

The Social Security Administration's Programs and Projects that Assist Beneficiaries in Returning to Work

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November 2018

Office of Audit Report Summary

Objectives

To evaluate the Ticket to Work and Self-Sufficiency (TTW) and Plan to Achieve Self-Support (PASS) programs and Benefit Offset National Demonstration (BOND) project. We determined the (1) costs versus savings and (2) number of beneficiaries who have used these incentives.

Background

Under the *Ticket to Work and Work Incentives Improvement Act of 1999*, Congress requires that the Social Security Administration (SSA) test alternative work rules designed to give Disability Insurance and Supplemental Security Income (SSI) beneficiaries an incentive to work and reduce the reliance on SSA benefits. As mandated, SSA implemented the TTW program and performed various demonstration projects, including BOND. Congress also established the PASS program in 1972, as part of the original SSI program, to give disabled individuals the assistance they need to return to substantial gainful activity.

We acknowledge SSA's opposition with the approach of our review. SSA did not agree with our discussing the time-limited BOND project along with return-to-work programs. However, we believe it is important to include the BOND project since it tests alternative work incentives.

Findings

SSA has spent about \$3 billion administering two ongoing congressionally mandated return-to-work programs and a time-limited demonstration project designed to determine whether a policy change would help beneficiaries return to work. However, these programs and demonstration project enticed a small percentage of disabled individuals to return to work.

Since the TTW program's inception in 2000, SSA has incurred costs over \$2.8 billion to operate the program. SSA estimated that, as of Fiscal Year (FY) 2016, the TTW program had saved the Agency approximately \$5.9 billion and achieved a 2.6-percent participation rate. For each of the almost 1.2 million beneficiaries SSA served, TTW cost about \$2,300, while benefits forgone was about \$5,000.

For PASS, SSA could not provide costs incurred, savings, or return-to-work participant outcomes, even though SSA implemented the program in 1972. SSA told us it completed a longitudinal study at the end of FY 2018. However, as of October 18, 2018, SSA's draft report was under internal review.

SSA could not provide savings for the BOND project. Since the BOND project's inception in 2010, it has cost SSA \$115.6 million with only 4,700 (5.5 percent) of the 85,140 project's offset-eligible participants voluntarily returning to work and receiving the offset for 1 or more months. This is a cost of about \$24,600 per BOND offset participant as of November 2017. In September 2018, SSA conducted a formal evaluation including an impact, process, and cost-benefit analysis on BOND. However, SSA did not expect to issue its results until November 2018.

Recommendations

1. Evaluate the viability and cost-effectiveness of the return-to-work programs and advise Congress whether the results warrant continued expenditures.
2. Continue advising Congress on the progress of BOND and, with future demonstration projects, advise Congress when early results indicate a project is not effectively working as designed.

SSA agreed with Recommendation 1 but disagreed with Recommendation 2.