

***“Return to Work Initiatives
for People with Disabilities”***

***Kenneth S. Apfel
Commissioner of Social Security***

***U.S. House Committee on Ways and Means
Subcommittee on Social Security***

March 11, 1999

Thank you, Mr. Chairman, Mr. Ranking Member, and members of the subcommittee, for inviting me to speak with you today about initiatives to help Social Security and SSI disability beneficiaries return to work. With me today is Dr. Susan Daniels, our Deputy Commissioner for Disability and Income Security Programs, who has been a tireless supporter of efforts to promote work.

Mr. Chairman, I believe the best element of welfare reform has been changing the dynamic about work. As a nation, we are best served when all of our citizens have the opportunity to contribute their talents, ideas and energy. This can and should be a year in which we make significant progress toward this goal for disabled Americans.

Today I would like to provide a brief overview of Administration efforts to help return Americans with disabilities to work, and also outline some specific proposals now before Congress.

Historically, only a small number of our approximately 10 million Social Security and Supplemental Security Income disability beneficiaries attempt to return to work each year -- in fiscal year 1998, about 10,000 beneficiaries. But many more individuals with disabilities want to return to work.

It is the Administration's fundamental goal to remove barriers to work. Last year the President established a National Task Force on Employment of Adults with Disabilities to create an aggressive, coordinated national policy to promote gainful employment. As part of the task force's work, Vice President Gore announced last September that SSA would award grants to nine states -- totaling \$4.4 million -- to develop innovative return-to-work projects.

In January, we announced that SSA will fund a Disability Research Institute that will help provide policymakers with pertinent information and research data. And in February, we announced a proposal to increase the amount that disabled adult beneficiaries can earn while still remaining eligible for benefits. The proposed regulation would increase this amount

from \$500 to \$700 per month, and may affect as many as 250,000 beneficiaries with disabilities.

I also want to briefly note that later today I am releasing a report on how my agency can improve its disability process through improved decisionmaking, stronger safeguards for program integrity, increased research into disability and, of course, better return-to-work policies. My staff will be available to brief you on the report shortly.

The cornerstone of our return-to-work strategy remains our commitment to the "Ticket to Work" program first proposed in 1997, and again included in the FY 2000 budget.

For too long our disability programs have been seen in part as "tickets out of the workforce." And it's clear that the cash support from our disability programs provides essential support in needy times for millions of Americans. The "ticket to work" proposal will help some people get off the disability rolls--and back into the workforce.

We believe that the Ticket to Work proposal will result in many more opportunities for beneficiaries to receive return-to-work services. The proposal represents a public-private partnership designed to provide its customers with control and flexibility in securing rehabilitation and employment services. It is fiscally responsible since it focuses on outcomes, and providers would only be paid for results. And it is innovative, recognizing that the customary ways of doing business have not yielded satisfactory results.

Under the Ticket to Work program, all disabled Social Security and SSI beneficiaries, except those for whom medical recovery is expected, will be eligible to participate. Beneficiaries can use the ticket to obtain services from any enrolled public or private provider of their choice. State Vocational Rehabilitation agencies can participate on the same basis as any other provider. The provider of services would be paid only after the beneficiary returns to work and no longer receives a cash benefit under the Social Security or SSI programs.

We steadfastly believe in the value of the ticket to work proposal. It incorporates some of the more effective initiatives already underway...and builds upon their strengths.

For example, five years ago this month SSA amended its vocational rehabilitation regulations to broaden the providers of rehabilitation services available. As of this week, we have been able to sign contracts with 419 alternate VR service providers across the country.

We are encouraged by the results of our initiatives in this area, and believe a fully-realized ticket to work program would make a meaningful difference in helping individuals with disabilities return to work.

The Administration is also seeking support for a legislative proposal that provides beneficiaries who attempt work the assurance that cash and health benefits can be restored in a timely fashion if they must stop working.

And let me also say that I believe the assurance of continued health benefits is central to any initiative in helping return severely disabled individuals to work. When I travel the country, people tell me it is the fear of losing health care coverage that would most likely dissuade them from attempting a return to work.

I want to take this opportunity to thank the members of the subcommittee for their support for the ticket in the past, as well as your support in passing an extension last year of the demonstration authority of section 505(a) of the Social Security Disability Amendments of 1980. Unfortunately, it was not enacted and the Administration is seeking a permanent extension of demonstration authority so that we can initiate new projects for researching return-to-work strategies.

In conclusion, let me say that the Social Security Administration looks forward to working with you and with other members of Congress to enact fiscally responsible legislation that can help more Americans with disabilities successfully return to work. This is a goal that is supported not only by our disability beneficiaries, but I believe by all Americans. Thank you, and we would be happy to answer any questions you may have.