

# **Employment Programmes for Disabled People: Lessons from research evaluations**

**In-house report 90**

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# **Employment Programmes for Disabled People: Lessons from research evaluations**

**A study carried out on behalf of the  
Department for Work and Pensions**

**By**

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Social Policy Research Unit**

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## EXECUTIVE SUMMARY

### Introduction (Chapter One)

To inform the development of the New Deal for Disabled People, the Social Policy Research Unit at the University of York reviewed evaluations of government programmes designed to assist disabled people claiming benefits to move into employment or to support retention of employees who become disabled.

Criteria for selection of studies were:

- evaluations of government-led employment services
- services aimed at providing support to disabled benefit recipients to move into and sustain employment, or to help workers who become ill or disabled to retain employment
- service packages or programmes rather than single interventions
- programmes using a 'case-management' approach, involving personalised assessment of need and coordination of service packages.

Literature was sought in eight countries selected for having an incapacity benefit structure not dissimilar to that in the UK, activation programmes for unemployed people and social assistance beneficiaries, or job retention services. Only evaluations written in English or French, that reported on both process and outcomes, and appeared methodologically robust were sought.

To locate research published from 1990, National Library online catalogues, bibliographic databases, government department and research institute web-sites and the World-Wide-Web were searched electronically. Calls for information were also made. Web-sites of government departments and research institutes proved the most fruitful sources.

Evaluations of six programmes meeting the criteria were found:

- New Deal for Disabled People Personal Adviser Service – UK
- Project NetWork – USA
- National Vocational Rehabilitation Project – Canada
- Intensive Assistance in the Job Network – Australia
- Disability Employment Services in the Case Based Funding Trial – Australia
- *Arbeitsassistenz* - Austria.

Evidence from these six programmes was supplemented by the wider research literature on case-managed employment services for disabled people.

## **The Programmes (Chapter Two)**

### *New Deal for Disabled People Personal Adviser Service (NDDP PAS)*

The NDDP PAS was a pilot programme. It targeted those in receipt of an incapacity-related benefit for 28 weeks or more, and employees at risk of losing their job after onset of ill-health or impairment. The service was delivered within a client-centred approach to identify and achieve employment goals. Eligible people were invited to take part and the service was implemented in twelve local areas between 1998 and 2001.

### *Project NetWork*

Project NetWork was a US demonstration project to test different methods of providing rehabilitation and employment services to disability pension beneficiaries and to recipients and applicants of the social assistance benefit for disabled and blind people. The programme was implemented at eight sites from 1992 to 1995. Three of four models of service provision used a case-management approach, and the fourth focussed on referral to other service providers. There was an open invitation to eligible people, and participants were randomly allocated to 'treatment' or 'control' groups.

### *National Vocational Rehabilitation Programme (NVRP)*

NVRP was a project to examine the feasibility of establishing vocational rehabilitation within the Canadian federal disability pension scheme, running from 1993 to 1996. In a dual case management model, in-house pension administration staff and a national network of external contractors had complementary roles. Disability pension beneficiaries who met screening criteria were referred to a central reviewing unit, and those considered appropriate and who agreed to take part were referred for services to external consultants.

### *Intensive Assistance*

Intensive Assistance, introduced in May 1998, is a national programme within the Australian mainstream employment service, designed to assist job seekers who are long-term unemployed or seriously disadvantaged in the labour market, some of whom are disabled people. Following assessment by the income support/employment service Centrelink, eligible people are allocated a funding level for receipt of individual services from independent providers who are outcome-funded to provide help to people to become job ready and find a job.

### *Case Based Funding Trial for Disability Employment Assistance (CBFT)*

Complementing the Australian mainstream programme, Employment Assistance is a specialist programme designed to assist job seekers with a disability to overcome barriers faced in gaining employment in the open market. Agencies providing employment assistance contract to case manage people into an employment outcome. The CBFT began in 1999, to introduce and test a new model of outcome-funding for providers.



## *Arbeitsassistenten*

*Arbeitsassistenten* originally aimed to provide job retention services for people with mental health problems, but was extended to additional target groups and adopted as a national programme in Austria in 1995, with a wider remit to include help for people who wanted to start work. Service providers are generally contracted non-profit organisations in which 'job-assistants' work within a casework approach. Registered disabled people have open access.

## **The Evaluations (Chapter Three)**

All the evaluations reported were government funded, and all except the Job Network evaluation were conducted outside government. The programmes represented different kinds of policy initiatives, and thus different evaluation strategies were appropriate. Project NetWork was designed as a randomised field experiment. The evaluations of NDDP PAS, NVRP and CBFT included matching and/or selection of comparison groups to get some measure of impact. The evaluation of Intensive Assistance did not identify disabled people separately from other groups of job seekers. The approach taken in evaluating *Arbeitsassistenten* may best be described as a critical review and costing.

Methods used to achieve the evaluation objectives were:

- collection and analysis of administrative data, including social security and employment records, and project management information
- collection of data from clients and people in comparison groups, in baseline and follow-up surveys, qualitative interviews and group discussions
- collection of data from employers, in personal interviews and by telephone
- consultations with staff delivering the programme and other key stakeholders.

Lessons emerging for future evaluations are:

- there are advantages in designing evaluation strategies alongside programme design
- there are advantages in incorporation of analysis of data from centrally held social security and employment records
- there are advantages in having access to good quality routine data about clients at service provider level
- net impact assessments probably provide more realistic assessment of impact than non-experimental methods, but evaluation of process and delivery is essential
- process analysis from findings collected early in the life of a programme may provide optimistic assessments of performance
- client follow-up is important in understanding long-term effects, and job sustainability
- people with impairments and health problems are interested in taking part in evaluative research but it may be harder to collect data from stakeholders who do not feel so directly involved.

## **Accessibility and Participation (Chapter Four)**

Recruitment to NDDP PAS and Project NetWork was by open invitation to people in the target group, with local advertising and promotion. In NVRP the approach was pre-selection in a two-stage screening process, the first conducted by benefit staff and the second by a central unit. Participants in the two Australian programmes were either referred by Centrelink or approached the programmes directly. Classification instruments were used to measure levels of disadvantage in obtaining work (Job Seeker Screening Instrument) and impact of disability on ability to work (Work Ability Tables). In all programmes, participation by disability pensioners was voluntary.

Known disincentives of anticipated financial penalty of attempts to work were addressed in Project NetWork by including so-called benefit 'waiver' arrangements, and in NDDP PAS by a number of measures generally available.

Most of the evaluations included some measure of take-up or participation, but differences in recruitment methods, target populations and structural incentives to take part mean that care must be taken in attempting to compare such measures.

In NDDP PAS and Project NetWork there was some similarity in the personal characteristics of people likely to volunteer, which were often indicators of greater employability or less impairment.

Lessons emerging are:

- a process of recruitment by invitation must be manageable and efficient
- self-referral may be an effective recruitment method
- there may be as yet untested approaches to recruit 'hard to reach' eligible people
- recruitment procedures which rely heavily on written correspondence and use of the telephone may disadvantage some people
- delay between expression of interest and programme response can discourage participation
- in voluntary programmes, people may be less likely to participate around the time of entering the disability benefits system
- there may be a case for targeting but targeting is hard to implement. Effective targeting must reflect characteristics known to be predictors of employment, but more research is needed on such predictors
- advance screening for likely participants raises issues of equity; in particular, people with no recent work history are likely to be excluded
- further exclusion can be effected by service providers, suggesting a need for some form of central case-management command by the referral agency
- there is evidence that some people find it hard to understand random assignment, and impact on benefits of programme participation.

## **The Services (Chapter Five)**

The following findings emerged from the review of the six programmes:

- There was general support among clients for the personal case management approach (even when clients were critical of actual services provided).
- Such a mode of delivery sets high expectations, and disappointments set in when these are not met, for example when clients perceive delay or problems in communication.
- It was important for clients to have clear understanding of the scope of the programmes and what was offered.
- Approaches to assessment were either systematic and highly procedural (for example Project NetWork and the Australian programmes) or informal and discretionary (as in NDDP PAS). Assessments were used to address vocational aptitudes and identify appropriate services, or to screen out people with limited work ability. Where programmes did both, the process was intensive and time-consuming.
- People volunteering to take part who might obtain work without the help of the programme were not screened out.
- Individual progress plans were used to set out goals and steps to achieve, and to monitor progress. Usefulness may be enhanced by client involvement in preparation and ownership.
- Programme components were primarily work-focussed, and most provided training in job search skills. There was isolated evidence of services to address the underlying barriers to employment.
- Services were directly provided by programme staff themselves or 'brokered' by staff, with or without cost to the programme. Among services offered were general support, advocacy and counselling; work guidance; education and training; financial advice; direct financial support; 'work tasters'; and sometimes, physiotherapy and provision of aids and equipment.
- Quality of services offered can be highly variable, and there is need for firm quality control.
- All projects undertook some general marketing to raise employers' awareness, and direct 'marketing' of disabled job seekers to prospective employers was a feature of three programmes.
- If jobs are to be sustainable, some clients require ongoing support after job placement.
- In planning new programmes it would be wise to consider not just sustaining people in the jobs they entered, but also their progression to better jobs.

The wider literature provides support for holistic and individualised approaches. There is rather little evidence of the service process affecting placement outcomes, but assistance with jobsearch appears to be effective. There is some evidence that, for some people, supported employment is more effective in terms of employment outcomes than traditional vocational rehabilitation.

## **Outcomes (Chapter Six)**

Evidence of programme impact and outcomes for clients may be summarised thus:

- Different kinds of organisations and service models were able to recruit people receiving disability-related benefits for voluntary participation in vocational rehabilitation.
- Some potential participants fear loss of benefit through participation, but there was no experimental evidence linking behaviour and advance knowledge about structural incentives to take part.
- The rate at which those recruited completed the agreed programmes and subsequently moved into work varied and was hard to compare across programmes.
- What evidence there was suggested that programme impacts in terms of moves into work or increased earnings may be relatively modest, but only Project NetWork included full impact analysis.
- There was some evidence from one study of negative outcome for some clients, in terms of loss of disability pension and increase in poverty.
- There was some evidence that programme impact declines, especially in the absence of in-work support, but few of the evaluations looked at longer term effects.
- Programme participants reported both positive and negative effects of programme participation on their general health and well-being.
- There is an overall gap in knowledge about employers' experiences, and outcomes for them of return to work programmes for disabled people.
- Conclusive evidence on relative impacts of different models of case management and service delivery is difficult to achieve.

## **Funding and Costs (Chapter Seven)**

The NDDP PAS did not include any kind of cost analysis, and findings about costs of *Arbeitsassistentz* were not included in the report in English. The NVRP evaluation included a simple estimate of costs per client but the evaluators recommended care in interpretation.

The Project NetWork evaluation included a full cost/effectiveness analysis. The Australian programmes evaluated were funded on a fee structure which combined outcome-related payments with up-front payments for each new job seeker taken on. The models were different, but in both the payment levels were determined by the level of disadvantage of the client, as measured by the classification instruments described. The evaluations addressed the impact of the new funding models, although the Intensive Assistance study did not identify disabled people as a separate group of job seekers.

### Summary of findings

- Outcome-related funding was intended to increase service effectiveness as well as efficiency. Interim findings from Australia suggested it was hard to achieve the right balance between upfront and outcome payments, and to pitch funding at the right

level to achieve objectives.

- Funding linked to level of support needs appears necessary, where some participants need intensive and ongoing support.
- Systems for monitoring provider activity need to be in place to ensure that people receive services they need. Care is needed so that providers cannot maintain economic viability solely by accepting clients with up-front payments.
- The dual case management model in NVRP incurred high staffing costs, which may also be related to the screening processes.
- Cost savings are hard to predict accurately without information about longer-term impacts.
- Non-programme costs, such as costs to organisations within the community as a result of programme activity, should be included in overall cost analysis.
- Cost/benefit analysis of Project NetWork showed modest economic gains for disabled people, but no reduction in participation in disability benefits schemes or the average amount of benefit received. There was an overall net loss for tax payers, but a net gain for state and local governments due to the displacement of their own rehabilitation services by the demonstration.
- Costs of evaluations themselves are rarely presented, but this information could be useful in determining future evaluation strategies.

### **Subsequent Policy Developments (Chapter Eight)**

A review of policy direction in the study countries since the six programmes evaluated were established led to the following suggestions, but care must be taken in drawing common strands from countries with different systems and at different stages of policy development.

- There appears to be some movement towards outcome-related funding and away from block funding for vocational rehabilitation services.
- While case-management approaches appear to be spreading within public employment services, alongside moves to coordinate access to services through 'one stop shops', there are some signs of policy moving towards consumer choice and self-direction.
- There appears to be some movement towards sustainable employment outcomes and post-employment support.

### **Discussion (Chapter Nine)**

In terms of the *scope of the literature* reviewed, it was not surprising to find only three evaluations of programmes specifically for recipients of incapacity benefits which met the research criteria. However, it was surprising to find that evaluations of programmes for job seekers and welfare benefit recipients often do not report specifically on impacts for participants with impairments or health problems. Distinguishing this group in future research on labour market programmes would be useful.

There are potentially relevant research reports available in other languages.

Looking at *evaluation methodologies*, a multi-method approach seems essential. A randomised controlled trial provides most robust evidence of impact, but quasi-experimental methods using selected comparison groups can also generate valuable information about outcomes. Process information is essential, but there is a danger in relying too much on early findings. Longitudinal elements and follow-up of clients is important in understanding longer term impact. Much can be gained from using administrative data of various kinds, and issues of client confidentiality and quality of data must be considered at an early stage in programme implementation.

There are arguments both for and against *targeting* people most likely to benefit from rehabilitation. There is little evidence to point to the most appropriate intervention points, but it appears less appropriate to target the point of application for disability pension, when people's health condition may not be stable, and they are trying to establish eligibility for benefit.

Increasing *incentives to participate* in rehabilitation and reducing fears of negative consequences are likely to be important. There were no experimental findings on the effects on participation of removal of structural disincentives, and it is hard to introduce new incentives experimentally. There was evidence that client motivation was important, and the relationship with the case manager, but both are fragile and easily reduced by poor communication, delays and perception of bureaucracy or unsuitable services.

Most of the programmes reviewed focussed mainly on the pre-employment period, but there was evidence of the importance of continuing in-work support. There are arguments for extending the *scope of programmes* to include maintaining participants in work, and for equipping them with skills for advancement.

Services were funded by block grants, based on inputs and processes, or by outcome for clients. *Outcome-funded models* should provide value for money if there is a good match between payment levels and services required, adequate monitoring of provider activities and proper quality assessment. It is not easy to get the right balance between up-front and outcome payments.

There were few strong indicators, across programmes, of the 'kind of person' for whom the service worked best. There was also little strong evidence about *which factors contributed to positive outcomes* for clients. Evidence from the wider literature suggests that the more successful programmes tend to take an individualised approach, incorporating basic skills and supports, formal training and one-to-one support alongside practical assistance, for example with child care or transport. Looking at specific pre-employment activities, there is evidence from the wider literature that assistance with job

search was effective in increasing placement rates, and placement planning was related to improved placement outcomes.

In terms of *cost effectiveness*, traditional assumptions that vocational rehabilitation will bring savings for the tax payer were challenged by findings from the analysis conducted on Project NetWork. It may be, however, that a programme with a different balance of expenditures and improved selection procedures would produce different results.





## **CHAPTER ONE: INTRODUCTION**

In January 2001, the Department for Education and Employment commissioned the Social Policy Research Unit at the University of York to carry out an international review of research evaluations of interventions designed to enable disabled people to move into, sustain or retain employment.

The aim of the international review was to inform the development of the New Deal for Disabled People (NDDP) in the UK. The NDDP Personal Adviser Service was a pilot programme, which ran from 1998 to mid 2001 in 12 sites. It was targeted at disabled people receiving long-term benefits on grounds of incapacity for work but also aimed to support people at risk of losing their jobs after onset of ill-health or impairment. The pilot Personal Adviser Service was followed from mid 2001 by a near nation-wide network of Job Broker services for incapacity benefits recipients only, delivered by public and independent sector organisations selected after competitive tendering and with a new outcome-funding regime. In addition, Job Retention and Rehabilitation Pilot projects were developed to be operational in 2002. The Personal Adviser Service was evaluated. The Job Broker services and the Job Retention and Rehabilitation pilots are to be evaluated using an experimental methodology involving random assignment. Participation in the NDDP is voluntary and there are no sanctions for not taking part.

### **Criteria for selecting evaluations for review**

The review was to be carried out systematically, with clear criteria for which studies to include. As the purpose of the review was to identify lessons for policy and practice in the UK, we sought research evaluations which met defined policy-related criteria.

- We set out to review evaluations of government-led employment services for disabled people, and excluded initiatives by independent sector vocational rehabilitation providers, insurers or employers.
- We focussed on services with one of two distinct aims: providing support to disabled benefit recipients to move into and sustain employment; and helping workers who become ill or disabled to retain their employment. We excluded services which provide post-employment support only.
- We sought evaluations of service packages (or programmes) rather than of isolated or single interventions.
- In relation to services for disabled benefit recipients, we looked for research evidence from programmes which use a 'case-management' approach, in which employment co-ordinators may assess needs, draw in pre-employment services to meet individual needs, assist with job finding, mediate with employers and provide time-limited post-employment support. Accordingly, we did not review the evidence on the supported employment model, where programme participants are expected to obtain jobs directly, rather than after pre-employment preparation or training, and where follow-on

support is continued indefinitely.

- In relation to services for job retention, we sought evaluations of government-funded, individually tailored services for the person at risk and their employer. Thus, we excluded the 'disability management' research literature on workplace programmes provided by employers. We also excluded the literature on return to work services within the highly culturally-specific context of workers' and accident compensation schemes.

We searched for literature that met the above criteria in selected countries. Recognising the importance of the institutional framework, we chose countries with an incapacity benefit structure not dissimilar to that of the UK: USA, Canada, Ireland, Australia and New Zealand. We selected Denmark and the Netherlands because of their activation programmes for unemployed and social assistance beneficiaries, and selected Sweden primarily because of its rehabilitation programmes for job retention. As discussed later in this Introduction, it was not possible to select countries for research literature on job retention on the basis of institutional frameworks similar to the UK.

A further criterion was that research evaluations should be written in English or French. As a consequence, we were not able to include in the review some evaluations which met the policy-related criteria.

