

**Regulatory Improvements to the TICKET TO WORK Program
May 21, 2008**

Item	Prior Regulation	New Ticket Regulation effective July 21, 2008
<i>Return to Work Concept</i>	Does not address the reality that entering the workforce or returning to work for SSA beneficiaries is an incremental and often episodic process. Payments are only available once the beneficiary's earnings reach the Substantial Gainful Activity (SGA) level.	Creates a three phase return to work process: 1) Starts with Phase 1 Milestone payments based on work at the Trial Work level (\$670 a month in 2008). [411.525(a)(2)] 2) Progresses to Phase 2 Milestones based on earnings at gross SGA levels (does not require deductions for Work Incentives). SGA levels in 2008 are \$940 for with disabilities other than blindness and \$1,570 for beneficiaries who are blind. [411.525(a)(2)(ii)] 3) Moves to standard in prior rules where Outcome payments are triggered by net SGA earnings (i.e. after deductions for Work Incentives) and a zero cash benefit status. The payment system and the way we measure timely progress are designed to facilitate this gradual return to self-sufficiency.
<i>Who is eligible for a ticket?</i>	Adult beneficiaries with disabilities, ages 18 through 64: <ul style="list-style-type: none"> • All Medical Improvement Not Expected (MINEs) and Medical Improvement Possible (MIPs) • Medical Improvement Expected (MIEs) eligible only after having had a Continuing Disability Review (CDR) 	Effective July 21, all adult beneficiaries with disabilities will be eligible to receive Tickets. Tickets will not be mailed to MIEs until around Nov. 1, 2008 due to computer system delays. [411.125]
<i>Outcome Only EN Payment System</i>	40% of payment calculation base (PCB—based on average benefit paid in prior year for SSDI and SSI-only) for up to 60 months of no cash benefit due to work activity	67% of the payment calculation base <ul style="list-style-type: none"> • For up to 36 months for SSDI beneficiaries (\$657 a month). Total potential payments equal \$23,652. • For up to 60 months for SSI beneficiaries (\$377 a month). Total potential payments equal \$22,620. [411.525(a)(1)(i); 411.550]

**Regulatory Improvements to the TICKET TO WORK Program
May 21, 2008**

Item	Prior Regulation	New Ticket Regulation effective July 21, 2008
<p><i>Outcome-Milestone EN Payment System</i></p>	<p>Up to 4 Milestone payments after 1,3,7, and 12 months of SGA</p> <ol style="list-style-type: none"> 1. 1st month SGA → 34% of PCB 2. 3 months SGA → 68% of PCB 3. 7 months SGA → 136% of PCB 4. 12 months SGA → 170% of PCB <p>(No equivalent to Phase 2)</p> <p>Outcome payments = 36% of PCB reduced for Milestone recovery</p>	<p>Four Phase 1 Milestone Payments (based on months of work at Trial Work level, i.e., \$670 a month) are available to compensate for initial efforts at self-supporting employment. [411.500(f)(1)]</p> <ol style="list-style-type: none"> 1. 50% of TW in a month → 120% SSDI PCB(\$1177) 2. 3 months (out of last 6) TW → 120% SSDI PCB 3. 6 months (out of last 12) TW → 120% SSDI PCB 4. 9 months (out of last 18) TW → 120% SSDI PCB <p>*In Phase 1, all payments based on 120% of SSDI PCB, for 2008 = \$1177,</p> <p>Payment of Milestone 4 requires substantial completion of services outlined in the beneficiaries Individualized Work Plan (IWP). [411.525(a)(2)(i)]</p> <p>Phase 2 Milestone Payments (per month of work at gross earnings equal to SGA level, i.e., \$940 non-blind and \$1,570 blind)</p> <ul style="list-style-type: none"> • Up to 11 payments of \$353 for SSDI or up to 18 payments of \$203 for SSI <p>Each payment equal to 36% of respective PCB. [411.525(a)(2)(ii)]</p> <p>*Milestone payments are made on gross wages before deductions for Work Incentives. [411.525(a)(2)(i) & (ii)]</p> <p>Milestones are consecutive and cumulative</p> <p>Outcome Phase Monthly Payments Up to 36 payments of \$353 for SSDI and up to 60 payments of \$203 for SSI. Amount is 36% of respective PCB without Milestone recovery. [411.525(a)(2)(iv); 411.545]</p>

