence account: 1) the enrollee was registered after found eligible for the SSI Waiver, 2) enrollee had to be sole owner of the account, 3) assets of the account could not be co-mingled with other property, 4) assets had to be derived solely from earned income from paid employment, and 5) total deposits could not exceed $8000 or 50% of gross earnings.

- All four states that have implemented the Waiver worked individually to ensure that their specific populations received the best training and ongoing support regarding Waiver enrollment. In addition, State Projects exchanged information and attempted to implement complementary policies and procedures for enrollment and unenrollment in the SSI Waiver.

- State Projects made a substantial commitment to ensure that the enrollment of individuals in the SSI Waivers was consistent, that people understood all components of the Waiver, and that there was a clear process for appeal. The implementation of the Waivers in each state benefited greatly by the cooperative relationship between Project staff and local SSA staff in all facets of the Waiver implementation, maintenance, and evaluation.

- Staff members from each state developed training plans that provided for skill building and knowledge about both the policy implications of the SSI Waiver

options and the plan for implementation and maintenance of the Waiver for all potential enrollees. The training components for Waiver implementation targeted both SSA Field Office (FO) and State Partnership Initiative staff who worked directly with potential enrollees.

- Policies and procedures were developed for Waiver unenrollment and transition. All participants were informed at time of enrollment that effective the first month after the end of the demonstration period, or when the person either voluntarily withdrew from the project or whose case was closed following a period allowed for appeal and grievances, that monthly cash benefits would return to current SSI rules and regulations. All states implemented programming to provide support for individuals when they unenrolled in the Waiver demonstration prior to the end of the demonstration. This included information regarding benefit status, results of cost of living increases, work credits, and availability of health care coverage including the Medicaid Buy-In option.

- Prior to the end of the SSI Waiver demonstration in September 2004, all Projects worked with participants for several months to prepare them for the changes that would occur with their benefits. As Asset Accumulation must be spent down over a two-year period following the end of the demonstration period, Participants have until September 30, 2006 to complete this requirement, at which time they will be treated under the SSI rules in effect at that time.

SSI Waiver Implementation in Wisconsin

In Wisconsin state staff worked closely with Federal and local SSA staff to develop an automated data collection system compatible with the MSSICS system to process cash benefit amounts accurately. Wisconsin staff worked with the local Madison SSA office to develop the logic for a $3 for $4 stand-alone calculator built into Microsoft Access. This calculator was tested at a local level, and was then sent to SSA where the calculator was tested and approved as a model. The calculator was embedded in a secure online system that provided statewide accessibility for all Pathways project sites. The calculator was expanded to include the SSI Waiver application and the Independence Account registration forms. This calculator is used by all states participating in the demonstration.

The Waiver application process began in Wisconsin after the consumer enrolled in the Pathways to Independence project and had undergone a benefits analysis that included the effects of the SSI Waiver on his/her overall benefits picture. Once participants understood the specifics of the program, they decided whether the SSI Waiver was appropriate for them and proceeded to sign an informed consent, or withdrew from further involvement. The participants were then responsible for providing to the service agency the following information:

- Proof of Supplemental Security Income;

- Social Security Number;
- Local SSA office and contact information for CR;
- Current income;
- Verified specific unearned income information;
- Individualize threshold amount if applicable and as determined by SSA;
- Other information, as needed by the Benefits Specialist.

The participant brought the information stated above to the appropriate Pathways agency to complete the application for the SSI Waiver. The Waiver application was a secure HTML-based web page that benefits specialists logged into. Each benefits specialist had a unique username and password to access the on-line application and web page. The benefits specialist inputted the application information through the on-line application. This application was connected to a secure database at the Wisconsin Department of Health and Family Services (DHFS-the SPI grant holding agency) that stored participant information for the purpose of Waiver tracking and administration. The application consisted of twenty questions regarding current benefit and employment status.

The application was approved or denied by Pathways project staff within ten business days. Eligibility determination for the Waiver was provided to both the service agency and the participant. If the participant was found not eligible, appeals rights and a process description was sent with the denial of application.