In addition to policy, country and language criteria, we applied research-related criteria. Given the need to understand what works for whom in what contexts, we sought evaluation reports which explained what was provided and how, and which reported on both process and final outcomes. We rejected the option of relying on reviews rather than primary evaluation reports as few reviews examine the 'black box' of case-management process and delivery (Eardley and Thompson, 1997). Secondly, we sought research which was methodologically robust.

It was expected that after policy, research and language criteria had been applied a small number of studies would be identified for intensive critical review.

## **Search strategy**

We used multiple search methods to locate research published from 1990.

### *1. National Library online catalogues and bibliographic databases*

We searched

Eight National Library online catalogues (excluding the US Library of Congress)

NTIS ([www.ntis.gov/search.htm](http://www.ntis.gov/search.htm))

Social Security Worldwide CD-ROM (1997/98 edition)

ISI Social Science Citation Indexes (via Web of Science [wos.mimas.ac.uk](http://wos.mimas.ac.uk)),

REGARD ([www.regard.ac.uk](http://www.regard.ac.uk))

The National Research Register ([www.update-software.com/National/nrr-frame.html](http://www.update-software.com/National/nrr-frame.html)).

A free text search was performed on each database using (employ\* or work\* or labo\*) and combining this with (disab\* or handicap\*) and then combining this search using:

(welfare\*) or (return) or (access\*) or (entry) or (opportunit\*) or (barrier\*) or (intervention\*) or (initiative\*) or (program\*) or (service\*) or (project\*) or (scheme\*) or (transition\*) or (retention) or (reintegration) or (incentive\*) or (supp\* employ) or (vocation\* rehab\*) or (incapacity).

We also carried out a search on Medline. A free text search was performed using (employ\* or work\* or labo\*) and disab\*. This search was then limited to find records with the publication year of 1990 or greater and in English or French language, and combined with the MESH terms (rehabilitation-vocational) or (return-to-work), and the search was finally combined by exploring the appropriate index term for the countries within the scope of the study.

We also searched several online bibliographic databases held by research institutes and university departments, notably in the USA and Sweden. These searches were not all systematic.

## *2. Web-sites of government departments and research institutes*

We searched the web-sites (English language only) of central/federal government departments. We also searched the web-sites of research institutes in the field of disability and employment in the selected countries.

## *3. The World-Wide Web*

Using a search engine (GOOGLE) we searched the World-Wide Web customising the search for each country, typically using key words disab\*, employment, research, retention.

## *4. Calls for information*

We put out a call for information through GLADNET and contacted potential informants in research institutes in the study countries. Some informants shared the results of their own bibliographic or internet searches. One informant alerted us to the evaluation of a programme in a country not initially included in the search (Austria).

## *5. Scanning publications*

We also scanned reviews and research publications already known to us, as well as those obtained through the above methods, for relevant references.

## **The research literature found**

The search produced several hundred references. Searching the web-sites of government departments and research institutes was the most fruitful method of finding evaluations which met our criteria, and the systematic search of on-line catalogues and bibliographic databases the least productive.

The policy-related inclusion criteria were applied to abstracts and to articles and reports obtained through the Inter-Library Loan scheme and from the World Wide Web. In sifting the literature identified we also looked for evaluations which met research-related criteria.

No research evaluation reports meeting our criteria were found in the Netherlands, Denmark, Sweden, Ireland or New Zealand. Sweden has a quite extensive literature on rehabilitation within the Swedish system, but that literature did not fully meet our criteria.

As a result of the search process described and having applied our inclusion criteria, we identified for review published research evaluations of six programmes:

1. New Deal for Disabled People Personal Adviser Service (NDDP PAS) - UK
2. Project NetWork - USA
3. National Vocational Rehabilitation Project (NVRP) - Canada
4. Intensive Assistance in the Job Network - Australia
5. Disability Employment Services in the Case Based Funding Trial - Australia
6. *Arbeitsassistenz* - Austria.

These programmes all represent government-funded initiatives to assist disabled people claiming benefits to make progress towards entering or regaining paid work, using a case-management approach involving personalised assessment of need and service delivery. *Arbeitsassistenz* and the NDDP PAS also help disabled people at risk of losing their jobs.

Table 2.1 in the following chapter presents the main features of these programmes. In the UK NDDP PAS and Project NetWork in the USA, people claiming contributory benefits on grounds of disability were an important target group, but also included were disabled people claiming non-contributory social assistance. NVRP in Canada targeted only beneficiaries of Canada Pension Plan Disability benefits. Job Network in Australia is targeted at job seekers, who may be in receipt of one of a number of benefits including Disability Support Pension, and it is recognised that disabled people are among those who may require Intensive Assistance. The disability employment assistance funded by the Department of Family and Community Services (FaCS) in Australia is targeted at disabled job seekers who are assessed as needing more assistance than can be provided within the Job Network mainstream services. *Arbeitsassistenz* aims to help disabled people at risk of losing their jobs, and unemployed disabled people who need support to re-enter or start work, or support at work. The NDDP PAS also aimed to support retention of people at risk of losing their jobs.

## **Discussion**

It is perhaps surprising that only six programme evaluations were found that met our criteria.

### *Programmes for incapacity benefits recipients*

The small number of evaluations of programmes specifically for recipients of incapacity benefits was to be expected. Systems in the USA, Canada, Australia, New Zealand, Ireland and the UK historically have not expected recipients of incapacity benefits to seek employment, although it has been possible in some countries to do small amounts of work. In the USA and Canada legislation has provided for vocational rehabilitation services for disability benefit recipients but, as we explain in Chapter 2, their use has been minimal. Of these countries, the USA alone has a history of research and demonstration programmes for social security disability beneficiaries, but of those only Project NetWork met our criteria.

### *Mainstream employment services*

Individual case-management techniques are increasingly being applied to the delivery of mainstream labour market programmes for the unemployed. In a review of the literature, Eardley and Thompson (1997) show that US experimental or pilot projects using random assignment date back to the 1980s, and that New Zealand and Australia introduced their case-management programmes in the mid-1990s. In European labour markets, on the other hand, it did not appear that systematic case-management was commonly used at that time, although it was hard for the authors to find details in the literature of how schemes operated. Since that review, systematic case-management has been promoted to support the European Employment Strategy (European Commission, 1998).

Accordingly, it was surprising to find only one evaluation of a mainstream case-managed employment service, serving people with health problems or impairments alongside other recipients of unemployment or social assistance benefits, that could be included in the review (the Job Network evaluation). The main difficulty was finding evaluations that distinguished the former group from other programme participants. For example, UK New Deal programmes for young people, long-term unemployed people and lone parents all include significant minorities of people with health problems or impairments but evaluation reports say little about how they fare in these programmes.

### *Specialist employment services for disabled people*

In some countries, disabled job seekers do not feature prominently in mainstream services because they are automatically referred to specialist services, such as Workbridge in New Zealand. Case-managed employment services for disabled people who need additional help are traditional in vocational rehabilitation; the USA has a long history of state-funded Vocational Rehabilitation (VR) and the UK Employment Service has specialist disability employment teams. Ireland is unusual in having recently disbanded the long-established National Rehabilitation Board, and since June 2000 the mainstream employment service (FAS) has served disabled people for the first time. Interestingly, two countries that historically provided universal employment services are moving towards specialism. In Denmark, a three-year trial project provided all Employment Agency Regions with disability counsellors who were required, themselves, to be disabled. They provided guidance, training and placement, as well as facilitating arrangements for clients to have personal

assistants at work. After evaluation the scheme was made permanent in 1997. Sweden has also moved away from universalism and towards greater selectivism in respect of services for disabled people (Lindquist, 2000), and introduced in 1999 a special introductory and follow-up employment programme (SIUS) similar in concept to supported employment.

It is surprising that we found no relevant evaluations of these or other state-funded specialist employment services for job-seekers - apart from the Australian Disability Employment Service (Case Based Funding Trial) and the Austrian *Arbeitsassistentz*. Language was an obstacle to accessing evaluations in Sweden and Denmark, and also in the Netherlands where from 2001 'reintegration' services are provided by private agencies rather than, as previously, the public employment service.

### *Welfare-to-work programmes*

We had expected to find evidence from welfare-to-work programmes in the USA. Prior to the welfare reforms of 1996, disabled recipients of cash assistance under the Aid to Families with Needy Children (AFDC) programme were often exempted from participating in welfare-to-work programmes as a requirement for benefit receipt. However, by the 1990s, studies found that between 16 and 30 per cent of the AFDC caseload had health problems limiting the amount of work they could do (Olson and Pavetti, 1996). Unfortunately, the literature on welfare-to-work programmes from that period is of limited relevance to this review as it does not report specifically on how disabled people fared. Since the 1996 reforms which gave states more latitude to decide who should participate in programmes, states have changed their welfare-to-work policies as applied to disabled recipients of the new time-limited Temporary Assistance for Needy Families (TANF) benefit programme, overall increasing requirements for them to participate in work-related programmes (Thompson *et al.*, 1998). There is now no requirement to evaluate welfare-to-work programmes and we identified no empirical studies that address their effectiveness in relation to people with health problems or impairments.

Although the boundaries between work-able and not work-able groups are becoming blurred and whole groups of claimants previously understood to be exempt from seeking paid employment are coming to be seen as potentially active (Lødemal 2001), in most European countries recipients of disability benefits are not compelled to participate in 'activation' measures that require people to work in return for social assistance benefits or supply work instead of benefit. In the Netherlands, which has a system of partial incapacity benefits, activation measures, primarily aimed at young and long-term unemployed people, are said to be of importance to partially disabled people who combine unemployment benefit with disability benefit (Van Oorschot and Boos, 2000), but no evaluations could be accessed .

Denmark exceptionally has extended compulsory activation to all in receipt of state benefits (including insurance benefits) who have been unable to obtain work in the regular

labour market for whatever reason. Reasons can include reduced working ability resulting from health problems, though people who are sick are legally excepted if their illness is certified by a doctor (Rosdahl and Weise, 2001). Unfortunately, evaluations which show the effects of activation programmes are not available in English, although an article by Rosdahl and Weise (2001) points to the focus of activation shifting to developing personal skills and motivation, and away from employment-based programmes, in response to the growing proportion with 'social problems'.

### *Job retention programmes*

We did not expect to find job retention programmes similar to those piloted in the NDDP PAS or the Job Retention and Rehabilitation Pilots in the UK; that is, voluntary participation in a government sponsored service which supports or negotiates return to the job after sickness absence. Apart from Ireland, the other countries in the review have: legal obligations on employers and/or benefit agencies to plan for retention in the case of long-term sickness absence (Sweden, the Netherlands, Denmark); a rehabilitation programme for employees under the social insurance system (Sweden); state compensation and rehabilitation schemes for workplace injury (Australia, Canada, USA); a general accident compensation and rehabilitation scheme (New Zealand); or employer or employee private insurance plans which provide for rehabilitation (Canada, USA). Strong regulatory frameworks (such as a prohibition on dismissing disabled workers and requirements to reemploy rehabilitated workers) and business incentives (such as performance-related insurance premiums) both lead to a central involvement by employers in job retention activities not found in the UK (Thornton, 1998).

In the non-European countries, however, access to insurance-related return-to-work services is by no means universal, and in Canada there are federal/provincial cost-sharing initiatives which include 'vocational crisis' services for those who are not covered by other programmes and fall through the cracks in the system. A base-line review for the evaluation of the Canadian Employability Assistance for People with Disabilities agreement (Vodden, 2000) found that all nine participating provinces were offering such job retention services within their employment support programmes for those excluded from other programmes.

### **Organisation of rest of report**

The rest of the report is organised as follows.

Chapter Two describes the main features of the six programmes including the aims, policy context, structure and organisation, mode of delivery, models of intervention, the time parameters and funding arrangements. Chapter Three explains how the programmes were evaluated, the methods used and the reporting strategies, and concludes with some lessons for future evaluations.

Chapters Four to Seven review the evidence available from these evaluations. Each chapter concludes with key lessons or findings, and draws upon the wider literature where appropriate.

- Chapter Four is concerned with accessibility and participation, including aspects of recruitment and selection of disabled people, incentives to take part and what was

achieved in terms of take-up or 'starts'. From some programmes there are useful comparisons between characteristics of participants and non-participants, which throw more light on the way in which programmes met their aims, and how they were used.

- Chapter Five describes the different components of the services available within the programmes.
- Chapter Six discusses the outcomes of the programmes, in terms of the use of services by disabled people, job starts and other work-related outcomes, income effects, other outcomes such as improved health and well-being, and client satisfaction, including employers' experiences.
- Chapter Seven presents the information available about programme costs, and projected savings, although full cost/benefit analysis was not generally available. We also discuss here the two outcome-related funded models from Australia.

Policy developments subsequent to the evaluations are discussed in Chapter Eight. The final chapter draws together the evidence about the various factors which influence outcomes and impacts, and pulls out some lessons for policy development from the programmes, the evaluations and the wider literature.



## CHAPTER TWO: THE PROGRAMMES

This chapter provides an overview of the six programmes which have been reviewed. Table 2.1 overleaf shows the scope and the target groups of the programmes, and summarises the benefit regimes and pre-existing rehabilitation services for the target groups. We describe the aims and objectives of the programmes, the policy contexts, programme structure and organisation, mode of delivery and models of intervention, the time parameters and funding arrangements. For the purposes of this descriptive chapter, we deal with each programme separately. The chapter concludes with a brief overview of the main disability employment legislation in the study countries.

### **New Deal for Disabled People Personal Adviser Service – United Kingdom**

The New Deal for Disabled People Personal Adviser Service (NDDP PAS) was a pilot programme, a joint initiative between the Department of Social Security, Department for Education and Employment, Employment Service and Benefits Agency.

The objectives of the pilot were:

- to assist people with impairments or a health condition who wish to work to do so;
- to help those already in work to retain employment; and
- through local partnerships, to promote the abilities of people with long-term health problems and to extend the range of services available to them.

The service was targeted mainly at people of working age, 16 to 59/64 years, in receipt of incapacity-related benefits whose incapacity had lasted for 28 weeks or more, including recipients of incapacity benefit, severe disablement allowance and National Insurance credits awarded on the basis of incapacity. Participation was voluntary and there were no benefits penalties for not taking part. The programme did not cover jobseeker's allowance recipients whose benefit included a disability premium because they were covered within other New Deals and Employment Service schemes.

In offering an individualised employment service for people claiming income replacement incapacity benefits the programme marked a major policy shift. Although people with health problems and impairments actively seeking work might be referred to the Employment Service Disability Service (DST) by the mainstream Employment Service, or approach the DST directly, incapacity benefits recipients were not a priority group. To receive incapacity benefits claimants had to demonstrate that they are incapable of work. Notwithstanding some financial incentives to leave incapacity benefits for employment, until the advent of the NDDP it was not generally assumed that beneficiaries of incapacity benefits might actively be helped to take up employment.

**Table 2.1: The programmes evaluated**

<i>Programme</i>	<i>Scope</i>	<i>Target group</i>	<i>Benefit regime</i>	<i>Pre-existing rehabilitation services</i>
New Deal for Disabled People Personal Adviser Service (UK) 1998-2001	Time limited pilot in 12 sites to help people receiving incapacity benefits to take up employment, and to support retention of employees on sick leave. Delivered by a) public employment service and b) independent sector partnerships. Designed by Department of Social Security, Benefits Agency, Department for Education and Employment, and Employment Service.	People in receipt of incapacity-related benefits whose incapacity has lasted at least 28 weeks. People at risk of losing their job after onset of ill-health or impairment and on sick leave.	Incapacity Benefit (IB): contributory social insurance benefit. Severe Disablement Allowance (SDA): means-tested benefit for those with insufficient insurance contributions. IB and SDA recipients may also receive Income Support (IS), a means-tested benefit designed to bring income up to a minimum level.	None specifically for incapacity benefits recipients. Job-seekers on IB or SDA can access Employment Service Disability Service Team (DST) assistance. DSTs provide job retention services.
Project NetWork (USA) 1992-95	Randomised field experiment: demonstration project to promote return to work of people receiving disability benefits, testing four models of case management. Designed by Office of Disability at Social Security Administration (SSA) and Office of Assistant Secretary for Planning and Evaluation at US Department of Health and Human Services. Conducted by SSA.	Disability Insurance (SSDI) beneficiaries and Supplemental Security Income (SSI) disabled and blind recipients and applicants.	SSDI: federal social insurance benefit. Eligibility depends on work history and contributions. SSI: means-tested benefit for aged, blind and disabled people, funded from general revenue. No work history required. Most States take the option of supplementing basic SSI.	Rehabilitation and employment services available to SSDI and SSI beneficiaries through State Vocational Rehabilitation (VR) programmes (which are outcome-funded).

<i>Programme</i>	<i>Scope</i>	<i>Target group</i>	<i>Benefit regime</i>	<i>Pre-existing rehabilitation services</i>
National Vocational Rehabilitation Project (NVRP) (Canada) 1993-96?	Feasibility project: extension of small pilot rehabilitation project within disability pension scheme, to examine feasibility of establishing vocational rehabilitation within the pension scheme. Designed within Human Resources Development Canada (HRDC) which administers Canada Pension Plan.	Canada Pension Plan Disability (CPPD) beneficiaries.	CPPD: federal compulsory insurance programme, operating in all provinces except Quebec. Eligibility depends on work history and contributions.	CPP has legislative authority to operate rehabilitation programmes, but previous attempts were limited, because CPPD was designed for the most severely disabled people who were often not expected to work again.
Job Network Intensive Assistance (Australia) Introduced 1998 and ongoing	That part of the reformed publicly funded employment placement services which provides individual assistance to disadvantaged job seekers. An outcome-based funding model, with additional up front payments, both linked to level of disadvantage. Designed as part of comprehensive reorganization of labour market assistance, integrated with social security delivery. Cross-departmental involvement, influenced by consultations and public submissions during transitional period 1996-98.	Disadvantaged job seekers who require assistance to become job-ready, within mainstream employment services.	Income support benefits including: Newstart Allowance: means-tested benefit for unemployed, aged 21 or over, registered with Centrelink, prepared to satisfy activity test. Youth Allowance: means-tested benefit for those aged 16-20, looking for work full-time, or undertaking approved activities. Disability Support Pension: means-tested benefit for disabled people unable to work for 30 hours a week or more; non-means-tested for permanently blind.	Services provided under Intensive Assistance broadly match those previously provided under Flex 3 in Working Nation. Flex 3 provided case management for disadvantaged job seekers, delivered by private providers under contract to Department of Employment Workplace Relations and Small Business (DEWRSB), and funded on basis of programme placements made.

