



A literature review on this topic revealed the following practices to be evidence based and effective. The intention of this review is to substantiate best practices in HVRPs with research findings in the professional workforce development literature, such as they exist and are relevant to the HVRP population. Where research is limited or not directly about veterans or homeless populations, inferences were made to inform HVRP practices.



**WHAT
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BENEFITS COUNSELING: THE EVIDENCE

Benefits counseling is an important ingredient of employment supports for people who receive—or might be eligible to receive—public benefits. Earned income may have an effect on certain veterans' benefits, as well as Social Security Disability Insurance (SSDI); Supplemental Security Income (SSI); Medicare; Medicaid; Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps); subsidized housing; and Temporary Assistance to Needy Families (TANF).

Benefits counselors help people make informed decisions by reviewing information such as the following:

- Benefits that are, and are not, affected by working
- Number of hours they can work, or the amount they can earn, without jeopardizing their benefits
- Monthly amount they would need to earn to offset any benefits lost
- Length of time they can work before their benefits would be affected
- Effect an unsuccessful attempt to work would have
- Methods for excluding income from counting against benefits (such as accounting for work expenses)
- Types of supports that would be available to those attempting to work

Research suggests that many people who receive the benefits listed in the first paragraph—particularly veterans' benefits—are employed. When benefits counseling is included with other employment supports, recent research suggests that hours worked, earned income, and overall income are all likely to increase.

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Many People Who Work Continue to Receive Public Benefits

Among people receiving public benefits, employment rates and income vary greatly according to the types of benefits received. In some benefits programs, significant percentages of recipients work. Many veterans who receive VA disability compensation, for example, continue to work, as working does not affect the receipt of benefits for most veterans (excluding those receiving Individual Unemployability benefits). Information collected by the U.S. Census Bureau in the American Community Survey (ACS) indicates that nearly 7 in 10 veterans with service-connected disabilities (69 percent) work, compared to 77 percent of veterans who do not have disabilities (Erickson & Rudstam, 2014).

The ACS data, in conjunction with additional data from the Bureau of Labor Statistics (BLS), may suggest that some veterans receiving benefits are hesitant to work out of fear, because those who want to work are able to find employment at roughly the same rate as other veterans. The BLS (2015) reported the unemployment rate (which accounts for people who are working or looking for work) for veterans with service-connected disabilities was identical in August 2014 to that of veterans who did not have service-connected disabilities. It can be inferred, therefore, that many of the veterans with service-connected disabilities who are not working are not in fact looking for work. Of course, these figures may include veterans whose disability rating does not qualify them for compensation, but they demonstrate that many veterans who do receive disability benefits are working.

Most other government benefits are tied to income and resources, but many people work and receive benefits at the same time. For example, nearly 60 percent of households receiving SNAP benefits work in the months they receive benefits (Rosenbaum, 2013). Most benefits programs offer some sort of “work incentives,” such as allowing beneficiaries a grace period during which benefits are not affected, offsetting benefits only partially for each dollar earned, or expediting reinstatement when a return to work is unsuccessful.

Social Security Work Incentives are Used by Only a Small Percentage of People Who are Eligible

Unlike VA disability compensation and SNAP benefits, the percentage of people who take advantage of work incentives offered under SSDI and SSI programs is quite low. Both programs require much more significant levels of disability, tied to an applicant’s ability to work. However, because even people with the most significant disabilities have used these programs successfully—particularly SSI work incentives—the low participation rates may indicate a lack of information about opportunities for working.

In 2008, the year in which prolonged weakness in the labor market began, more than 228,000 workers with disabilities receiving SSDI participated in a Trial Work Period (TWP). Since then, the number has hovered between 188,000 and 207,000 per year (Office of Research, Evaluation, and Statistics-SSA, 2014). During that same time period, the number of workers with disabilities receiving SSDI increased from 7.4 million to 8.9 million. Therefore, in 2013, only about 2 percent of workers with disabilities participated in an SSDI TWP. The numbers taking advantage of other SSDI work incentives is even smaller. For example, in 2012, less than 19,000 took advantage of work subsidies, while just over 10,000 reported impairment-related work expenses (IRWEs). Work subsidies are additional expenses incurred by the employer in order to employ a worker, such as a mentor, while IRWEs are expenses incurred by the worker, such as a wheelchair or specialized transportation.

Although a higher percentage of SSI recipients take advantage of work incentives, this program is also experiencing rising numbers of recipients and declining participation in work incentives. The number of SSI recipients who took advantage of work incentives peaked at more than 357,000 in 2007, declining to just over 312,000 by 2013 (SSA, 2014). In 2013, approximately 4.95 million adults with disabilities between the ages of 18 and 64 received SSI, meaning that only about 6 percent of SSI recipients take advantage of work incentives (SSA, 2014). Expanding and improving benefits counseling may hold the key to improving these statistics.

Benefits Counseling is Associated with Increased Employment, Particularly when Combined with Employment Supports

The body of evidence on the effectiveness of benefits counseling is sparse. However, a small number of recent studies suggest that benefits counseling is helpful. A Wisconsin study (Delin et al., 2012) examined the effect of benefits counseling on the employment rate among Social Security (SSI and SSDI) disability beneficiaries. The researchers found quarterly increases in the employment rate over 2 years.

Although no studies have examined veterans experiencing homelessness specifically, one study was conducted among veterans who were applying for VA benefits on the basis of a service-connected psychiatric disability such as post-traumatic stress disorder. Rosen and colleagues (2014) found positive effects associated with a brief benefits counseling intervention. The study group, which attended four benefits counseling sessions, had more days of paid employment than the control group, which attended four orientation sessions introducing the VA Health System.

Some research suggests that benefits counseling alone—without other employment supports—will not be effective in helping people receiving disability benefits return to work. Examining data collected by the Connecticut Bureau of Rehabilitation Services from 2002 to 2008, Gruman and colleagues (2014) found strong support for providing benefits counseling in conjunction with employment supports. Among those receiving both services, 36 percent went from zero earned income to having earned income. By contrast, people who received only one service or the other collectively experienced decreased earnings over 2 years.

Benefits Counseling is Associated with Increased Income

In addition to an increase in hours worked, benefits counseling is also associated with increased earnings. A study conducted in Vermont (Tremblay et al., 2006) examined the effects of benefits counseling on the earnings of people receiving SSI and/or SSDI on the basis of psychiatric disabilities. People with disabilities who received counseling about their Social Security benefits increased their earnings by more than \$100 per month, in comparison to those who did not receive benefits counseling.

Because people who receive disability benefits already have a source of income, it is important to understand whether benefits counseling can increase income, as opposed to simply increasing the amount earned through employment. Some benefits, such as SSDI and VA pensions, have a dollar-for-dollar offset of income (i.e., someone who earned \$500 in a month would face a \$500 reduction in benefits). Other benefits, such as SSI, are designed to incentivize work by only partially offsetting benefits for dollar of earned income (i.e., someone who earned \$500 in a month would have benefits reduced by a much lower amount). Earned income generally has no effect on VA disability benefits, other than those who are receiving enhanced benefits on the basis of an inability to work.

More recent research shows that recipients of benefits counseling can increase their total income (including earned income and public benefits). A study conducted in Wisconsin (Delin et al., 2012) found that both earnings and overall income increased consistently over time, and that the amount of counseling received was associated with the magnitude of the increases. Although public benefits provide an important safety net for many veterans, benefits counseling can help improve self-sufficiency by promoting a strategic return to work.

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