Wisconsin Findings. Enrollment in the SSI Waiver Demonstration began in May of 2001 in Wisconsin, almost two years after the project start-up. As of March 2004, there were 312 participants on the Waiver roles. Evaluators of the Wisconsin SPI Project used three primary outcomes – employment, earnings, and total income – to model waiver use in its Internal Evaluation. Probability of employment was found to differ significantly between Waiver users and Waiver eligible cohort group members ($p<.0001$). However, probability of employment did not change significantly over time for either group. It is possible that some part of the increase in enrollment was due to effect of the Waiver, but it is more likely that the majority of the effect is due to selection into the Waiver. The WI Project is of the belief that since many participants used the Waiver because it gave them more money while working, they did not access it unless they were working. Earnings levels were found by the Wisconsin Project to differe significantly between Waiver users and the Waiver eligible cohort members ($p<.0001$). In addition, earnings were found to increase significantly over time ($p<.10$). The direction of the increase in earnings was consistent with expectations, but the Project cannot directly assess the impact of the SSI Waiver in achieving increased earnings.

SSI Waiver Implementation in California

California began enrolling participants in the Individual Self-Sufficiency Project (ISSP) project early in 1999. As a part of its orientation activities with potential

participants, the ISSP informed individuals that California would be applying for SSA Waivers. In May 2001, enrollment began in California's four SSI Waivers: 1) three-for-four earned income exclusion, 2) unearned income to be counted as earned income, 3) increased Independence Account to $8,000 per year, and 4) suspension of Continuing Disability Reviews.

All project participants receiving SSI were invited to enroll, and by October 2003 113 eligible participants had chosen to enroll (113 participants out of a total ISSP participant population of 150). Sixty five participants were receiving sufficient earned income to benefit from the $3 for $4 Waiver, ten participants had set up independence accounts, and eight had benefited from the unearned income as earned income Waiver. As part of the enrollment process participants adjusted their release of information/consent and ISSP plan forms. All participants were also counseled regarding the temporary nature of the Waivers, given the awareness of the need for exit planning from the Waiver program.

Preliminary feedback regarding the impact of the Waivers was uniformly positive as of February 2004. The one initial negative issue was the adding of a new, complex program on top of an already existing complex program. As of October 2003 nine Waiver participants earned and reported over $1,000 in monthly earnings, with five over $1,500. The $3 for $4 Waiver allowed individuals to try working more and still have the security of some SSI. Building confidence in one's ability to support oneself has been considered an important part of the recovery process for persons with psychiatric disabilities. Over time it was hypothesized that individuals would become more invested in permanent work with benefits that pay a living wage, and have less need to "hold on" to the security of benefits provided by SSI. It was recommended that SSA allow sufficient time for California to study in depth this relatively small group of individuals, and the dynamic effect the Waivers have on their lives, but the Waiver ended before the California Project evaluators could do the follow-up studies that they had planned.

California Findings. The interim report of California's ISSP Project conducted duringYear 5, indicated that participants who entered the project in years two and three had nearly double the earnings of those who entered during year one. It was postulated that one of the significant factors is the introduction of the Waivers two years after the project started. Staff at the two sites reported that individuals signing up at the beginning of the project consisted of those whose primary motivation was benefits planning and assistance in order to maximize benefits, while subsequent enrollees were primarily motivated with the need to facilitate working and receiving SSI concurrently. In the final Internal Evaluation Report, the California evaluators state that employment and earnings data suggest that the $3 for $4 SSI Waiver probably had a positive effect on earnings. Most of the gain for participants took the form of higher earnings for those who had some earnings, as opposed to a higher percentage with any covered UI earnings. In regards to growth of earnings of Waiver participants as different than that of the comparison group, it was found that growth (percentage change) was greatest for SSI only recipients. Because there was overall

improvement in the SSI only, Concurrent, and SSDI only groups, the California project concludes that there is reason to believe that on-going services and supports also made a positive difference.