<i>Programme</i>	<i>Scope</i>	<i>Target group</i>	<i>Benefit regime</i>	<i>Pre-existing rehabilitation services</i>
Disability Employment Services in the Case Based Funding Trial (Australia) Started 1999 and ongoing	Trial project: a trial of new case-based funding arrangements for disability employment assistance. Model established by working group including provider and consumer bodies, Department of Family and Community Services (FaCS) and Commonwealth Rehabilitation Service (CRS), and put into operation by FaCS.	Job seekers with medium to high level disabilities, who are eligible for specialist disability employment services, and volunteer Disability Support Pensioners.	Disability Support Pension Newstart Allowance other income support benefits	Community based employment assistance services contracted to Commonwealth Department of Family and Community Services (FaCS) to case-manage disabled people into employment. Previously funded through annual block grants.
<b>Arbeitsassistenz</b> (Austria) National extension in 1995, and ongoing	A national programme to help disabled people retain, return to or start work, and to support their employment. Designed within Ministry of Social Security and Generations (BMSG), following two pilot projects.	Unemployed people with disabilities, and people at risk of losing their job because of an impairment. Originally designed for people with mental health problems, but extended in 1995 to people with intellectual, physical, sensory and multiple impairments.	Unemployment benefit Social assistance (Notstandshilfe) Short-term invalidity pension (Invaliditätspension)	Short term employment programmes and sheltered workshops were provided for people with mental health problems, by different public and not-for-profit organizations. There were problems in integration of people outside these settings; also a recognized need for job retention services.

The service was implemented in Great Britain in twelve local areas, selected to represent areas with differing levels of unemployment and incapacity for work, and varying types of labour market. Six projects were led by the Employment Service, and six by partnerships led by private and voluntary sector organisations following a competitive tendering process. Each project had a Pilot Manager and a team of Personal Advisers, recruited from a range of prior jobs and experience. Occupational psychologists were attached to most projects, which also had administrative and support staff, and most projects operated from designated office premises, located either within existing services or newly established within the high street or community.

The NDDP PAS was one of several 'New Deal' labour market programmes introduced by the Labour Government which came to power in 1997. New Deals for young unemployed people, long-term unemployed, lone parents, people aged over 50 and disabled people were, to differing degrees, case-management programmes with a 'personal adviser' guiding the participant through the programme and drawing in a range of employment-related services to improve employability and place the participant in employment. Initially, the NDDP PAS was mainly delivered within an holistic, client-centred approach, with Personal Advisers working with individual clients to identify appropriate personal goals, to find ways of making progress towards them, and offering direct support or brokering appropriate services to achieve goals. Methods of delivery were not formally prescribed. Over time, targets were introduced for the number of clients placed in work.

The pilot began in September 1998 in the six areas in which the service was led by the Employment Service, and the six partnership led pilots came on stream in April 1999. The two-year life of the pilot projects was extended so that all pilots finished at the end of June 2001. New Job Broker services began in July 2001.

### **Project NetWork - USA**

Project NetWork was a demonstration by the US Social Security Administration (SSA) of different kinds of institutional arrangements for providing rehabilitation and employment services to promote employment among people receiving disability benefits. The evaluation report describes the aim of Project NetWork as to test alternative methods of providing rehabilitation and employment services to Social Security Disability Insurance (SSDI) beneficiaries and Supplemental Security Income (SSI) disabled and blind recipients and applicants. The ultimate goal 'was to return disabled beneficiaries to work, thereby helping them to improve the quality of their lives and lessen their dependence on government income support'. Other objectives, not expressed in the evaluation reports, were to promote the use of social security work incentives and to establish close ties with local businesses to meet their employment needs (Department of Health and Human Services Social Security Administration, 1995).

Project NetWork was instituted in a context of the continuing failure of the vocational rehabilitation system to return SSDI and SSI beneficiaries to work. From their beginning (1956 and 1974 respectively) SSDI and SSI provided for the referral of applicants by the

SSA to state vocational rehabilitation (VR) agencies but less than 0.5 per cent of total beneficiaries were successfully rehabilitated. Criticisms of the VR process included limited effort by SSA field offices to inform applicants of the VR programme, proforma referrals, protracted processes for finding eligibility, and reluctance of some state VR agencies to serve SSDI and SSI beneficiaries. However, the low incidence of return to work reflects the fact that benefit eligibility is restricted to those with impairments which have been found to make them unable to engage in any substantial work activity.

Although not apparently an influence on setting up Project NetWork, the recession of the early 1990s led to rapid increases in the rolls. Between 1989 and 1993, SSDI beneficiaries in payment rose by nearly 30 per cent and expenditure rose by more than half (Hennessey and Muller, 1995). The share of new SSDI and SSI beneficiaries classed as having mental disorders rose sharply to a quarter in 1992 compared with one in ten in 1982.

The Project NetWork case-management approach built upon findings from 116 small demonstration projects for SSDI beneficiaries, funded by the SSA in the Research and Demonstration Program (RDP) in three rounds from 1987 to 1989. Although the RDP was not formally evaluated overall, each project had an evaluation component. However, most projects were too small to have statistical validity and there were no random assignments, control groups or comparison groups. The first two RDP rounds demonstrated approaches in the early stages of the VR process - identification, assessment, referral, recruitment and case-management - and the third round developed observations about job placement and retention to inform a future SSA system.

In Project NetWork, SSDI recipients, and SSI recipients and applicants in selected local areas were invited to participate, and those interested randomly allocated to a 'treatment' group to receive Project NetWork services or to a 'control' group whose members remained eligible for any employment assistance already available in their community. Three of the four models of service provision used a case-management approach. These offered employability assessments, individual employment plans, return to work services, job placements and post-employment support. The fourth model was less intensive, and focussed on the referral of participants to other rehabilitation service providers. All four models had different institutional and staffing arrangements and each was operated at two sites:

*Model 1: SSA case-management model*

Staff were former SSA claims and services personnel, who had less experience of vocational rehabilitation or case-management than staff in the other models and received the longest training (nine weeks). Each site had support from an experienced vocational rehabilitation consultant.

*Model 2: private contractor case-management model*

Staff were experienced case managers, many with vocational rehabilitation experience.

*Model 3: VR 'outstation' model*

The original plan was for staffing by case managers from State VR agencies, but this did not work out, and most staff were newly recruited.

*Model 4: SSA referral-management model*

Staff were former SSA claims and services personnel.

The four models represented different approaches to service development within an existing federal programme. The SSA case-management and referral-management models were new services built from within current services, by developing new units and giving staff new roles. The private contractor model was a new service built by contracting with private sector providers already specialising in this area. The VR model was built around State agencies which were routinely providing the services involved.

The models were mainly located within local SSA offices, apart from the private contractor model which was operated from the contractors' premises.

Following random assignment, people who wanted to take part met individually with a case manager or referral manager. Case managers arranged assessments necessary, helped in the development of an individual employment plan, and identified and made arrangements for rehabilitation services which would enable the person to achieve their plan. In the fourth model, which offered a less intensive service, referral managers located case-management and other services by accessing existing service providers.

An additional component was the 'waiver' of particular benefit rules which were believed to act as work disincentives, in order to encourage participation in the programme and return to work. The waivers were available to people in both the 'treatment' and 'control' groups.

The programme was phased in, with the SSA case-management model starting in 1992 and the others following during early 1993. Each site followed a similar operational sequence, starting with a three-month pilot period to test procedures. The main demonstration started within two months of the end of each pilot, and service delivery continued for at least 24 months, with the first 15 months concentrating on recruitment and intake.

The programme was federally funded for direct costs of purchased services, site operations (mainly staff costs) and central administration.

**National Vocational Rehabilitation Programme (NVRP) - Canada**

NVRP was a feasibility project, to examine the feasibility of establishing vocational rehabilitation within the federal disability pension scheme (CPPD). The stated objective of NVRP was 'to identify suitable disabled Canada Pension Plan (CPP) beneficiaries residing in Canada and provide them with the necessary vocational rehabilitation services that will allow for a return to meaningful employment'. NVRP followed a small pilot rehabilitation

project conducted in 1990 -1992 which, compared to the project cost, suggested considerable potential cost-savings to CPP as a result of this kind of service.

Establishing vocational rehabilitation within CPPD was a new venture. Provincial workers' compensation schemes, automobile insurers and private sector providers under employee benefit schemes were the main players in the vocational rehabilitation field. CPP had legal authority to operate rehabilitation programmes but previous attempts were limited because evidence of capacity for work would be grounds for ceasing benefits.

In developing a new service for this client group, the model adopted was a 'dual-case-management model' (also called a third party delivery model). In this model external contractors and in-house CPPD staff complemented each other with distinct roles. The main contact points for clients were the contractors, private rehabilitation consultants who used a case-management approach to deliver or arrange rehabilitation services, including assessment of needs and potential for rehabilitation, development of individual rehabilitation plans, monitoring and supporting clients while receiving services, counselling and help with job search. The in-house managers had responsibility for assessment of eligibility, authorising services to be offered to individuals, and monitoring progress and contractors' performance. They were operations staff in the administrative units of CPPD (Initials, Appeals, Reassessments) who were located in a new 'Rehabilitation Unit' at the national headquarters of CPPD in Ottawa.

The structure of service delivery was described in the evaluation report as a response to the need to implement rapidly a nation-wide delivery system, in the absence of a tradition of this kind of service within CPPD (apart from the small pilot project in Ontario and British Columbia). An open bidding process was used to build up a network of external contractors across provinces. At the time of the evaluation report there were six contractors in Ontario, two in British Columbia and one each in Alberta, Manitoba and Maritimes. Quebec was not included in the NVRP. The Canada Pension Plan does not operate in Quebec, where a comparable plan, the Quebec Pension Plan (QPPD), is administered by the provincial government. Rehabilitation has never been a significant issue within QPPD, which tends to be stricter in adjudication of benefits for people under the age of 60 years, and thus targeted much more to older people.

CPPD beneficiaries who met initial screening criteria were referred to the Rehabilitation Unit. Those considered appropriate for rehabilitation on the basis of review of their files were invited to take part, and those agreeing assigned to an in-house case manager and referred to a rehabilitation contractor. This process is described in more detail in Chapter Four.

NVRP was announced in 1991 as an extension of the small pilot project of the previous year, and referrals began in April 1993.



The programme was federally funded for direct costs, with an original funding commitment for five years.

### **Intensive Assistance - Australia**

Intensive Assistance is a programme within the mainstream employment placement and assistance service, Job Network, a national network of private, government and community organisations dedicated to finding jobs for unemployed people including some disabled people. Announced in the 1996-97 Budget, Job Network represented a new framework for delivery of labour market assistance, with four key objectives:

- to deliver a better quality of assistance to unemployed people, leading to better and more sustainable outcomes
- to target assistance on the basis of need and capacity to benefit
- to address structural weaknesses and inefficiencies inherent in previous arrangements for labour market assistance, and to put into effect lessons learnt from international and Australian experience of labour market assistance
- to achieve better value for money.

The Job Network, introduced in May 1998, radically changed employment service delivery in Australia. The public employment service was effectively abolished and replaced by a national network of private agencies, community organisations and the state Employment National, all competing in a quasi-marketplace for contracts to deliver services to unemployed people. At the time of the evaluation reported here there were around 300 Job Network members. Although non-governmental agencies were already providing services under contract, through the previous short-lived Working Nation programme, the creation of the Job Network represented a major shift in the role of the state from provider to purchaser of services. The change was expected to provide for greater flexibility to provide innovative services and, through competition, to increase effectiveness and efficiency.

Employment assistance for disability pensioners was first introduced in 1991 reforms, replacing the 'all or nothing' invalid pension and exclusion of disability pensioners from national employment services. The new arrangements allowed disability pensioners to work for up to 30 hours per week. Now people qualifying for the means-tested Disability Support Pension (DSP) - for those unable to work for more than 30 hours per week for at least the next two years - may be offered rehabilitation, vocational training and job search assistance by Disability Support Officers based at around 400 Centrelink sites. Centrelink, the one-stop agency established in 1997, delivers the full range of income support payments, and polices compliance with activity test requirements for unemployed job seekers. Disability Support Pensioners are not required to meet activity test requirements, however.

Centrelink registers job seekers and allocates them according to their score on the Job Seekers Classification Instrument (JSCI), which measures level of disadvantage, to one of three services contracted in the Job Network:

- Job Matching, which is employer focussed to attract and fill job vacancies
- Job Search Training, which provides structured assistance with job search
- Intensive Assistance.

A second streaming instrument, the Work Ability Tables (WATs) (used to determine eligibility for DSP) is used in the case of people with disabilities to determine whether they should receive services through the Job Network or through specialist disability employment services funded separately through the Department of Family and Community Services (FaCS).

Practical arrangements for the allocation of job seekers by Centrelink, using JSCI and other assessments, are described in Chapter Three.

Intensive Assistance was designed to provide individually tailored help to eligible job seekers who are long-term unemployed or seriously disadvantaged in the labour market. The service addresses the specific barriers to employment of individual clients, and provides appropriate help to become job-ready and find a job. Among those registering for Intensive Assistance there are relatively high proportions of long-term unemployed people, people over 50 years old, people with low levels of education, disabled people and people from a non-English-speaking background.

Services provided in Intensive Assistance broadly matched those previously provided in Flex 3 in Working Nation, and included personal development, skills training, literacy training, work experience and wage subsidies.

By 1998, Intensive Assistance services were offered by members of the Job Network at 169 sites, nationally. The aim of ensuring at least five providers of Intensive Assistance in every one of the 29 labour market regions was met. Some members offered specialist services to particular client groups, including older people, indigenous Australians, young people, people from non-English-speaking backgrounds and disabled people. By 1998 one fifth of specialist services/sites which provided Intensive Assistance (34 services/sites) focussed on the needs of disabled people.

In the early stages of service provision, the 'top four' providers of Intensive Assistance accounted for 65 per cent of total provision, and most of this was provided by Employment National. Policy makers had taken a cautious approach in letting the bids, in order to maintain some stability in the market, keeping in place a dominant public sector under commercial management, supplemented mainly by two church-based non-profit providers and one large private firm. This pattern changed when the second round of contracts for service provision was let from March 2000. The number of organisations providing services fell, but the number of sites expanded. Employment National lost most of their

Intensive Assistance contracts and the market dispersed more among not-for-profit and private providers.

Job Network was implemented on 1 May 1998 and is ongoing. The programme is federally funded, with funding linked to results rather than process. The component employment services, including Intensive Assistance, are funded on the basis of payments for sustainable employment outcomes, with some payments for service delivery. The outcome funding model adopted for Intensive Assistance was designed to combine funding for case-management and labour market programmes into a single system, which gave providers incentives to secure employment outcomes and control costs. In the previous case-management service offered in Working Nation, the Government met the cost of programme placements. It could be hard for managers to combine different programme funds, which were administratively separate, and some clients appeared to move through a number of programmes without a clear overall objective. There was little incentive for case managers to try to control the costs of supporting and assisting clients.

There were four key design features of the new funding model for Intensive Assistance.

***Outcome payments:***

Approximately two thirds of the potential funding was attached to sustained employment outcomes. An interim outcome payment was made when a job seeker remained in qualifying employment for 13 weeks, and a final outcome payment after 26 weeks in qualifying employment. There were two levels of outcome payment, depending on whether the person earned sufficient to leave benefit altogether or an amount which reduced benefit entitlement.

***Up-front payments:***

In addition to the outcome payments there was an up-front payment for each new job seeker taken on.

***Payment level determined by level of disadvantage:***

There was an overall fee adjustment, depending on the level of measured job seeker disadvantage. Both the outcome payments and the up-front payments were made at one of three levels, with higher amounts paid for more disadvantaged people.

***Time limits:***

Job seekers classified at funding levels one and two were referred for services for 12 months, and others for 18 months, with options of extending referral for six months. This aimed to encourage case managers and participants to work towards an outcome in a reasonable time, allowing some flexibility according to particular circumstances. The time limits were also designed to prevent case loads accumulating people for whom outcomes were hardest to secure. Without such 'through-put', services would become non-viable.

The model was designed to promote competition among providers, choice among clients and responsiveness of services. Service providers contracted for numbers of clients at the fixed prices, competing for clients who could choose a provider they preferred.

The model also enabled rationing services for efficiency. The overall Intensive Assistance budget was limited, so capacity had to be controlled. Access to contracted places was determined by regulating the numbers of eligible people (through setting the JSCI score band widths which gave access) and predetermining the proportions of places allocated to each funding level. Target proportions were initially: 67 per cent of places in Level One assistance; 26 per cent in Level Two and seven per cent in Level Three. The JSCI score band widths for allocation to the three payment levels were twice adjusted upwards during the first contract period, to ensure sufficient job seekers to fill the number of places contracted for across the programme.

A number of changes to the funding model were made for the second round of contracting. These are discussed in Chapter Seven where we examine the costs of the programmes.

### **Case Based Funding Trial for Disability Employment Assistance - Australia**

The specialist disability employment assistance programmes of the Australian Department of Family and Community Services (FaCS) complement the mainstream labour market programmes managed by the Department of Employment, Workplace Relations and Small Business (DEWRSB), and assist in developing individuals' independence and their ability to participate in the labour market. The programmes include Employment Assistance; Wage Subsidies; Work Place Modifications; Supported Wage Scheme and Supported Employment Placement Officers/External Coordinators.

The general aim of Employment Assistance is to assist job seekers with a disability to overcome barriers they may face in gaining employment in the open market. Employment assistance is provided through service agreements with individual organisations which provide opportunities in 'open employment' and 'supported employment'. The target group for open employment is people with disabilities who have the capacity to retain employment in the open labour market but who need assistance with training and placement along with some ongoing support. The term 'supported employment' covers sheltered employment, work crews and contract labour arrangements. Priority in service agreements with specialist employment services providers is given to people eligible for the Disability Support Pension who, with the available levels of support are likely to obtain employment of at least eight hours per week. Within this group, priority is given to people aged 15 to 25 years.

In recent years, policy focussed on introducing an independent eligibility assessment and referral process for disabled job seekers. With the aim of targeting assistance according to needs, it was intended that disabled job seekers should access specialist services only through Centrelink, rather than accessing them directly without independent assessment of their needs. However, while Centrelink streams disabled job seekers either to the Job

Network or to a FaCs-funded specialist service it is still possible to go directly to the latter, with Centrelink subsequently confirming eligibility.