**Regulatory Improvements to the TICKET TO WORK Program
May 21, 2008**

Item	Prior Regulation	New Ticket Regulation effective July 21, 2008
<p><i>Transition to New Payment System</i></p> <p>*Transition payment cases are those where some, but not all, of the EN payments have been made under the prior regulations.</p>	<p>NA</p>	<p>A case will be transitioned at the time we make the first payment under the new rules for work attained in July 2008 or later. Once we make a payment under the new rules for July 2008 or later, we will no longer make a payment under the old rules. [411.500(g); 411.551]</p> <ol style="list-style-type: none"> 1. SSA will equate prior four Milestones with new Phase 1 Milestones and pay the next unpaid Milestone. [411.551(a)] 2. If all four prior Milestones were attained then the beneficiary enters the new system at the beginning of Phase 2 Milestones. [411.551(b)] 3. If Outcome payments started then Outcome payments will continue at the new rates based on a formula. Payments made will be totaled and subtracted from the new “total” value of the Ticket, and then the remainder will be divided by the applicable monthly Outcome payment amount under the new rules to determine the number of Outcome payments available (must be 60 or less). Total payments cannot exceed total value of the Ticket at the time of transition. [411.551(c)(1), (2) & (3)] 4. All payment requests for all Milestones and Outcomes earned under the prior rules must be submitted by March 31, 2009. [411.551]
<p><i>Milestone Reconciliation – when Outcome payment period starts before all Milestones are paid</i></p>	<p>NA</p>	<p>Final rule adds a “Milestone reconciliation” payment that includes all Milestones available at time of first Ticket assignment that remain unpaid due to the start of the Outcome payment period. The reconciliation payment is made when the 12th Outcome payment is achieved. [411.500(h); 411.525(c); 411.536]</p>

**Regulatory Improvements to the TICKET TO WORK Program
May 21, 2008**

Item	Prior Regulation	New Ticket Regulation effective July 21, 2008
<i>Total Payments: ENs must choose one of two payment systems, the Outcome or Outcome-Milestone System</i>	<ul style="list-style-type: none"> • Total of Outcome-Milestone payments equals 85% of Outcome only payments • SSDI total payments about 70% higher than SSI 	<ul style="list-style-type: none"> • Outcome-Milestone payments increased to 90% of Outcome only payments [411.525(b)] • SSDI and SSI total potential payments about equal (\$21,299 for SSDI and \$20,542 for SSI).
<i>Milestone Recovery (lump sum payment)</i>	Uniformly over the 60 months of Outcome payments (i.e. 1/60 of total Milestones paid will be recovered from each monthly Outcome payment).	No recovery from Outcome payments will be required.
<i>“Timely Progress” Definition of Using a Ticket for Purposes of Continuing Disability Review (CDR) Protection</i>	<ol style="list-style-type: none"> 1. 24 month review – “active” participation required. No work requirement. 2. 36 month review - 3 months work at SGA level 3. 48 month review - 6 months work at SGA level 4. 60 month review - 6 months work above SGA and \$0 cash benefit level <ul style="list-style-type: none"> • Successive 12 month reviews - 6 months work above SGA and \$0 cash benefit level 	<p>Changes to Timely Progress Review requirements [411.180]:</p> <ol style="list-style-type: none"> 1. 12 month review - 3 months work at Trial Work level (\$670 in 2008) or 60% of full time college credits for 1 year earned. 2. 24 month - 6 months work at TW level or 75% of full time college credits for 1 year earned. 3. 36 month - 9 months work > SGA or completed 2 year program or an additional 1 year of full-time college credit earned. 4. 48 Month - 9 months work > SGA or an additional 1 year of full-time college credit earned. 5. 60 months - 6 months @ \$0 payment level or an additional 1 year of full-time college credit earned. 6. 72 months - 6 months @ \$0 cash payment level or completed 4 year college program. <ul style="list-style-type: none"> • Successive 12 month periods 6 months @ \$0 payment level. <p style="text-align: center;">*10% variance tolerance applies. [411.166(h)]</p>
<i>Transition to Timely Progress Rules</i>	N/A	At time of first review after July 21, 2008, the beneficiary will receive a letter notifying him/her of the new requirements that will be applied one year later at the time of the next scheduled review. [411.226(b)]