SSI Waiver Implementation in Vermont

The Vermont Work Incentive Initiative (VWII) SPI Project staff coordinated with local SSA staff around implementation issues and agreed to coordinate enrollment in the Waiver through the local SSA Employment Support Representative. The project began Waiver enrollment of VWII participants in March 2001. At the point the Waiver became available, the project had already enrolled 374 participants into the SPI Project. Therefore, to outreach to VWII prior enrollees, VWII staff created a one-page Waiver flyer. The project conducted a mailing to all SSI and concurrent VWII enrollees informing them about the availability of the Waiver and encouraging them to contact their benefits counselor for advisement.

The Waiver flyer and enrollment forms were incorporated into the enrollment packet for the VWII project, so all new participants had the opportunity to participate. Of the 498 VWII participants who were eligible to sign up for the Waiver, 385 chose to enroll, with 365 of these individuals remaining active enrollees throughout the duration of the SSI Waiver. Because participants generally were not able to take advantage of the unearned income exclusion and Independence Account immediately, participants were advised to re-contact the benefits counselor at the point they wanted to use these provisions. It was considered key that participants had the support of a benefits counselor to ensure they used these provisions properly. In particular it was key that beneficiaries wishing to use the Independence Account provision sought assistance from the project to ensure they set up the savings account properly and reported the account number to SSA. The follow-along counselors maintained contact with all Waiver participants on a quarterly basis to track utilization of the Waiver. When appropriate, they referred participants back to the benefits counselors for direct assistance.

The VWII project coordinated the implementation of the Waiver primarily through the local Employment Support Representative/Area Work Incentive Coordinator (AWIC). Starting in April 2001 the VWII project provided a monthly list to the AWIC of all Waiver participants. Because the Waiver was a pilot and not part of an overall SSA systems change, all the adjustments had to be made manually on the SSA system. Therefore, the AWIC posted a note on the SSA system identifying the beneficiary as a VWII Waiver participant and noting “special income and resource exclusions” may apply. Claims Representatives were instructed to contact the AWIC for instructions. The AWIC also forwarded the VWII Waiver participant list to the SSA Central Office to ensure the CDR suspension for SSI only participants was implemented.

The AWIC estimated that approximately 10% to 20% of his time was spent annually on SSI Waiver related work. Because he took responsibility for all

Waiver issues, the impact on individual claims representatives was negligible. The major challenge for SSA and the project was the proper identification of Independence Accounts and determining if the funds in the account came from earned income. Project participants did not always inform the project when they opened an account, so the project was not able to inform SSA the account was excluded. The project made strenuous efforts to ensure all the Independence Accounts were properly identified. Also local SSA staff members found it very difficult to verify if the resources in an account were from earned income only. In general, implementation of the unearned income exclusion went very smoothly. Overall SSA and project staff members worked very collaboratively to insure all the Waiver provisions were properly implemented.

Vermont Findings. A total of 39 Waiver participants use the Independence Account Waiver with reported balances from $6 to $7,494 (Median=$589) at the time the Vermont Internal Evaluation was completed. This utilization rate was considered low. Only 70-80 participants had earnings in excess of $400, which supports the anecdotal feedback that earnings were too low to allow participants to save. The Vermont Project evaluator also states that for a participant who was late to sign up for the Waiver (e.g., June, 2003), there would have only been 15 months to save earned income. A total of 15 participants used the unearned income exclusion Waiver, with 14, virtually all, demonstrating some attempt to reenter the workforce after enrollment (the fifteenth person moved out of state). The employment data of these individuals suggests the unearned income exclusion served its purpose in that people stayed engaged in the world of work and became employed again after a relatively short period of time. It must be noted again that Vermont did not participate the $3 for $4 earnings deduction Waiver.

SSI Waiver Implementation in New York

Implementation of the Waivers in New York was dependent on the New York Works (NYW), benefits advisor to whom participants were assigned. Benefits Advisors worked closely with the NYW SSA Liaison to provide access to the SSI Waivers. The benefits advisors recorded waiver access and use monthly on the SPI core data forms for NYW. Benefits advisors were selected to enter this information since they were responsible for implementation and troubleshooting any problems with the SSA liaison on behalf of the participant.