Agencies providing employment assistance contract to case-manage a certain number of people into an employment outcome (continuous employment of more than 8 hours per week for at least 13 weeks). Some agencies specialise in providing services to particular groups of people, for example people with psychiatric illness, learning disability or sensory impairment. The service providers variously offer assessment, training, general support, help to clients in marketing themselves to potential employers, and services for employers. Once a disabled person has found a job, assistance may include on-site training, a support worker, arrangements for Supported Wage Subsidies and ongoing advice.

In 1998-99 the Commonwealth had service agreements with 441 organisations which provided open employment assistance through 883 service outlets. These specialist disability employment services received \$208 million to support over 38,000 people to find and maintain jobs. Some agencies also provide Intensive Assistance.

The Case Based Funding Trial (CBFT) was the introduction and trial of new case-based funding arrangements, as part of the Commonwealth Government's broad reform of employment assistance and rehabilitation services. Policy had concentrated on increasing efficiency by focussing on individual outcomes. Employment Assistance services historically received annual block grant funding, with no match between the level of funding required and the relative needs of job seekers. The funding model was developed by a working group, including representatives from the service industry and consumer bodies, FaCS and Commonwealth Rehabilitation Service (CRS) Australia.

Specific aims of the case-based funding model were to:

- improve job seekers' access to and choice of employment assistance
- enhance employment outcomes
- increase equity of funding arrangements among providers
- enable as many people as possible to receive employment assistance
- encourage flexibility and innovation in service provision.

Agencies providing employment assistance in 15 trial regions were invited to take part, the regions selected on the basis of priorities in area-based demand for job-seeker assistance. Following consultation during the summer of 1999 Phase 1 of the trial began in November 1999, with intake of clients ending in June 2000. Phase 2 brought a further 24 regions into the trial in January 2001, and this phase is on-going. The CBFT was federal funded with up to \$10 million in each of years 1998-99 and 1999-2000 made available, with arrangements for adjustments if demand was lower than expected.

Funding for service providers who took part in the trial was based on an assessment of the relative needs of each job seeker, and their subsequent assignment to one of three funding levels, with payments attached to 'milestones' and employment outcomes. In Phase 1 of the trial, an assessment of barriers to obtaining employment faced by a job seeker was based on the JSCI, and this was used in conjunction with an assessment of how that person's disabilities may impact on their ability to work, using Work Ability Tables (WATS). Payments were made to the service provider in three stages:

**Commencement of employment assistance:** 75 per cent of funding level, at commencement, paid monthly for 12 months, subject to agreement of an Employment Assistance Plan by eight weeks

**Outcome payment:** 25 per cent of funding level, as a one-off payment, on achievement of work of at least eight hours week for 26 weeks, at wages paid under an award or industrial agreement

**Maintenance payment:** 70 per cent of funding level, paid monthly after 12 months if outcome achieved, up to 18 months.

The model has some similarities in design with the outcome based funding model in Intensive Assistance, but with a different balance between up-front and outcome payments, and a component for in-work support. It aimed to provide incentives to providers to secure outcomes and achieve cost effectiveness; to ensure cash flow for providers; to ensure access by making more money available for the most disadvantaged people; and to use time limits to ensure through-put and sharpen focus.

Policy makers looked to the case-based funding trial to provide information about:

- the impact of the funding model on the range of job seekers getting employment assistance
- the suitability of the classification process
- the appropriateness of the funding levels set
- the impact on services
- financial incentives and disincentives for improved service performance.

### ***Arbeitsassistenz - Austria***

*Arbeitsassistenz* was originally designed to assist people with mental health problems but the service has been extended to additional target groups including people with learning disabilities, physical disabilities, sensory, or multiple disabilities. The specific goals of the programme are:

- to help disabled people to stay in work
- to help people return to work or find new jobs
- to support people who want to start work
- to promote integration in the workplace

- to promote equal opportunities for disabled people in the workplace.

*Arbeitsassistenten* was introduced in the context of problems in the integration of people with mental health problems outside short-term employment programmes and sheltered workshops provided by different public and not-for-profit organisations. According to a report by ECOTEC (European Commission, 2000a) Austrian disabled job seekers are assisted mainly through mainstream public employment services. This includes counselling and guidance and the creation of an individual back-work-action plan. Applicants for pensions on the basis of reduced ability to work (*Invalideitspension*) are offered rehabilitation services, and if rehabilitation is successful the pension ceases. Pensions on the grounds of reduced ability to work are granted for a maximum of two months. Only if continuing disability or inability to work is to be expected is a disability pension granted, for an unlimited period.

*Arbeitsassistenten* services are mainly provided by non-profit organisations under contract to the Federal Office for Disability Affairs (BSB), specifying details of the target group, the caseload, and the help provided. Unemployed disabled people, especially those registered as disabled under the Disabled Persons Employment Act (that is, at least 50 per cent disabled), and *Invalideitspension* recipients may demand *Arbeitsassistenten*. The contracted services must provide open access to the target groups agreed. By 1999 services were being offered by 83 projects, across all provinces, and during 1999 approximately 9000 people used services.

A casework approach is adopted by programme staff, called job-assistants, and services provided include assessment, career/intervention planning, referral for vocational training, specialist advice such as debt management, help with job search, support for job interviews, and support in work.

The model is of particular interest in the UK policy context because of the specific commitment to job retention.

After a small pilot project in 1992, involving two locally based non-profit organisations which had been working with psychiatric hospitals, *Arbeitsassistenten* was extended to people with other kinds of impairment, adopted as a national programme in Austria in 1995, and is ongoing.

The programme is funded by: the disabled persons compensation fund (ATF); the public employment service (AMS); local authorities; and European Social Funds (ESF). Up to 50 per cent of funding came from the ESF in Objective 1 and Objective 3 regions. The intention had been that the remaining costs should be met equally by the other three funders. In practice, the Federal Ministry of Social Security and Generations (BSSG) took responsibility for shortfall from the AMS and local authorities. In most years since 1995 real costs have been lower than budgets agreed.

## Key disability employment legislation

As shown in Table 2.2, four of the five study countries – the UK, USA, Canada and Australia – have legislation which makes it illegal to discriminate in employment on grounds of disability and places a duty on employers to make reasonable adjustments or accommodations. Austria has a quota scheme and employers who do not meet their quota pay a levy to a fund which is used to promote the vocational integration of disabled people.

**Table 2.2: Key disability employment legislation**

<i>UK</i>	<i>USA</i>	<i>Canada</i>	<i>Australia</i>	<i>Austria</i>
Disability Discrimination Act (1995) makes it illegal for an employer of 15 or more staff unjustifiably to treat a disabled person less favourably for a reason connected to their disability, and places a duty on them to make reasonable adjustments to work and workplace if these substantially disadvantage a disabled person.	Americans with Disabilities Act (1990) applies to employers with workforce of 15 or more, making it illegal to discriminate against a qualified individual in employment on grounds of disability. Employer must make reasonable accommodations for known limitations.  State anti-discrimination legislation.	Human Rights Act (1977) makes it illegal to discriminate in employment on grounds of disability if person satisfies occupational requirements. Duty to accommodate if no undue hardship to employer.  Provincial/territorial human rights acts.	Disability Discrimination Act (1992) applies to all employers, making it illegal to discriminate on grounds of disability if person can perform the inherent requirements of the job. Duty to make adjustments for equal opportunity unless unjustifiable hardship to employer.  State anti-discrimination legislation.	Disabled Persons Employment Act :  Employers of more than 25 employees must meet 4% quota of registered disabled employees or pay a financial levy



## CHAPTER THREE: THE EVALUATIONS

The kind of evidence which has emerged from the evaluations depends considerably on the evaluation strategies adopted, the methods used and how findings are reported, and it is useful to consider these aspects in some detail. Table 3.1 summarises information about the funders and evaluators, the evaluation components and methods used and the time-scale of the investigations.

### The evaluators

The New Deal for Disabled People Personal Adviser Service (NDDP PAS) pilot evaluation was government funded, and as usual in the UK, the contract for the evaluation was let by competitive tender. As seen in Table 3.1, all the other evaluations reported were government funded. The Job Network evaluation was conducted by the government department with responsibility for the programme, the Department of Employment, Workplace Relations and Small Business (DEWRSB). The other programmes were evaluated outside government, within research units identified in Table 3.1. Information was not available about the way in which these external evaluators were selected or the overall costs of the research undertaken.

### Evaluation strategies

Although the six programmes reviewed had similar goals, in helping people with impairments or health problems start, return to or retain paid work, they represented different kinds of policy initiative. Project NetWork was designed as a time-limited randomised field experiment, to test different institutional arrangements for providing new services within an existing federal programme. The NDDP PAS, the National Vocational Rehabilitation Programme (NVRP) and the Case Based Funding Trial (CBFT) were also designed as time-limited trials and pilots, but without randomisation components they were not of the same level of social experiment as Project NetWork. Job Network and *Arbeitsassistentz* were examples of policy reforms. This section goes on to discuss some of the implications of such differences for the objectives of the various evaluations, and the methods adopted.

Experimental programme demonstrations involving random assignment of individuals to either 'treatment' or 'control' groups have been used extensively in US policy development (Walker, 2000; Stafford *et al.*, forthcoming 2001), most famously in evaluations of welfare-to-work programmes. The UK does not have a long-standing tradition of the randomised experimental approach to evaluation in labour market interventions, although it has been used in some labour market interventions (Stafford *et al.*, forthcoming 2001) and the extension of services within the NDDP and Job Retention and Rehabilitation pilots were being developed as randomised trials in 2001. Controlled experiments of employment services for disabled people are rare outside the USA and Sweden. Gueron (2000) discusses lessons from the USA experience in implementing social experiments.

It can be argued that random assignment provides the most convincing measurement of the economic impact of a policy intervention because of the rigorous approach to the identification of the 'counter-factual', that is, what would have happened without the programme (see Blundell and Costa Dias, 2000). The design and implementation of a programme may limit the potential for randomisation however. There are also ethical and legal issues. For example, it would be wrong for such an experiment to reduce services to anybody involved or to deny access to services which are entitlements. Indeed, an earlier Australian government rejected the experimental approach on the grounds that its commitment to access and equity ruled out random selection and exclusion (Eardley and Thompson, 1997). Gueron (2000) discusses this further, suggesting that excluding people from a service for purposes of an experiment is likely to be more acceptable when what is offered is new or extra, and numbers of applicants are likely to exceed the number of places available. This kind of social experiment can also be expensive and time-consuming, findings emerge slowly and issues arise about the balance of resources between programme services and research and evaluation.

The NP PAS pilot was designed as a time-limited project, which would provide information to help shape national implementation, as were the other pilots within the New Deal welfare reforms (Millar, 2000). As Walker (2000) points out, this type of pilot was designed to provide as much early information as possible about how the programme worked in practice and what lessons might be learned. The examination of process, quality of delivery arrangements, and the experience and satisfaction of participants and providers were all important components of the evaluation, to help policy makers decide which elements of the pilot could be taken forward and which would work best. Walker (2000) points out that this commitment to piloting national policies is fairly unusual outside the UK.

The time-limited Canadian NVRP was a trial programme, designed to examine the feasibility of establishing vocational rehabilitation within the disability pension scheme. The evaluation was commissioned after three years of a trial period which originally had five years funding. The aim was to review the experience of NVRP, and provide pointers for future policy and programme planning. The study was conducted in conjunction with a wider evaluation of the overall Canada Pension Plan (CPP) Disability Component programme. The fact that the NVRP was coming to an end when the evaluation was commissioned, with a relatively small number of participants overall, clearly had implications for the approach to evaluation and the methods adopted, although this is not discussed in the report. One problem that was acknowledged by the authors was the difficulty, retrospectively, of obtaining aggregate data from the project information systems, to build up a profile of NVRP beneficiaries. There were issues both of client confidentiality and limitations of the project information systems.

CBFT is a trial of new case-based funding arrangements for delivering case-managed employment assistance to disabled people, previously funded under block grants. Phase 1 (reported here) was time-limited, with intake of job-seekers between November 1999 and June 2000. When the overall two-stage evaluation was planned, there was an expectation

that the models and instruments used in Phase 1 might be modified and developed for the second phase, scheduled to begin in January 2001. There was therefore a need for early findings about response to the trial from job-seekers and service providers; how the trial was working in practice; problems and successes experienced by service providers (who might be much affected by a change in funding regime) and outcomes for job-seekers.

In the absence of a randomisation component in these three time-limited pilots and trials (NDDP PAS, NVRP and CBFT) evaluations utilised other quasi-experimental methods to get some measure of impact. Examples included the matching and/or selection of comparison groups such as participants and non-participants (PAS, NVRP and CBFT); participants and people within a population including the potential target group (PAS and NVRP); participants at different stages of programme delivery (PAS) or in different local areas (PAS and CBFT) and service providers of different kinds (CBFT).

Turning to the two examples of policy reform, Intensive Assistance was one part of the major reform of Australian employment intervention and income support delivery. Intensive Assistance itself largely replaced a previous programme called Flex 3, which had provided a similar service but with different funding arrangements. *Arbeitsassistentz* was a new programme which was extended on a national basis in 1995 after two small local pilot projects. Within economic evaluation methodology, policy reforms can sometimes be considered as natural experiments. However, it can be hard to find comparison groups which enable rigorous measurement of impact and there may already be full commitment to the policy reform, without a policy interest in a full 'before and after reform' comparison. The specific evaluation reports on Job Network and *Arbeitsassistentz* do not discuss this issue.

As shown in Table 3.1, Stage One evaluation of Job Network examined the implementation and described the early market experience, with an emphasis on quality and access issues for job seekers, employers and service-providers. Testing and revising instruments for allocation of job-seekers to different levels of support was also an important component. Evaluation of Intensive Assistance was included within the design of the overall evaluation of Job Network. There was particular interest in early findings about the new outcome-funding arrangements for Intensive Assistance and the market experience. The first stage evaluation of Job Network was not expected to provide major findings about efficiency and effectiveness which were to be addressed in the later stages of the evaluation, using more robust data. The first stage of the evaluation was completed around the time that contracts were being let in the second round of provider tendering, although the authors of the report stress that the evaluation was separate from the selection process.

Full information about the Austrian programme was not available in English. The approach taken may best be described as a critical review and costing, because there were no comparison groups to enable a rigorous evaluation of impact (see Zwinkels, 2001).

This first section has explained some of the factors that help us understand the approaches to evaluation that were adopted in the NDDP PAS pilot and the five other programmes studied here. This, in turn, helps us understand some of the choices that were made about methodologies. There are various other influences that are likely to have been important determinants of approaches to evaluation and methodology, but there is little information about these for the countries outside UK. For example, in most cases we do not know how far the evaluation approach was specified by the funder; the budget, time constraints and reporting requirements that may have been imposed; or what alternative approaches were considered. Walker's (2000) account of the development of the design of the evaluation of the NDDP PAS pilot points to some of the tensions that may arise between requirements of government policy-makers and 'good science'. For example, a requirement for early reporting of findings to inform decisions about how to develop welfare-to-work strategies meant that there had to be considerable 'front-loading' of data collection, at an early stage in the projects' development, when systems had not stabilised. We can expect that some of the compromises and constraints which Walker describes from the UK context were also influential in the design of the evaluations of the other programmes described here.

## **Methods**

Table 3.1 summarises the main methods used to achieve the evaluation objectives. As we would expect, there are some similarities in techniques but differences in scope and, as explained in the previous section, differences in the scheduling of the various components according to the priorities for early findings.

### *Collection and analysis of administrative data*

Collection of **administrative data** was not part of the contract for the evaluation of the NDDP PAS, but this was an important component in some other evaluations.

Social security administrative records were a main source of data for the Project NetWork evaluation, providing information on key client outcomes such as benefit receipt, and earnings as well as information about primary impairments and basic demographic characteristics of participants and comparison groups.

Using administrative records about individuals raises issues of confidentiality. In Project NetWork evaluators were able to deal with this by arranging for this part of analysis to be conducted by social security administrative staff. The Job Network evaluation was conducted within DEWRSB which itself holds individuals' social security and employment records, and confidentiality was unlikely to be a significant problem. These records had not yet been much used by the reporting stage of Stage One evaluation. Department of Family and Community Services (FaCS) data was also made available to the evaluators of the CBFT, specifically key characteristics of service providers and job seekers. The evaluation of *Arbeitsassistentz* also drew on administrative data.

Evaluators drew on **project management information** in Project NetWork, using the Case-management Control System (CMCS) used in the demonstration sites to record demographic information about volunteers, and the participation in activities of those assigned to the 'treatment' group. Additional demographic information was drawn from the CMCS, including years of education and marital status at random assignment. The random assignment log was kept by the evaluators, to track volunteers through the random assignment process.

NVRP researchers found themselves limited in their use of management information at project level. A wide range of information on client characteristics and activities was held at project level, which would have been helpful in the evaluation. Little could be utilised directly, however. The information systems were limited in the aggregate data they could provide, and the researchers were not allowed direct access to some data because of the confidentiality of clients' files. To overcome this problem, NVRP staff retrieved basic information by reviewing clients' files, achieving this for 84 per cent of all files. CBFT researchers also had problems using data collected at project level, largely because staff did not keep records of sufficient detail. In the evaluation of *Arbeitsassistenz*, researchers gathered management information from the projects, but failed to do so for four projects.

#### *Collection of data from clients*

Most of the evaluations involved seeking information directly from programme clients, and a range of techniques was used. As explained above, Project NetWork evaluators could survey programme participants in randomised 'treatment' and 'control' groups as well as non-participants, and conducted large scale computer assisted personal interview (CAPI) surveys. Postal surveys were used in the NVRP evaluation, with questionnaires sent to all participants and selected non-participants. Overall response rates were similar in both US and Canada, at around 70 per cent. In the UK, CAPI and CATI (computer assisted telephone interview) surveys of NDDP PAS participants and non-participants, and incapacity benefit recipients in a comparison group, also generated responses above 70 per cent. In order to throw light on long term effects of programme participation, both the Project NetWork and NDDP PAS evaluations incorporated 'follow-up' survey interviews with some participants, returning after 12 months in UK and at various times up to three years after random assignment in USA.

There are continuous post programme monitoring surveys for Job Network (at three months after participation for each client) and an extensive service quality monitoring programme by means of regular telephone surveys. Data from these sources were used in the evaluation of Intensive Assistance.