**Regulatory Improvements to the TICKET TO WORK Program
May 21, 2008**

Item	Prior Regulation	New Ticket Regulation effective July 21, 2008
<i>Vocational Rehabilitation (VR) Agency Rules</i>	A State VR agency can elect to be paid under Cost Reimbursement rules, BUT Ticket must be assigned to the VR agency to be eligible to submit for Cost Reimbursement. No payments allowed under either EN payment system if VR had ticket assigned under Cost Reimbursement.	<ol style="list-style-type: none"> 1. If VR agency provides services under Cost Reimbursement method, then a new “in use-SVR” status provides CDR protection for beneficiary. Beneficiary cannot assign the Ticket to an EN while VR has an open case. CDR protection is extended for 90 days after VR case closure. VR agencies will be asked to submit information on beneficiary cases being opened to be served under Cost Reimbursement electronically every month. [411.166(a)] 2. VR and EN can both receive payment sequentially, VR under Cost Reimbursement and EN under the elected EN payment system after VR case closure and assignment of Ticket to the EN. EN who accepts a ticket after VR achieves an employment outcome and closes the case is only eligible for Phase 2 Milestone and Outcome payments. Phase 1 Milestone payments will not be available. [411.135; 411.140; 411.535(a)(iii); 411.585]
<i>Effect of Recent Work and Earnings.</i>	NA	<p>Final regulations contain a “recent work” rule which will be applied when the Ticket is <u>first</u> assigned. Under the new rules, some Phase 1 Milestone payments may not be available if the beneficiary worked above the Trial Work level during the 18 months prior to Ticket assignment. [411.535(a)(1)(ii)]</p> <ul style="list-style-type: none"> • Milestone 1 not available if earnings > TWP level in the month prior to Ticket assignment • Milestone 2 not available if earnings in 3 of last 6 months > TWP • Milestone 3 not available if earnings in 6 of last 12 months > TWP • Milestone 4 not available if earnings in 9 of last 18 months > TWP <p style="text-align: right;">* does not apply to transition cases</p>

**Regulatory Improvements to the TICKET TO WORK Program
May 21, 2008**

Item	Prior Regulation	New Ticket Regulation effective July 21, 2008
<i>EN Overpayments Due to Benefits Eligibility Errors</i>	ENs must repay if Ticket payments were made and SSA retroactively determined that the beneficiary was not eligible for disability benefits.	SSA will not seek an adjustment if a retroactive determination or decision about a beneficiary's right to benefits causes an overpayment to the EN. [411.555(c)]
<i>EN Reporting</i>	No requirement that EN report when they want Ticket taken out of assignment.	Clarifies that ENs must also report to the Maximus (the OSM) when they want a Ticket taken out of assignment. [411.145(a)]
<i>EN Payments to Beneficiary</i>	NA	States that payments to beneficiaries are allowed. [411.566] *Payments to beneficiaries currently treated as unearned income.
<i>DOL Workforce One-Stop Centers & American Indian Vocational Rehabilitation (VR) Service Projects</i>	NA	States that SSA recognizes Workforce Investment Boards and One-Stop Career Centers [411.310(d)], and American Indian VR Service Projects [411.310(e)] as qualified to be ENs with streamlined contract requirements. These entities are still required to enter into a contract with SSA and comply with both general and specific requirements associated with being an EN; however, they are now considered to be automatically "qualified" to be ENs and have been deemed to have met the liability insurance requirements in the EN Request for Proposal. To become an EN, such entities need only complete and submit to SSA a 12-page portion of the RFP found in Part III--EN Proposal Documentation Requirements. This completed documentation constitutes their EN contract proposal.