Regarding the implementation of the 3 for 4 Waiver, there was a delay in the amount of time it took for SSA to correct the SSI check if an individual had earnings. The 3 for 4 Waiver took about 3 months to be reflected in the participant's SSI check. The result was that while the participant's record in the database indicated Waiver usage, the actual financial implications of the Waiver would not be accessible (reflected in the SSI check) when the database entry was made.

Contacting participants, getting data from them, and then recording it in a timely manner posed some problems for the NYW Project. The reasons for these difficulties were numerous, but centered around the transient nature of some participants served by NYW. A significant problem was the difficulty involved in contacting and maintaining communication between project staff and participants. Another problem that contributed to the data completeness issue was the turnover rate in benefit advisor positions. The turnover problem was largely plagued by the Enhanced Service benefits advisors but some turnover also contributed to problems in the Full Service condition.

New York Findings. The NYW's Internal Evaluation was very limited in its evaluation of the SSI Waiver. In the report, it is stated, "There was insufficient time to fully test the effects of the waivers and the interventions on employment outcomes and wages." It must be acknowledged that data was not collected on use of the individual Waivers by the New York Project, nor was the participant population divided into Waiver user and Non-Waiver user groups.

Impact of SSI Waivers on Local and Regional SSA Offices

Information regarding the impact of the SSI Waiver Demonstration on Local and Regional SSI Offices was gathered at two separate points in time. The first data collection occurred in the late Fall of 2003 prior to the February 2004 Interim Waiver Evaluation report. It was an informal approach relying on qualitative information submitted by the Project Directors/Coordinators of the 4 Waiver State Projects. The second data collection occurred in October 2005 using a qualitative research design that involved structured interviews with SSA Field Office and Regional Office staff who were nominated by Project Directors or Project Staff and who chose to participate after being contacted by VCU.

Findings Reported in the February 2004 Interim Waiver Report

The implementation of the SSI Waivers required SSA local staff involvement in all states. Each state approached their SSA local field offices, working with key staff to ensure that sufficient resources would be utilized to implement an efficient and effective Waiver implementation plan.

- All four states worked closely with SSA regional and local offices in the development of orientation and training strategies. SSA regional staff worked to resolve any union issues associated with the implementation of the Waiver and the work tasks associated with the demonstrations. SSA field staff noted a sizable reduction in volume of overpayments; this was due in part to the reporting protocols that have been developed by all Waiver states. In addition utilization of the CDR Waivers created administrative cost savings at both the

local and regional level of SSA. In all states individual SSA staff were identified to administer Waiver participants' benefits, which eliminated the need to train all Claim Representatives in a state.

- The success of the efforts associated with the SSI Waiver implementation carried over into other Regional Office activities. Several SPI State Projects convened Work Incentive Advisory Groups, which provided a forum for Regional SSA to communicate with relevant constituencies about the larger issues associated with the Ticket to Work and Work Incentives Improvement programs.

- SSA staff identified issues that they considered must be addressed in any SSI Waiver implementation plan, including: 1) consultation with AFGE at both the national and local level, 2) training plans including both systems and manual workload processes, 3) training on MSSICS applications, and 4) development of a system for communication between the state agencies and the SSA office.

- At the time of the February, 2004 Interim Waiver Report there was general consensus that the implementation of the Waiver was going smoothly. SSA staff had witnessed profound effects for a number of beneficiaries who were utilizing the Waiver. Systems continued to be streamlined and issues addressed and resolved as they emerged. Overall, SSA and SPI state project staff continued to work collaboratively to ensure positive implementation and maintenance of the tasks, policies, and procedures associated with the SSI Waiver demonstrations.

In **Wisconsin** pre-planning occurred more than a year before the final approval of the Waiver. This planning helped to determine the costs and impact to SSA in this Waiver test. SSA staff along with Wisconsin state staff identified the need for a pay system that would post correct payments. This was treated as a major priority. It was the work of the combined efforts in Wisconsin that led to the development of a SSI Waiver payment application and communication system. Project staff partnered with the local Madison SSA office to provide statewide training on utilization, processing and administration of the Waiver. Five training sessions were provided.

All 4 State Projects reported that the partnership of Project and SSA staff together had resulted in the development of policy, systems, and training that further strengthened an already solid working relationship between project staff and SSA FO staff. This strategy of bringing State Partnership Initiative and SSA staff together for training and implementation was used to some degree by all SPI Projects.