Qualitative techniques such as focus groups and depth interviews were also used to explore participants' views and experiences in the evaluations of NDDP PAS, Intensive Assistance, CBFT and *Arbeitsassistenz*. The follow-up qualitative interviews in the NDDP PAS evaluation, which proved valuable in understanding longer-term outcomes for participants, appear to be unique.

### *Collection of data from employers*

The views of employers/personnel managers were sought in personal interviews in the NDDP PAS evaluation and by telephone in the research on the *Arbeitsassistenz*. The Job Network and Centrelink Service Quality Monitoring Programme included a telephone survey of employers in 1999, and findings were available for the evaluation focus on Intensive Assistance.

### *Consultations with staff delivering the programmes*

Most of the evaluations included consultations, by means of interviews or focus groups, with a range of managers and staff delivering the programmes, for example during 'site visits' to Project NetWork and NDDP PAS offices. In the CBFT, where the new model of case-funding might have major implications for service providers, it was considered important to survey all providers participating in the trial, by postal questionnaire and/or personal interview. There was 70 per cent response.

### *Consultations with other key stakeholders*

Table 3.1 shows that, across the evaluations, a number of other stakeholders were consulted, including people delivering specific rehabilitation services, and members of 'consumer groups'. There is little indication from the reports of specific consultation and involvement of Trades Unions/workers' representatives.

The NDDP PAS evaluation design and implementation was informed by a Voluntary Sector Resource Group, whose members were representatives of organisations of and for disabled people. Reports from the other evaluations do not mention comparable involvement of disabled people.

## **Lessons for future research**

This chapter points already to a number of lessons that may be useful in planning future research on employment assistance interventions.

- There are advantages in designing evaluation strategies alongside programme design. Collection of information required for evaluation can be 'built in' to programme implementation, and issues such as confidentiality and suitability of technical information systems can be addressed at the programme design stage.
- There are advantages to evaluators who can incorporate analysis of centrally held administrative social security and employment records of programme participants and members of comparative groups in outcome evaluation. It is possible to get such information directly from the people concerned, but likely to be more expensive and take longer, with problems such as non-response and non-recall.

It would be useful for policy-makers to think ahead, and consider now some of the issues about confidentiality and technical information transfer which will arise if

independent researchers in the UK are encouraged to make better use of centrally held records.

- Incomplete recording of routine data about clients at service provider level can mean a major loss of useful information for evaluators. Such problems could be reduced by development of evaluation design alongside programme design, as described above. At another level, recording can be improved by information systems development, and by staff education and training, and such investment in programme implementation would have advantages for programme evaluation.
- Experimental net impact assessments probably provide a more realistic assessment of impact than non-experimental methods. But evaluation of process and delivery is essential, particularly where the interventions are individually tailored.
- Process analysis, especially from findings collected at an early stage in programme development and/or client participation, may provide optimistic assessments of programme performance.
- Client follow-up is very important in understanding long-term effects of programme participation, and hence job sustainability.
- People with impairments and health problems are interested in providing their views and experiences for evaluative research, and there is generally good response to personal and telephone survey, postal survey and depth interviews. It is sometimes more difficult to collect data from stakeholders who may not feel so directly involved, for example 'control' group service providers.

There are a number of reviews of the literature on monitoring and evaluating labour market programmes. In their review, Eardley and Thompson (1997) derive some lessons from the literature which addresses case-management and tailored assistance for job seekers. They echo our findings on the need to plan evaluation approaches as early as possible in the life of the programme and also observe that net impact studies will not by themselves answer questions about the effectiveness of processes such as case-management. On the topic of the recording of management information, they find it difficult to see how case managers can be made to comply with routine data recording and suggest that some form of financial incentive may be necessary.

**Table 3.1a: Evaluations included in review**

<i>Programme</i>	<i>Primary evaluation documents</i>	<i>Components of evaluation</i>	<i>Methods</i>	<i>Time parameters</i>
<p>New Deal for Disabled People Personal Adviser Service pilot (UK)</p> <p><i>Evaluators:</i> consortium of independent research units:</p> <p>Centre for Research in Social Policy</p> <p>Institute for Employment Research</p> <p>National Centre for Social Research</p> <p>Nottingham University</p> <p>Social Policy Research Unit</p> <p>Urban Institute (USA)</p> <p>Commissioned by Department of Social Security and Department for Education and Employment</p>	<p>1. New Deal for Disabled People: Early Implementation (1999) Arthur, S., Corden, A., Green, A., Lewis, J., Loumidis, J., Sainsbury, R., Stafford, B., Thornton, P. and Walker, R. Research Report No. 106, Department of Social Security.</p> <p>2. Evaluation of the New Deal for Disabled People Personal Adviser Pilots (2001) Loumidis, J., Stafford, B., Youngs, R., Green, A., Arthur, S., Legard, R., Lessof, C., Lewis, J., Walker, R., Corden, A., Thornton, P. and Sainsbury, R. Research Report No. 144, Department of Social Security.</p>	<ul style="list-style-type: none"> <li>• Summative components designed to establish whether PAS enhances employability and employment of client group</li> <li>• formative components designed to understand strengths and limitations of pilot services, and explore how and why they work</li> </ul> <p>Overall, incorporating:</p> <ul style="list-style-type: none"> <li>• Process study of implementation and case-management approach</li> <li>• Participation analysis of targeting and self selection of eligible people</li> <li>• Comparison of characteristics of participants and non participants</li> <li>• outcome study of clients' progression and employer experience</li> </ul>	<ul style="list-style-type: none"> <li>• Local labour market studies of 12 pilot areas – secondary data analysis</li> <li>• Site visits: interviews with staff</li> <li>• Surveys of participants and non-participants in: <ul style="list-style-type: none"> <li>– 6 Employment Service led areas;</li> <li>– all 12 Pilot areas</li> </ul> </li> <li>• National survey of people claiming incapacity benefits Nov '98-Aug '99, for comparison with participants</li> <li>• Qualitative enquiry: <ul style="list-style-type: none"> <li>– PAS staff: interviews and group events</li> <li>– Clients: interviews with 30 early entrants to ES led pilots, 30 early entrants to contract led pilots, 30 later entrants to all plots, 26 follow up interviews, 6-12 months later</li> <li>– Employers: interviews with 64 employers</li> <li>– Partners: interviews with 16 representatives</li> </ul> </li> <li>• Additional study on job retention Telephone interviews with PAS staff 3 small-scale case studies</li> </ul>	<ul style="list-style-type: none"> <li>➤ Pilot began in 6 sites in September 1998, and in 6 sites in April 1999</li> <li>➤ 2 year pilot evaluation began autumn 1998-5 months after pilot operational</li> <li>➤ Summer 1999</li> <li>➤ Summer 2000</li> <li>➤ Throughout</li> <li>➤ 2 waves</li> <li>➤ July/August 2000</li> <li>➤ June/July 2000</li> <li>➤ Sept/Oct 2000</li> </ul>



**Table 3.1b: Evaluations included in review**

Programme	Primary evaluation documents	Components of evaluation	Methods	Time parameters
<p>Project NetWork (USA)</p> <p><i>Evaluators:</i> Abt Associates Inc.</p> <p>Commissioned by Social Security Administration</p>	<p>1. Wood, M.L., Leiter, V., McInnis, D. and Bell, S.H. (1996) Case Management at Work for SSA Disability Beneficiaries: Process and In-Program Results of the Project NetWork Return-to-Work Demonstration, Bethesda MN. Abt Associates Inc.</p> <p>Summarised as: Leiter, V., Wood, M.L. and Bell, S.H. (1997) Case Management at Work for SSA Disability Beneficiaries: Process Results of the Project NetWork Return-to-Work demonstration, <i>Social Security Bulletin</i>, 60, 1, 29-48.</p> <p>2. Burstein, N.R., Roberts, C.A. and Wood, M.L. (1999) Recruiting SSA's Disability Beneficiaries for Return to Work: Results of the Project NetWork Demonstration.</p> <p>3. Kornfield, R.J., Wood, M.L., Orr, L.L. and Long, D.A. (1999) Impacts of the Project NetWork Demonstration.</p> <p>4. Burstein, N.R., Beecroft, E., Hiller, J. and Wood, M.L. (1999) Effects of the Project NetWork Demonstration Waiver Provisions</p> <p>all from: Bethesda, M.D., Abt Associates Inc.</p>	<p>Process study</p> <ul style="list-style-type: none"> <li>• Implementation at eight demonstration sites</li> <li>• Nature of case-management approach</li> <li>• Different institutional arrangements</li> </ul> <p>Participation analysis</p> <ul style="list-style-type: none"> <li>• Targeting and self-selection among eligible people</li> <li>• Comparison of characteristics of participants and non-participants</li> </ul> <p>Impact study</p> <ul style="list-style-type: none"> <li>• net incremental effects on benefits, earnings, other outcomes</li> </ul> <p>Cost benefit analysis</p> <ul style="list-style-type: none"> <li>• Study of effects of 'waiving' benefit rules</li> </ul>	<p>1. Collection of SSA administrative data for clients:</p> <ul style="list-style-type: none"> <li>• SSDI benefits 1990-97</li> <li>• SSI benefits 1990-96</li> <li>• Annual earnings data, pre-demonstration period</li> <li>• Primary impairment and basic demographic data and participation data</li> </ul> <p>2. Collection of automated data from demonstration sites:</p> <ul style="list-style-type: none"> <li>• assignment status, demographic data and participation data</li> </ul> <p>3. Site visits: 4 waves, including 200 interviews with staff and managers; collection of documentation; 160 sampled client files</p> <p>4. Surveys of treatment and control group members, and eligible non-participants (CAPI interviews):</p> <ul style="list-style-type: none"> <li>• Baseline survey – stratified across all sites, oversampling of SSI applicants and recipients 18-30 years. Total of 255 treatment and control group members, 844 non-participants</li> <li>• Follow up interviews – with participants randomly assigned after June 1993. Total 1521 interviews. Combined response rate across both waves, 72%.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 8 sites came on stream 1992-93 and service provision lasted 24 months in each</li> <li>➤ Evaluation 1992-96</li> <li>➤ Final reports delivered 1999</li> <li>➤ Survey conducted 1993-1994; SSDI and SSI recipients sampled 3 months after invitation to take part.</li> <li>➤ SSI applicants sampled all at once in 1994</li> <li>➤ Follow-up interviews conducted in 1996, each with a maximum time of 36 months after random assignment</li> </ul>

**Table 3.1c: Evaluations included in review**

<i>Programme</i>	<i>Primary evaluation documents</i>	<i>Components of evaluation</i>	<i>Methods</i>	<i>Time parameters</i>
<p>National Vocational Rehabilitation Project (NVRP) (Canada)</p> <p><i>Evaluators:</i> SPR Associates Inc.</p> <p>Commissioned by Human Resources Development Canada, which administers Canada Pension Plan</p>	<p>Evaluation of the National Vocational Rehabilitation Project: A Working Report for the CPP Disability Evaluation, for Evaluation and Data Development, Strategic Policy, Human Resources Development, Canada</p> <p>By SPR Associates.</p>	<p>Process study</p> <ul style="list-style-type: none"> <li>• screening and referral system</li> <li>• caseload management</li> <li>• nature of case management approach</li> </ul> <p>Participation analysis</p> <ul style="list-style-type: none"> <li>• comparison of characteristics of participants and 'comparison group'</li> </ul> <p>Outcome study</p> <ul style="list-style-type: none"> <li>• moves off benefit</li> <li>• earnings and household incomes</li> </ul> <p>Cost savings assessment (limited)</p> <p>Study of effects of extending eligibility</p>	<ol style="list-style-type: none"> <li>1. Interviews with stakeholders: 30 people including NVRP staff, HRDC managers, VR consultants, project partners</li> <li>2. Postal survey of all NVRP participants and 300 non-participants: <ul style="list-style-type: none"> <li>• 448 participants</li> <li>• 228 non-participants</li> <li>• combined response rate of 70%</li> </ul> </li> <li>3. Some analysis of Statistics Canada survey of 3,600 CPPD beneficiaries, 1995, for comparison</li> <li>4. Review of administrative data and documentation</li> <li>5. Two focus groups: <ul style="list-style-type: none"> <li>• staff in CPPD, focusing on selection</li> <li>• rehabilitation providers, focusing on service delivery</li> </ul> </li> <li>6. Some comparisons of programmes in other countries (limited)</li> </ol>	<ul style="list-style-type: none"> <li>➤ Project began in 1993</li> <li>➤ Evaluation conducted in summer 1996 and reported later that year</li> <li>➤ Survey conducted May-July 1996</li> </ul>

**Table 3.1d: Evaluations included in review**

<i>Programme</i>	<i>Primary evaluation documents</i>	<i>Components of evaluation</i>	<i>Methods</i>	<i>Time parameters</i>
<p>Intensive Assistance in Job Network (Australia)</p> <p><i>Evaluators:</i> Department of Employment, Workplace Relations and Small Business (DEWRSB)</p>	<p>Job Network Evaluation. Stage One: implementation and market development (February 2000) By Evaluation and Program Performance Branch, Labour Market Policy Group, Department of Employment, Workplace Relations and Small Business</p>	<p>3 stage evaluation strategy for evaluation of Job Network:            Stage One – Implementation Report            Stage Two – Progress Report            Stage Three – Effectiveness Report            The overall evaluation has 4 standard evaluation criteria:</p> <ul style="list-style-type: none"> <li>• effectiveness</li> </ul> <p>sustained employment outcomes for job seekers            changes in numbers of people claiming income support, and unemployed</p> <ul style="list-style-type: none"> <li>• efficiency</li> <li>• value for money</li> <li>• cost effectiveness</li> <li>• income support savings</li> <li>• quality of service</li> <li>• responsiveness to clients' circumstances/preference</li> <li>• customer satisfaction</li> </ul> <p>assistance received, particularly by job seekers in Intensive Assistance</p> <ul style="list-style-type: none"> <li>• equity</li> </ul> <p>access assessment of eligibility; instruments            targeting</p> <ul style="list-style-type: none"> <li>• market development of targeting</li> <li>• market development of Job Network</li> </ul> <p>Scope of Stage One Report:            Issues arising from implementation process            and early market experience, including service issues, equity and access</p>	<p>Evaluation of Intensive Assistance is included within the overall evaluation of Job Network, which comprises:</p> <ol style="list-style-type: none"> <li>1. Literature review</li> <li>2. Qualitative study of stakeholder views:            Focus groups and interviews with 300 participants in 7 areas            Focus groups and interviews with 800+ stakeholders in 13 different areas – including Jobseekers, providers, DEWRSB, Centrelink staff and Job Network members</li> <li>3. Case studies of Intensive Assistance provided to indigenous Australians: Focus groups and interviews with stakeholders</li> <li>4. Client satisfaction surveys            2 telephone and interview surveys with jobseekers (20,000 overall)</li> <li>5. Employer telephone survey (10,000 employers)</li> <li>6. Analysis of ongoing post assistance data: survey of all former participants, 3 months after participation</li> <li>7. Post implementation reviews of JSCI: focus groups and analysis of administrative data</li> <li>8. Analysis of administrative data from DEWRSB, FaCS and Australian Bureau of Statistics.</li> </ol>	<ul style="list-style-type: none"> <li>➤ Job Network introduced May 1998, transitional arrangements in effect until December 1998. Some transitional arrangements extended for disabled job seekers.</li> <li>➤ Evaluation strategy endorsed in 1996, published in April 1998. Work began immediately and is ongoing. July/August 1998</li> <li>➤ April/May 1999</li> <li>➤ June/July 1999</li> <li>➤ 1998-1999</li> <li>➤ June/July 1999</li> <li>➤ Ongoing</li> <li>➤ September-November 1998</li> </ul>

**Table 3.1e: Evaluations included in review**

<i>Programme</i>	<i>Primary evaluation documents</i>	<i>Components of evaluation</i>	<i>Methods</i>	<i>Time parameters</i>
<p>Case based funding trial (Australia)</p> <p>Evaluators: Australian Healthcare Associates</p> <p>Commissioned by Department of Family and Community Services</p>	<p>Stage 1 Final Report: Evaluation of the Disability Employment assistance Case Based Funding Trial, by Australian Healthcare Associates.</p> <p>Development of a New Classification Process for Case Based Funding Trial, CBFT Working Group by Jenny Pearson and Associates PTY Ltd</p> <p>Additional information in:</p> <ul style="list-style-type: none"> <li>Information Sheet 1: Disability Employment Assistance Program: Case-Based Funding Trial</li> <li>Information Sheet 2: Case Based Funding Trial Model.</li> </ul> <p>Both from Disability Programs (FaCS)</p> <p>Final evaluation report will be available in November 2001</p>	<p>Process:</p> <ul style="list-style-type: none"> <li>Implementation in 15 trial regions (extension in Stage Two)</li> <li>Classification of jobseekers</li> <li>Caseload management</li> </ul> <p>Impacts:</p> <ul style="list-style-type: none"> <li>Employment outcomes, under and outside case based funded</li> <li>Match between client needs and funding allocation</li> <li>Job seeker satisfaction</li> <li>Service providers</li> </ul> <p>Cost study:</p> <ul style="list-style-type: none"> <li>Comparison of real costs of achieving outcomes with funding allocation for placement and maintenance.</li> <li>Cash flow for providers within funding model</li> </ul>	<p>Two stage evaluation process:</p> <p><u>Stage 1 (completed in 2000)</u></p> <ol style="list-style-type: none"> <li>Service provider consultation. Postal survey and interviews with selected respondents: 70% response from trial participants.</li> <li>Job seeker consultation: 168 consultations of CBFT job seeker population), mainly in focus groups.</li> <li>Consultation with consumer groups, FaCS State and Territory representatives.</li> <li>Collection of FaCS data: service providers, CBFT related job seekers</li> </ol> <p><u>Stage 2 (completed in 2001)</u></p> <ul style="list-style-type: none"> <li>Will include 24 new trial regions</li> <li>Surveys of job seekers and service providers</li> <li>Additional qualitative data</li> </ul>	<ul style="list-style-type: none"> <li>➤ Trial commenced November 1999</li> <li>➤ Intake of job seekers for Stage One ceased June 2000</li> <li>➤ Evaluation commenced June 2000</li> <li>➤ Stage One: preliminary analysis, with progress report November 2000</li> <li>➤ Stage Two: final evaluation, reporting by November 2001</li> </ul>

**Table 3.1f: Evaluations included in review**

<i>Programme</i>	<i>Primary evaluation documents</i>	<i>Components of evaluation</i>	<i>Methods</i>	<i>Time parameters</i>
<p><b>Arbeitsassistentz</b></p> <p>(Austria)</p> <p><i>Evaluators:</i> Blumberger, W., Heilbrunner, C. and Moser, C. Institute for Vocational and Adult Education Research, Johann Kepler University, Linz.</p> <p>Commissioned by Austrian Ministry of Social Security and Generations</p>	<p><i>Arbeitsassistentz</i> – integrated support for the integration of disabled people into the labour market, by Blumberger, W. (2000) Institute for Vocational and Adult Education Research at Johannes Kepler University, Linz.</p> <p>Aktivierende wissenschaftliche Begleitung des Aufbaues der Arbeitsassistentz in Österreich by Blumberger, W., Heilbrunner, C. and Moser, C. (1999) Institut für Berufs- und Erwachsenenbildungsforschung an der Johannes Kepler Universität, Linz.</p>	<p>A critical review, relating costs and outcomes to goals and targets.</p>	<ol style="list-style-type: none"> <li>1. Review of history and development of Arbeitsassistentz from 1992</li> <li>2. Collection of data from providers in 2 waves, covering 1997, 1998, 1999</li> <li>3. Collection of administrative data: 3 data sets, sources as yet unclear</li> <li>4. 40 semi-structured interviews with assisted persons</li> <li>5. Telephone survey of employers/ personnel managers in 536 companies</li> </ol>	<ul style="list-style-type: none"> <li>➤ (2 small pilots in 1992)</li> <li>➤ National extension of <i>Arbeitsassistentz</i> 1995</li> <li>➤ Critical review conducted 1998-2000</li> <li>➤ Report issued 1999 (in Austrian)</li> <li>➤ Key findings available in English 2000</li> </ul>



## **CHAPTER FOUR: ACCESSIBILITY AND PARTICIPATION**

Many factors affect the outcomes of vocational rehabilitation including the nature and quality of services provided. This chapter is concerned with opportunities for participation in the programmes studied, and who took part. We can expect outcomes of rehabilitation to be related to the way in which people were recruited to receive services, and the characteristics of those in the target population. The first part of the chapter reports how people were selected to join the programmes, describing the recruitment or screening procedures and any incentives offered. The second part describes the response of those targeted, and the numbers of people who started to receive services within the programme. The third part provides information about those who took part - four of the five evaluations included some form of comparison group of non-participants, as described in Chapter Three.

### **Recruitment to the programme**

Participation in the New Deal for Disabled People Personal Adviser Service (NDDP PAS) pilot was voluntary and it was considered important to give everybody in the target population the opportunity to take part. This was approached by identifying all those in the pilot areas receiving social security benefits on the grounds of incapacity for work, and sending them a letter of invitation to get in touch, with some information about the programme. Letters were sent to people as they reached 28 weeks of incapacity (the so-called 'flow' population). Those who had been in receipt of incapacity benefits for longer (the 'stock' population) were mailed on a rolling basis, depending on work-loads in local Benefits Agency offices. People known to be terminally ill or approaching minimum retirement pension age were not contacted. The NDDP PAS recruitment strategy also included local advertising and promotion, and projects welcomed direct enquiries and referrals from other agencies. The service was also available to people already in work but at risk of losing their job through illness or impairment.

On initial contact with the project people received further information about the programme, and their eligibility was established, often by reception or administrative staff. Appointments with Personal Advisers were made for eligible people still interested, and then those who were considered appropriate and who wanted to continue were taken on to the Personal Advisers' case-loads. The process leading up to acceptance on to the caseload was managed relatively informally and was not time-limited. In some cases a series of interviews took place, involving different levels of information exchange.

This model of recruitment was rather similar to that adopted earlier in Project NetWork. There, the intention was to contact all eligible people in the service areas by mail or personal invitation, and invite them to get in touch with the new service. Letters were sent from the Social Security Administration (SSA) Central Office to

Social Security Disability Insurance (SSDI) beneficiaries and Supplemental Security Income (SSI) recipients describing Project NetWork and inviting volunteers, with a return postcard for reply. To manage the workload, the intention was to send five quarterly mail-outs, each to a random sample of 20 per cent of the population, over a 15 month period. In addition, Project NetWork staff promoted the service in the local community. There was some promotion of the programme to individual people in special groups, such as people undergoing a Continual Disability Review. Two features of Project NetWork promotion were not included in the NDDP PAS pilot. First, two groups were targeted for a follow-up letter after one month's non-response. SSI recipients aged 18-24 years received a follow-up, on the basis that assistance might be specially valuable in the transitional period between school and employment. People who had been receiving SSDI for two to five years were also followed up, in the belief that such people with recent work experience might be 'good candidates', for example if their health conditions had stabilised and they were experiencing the financial impact of spend-down of savings. The second feature of Project NetWork not included in the NDDP PAS pilot (but which will come into operation within JobcentrePlus) was the promotion of the service to new SSI applicants, by the SSA claims representative.

The SSA set recruitment goals for each Project NetWork programme site, to achieve the sample necessary for the design of the randomised trial. People expressing interest were invited to come to an informational interview. As in the NDDP PAS pilot, people who referred themselves and met eligibility criteria were welcome. After the initial interview, those still interested were told about the random assignment, and if they agreed to take part, signed a consent form. The case manager phoned a Random Assignment 'hotline' for assignment of the person to a 'treatment' or 'control' group. Treatment group members were offered another appointment. Control group members were told about the benefit 'waiver' arrangements to which they also were entitled, and other rehabilitation or employment services available locally.

Access to the Canadian National Vocational Rehabilitation Programme (NVRP) was much more restricted than in the NDDP PAS pilot and Project NetWork. Rehabilitation services in NVRP were offered only to Canada Pension Plan Disability (CPPD) beneficiaries who were identified as having potential for rehabilitation. The programme was funded on the basis that around 1000 people would receive services during the programme's lifetime. The approach was not one of general invitation and encouragement, but rather one of pre-selecting appropriate candidates. This was achieved by a two stage screening and selection procedure to try to identify the most suitable people to invite to take part.

The first **administrative screen** was conducted by CPPD operations staff at the initial application for benefit, or on appeal or reassessment. Staff were asked to refer



to the Rehabilitation Unit files of all new beneficiaries who met a number of criteria set by NVRP:

- aged under 50 years
- in receipt of qualifying benefit
- with reasonable level of education or transferable skills (literacy and cognitive ability to learn new materials)
- being medically stable
- not being terminally ill.

The criteria for the initial screen of beneficiaries at the appeal or reassessment stage were more restrictive. Operations staff were also asked to look in the file for information about previous levels of earnings, reassessment schedule date, beneficiaries' characteristics, and whether there had been complaints from third parties, and enter such information on to a schedule to arrive at a score which would guide them in referring the case on.

The formal second stage screen was a **review** by staff at the Rehabilitation Unit, based on data from the person's file which included factors such as the length of time out of the workforce, consistency of work history, transferable skills and demonstrated motivation.

If the NVRP reviewer decided that the person might be an appropriate person for vocational rehabilitation, telephone contact was made, to explain the project and rehabilitation process, to collect additional information, and to make further informal decisions about suitability. At this stage people were asked if they were interested in undergoing a more thorough assessment and taking part in the programme. Those who agreed were sent a consent form, to authorise release of information to the rehabilitation contractors. When the form was returned the person was referred to a contractor, and the file assigned to one of the NVRP in-house case managers. Self-referrals were also possible via the freephone to the Rehabilitation Unit, when the file was requested by NVRP staff and the review put into operation.

Participants in the two Australian programmes studied were either referred via Centrelink or approached the programmes directly. Disability pensioners might volunteer to participate in Intensive Assistance, and in the Disability Employment Assistance schemes within Department of Family and Community Services (FaCS) services. Some disabled job seekers claiming other benefits, such as Newstart, have to meet activity test requirements as a condition of receipt of benefit, and depending on individual circumstances some people may be required to access Intensive Assistance services.

It is useful here to describe briefly the classification instruments used for referral to Intensive Assistance and Disability Employment Assistance and the funding levels to which people were allocated for the outcome-based funding arrangements in these services.

Registration with Centrelink involves completion of a looking-for-work form which collects information on 18 factors found to be associated with longer-term unemployment (Job Seeker Classification Instrument, or JSCI). These factors include demographic characteristics, education and qualifications, labour force experience, family status, location, mobility, personal disadvantages and disabilities. Each factor is assigned points, to reflect the average contribution of that factor to the difficulty of placing a job seeker into work: the higher the points, the higher the level of predicted difficulty. Secondary classification processes may also be used alongside JSCI, to address issues such as low motivation, psychological problems, or, in the case of disabled people, the impact of disability on work capacity. Work Ability Tables (WATS) are designed to measure the impact of disability on a person's ability to work. A job seeker scoring 50 points or more on the WATS automatically scores the maximum points allocated to the disability component of JSCI.

A job seeker with a JSCI score equal to or higher than that required for Intensive Assistance takes part in a special needs assessment applied by an occupational psychologist. Those who are assessed as not having very severe barriers to employment (with JSCI scores of less than 50) are referred to Intensive Assistance. Disabled job seekers assessed as highly disadvantaged may be referred to specialist disability employment services available through FaCS, including Disability Employment Assistance, the subject of the case-based funding trial described here. People with significant and multiple barriers to employment might be offered a place in the Community Support Programme, designed to enable people to step away from job seeking requirements to address underlying barriers and problems such as drug or alcohol abuse.

The agencies offering Intensive Assistance and Disability Employment Assistance services may advertise and promote themselves; indeed the outcome-based funding models depend on there being market competition for clients. A job seeker referred within Job Network for Intensive Assistance receives information about appropriate local providers contracted to deliver the level of services covered by the individual's allocated funding level, and then has ten working days to choose. If no choice is made, the automatic referral system administered by the Department of Employment, Workplace Relations and Small Business (DEWRSB) allocates a place.

A job seeker referred for Disability Employment Assistance services was told about up to three alternative service providers. If the job seeker was in a Case Based

Funding Trial (CBFT) region, one of the alternatives might be a CBFT provider, and if this provider was chosen, the person would be considered a CBFT referral. In both these Australian programmes, people who referred themselves were routed through the JSCI and/or WATS procedures. CBFT providers were encouraged to accept all new job seeker referrals, wherever possible.

Documentation available about *Arbeitsassistentz* does not include detailed information about the process of recruitment. We know that the service was available on demand to unemployed disabled people aged 18 and over, especially registered disabled people (assessed as being at least 50 per cent disabled) who were considered able to work in a sheltered workshop or workplace.

### **Incentives and disincentives**

At the time of the NDDP PAS pilot the UK government had already implemented a number of measures in the tax and benefit system to make transitions to paid work easier, for various client groups. It was part of the role of the Personal Advisers to explain the various measures that might be helpful to disabled people thinking about starting or returning to work, for example tax credits to boost low earnings; links back to benefits if people had to give up work again through ill health; extensions of benefit into the first weeks of work, and lump sum payments for start up expenses. These measures were known to act as powerful incentives for some people and several were generally available and not restricted to people using the pilot services. On the other hand, fear of losing incapacity benefits or disability benefits as a result of demonstrating interest in or capacity to do even small amounts of work was known to be a strong disincentive. The UK pilot did not include arrangements to suspend reviews of capacity to work while receiving services, or reviews of eligibility to Disability Living Allowance, a valuable benefit which helps to meet the costs of disability.

Project NetWork addressed the known disincentive of anticipated financial penalty of attempts to work by including so-called 'waiver' arrangements (mandated variations in rules and conditions) for the duration of the programme. The work incentive waivers were offered to people in both the treatment and control groups, to encourage participation in the field experiment by ensuring that people could not be made worse off financially by return to work activities. They removed the threat of loss of benefits and corresponding Medicare for 12 months of employment for all volunteers, irrespective of earnings. The waivers worked in different ways for SSDI and SSI recipients. For SSDI recipients, the effect was to exempt earnings for a 12 month period when computing the permitted trial work period, and to prevent benefit suspension if people had already exhausted their trial work period (an effect referred to as 'stopping the clock in the trial work period'). For SSI recipients, the effect was to create a 12 month period when earnings above \$500 per month did not trigger the

medical review that would normally follow. The impact of the waivers was subject to a separate evaluation.

There were no particular financial incentives to encourage people to take part in NVRP. It might be argued that the design incorporated one feature that might have acted as a disincentive. People who completed their rehabilitation plan successfully were allowed a three month job search period during which time CPPD remained in payment. This period could be extended by discretion of case managers, but after a reasonable job search period CPPD benefits would be withdrawn, regardless of the individual's employment situation. Some people might be left with no job and no CPPD as a result of participation in NVRP, and have to claim social assistance.

This was not the case in the Australian programmes, for disability pensioners. For this group, participation in Intensive Assistance and FaCS disability employment assistance services was voluntary, and if there was no paid outcome, pensions continued. The documentation available does not identify any particular structural financial incentives or disincentives attached to participation by disability pensioners. Some disabled people claiming other benefits had obligations under activity tests to participate in Intensive Assistance. Breaching the activity test agreement (for example failure to turn up for activities agreed with the Intensive Assistance provider) could lead to financial penalty in income support payments (for example reduction by 18 per cent for 26 weeks for a first infringement) and/or withdrawal of access to Job Network services. A broader evaluation of the activity test was being undertaken by FaCS.

The short paper available in English about *Arbeitsassistentz* did not mention any structural financial incentives or disincentives attached to participation.

### **Take-up**

The previous section has shown that the target populations, methods of recruitment and selection and structural incentives and disincentives for people to take part in vocational rehabilitation were rather different, across the programmes studied in detail. This means that care must be taken in comparing any measures of take-up of services. In addition, in reporting the evaluation of Intensive Assistance, disabled people were not often presented as a separate group of clients.

By the end of the NDDP PAS pilot period, the proportion of people who had responded to their invitation letter was low, at around three per cent. This uptake was augmented by a similar number of people who referred themselves, or were referred from other agencies. Differences in response at this level between the 12 different pilot projects was not related to local levels of unemployment, and may have been associated with different promotional activity. Only a very small number

of people approached the projects for help in retaining their jobs. Of those people who had an introductory interview, around 69 per cent were accepted on to the Personal Advisers' case-loads, across the whole programme. There was wide variation in this proportion among the 12 projects, however, ranging from 56 to 89 per cent. The reasons were unclear, but may have indicated differences in informal screening procedures and criteria used for decision-making by Personal Advisers.

Take-up and participation rates in Project NetWork were to some extent an artefact of the site enrolment quotas set by SSA. Overall, 8.1 per cent of eligible people who were mailed information and invitations attended a first interview, and 4.5 per cent volunteered for random assignment within one year of contact. Interestingly, a single site SSA case-management demonstration project for SSDI beneficiaries in the late 1980s achieved a 6.2 per cent response rate to a recruitment letter (Shrey *et al.*, 1991). In Project NetWork there were some problems in managing the initial response to the early mail-outs. A relatively high level of initial interest led to postcard backlogs, such that people who returned their card waited for two to three months for an interview. Most of those who returned their postcard did not go on to arrange an interview, and this may have been due partly to loss of interest among people waiting to hear from the programme. Fifty per cent of those who set up an interview kept the appointment.

The postcard backlogs meant that there also had to be some scaling-down or cancellation of subsequent mail-outs. This affected the initial plan to target two groups with follow-up letters, and some second mailings to young people and 'good candidates' did not take place. Take-up was also believed to be affected by inconsistencies in the promotion of the programme to new SSI applicants, by SSA claims representatives, due to the extra time needed and some staff reluctance. Some improvement was achieved at some SSA sites, but in some sites promotion to new SSI applicants was suspended altogether, because of the postcard backlog and because of staff perceptions that the promotion was ineffective.

Altogether, around 60 per cent of people volunteering for assignment had initially responded to the invitation letter. Lessons were that recruiting by mail-out must be designed carefully so that the process is manageable and efficient. Around 21 per cent of people volunteering for random assignment had responded to promotion to new SSI applicants. This was thought to be a less effective method of recruitment, partly because the health and financial circumstances of some applicants were in flux at that time, but also because applicants were, at that stage, trying to prove to SSA that they were unable to work in order to claim their benefits. On the other hand, some people who volunteered from this route did so because they believed they would not get benefits if they declined to take part, and such people often dropped out quickly when they learned that benefits would not actually be affected. The evaluators suggested that in future programme recruitments of this kind, it

would be better to intervene after the benefit award. The follow up letters to targeted groups were considered ineffective, but as explained, there were inconsistencies in putting this feature into operation. Thirteen per cent of volunteers for assignment were self-referred, or came via another agency.

Case managers believed that some clients did not understand the random assignment, even after careful explanation. It was also believed that some clients accepted on to the programme were affected by the intake pressure, and received little support because staff were so busy dealing with postcard backlogs and initial interviews. The evaluators suggested that some separation of 'intake' and 'treatment' would lead to better service provision, in future programmes.

It might be suggested that the kinds of intake pressures described above could be avoided by more pre-selection before inviting people to take part in rehabilitation. The evidence from the Canadian NVRP, however, was that there were also some operational problems attached to screening and pre-selection. Files of around 30 per cent of all beneficiaries were passed to the Rehabilitation Unit as a result of initial administrative screening (some 20,000) files. Of these, around 15 per cent of people were contacted by the Unit, after their selection procedures, and 3.2 per cent were eventually referred to a rehabilitation consultant, who conducted a full assessment of potential for rehabilitation. Programme data suggest that around ten per cent of NVRP referrals were considered to be inappropriate candidates.

Enrolment in NVRP was lower than expected. It was suggested that this might reflect people's lack of interest in or readiness for rehabilitation at the time of application for benefit (as also suggested by Project NetWork). It might also reflect an inability of the selection mechanism to identify suitable candidates. We saw above that the consultants considered most of the Rehabilitation Unit referrals were appropriate. Although there was no separate analysis of the effectiveness of the freephone facility, findings from the client survey about their source of information suggest that a large proportion of participants were self-referred, suggesting that this was an important way of identifying suitable candidates although this was a resource intensive mechanism. The evaluators concluded that the file review selection process, as well as being cumbersome and resource intensive, had led to many 'good' candidates having been missed. The evaluators found that inadequacies in the data available to the Rehabilitation Unit were related to the fact that data in clients' files was collected primarily for adjudication purposes. There was a lack of information about functional impairment, educational experience, or types of occupations previously held. They also recommended that a follow-up assessment of applicants for disability pension, to allow medical situations to stabilise, was essential for effective selection of suitable candidates for rehabilitation.