In **Vermont**, the Vermont Works project coordinated implementation primarily through their local AWIC. The adjustments necessary for Vermont SSI Waiver enrollees were made manually on the SSA system. The AWIC posted a note on the SSA system identifying the beneficiary as a Vermont Waiver participant, and

noted “special income and resource exclusions”. All Claim representatives were instructed to contact the AWIC for instructions. The AWIC also forwarded the Vermont Waiver participant list to the Baltimore SSA Central office to ensure the CDR suspensions. It is estimated that 10-20% of the AWIC’s time was spent on SSI Waiver related activities. It was reported that these efforts created an almost negligible impact on the workload of Claims Representatives in Vermont.

In **New York** a Social Security Administration Liaison to New York Works was appointed to improve the implementation of the Waiver, to enhance coordination between New York Works and SSA, and to provide direct links to resolve participant problems. In order to ensure that the resources were used effectively given the size and complexity of SSA local offices, the PASS cadre in Buffalo and New York City were chosen as the local demonstration site links to SSA. One staff member from the PASS cadre and the Regional Office served as members on the New York Works steering committee. The Buffalo PASS Cadre developed an in-house system for calculating SSI checks based on Waiver utilization. A result of these efforts between the Regional and Local SSA offices in New York was the substantial reduction in overpayments for Waiver participants. The work efforts required for Waiver implementation were reported to be offset by the almost complete elimination of administrative costs associated with overpayments. Overall, between decreasing the number of overpayments and setting repayment plans for SPI participants, SSA saved administrative costs and developed a positive public image locally and regionally. Utilization of the CDR Waiver delivered administrative cost savings at both the local and regional level of SSA. The Disability Determination Service had fewer Continuing Disability Reviews for which to bill and reduced the number of redetermination cases for local SSA offices to complete.

The Regional SSA Office provided on-going support for NYW. As the volume of cases in NYC grew, the number of PASS cadre in the New York City demonstration site had to grow also. The SSA Regional Director was instrumental in allocating the number of positions from two to four to keep up with the demand for the SSA liaison services. The SSA Regional Director also appointed a regional supervisor to the SPI project so that SSA at the Regional level would participate in the NYW Steering Committee and be part of the on-going development and implementation of the project.

In **California**, SPI Project staff at the Kern and San Mateo Project sites engaged in intra-agency training with their respective local SSA Field Offices that included wage reporting protocols, points of contact for ongoing reporting, and a process for resolution of issues that emerged. A representative from the SSA Regional Office sat on the Projects Advisory Group and was instrumental in the orientation and training of SSA field staff in the required SSA regulatory changes. With the implementation of the SSI Waivers in California, a major change occurred in the smoothness and rapidity with which pay stubs were entered into the Social Security computer system. An immediate effect has been a sizable reduction in the volume of overpayments. The positive impact of this was dramatic and unexpected.

Findings from the October 2005 Interviews with SSA Regional and Field Office Key Informants

A list of questions for use in structured interviews with SSA Regional and Field Office staff were developed and piloted in California in July, 2004. From the results of the pilot interviews and input from the California ISSP staff and evaluators, the list of questions was narrowed down to the following six questions:

1. When you first learned about the SSI Waivers, what did you expect the impact to be on you SSA Regional/or Field Office?
2. What was the impact of the SSI Waiver demonstration on the Regional/or Field Office?
3. Have the SSI Waiver participant outcomes warranted all of the administrative work that went into it?
4. What did you expect the impact of the Waivers to be on the SPI participants? What was the impact?
5. Based on your experience with SPI, how would you at the Regional/Field Office level build a stronger partnership with an SSA demonstration project?
6. What in your opinion is the most important outcome of SPI?

During early Fall, 2005, the Project Directors in California, Vermont, and Wisconsin, and a former Project staff person in New York were asked for nominations of the names of one person in their respective Regional Office and one person from a Field Office with whom there was a substantial amount of interaction during the time that the SSI Waivers were in effect. Seven Regional Office staff and three Field Office Staff were nominated. It must be noted that the New York Works Project did not communicate directly with Field Offices regarding SSI Waiver implementation; their SSA liaisons were Pass Cadre Members who worked out of SSA's New York Regional Office.