There was little information about the process of recruitment to *Arbeitsassistenz*, but it was reported that most disabled people were referred from other agencies. Those mentioned as important were:

- the Federal Office for Disability Affairs
- psychiatric hospitals and other psychiatric health services
- disabled persons' organisations
- advice centres
- Labour Market Service (AMS)
- doctors
- lawyers
- official agents
- public relations.

In Australia in September 1999 just over 60 per cent of JSCI-categorised job seekers who were disabled were referred for Intensive Assistance. During the period May 1998 to September 1999, 16.1 per cent of people referred for Intensive Assistance were categorised as persons with disabilities, although less than one per cent of referrals were Disability Support Pensioners. Disability pensioners were less likely to commence Intensive Assistance following referral than other groups of job seekers, with a commencement rate of 52.7 per cent compared with the overall rate of 69.4 per cent, and a rate of 71.9 per cent among people generally categorised as persons with disabilities. In the job seeker satisfaction survey, more than half who received Intensive Assistance said they chose a specific provider. The most common reason for choice was convenience of location. (However, findings from this survey are not reported for disabled people as a particular group.)

There were some limitations to the data which could be accessed for Stage 1 evaluation of the CBFT, but it was reported that by September 2000 52 per cent of job seekers referred by Centrelink in the CBFT regions were accepted by service providers in the CBFT. Although systematic data were not presented, it was suggested that the 'acceptance rate' of 52 per cent was similar for CBFT job seekers and non-CBFT job-seekers. The CBFT Guidelines stated that service providers should accept all new eligible job seekers, but where this was not possible non-acceptance forms should be completed and returned to FaCS. This did not work well; forms were not always returned, and those which were submitted often contained data of limited usefulness. Putting together information from these forms with information from survey questionnaires and interviews with providers, the evaluators suggested that the most common reasons for non-acceptance of referrals were related to providers' perceptions of the job seeker, rather than operational issues. It was suggested that this raised significant issues about the appropriateness of providers making such judgements, possibly based on unsubstantiated evidence.

It appeared, however, that most CBFT providers had not specifically selected job seekers to take part in the trial.

### **Characteristics of participants**

In the NDDP PAS evaluation, comparison of participants and eligible non-participants showed a number of differences in characteristics. People who took part tended to be younger, and were more likely to live with a partner and children. They were better qualified and more likely to have a driving licence. They had more experience of paid work, were closer to the labour market and more job-ready. They were more likely to have a partner in paid work. They tended to have lower scores on a disability severity scale. Multi-variate analysis showed that only a few of these differences emerged as significant: age, qualifications, access to private transport and having a partner in paid work. People who took part were no less likely to report a physical or mental health condition or impairment which affected everyday activities. The most common reason reported for approaching the PAS was to receive help to move back into paid work. Among non-participants who were aware of the PAS, around half said they were too ill to ask for an interview, and 13 per cent felt too old to take part.

Of the five programmes studied, Project NetWork was probably the most similar to the NDDP PAS in terms of the overall characteristics of the target population and method of recruitment. In the US programme, personal characteristics associated with a higher likelihood of volunteering to take part in random assignment to treatment or control group were often indicators of greater employability or less impairment:

- age between 31 and 40 years
- higher levels of education
- absence of functional limitations with respect to communication, mobility problems or activities of daily living
- better health, as self-reported
- higher cognitive ability
- fewer days spent in bed in past year
- less limitation on amount or type of work
- absence of transport problems
- having worked recently
- having worked at least 30 hours per week in the most recent job in the last 12 months
- positive attitudes toward work and life in general.

Other characteristics significantly associated with greater likelihood of volunteering were:

- being a man



- being black
- having received disability benefits for two to five years
- having a mental rather than physical primary impairment
- having used illegal drugs.

In terms of benefit status, SSI applicants and recipients had volunteering rates (5.4 per cent) below average (4.5 per cent); people receiving SSDI and SSI concurrently had volunteering rates above average (5.4 per cent). Among SSI applicants, participants were more likely to be in their 40s, to be male and to have musculo-skeletal impairments. Level of household income or receipt of food stamps was not significantly associated with volunteering to take part. Overall, the best indicator that a person would volunteer was having worked more than 30 hours per week in a job in the past 12 months. Three of the best indicators that a person would not volunteer were presence of severe limitations to activities of daily living; never having worked, and reporting that they were unable to work. There was great diversity in patterns of volunteering among the different sites especially in respect of age, race, primary impairment and length of receipt of disability benefits. The reports on Project NetWork which were studied here did not include systematic analysis of peoples' reasons for volunteering or deciding not to take part.

When considering the characteristics of people taking part in the Canadian NVRP, it is important to remember that these people were screened and selected as most likely to be suitable for rehabilitation. They were not people responding to a general invitation, as in NDDP PAS and Project NetWork. Also, the structure of the Canadian benefits system means that many were likely to have severe impairments or health conditions. Those people who agreed to take part were predominantly men, aged 30 to 49 years, living in urban locations, with some post-secondary education. They most often had back or joint problems, mental illness or circulatory conditions, and, on average, they had been receiving CPPD for four years. Half reported that they had low potential for returning to work. Compared with the CPPD population generally, participants were younger, better educated, more likely to be men and less likely to live in a rural setting. The length of time they had spent on CPPD was slightly less than in the general CPPD population (4.9 years). Their main reported motivation for participating was a desire to reintegrate into the work force, and economic considerations were not predominant. Non-participation was often reported to be due to health problems.

The Job Network evaluation report studied here did not identify disabled job seekers receiving Intensive Assistance as a separate group for analysis, and there is little to say about their characteristics. In the CBFT, the intention was to compare characteristics between job seekers receiving services from providers receiving case-based funding/job seekers receiving services from participating providers who

continued to receive block grant funding whilst providing appropriate trial data (the 'virtual trial') and job seekers referred by Centrelink. This would throw light on whether CBFT achieved equity of access to services among all job seeker groups, a primary objective of the programme. In September 1999 there were 3025 job seekers funded under CBF in the trial regions but a much smaller number, 362, funded by block grant. Thus caution should be taken in interpreting the following findings, which come from analysis of data about these job seekers collected from service providers. The most common primary disabilities of people referred from Centrelink were psychiatric illness (30 per cent); physical disability (28 per cent) and intellectual disability (21 per cent). Job seekers with psychiatric illness appeared to have more limited access under CBFT (31 per cent) compared to virtual trial participants (44 per cent), but this may just reflect greater proportions of virtual trial providers specialising in services for people with mental illness, and data was inconclusive. There were broadly similar patterns of job seekers in each of the three JSCI score levels, comparing referrals, people in the virtual trial and people who were case-funded. Overall, levels of disability of job seekers, as measured by WATs scores, were similar between referrals, people in the virtual trial and people case-funded.

A higher proportion of younger people aged 15 to 24 years appeared to have accessed CBFT services, compared with referrals and people in the virtual trial. Sixty two per cent of CBFT job seekers received a Disability Support Pension, and a similar proportion in the virtual trial. This was a higher proportion than among referrals (53 per cent) and the reason for this was not clear. Qualitative information from service providers suggested that some people with intellectual disabilities, or episodic, changeable and continuous support needs may be disadvantaged in gaining access to services under the CBFT model. Further data in Phase 2 is required to decide whether CBFT has resulted in equity of job seeker access to services.

There was limited data available from the report in English about *Arbeitsassistenz* on the characteristics of people receiving services. There is some comparison between people receiving services and disabled people registered as unemployed, in terms of impairment. Findings show that in 1997/98/99 the proportions of people receiving services who had mental health problems (42 per cent), people hard of hearing (13 per cent) and people with intellectual disabilities (16 per cent) were higher than proportions of people with those impairments who were registered unemployed. Analysis showed that in 1997/98 most registered unemployed people with disabilities had physical disabilities (80.3 per cent), with 15.1 per cent with mental health problems, 0.8 per cent hard of hearing, and 4.6 per cent with intellectual disabilities. The author of the report regarded this result as very encouraging, in view of the traditional exclusion from the labour market of groups such as people with intellectual disabilities. Analysis of patterns across the provinces showed

considerable diversity in terms of the primary impairments of people receiving services, and the author suggested that this probably reflected different institutional backgrounds of the projects, and availability of alternative local services. There had been considerable increase in the number of people receiving services who had intellectual and/or multiple impairments.

### **Lessons emerging**

Some of our conclusions about access to the programmes for appropriate people, and ways of selecting or recruiting them are also informed by information about some of the outcomes for clients who took part and received services, which is presented in following chapters. At this stage, however, some useful lessons are already emerging.

- Recruitment must be designed and resourced so that the process is manageable and efficient. Promotion and advertising initiatives can produce a level of response which is hard to deal with. This can have effect both in discouraging client participation and in disrupting an evaluation design, and making hypotheses harder to test.
- Self-referral may be an effective way of recruiting appropriate people.
- It may be that there are yet untested approaches which would be effective in recruiting 'hard to reach' eligible people who did not respond to NDDP PAS and Project NetWork invitations and publicity.
- Recruitment procedures appear to rely heavily on written correspondence and use of the telephone. Some people with specific impairments or health problems such as sensory impairments and learning difficulties, and some people who do not have private access to a telephone may be disadvantaged.
- It appears that, in voluntary programmes, delay between expression of interest and programme response can discourage participation.
- It appears that, in voluntary programmes, people are less likely to participate around the time of entering the disability benefits system.
- There is some correspondence between NDDP PAS and Project NetWork research findings on the characteristics of participants. This might suggest that there is a case for targeting. However, targeting is hard to implement, because of limited information about relevant characteristics of the eligible population. For example, access to private transport was significant in NDDP

PAS participation, and absence of transport problems in Project NetWork, but such information is unlikely to be known in advance by programme managers.

- Targeting introduced into a new programme on the basis of what is known about characteristics of participants in other programmes must reflect those characteristics which are known to be predictors of employment (or sustained employment). In Chapter Six we report on the characteristics of participants who obtained employment, and on findings from the wider research literature on predictors of placement.
- Advance screening for likely participants raises issues of equity. In particular, those with no work history are likely to be excluded if targeting is based on the experience of the programmes reported here. Any new programme taking a selective approach needs to consider whether the aim is to maximise employment outcomes or to offer opportunities to groups under-represented in the labour market.
- CBFT research evidence suggested that providers turned away over half of the clients referred to them, despite guidance that they should seek all eligible job seekers. This may be evidence of the effects of a lack of central case-management, with no chain of command of the referral agency over the provider.
- There is a suggestion from Project NetWork that some people find it hard to understand random assignment even after careful explanation. Similarly, some people did not believe that non-participation would not be followed by benefit penalty. Such findings, which are echoed in other UK research on permitted work for incapacity benefits recipients (Corden and Sainsbury, 2001) underline that it can be hard for people to make informed choices in complex schemes. There may be particular disadvantages for some people with impairments and health problems.

In addition to general findings emerging from the six programmes reviewed, Skogman Thoursie (1999) provides further evidence about access to programmes targeting economically disadvantaged and disabled people, noting that research has paid rather little attention to the selection processes. He cites three studies from the USA, Norway and Sweden showing that programme staff select candidates with characteristics often associated with employability, such as high education level, younger age and recent labour market activity. Bias is explained by rewards for keeping down costs and for achieving high job placement ratios in the USA programme reported. In Norway, where managers' performance is often evaluated on the basis of employment rates, caseworkers selected candidates they presumed

had better chances of being employed in order to make the programme look successful. Interestingly, there was selection bias in the Swedish study even though there were eligibility rules and no explicit budget constraints or intake targets. On the other hand, a study relating to another centre in the same US programme (the Job Training Partnership Act programme) found that caseworkers favoured relatively disadvantaged applicants, defined as those with low-predicted earnings, rejecting the 'cream-skimming' hypothesis. Overall, these findings suggest that at project level, caseworkers have their own ideas about who is appropriate based on a variety of beliefs and programme experiences.



## CHAPTER FIVE: THE SERVICES

The interim and final reports from the New Deal for Disabled People Personal Adviser Service (NDDP PAS) pilot projects present detailed findings about the way in which the project staff worked with clients. Such full information from the other programmes is not usually presented in the reports studied. Nor, generally, is such a full description offered of the actual services provided, either by programme staff themselves or brokered for the client. It is useful, however, to use what information is available to compare the services on offer. This chapter looks in turn at the case-management relationship; employability assessments; individual plans for matching services to needs; the range of pre-employment services; job placing; adjustments; and in-work support and post placement monitoring. Finally we have looked for any information about services for job retention and employment sustainability, of key policy interest in UK.

### **The case-management relationship**

The NDDP PAS pilots were not designed to test pre-determined models of service delivery, and it was hoped that flexible and innovative approaches would emerge, under the leadership of each Project Manager. The Personal Adviser job description stated that ‘the Personal Adviser aims to adopt a pro-active, holistic, problem-solving approach to helping clients’ to move towards work. During the lifetime of the pilots, there was some change in emphasis towards achieving ‘job outcomes’. The expectation was that Advisers would assess employability, and accept onto their caseload people who wanted to move towards paid work. They would coordinate individual packages of support and assistance, working with the client to achieve sustainable paid work, in what was essentially a case-management approach. Key stages were the initial interview with the client, agreement to a Progress Plan (a mark of case loading), entry to paid employment, and exit. Advisers could draw on a locally managed Intervention Fund, for *ad hoc* services and client expenses which could not be met from other formal sources.

Initially, a single Personal Adviser worked with the client throughout the process but over time pilot projects introduced specialism to the process; for example, allocating specific Advisers to ‘intake’ or, more often, ‘job-matching’. Unlike the other programmes reviewed here, except *Arbeitsassistentz*, NDDP Personal Advisers also had a job retention remit; that is, to help those at risk of losing their jobs when they became ill or disabled. In some pilot projects this role was carried out by designated Personal Advisers.

Project staff at all levels agreed on the overall strengths of the Personal Adviser model: a flexible, client-centred approach, voluntary participation for clients, responsiveness, and access to the Intervention Fund. Survey findings showed that on average, participants had contact with the pilot service on three occasions, by

telephone or in person. Most NDDP PAS pilot participants felt their Adviser spent enough time with them, listened and understood. People appreciated the personal contact, practical and financial help, being able to progress at their own pace and exercising choice and control. People who were dissatisfied mentioned problems in contact and access, lack of understanding about a particular impairment, lack of continuity in service, and failure to deliver what had been promised.

As reported in Chapter Two the four treatment models tested in Project NetWork were distinguished by the intensity of the service and the service delivery agent. Three models used a case-management approach to provide intensive services, including employability assessments, individual employment plans, return to work services, job placements and ongoing counselling and monitoring. The fourth model used a less intensive approach, locating case-management and other services for clients within the community, and referring clients to existing providers and funding sources. The Social Security Administration (SSA) case managers had the smallest case loads, 73 clients on average, and as expected, the SSA Referral managers had the highest average caseloads of 114 clients. In general, as in the PAS pilot, perceptions of the case-management or referral process among treatment group members was positive. Seventy two per cent of treatment group respondents in the follow up survey said that they got help from their case/referral manager when they needed it. Eighty nine per cent had met their case manager in person, and of these 82 per cent had met on more than one occasion. Most meetings were more than 30 minutes long. There was less enquiry in the Project NetWork evaluation about clients' experience of the actual personal interaction components of the case-management approach than in the NDDP PAS evaluation. This may reflect the fact that case-managed vocational rehabilitation was long established in the US, and no longer novel.

In the Canadian National Vocational Rehabilitation Programme (NVRP), case-management of the kind discussed above for the NDDP PAS and Project NetWork, that is, personal advice and support, and brokering of services in an individually tailored package, was the responsibility of the private rehabilitation consultants contracted to NVRP. The work of the consultants in reassessing potential for rehabilitation, developing rehabilitation plans with the client and supporting them in following through the plan was supervised by NVRP in-house staff in the Rehabilitation Unit at National Headquarters. Consultants' service agreements included a face-to-face interview with the client lasting 2-3 hours within 30 days of referral, and a full report to the NVRP in-house case manager, whose approval was required before rehabilitation services began. During delivery of services, consultants were required to report progress to NVRP case managers, who might terminate the process at any time. It appears that there was no face to face contact between clients and NVRP case managers, who were based centrally.



Interviews with stakeholders suggested that quality of services provided by the rehabilitation consultants was highly varied. Fifty one per cent of NVRP clients were generally satisfied with their consultant, but satisfaction towards the project as a whole was lower (38 per cent). Reasons suggested in the evaluation were that the consultants had the more active role and direct contact with clients. The report points to substantial concerns in the area of communications with clients. It was suggested that some consultants had not fulfilled their role of communicating the project objectives and explaining decisions made at project level, and this had contributed to low levels of satisfaction. As discussed further later, the Stage 1 report suggests that improvements in the third-party delivery system could include bringing much of the assessment and counselling services back into the in-house case-management system, and reinforcing the role of the NVRP case managers. As we explain in Chapter Eight, this suggestion was not incorporated in the nationally implemented vocational rehabilitation service, although regionalisation of the service appears to allow for more involvement by Canada Pension Plan (CPP) managers in agreement of service components.

The case-management approach in the Australian Intensive Assistance programme was similar to that adopted in the UK, USA and Canadian programmes described - a basic framework of meetings between client and adviser/manager, to establish a package of rehabilitation services, and then support for the client in their progress towards work. The views and experiences of disabled people were not reported separately. However, 76 per cent of job seekers surveyed reported visiting their provider more than twice. Fortnightly contact was common during the initial phase of assistance, but contact generally became much less frequent towards the end of assistance. There was a high level of satisfaction with the personal support received from case managers.

The information available in the Case Based Funding Trial (CBFT) report suggested that both the service orientation of providers and the range of pre-employment services available in the open employment services was highly variable. Some providers were working within an holistic care framework, for example providing services to meet social and emotional needs to increase job readiness and viewing attainment of a 26 week employment outcome as one of several goals for clients. Other providers were mainly focussed on the end goal of job placement. However, there was little information about the nature of the interaction between case managers and clients.

In the *Arbeitsassistenten*, support for service users was provided by an *Arbeitassistent* (job-assistant) whose activities and tasks were regulated by national Guidelines. The report states that the job-assistants were to work within a framework of casework methodology, and adopt a systemic approach. The typical pathway for service provision would include planning appropriate interventions or careers, intervention

with employers and follow-up care. For individual clients, other services might include work preparation and job search assistance. The expectation was that generally each job-assistant should deal with a case-load of around 20 people, with service provision generally not lasting more than 12 months. The importance of availability of psycho-social advice in service provision was emphasised. The report available did not report aspects of the job-assistants' casework approach, but interviews with service users suggested high levels of satisfaction with services provided by job-assistants.