All individuals nominated as key informants were contacted by email in October, 2005 and provided the interview questions. They were offered the opportunity to respond in writing or through telephone interview. A total of six Regional Office staff and three Field Office staff responded and answered the questions. Only two of the key informants chose to respond by telephone interview. The key informants in the study represented each of the 4 SSI Waiver Projects. The following is a summary of the findings from the interviews.

Effect of SSI Waiver Demonstration on SSA Regional Offices

. Key informants from the SSA Regional Offices serving California, Vermont, and Wisconsin feared at the beginning of the SSI Waiver Demonstration that the biggest impact would be felt at the Field Office level rather than at their level. One key informant stated,

We thought the waiver would have a significant adverse impact on the ability of our…field offices to serve Social Security and Supplemental Security Income beneficiaries and claimants efficiently and correctly, because the waiver would result in an additional workload burden without additional funding from headquarters. Therefore the Regional Office realized that it would have to be actively involved in assisting with the development of procedures that reduced this adverse impact.

Since New York had centralized the coordination of the SSI Waiver at its Regional Office level, members of the PASS Cadre knew that they would have the greatest impact and feared the coordination and extra work that would be involved.

Regional Office staff were responsible for developing operating procedures and POMS instructions at the beginning of the SSI Waiver Demonstration, but found that the impact of the Waiver at their level was only significantly impacted in the New York Regional Office. Fears about the impact at the Field Office level were lessened in at least two of the Regional Offices by the development of the "4 for 1 Calculator". All 4 Regional Offices - San Francisco, Boston, New York, and Chicago - worked closely with their respective SPI Projects, and served on Project Advisory Committees in three of the four Projects.

Effect of SSI Waiver Demonstration on SSA Field Offices. All three key informants who were at the Field Office level feared the additional time and work that would be required in their already heavy workloads at the time that the SSI Waiver Demonstration began. At the beginning, they all feared the potential burden of accurate wage reporting. With the implementation of the "4 for 1 Calculator" they found that their workloads were not significantly affected in California, Vermont, and Wisconsin. What actually happened was that wage postings were more timely, there were fewer overpayments of Waiver participants, and more accurate benefits were paid.

The New York PASS Cadre did have to step in and resolve conflicts that occurred when Field Office staff did not remember to forward documentation to the PASS Cadre Office. The workload in New York was shared among four PASS Cadre members who operated out of the Regional Office. In Vermont, the key informant at the Field Office level estimated that the work that was required by the SSI Waiver was only about two hours per week. The Wisconsin Project was statewide, so the impact of the work at the Field Office level was spread out and not concentrated in any single office or with any single staff person. Without having knowledge of the evaluation data and participant outcomes, the majority of the key informants considered that the amount of administrative work that went into the SSI Waiver demonstration was worth the effort.

Impact of the SSI Waivers on Participants. All key informants interviewed had hoped that participants taking advantage of the SSI Waivers would increase work activity which would result in additional income. It was

believed that if the Waiver participants took full advantage of the Waivers that they would benefit. Subsequent data analyses shows that while there was some impact on wages, it was not the "tremendous" impact that was hoped.

One of the Regional Staff from New York where there was the greatest problem with coordination with Field Offices stated,

> *We expected that the waivers would allow those who were worried about incurring overpayments and losing Medicaid to be reassured that their employment would not result in either. But the impact often meant that participants incurred overpayments or exceeded revised resource limitations. These beneficiaries relied heavily upon SPI caseworkers to make sure that waivers were correctly applied. This turned out to impact SPI participants in a positive manner.*

In Vermont, it was felt that the "unearned income disregard" Waiver's greatest impact was that all 25 participants who used this Waiver and who were able to count unemployment benefits as wages were able to remain eligible for Medicaid They would have all lost their medical coverage (i.e., Medicaid) if the payments had counted as unearned income rather than as earned income. It was also acknowledged by a number of key informants that there was not enough time, nor did participants have enough income to show significant benefit from the Individual Development Accounts Waiver.

Importance of Building Partnerships Among SSA Demonstration Projects and SSA Regional and Field Offices.

The key informants who answered this question were all of the opinion that the relationships that were built among the SPI Projects, the Field Offices, and the Regional Offices were important. Some of the relationships continue to exist even today. One person said that there is a big difference between SPI, which encouraged relationships between the State Projects and the Regional Offices and the distant relationship which exists now between the Youth Transition Demonstration Projects and the SSA Regional Offices. Periodic meetings and conference calls were recommended as ways that SSA staff could be kept informed and up-to-date regarding demonstration project activities.

Outcomes of SPI and the SSI Waiver. None of the key informants interviewed had seen the outcome data of the SPI Project so they were only able to answer the question regarding the greatest impact of the SSI Waiver demonstration and the SPI Project from a qualitative perspective. The outcome that was cited the most by the individuals interviewed was the "institutionalization" of benefits counseling/advisement that was spearheaded by the SPI Project. Also cited was the improved reputation of SSA with participants

and the increased opportunity that SSA staff had to communicate with local advocacy groups.

V. Summary and Conclusions

Both statistical analyses and the qualitative assessments suggest that the Waiver demonstration was successful. For those Waiver participants who were unemployed at intake and later attained employment, participation in the Waiver Project had a sizable positive effect on their employment outcomes (a total of 680 individuals who were unemployed at intake later became employed; table 17). Many individuals who were employed at intake also benefited from participation in the Waiver demonstration (overall average increase in income = $391.19; Table 20-All).

Those demographic characteristics that were significantly different between the two groups were included in the statistical analyses as independent variables. Waiver participation had a highly significant effect even when demographic differences in the samples were accounted for by including them in the analysis. The Waiver participants had a significantly greater mean improvement in wages over those who were employed, but were either served by the same Projects but did not received the Waivers ($388.75 average increase, as compared to $262.41 average increase; Table 28), or were served by Projects that did not offer the Waivers ($387.78 average increase, as compared to $313.20 average increase; Table 36). For both of the comparison group analyses, the most significant independent variable was employment at intake, with those who were not employed at intake having a much greater increase in income (Tables 27 and 35). This is logical, as those who were employed at intake also have the potential to have a decrease in earnings, and in fact many participants did. Although there was a great deal of variance in change in wages for those Waiver participants employed at intake, the average change was positive.

Although these analyses show that the Waivers did indeed have a positive effect, the Waiver (and SPI in general) did not help every participant. A very sobering fact is that over one-third of the Waiver demonstration sample (644 participants; Table 17) never became employed during the course of this study. Key informants at the Waiver Projects have theorized that part of the reason this Waiver Demonstration was not more successful than it was is the fact that it was a demonstration project, with a fairly steep learning curve and fairly short period of operation. If it had continued, a larger percentage of participants might have benefited. Finally, because of the anticipated end of the Waiver Demonstration, key informants stated that many SPI participants were leery to participate fully in the demonstration. If the Waivers were adopted as policy change this barrier would not exist.

Both the SSA Regional and Field Offices, as well as the Projects went through a period of adjustment and trial and error to work out systems to appropriately

manage the Waivers. Although the Waivers did require additional administrative activity, key informants interviewed one year after the SSI Waiver Demonstration ended considered the benefits to be worth the effort. Benefits counseling and advisement was considered the key intervention not only contributing to the success of SSI Waiver Participants, but also to the SPI Project in general.

The Waiver Demonstration was conducted in addition to other services provided as components of the State Partnership Initiative. Viewed as a complete package, these analyses provide an indication of the effects of the Waiver demonstration above and beyond the SPI Project interventions, but not independent of the SPI implementation. The analyses reviewed the data from three different vantage points to attempt to differentiate the Waiver component from the rest of SPI. However, wide variation in the implementation of the benefits counseling component of SPI precluded the analyses from being as independent as theorized. Therefore, to be a valid, any replication of this Waiver Demonstration would need to include at least the benefits counseling component as piloted in SPI.

VI. References

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