### **Employability assessments**

The identification of appropriate services for disabled people implies some form of assessment of their needs and requirements. There were no specific requirements on Personal Advisers in the NDDP PAS pilots in respect of the kind of or extent of assessment that they made of clients. Rather, they made discretionary decisions in individual cases, and tended to address clients' vocational aspirations and aptitudes, and aspects of health and impairment as these issues arose in the course of working with people. Formal vocational guidance tools were not widely used, except for those clients who were referred to the occupational psychologist attached to most projects. There was little formal input from health professionals unless Personal Advisers doubted the client's account of their ability to work. In general, Personal Advisers relied on their own professional judgement and previous related experience in determining realistic work goals. Personal Advisers did not formally screen out applicants but sometimes discouraged continuing participation if they doubted a person's suitability for the programme.

By contrast, Project Network case managers systematically collected medical and psychological information to determine a person's ability to work, and any limitations. At this stage, people with unstable conditions and those whose medical or psychological report suggested that work could be harmful were 'screened out' (approximately seven per cent). If work seemed feasible, vocational assessments were administered. Most of the assessments were obtained from existing sources or a professional already 'treating' the person, such as a doctor. Advantages perceived in this approach were the lower costs and a more sensitive assessment, but there could be long delays in getting the information and assessments required. Purchasing vocational assessments could also be a lengthy business, however, taking up to 90 days. So case managers who were already trained to do vocational assessments often did these themselves. Clients in Model 4 were least likely to receive a purchased assessment. Delays in obtaining assessment information (which were attributed by the evaluators more to fiscal considerations than to capacity constraints) often pushed back the development of the employment plan and the start of service provision, and some clients lost interest during this waiting period.

Disabled people referred to private rehabilitation consultants in the NVRP had already been 'assessed' several times during file examination and telephone interviews. The consultant was required to conduct a fresh assessment, within 30 days of referral. This involved a two to three hour interview, with a review of medical condition, transferable skills, personal situation and motivation, and might involve collecting information from physicians and previous employers. A full report, with the consultant's recommendations about the suitability of the person for rehabilitation, and a plan for appropriate services, was sent back to the NVRP case manager, whose agreement was required for moving to the next stage.

Job seekers in the Australian programmes studied in detail had already been subject to Jobseekers Classification Instrument (JSCI) scores and secondary classifications such as Work Ability Tables (WATS). Some had already been assessed by an occupational psychologist. There was little information in the Job Network evaluation report about any further processes of assessment by providers of Intensive Assistance. However, the evaluators found some evidence that some providers made their own judgements about which job seekers would benefit from their services most, taking into account a clients' needs and 'marketability'. Some commercial organisations might be more likely to provide limited assistance to people whom they judged hard to help. Community organisations providing services appeared more inclined to look beyond employability to provide some kind of 'whole-of-life' support.

We have already noted that CBFT providers turned away some clients. Once accepted by a CBFT provider, the components of service available to individual job seekers varied greatly, according to the focus and specialism of the provider. It was clear that some services engaged in further assessments of various kinds, and some CBFT job seekers reported having received vocational functional and/or medical assessments. One finding, similar to evidence from Project NetWork, was that job seekers found the waiting period between taking part in the JSCI assessment at Centrelink and starting to receive CBFT services too long. This was regularly one month and sometimes three or four.

There was no information in the *Arbeitsassistentz* report about the way in which job-assistants made decisions about matching services to needs.

### **Individual employment plans**

In the NDDP PAS pilots a progress plan was meant to be completed by the Personal Adviser and client, setting out actions expected of each to achieve objectives. There was considerable variation in the way that these plans were used by individual Personal Advisers, and in the perceptions of their usefulness by service users. The Interim Report, based on the six Employment Service led pilot projects, showed that plans were sometimes seen by Personal Advisers as a bureaucratic chore, but

others found them a valuable tool for motivating clients. Personal Advisers rarely gave ownership of the plan to their clients.

Similar individual plans were a component of several other programmes studied here. The Individual Employment Plan (IEP) in Project NetWork was expected to be written jointly by case managers and clients, detailing vocational goals, intermediate objectives necessary, planned services to be provided and division of responsibilities. In Model 4 a similar Individual Referral Plan (IRP) detailed vocational goals and planned referrals. Both parties signed the plan and had copies. The time needed to collect information for assessments, to explore availability of services and wait for clients' circumstances to stabilise, and some operational constraints due to staff turnover and the pressure of intake work in the first 15 months meant that the average time between random allocation and completion of the plan was 98 days. All managers reported that they would have liked more training in the development of these plans.

As described above, the rehabilitation consultant's initial report to NVRP included a plan drawn up by the consultant with the client, detailing not only the services to be provided but also the costs and time-frame. When this plan was approved by the case manager, services might begin. The plan appeared to be an important basis for monitoring clients' progress and reporting to the NVRP manager, but there was little further information about how the plan was drawn up or used. Recommendations of the evaluators of NVRP included improvements in communications with clients about the programme. One suggestion was that the plan for services might be used for this purpose, for example including a statement of the project's objectives. We do not know whether these suggestions were adopted in the subsequent national vocational rehabilitation service (explained in Chapter Eight) but it is clear that the plan took on a new importance as the client's contract with the Canada Pension Plan (CPP).

Preparation of an employment plan was not a component of the first round of service provision in Intensive Assistance. However, in the second tender round the Department of Employment, Workplace Relations and Small Business (DEWRSB) made a number of changes in service specification, to improve the level of services. Intensive Assistance support plans were to be drawn up by providers with individual job seekers, specifying activities and assistance which the provider undertook to provide. The support plan would be required after a job seeker had been with the provider for 13 weeks. This could be one way of placing obligations on providers to deliver assistance proposed in their tender bids, and along with other changes proposed, help to ensure equity for clients, quality of service and value for money.

Employment Assistance Plans (EAPs) were expected to be drawn up by providers and job seekers in the CBFT, setting out goals and steps towards those goals. There

were mixed views on their usefulness among job seekers. Some people found this a useful process; others saw it as just another form for completion. Factors that influenced the perceived usefulness and relevance of the EAP included how far the client had been involved in drawing up the plan; whether the plan developed, or was referred to during service provision; level of job readiness; and attitudes to the relevancy of pre-employment services. Some providers had developed the plans as instruments for helping clients choose those pre-employment activities in the knowledge of the funding allocated to them. An example was given of a provider who had developed 'Funding Plans' for individual job seekers, setting out the funding allocation and the provider's hourly rate. The job seeker could decide how much of their money they wanted to spend on return to work activities, job search and job support. A weekly tally for the job seeker helped to track expenditure. We do not know whether job seekers found this approach useful.

The systemic approach in *Arbeitsassistentz* included career planning or intervention planning as a key part of the pathway, but we have no information about the way in which plans were used.

### **Pre-employment services**

A range of pre-employment services were available in the NDDP PAS, some directly provided by project staff, and some 'brokered', that is arranged by staff but delivered by contractors. Services offered or accessible included general support, advocacy and counselling; work guidance; education and training courses; financial advice; direct financial support; development of job search skills; and 'work tasters'. Personal Advisers expected to provide some services themselves, for example support and counselling, and financial advice. For other provisions they often turned elsewhere, for example to existing Employment Service, Department for Education and Employment, and Employment, Training and Enterprise/Local Employment Council services which clients could access free of charge. Pilots could also use their Interventions Fund to purchase services directly.

Most clients who reported discussing training and work had found this helpful. Financial advice and practical administrative help with benefits and tax credits was also reported as very helpful by those who had received this. There were mixed views on the usefulness of training and education courses attended, and withdrawals were not uncommon. An important conclusion from the evaluation was the need for robust systems for monitoring performance and quality control of contractor-supplied services.

Project NetWork offered a similar range of pre-employment services, some purchased from contractors, some provided by programme staff themselves, and some available at no cost (for example, church-based activities). The evaluation presented data only about purchased services, and thus was not a complete picture

of service provision. Almost half of all treatment group members received some kind of purchased service. Differences in the use of purchased services between the four models partly reflected the availability of no-cost services and in-house provision (as well as the different remit of Model 3). People who received purchased services tended to be younger, better educated, more likely to have neurological or mental health conditions and less likely to be a new Supplemental Security Income (SSI) applicant than those who did not. Thirteen per cent of treatment group members received purchased training. The main gap identified in the service delivery network was transport - existing transport systems were inadequate for disabled people who wanted to get to services and work.

Pre-employment services available in the NVRP included so-called 'evaluation services', such as aptitude and interest testing, education, training, skills upgrading, development of job search skills, physical conditioning and provision of aids and adaptations. Most NVRP clients received evaluation services, and around one third development of job search skills. Physical conditioning programmes and provision of aids were reported to be used by relatively few clients. It appeared that many of the services were provided directly by the rehabilitation contractors, but this was not entirely clear. Overall, the helpfulness of services used was rated rather low. The evaluators suggest that this may have been related to clients' perceptions of their extensive needs and little potential for rehabilitation, as well as lack of full understanding of the NVRP goal to provide basic entry-level skills rather than training for a career choice. Among all services provided, education/skills assessment, and formal education programmes were rated highest by users.

Basic pre-employment services offered in Intensive Assistance, as described by providers, included regular meetings with the case manager for personal support, help in preparing resumés (CVs), and training in job search and interview skills. Few providers reported offering services which might address underlying barriers to employment, such as language classes. Access to such 'extra' services might be provided at case managers' discretion, but some providers said that services beyond the 'basics' described would only be provided if judged critical to employability. Survey responses from job seekers confirmed that personal support and encouragement was the most frequently reported service received. Fifty eight per cent reported receiving some kind of training, for example training in job search skills such as writing resumés, preparing for interviews or writing job applications, or job-specific training such as computer or certificate courses. Four per cent reported receiving training in literacy or numeracy, and four per cent help with English language.

Job seekers receiving pre-employment assistance in the CBFT reported assistance with resumés, interview practice and job club activities, all provided in-house. Training, education and non-vocational courses (for example, on anger

management) had been arranged for some from external contractors. Clients views on the usefulness of different activities and assistance were not reported.

*Arbeitsassistentz* distinguishes 'persons in care' of the programme from 'advised persons', who received advice only for a short time, but the report available did not include much detail of the services offered to either group. Vocational training and training for job interviews was specified, sometimes arranged through external agencies. Similarly, advice from other agencies could be arranged, such as debt counselling.

### **Job placing**

The ultimate goal of all the programmes described was to help disabled people get or keep jobs. The NDDP PAS worked with both employers and individual clients to secure job placings. Practice varied between the projects, but all projects undertook some general marketing to employers to raise awareness of the service and promote the employment of disabled people. Working proactively with job ready clients, Personal Advisers actively searched out suitable vacancies for individuals, approached employers in person on behalf of a client, or adopted more aggressive 'marketing' techniques such as circulating details of clients to a number of potentially suitable employers. Some Advisers worked less proactively for individual clients, taking a more supportive role to encourage clients to take ownership of their own search for a suitable job. Depth interviews showed a clear pattern in that most people who moved into a job after contact with the NDDP PAS found the vacancy themselves. However, they sometimes said that they would not have been successful in getting that job without help previously received, for example in learning how to look for jobs or write applications.

Some Project NetWork clients also found their own jobs through personal contacts, adverts or previous employers. Overall, thirty per cent of clients in the treatment group received some kind of purchased job development or placement service. There was significant difference in this percentage among the four sites, possibly reflecting different availability of in-house or no-cost job placement services. Around one third of the Canadian NVRP clients surveyed reported receiving assistance with job search, but there were no details of the approach taken. In the latter programme, there is a maximum permitted period for job search of three months before termination of disability pension.

The process of direct assistance with job placements is not clearly described in the report on Intensive Assistance. In the job seeker satisfaction survey 37 per cent of job seekers said that their provider had sent them to a job interview or employer, but disabled people are not distinguished here. There is more information available about the process of placing job seekers in employment in the report from the CBFT. Here, providers were adopting the same two general approaches as in the NDDP

PAS: general relationship building with employers, and targeted marketing of individual or all job ready clients to prospective employers. The latter approach could include finding suitable jobs for individual job seekers, presenting their skills and experiences to employers, and setting up a work trial or interview. Ways of marketing the service and job seekers varied among providers, and could include cold calls, internet and email approaches to employers, and utilising employers' industrial bodies. The marketing of clients was, of course, encouraged by the funding model which imposed a limited time frame for placing a client in employment. The evaluators expected to look in detail at the costing and funding issues raised by the range of approaches and different services provided to get clients into jobs in Stage 2 of the evaluation.

There was no information about the process of job placement in the report available on *Arbeitsassistentz*.

### **Adjustments to work and workplace**

There is limited information from the evaluation of the NDDP PAS on adjustments to workplace and work arranged by Personal Advisers for clients entering work. Twenty two per cent of clients surveyed had discussed with their Adviser special adaptations or equipment they might need while in work. Aids and adaptations were purchased for five per cent of all Project NetWork clients, and environment modifications and interpretation services for 'a few clients'. Computer equipment was also purchased to enable some clients to work from home. Eighteen per cent of NVRP clients reported having been provided with assistive devices to help them at work.

The role of arrangements for workplace adjustments in the case-management process is not reported. Raskin (1995), commenting on a Canadian labour market programme, observes that a major reason for its success was the individualised nature of placements for disabled participation which included accommodation of the worksite.

There is also limited information on services to influence the climate of working environment. *Arbeitsassistentz* had a clear role to promote integration of disabled people in the workforce, and increase understanding of the needs of disabled people among employers and colleagues at work, but we have no information about the manner of intervention.

### **In-work support and post-placement monitoring**

Personal Advisers in the NDDP PAS pilot projects generally aimed to provide in-work support as required, both to clients and to employers, usually at least up to 13 weeks after placement, at which time a successful outcome of sustained employment could be recorded. This included personal monitoring and support of clients, for example in follow-up phone calls; provision of financial help, such as



travel costs; and arranging and paying for equipment, work adaptations or job coaches. By the end of the pilot, most projects were reporting some reduction in contacts with clients in work, as a result of the increased focus on performance in getting people into work. However, one project had taken a different approach, recognising that sustainable work often involved ongoing support, and had extended their period of support to six months.

There is little information about in-work support from the main report on Project NetWork. Although there is a suggestion that some clients placed in a job would be monitored for a few months by the service provider who helped with the placement, a statement by the US General Accounting Office (GAO, 1995) makes it clear that Project NetWork was never intended to go beyond job placement. The cost of providing post-employment services would, it was stated, have increased too far the cost and length of a demonstration project. Provision of in-work support was also not a feature of the Canadian NVRP.

The Australian programmes studied might be said to encourage provision of in-work support by having some measure of sustainable work in the outcome funding models. The Job Network evaluation report contained no details about in-work support offered to people receiving Intensive Assistance. There is more emphasis in the design of the CBFT on the importance of 'maintenance' in achieving quality employment outcomes for the target group. Only a small number of CBFT clients were employed when interviewed in the first phase of the evaluation, and none of these had reached the 26 week outcome payment stage, so there is limited data available. However, there was general satisfaction with the support provided during the first few weeks of employment, including help with travel, job coaching, on-the-job help, help in producing accessible information to break down tasks, and help with settling into the work environment. Most of those who had been working for two months or more reported that the provider kept in close touch, either visiting the work site or phoning each week.

The way in which people were supported in work in *Arbeitsassistentz* was not presented in detail in the report in English.

In-work support, in so far as it existed, seems to have been provided by programme staff or sub-contractors. An alternative is to draw on natural supports in the workplace: people who are not disability service providers but who provide assistance, feedback, contact or companionship to enable disabled people to participate independently. Typically, individuals providing natural supports themselves receive help and consultative support from disability service providers. According to Reynolds (1998), Storey and Certo (1997) reviewed the few controlled trials and a number of case studies on natural supports and found it was hard to draw any conclusions because of the variety of ways of providing natural support.

## **Sustaining employment**

For many people, sustainable employment involves career development, and moving beyond entry-level jobs to better paid and more challenging work. There is little mention of this in the reports on the programmes studied. Only in the CBFT was it reported that for some people who were hoping to move on to a more suitable job, in-work support included help to find a different job, with longer hours or more challenging work.

In the USA, there are specific programmes, mainly for welfare recipients, which aim to advance people in sustainable employment rather than to keep them in low quality, entry-level jobs. The Post Employment Services Demonstration (PESD), an extended case-management programme, operated from 1994 to 1996 and was a randomised control trial; it is reported by Rangarajan and Novak (1999). Results were not encouraging. Take-up was limited and Walker and Kellard (2001) point to constraints including a desire to conceal welfare history or support needs from the employer. Outcomes in terms of employment and earnings were disappointing.

Reviewing US experiences, primarily of the PESD, Walker and Kellard (2001) note that trying to promote services only after welfare recipients had moved into employment was ineffective, as those in work had to be re-recruited to the post-employment project. Now the norm is to offer services before clients enter the employment, with employment advisers offering a comprehensive service spanning recruitment and retention. Walker and Kellard observe that the aim is not only to equip clients to obtain employment but also to impart the techniques to hold down employment and to develop and follow a career plan. They propose that post-employment support should be intensive in the first few weeks of employment and substantial for up to six months, but if the objective is employment progression services need to be accessible for much longer.

## **Job retention**

As already explained, neither Project NetWork nor NVRP were designed with a focus on job retention, and neither of the Australian programmes were designed to enable job retention of people already in work.

*Arbeitsassistentz* was primarily a job retention service, focussing originally on people with mental health problems who were at risk of losing their jobs. As the programme was extended nationally, services were made available to other groups of people, and those who needed assistance to find a first job. A strong emphasis remained on supporting people through crises, and helping them manage a return to work after a period of illness.

Job retention services were not well developed by the end of the NDDP PAS pilot projects, and will be the subject of a specific pilot service scheduled to be available

in 2002. Services for job retention were similar to those for incapacity benefit clients, expect that the 'placement' was with the existing employer and there was a greater emphasis on adjustments to the work and workplace. Most advisers mediated return to work with the employer, sometimes entering negotiations on conditions on the client's behalf, but some preferred to equip the client with information and skills to negotiate their own return. One of the most challenging issues in the UK policy context is the identification of people potentially 'at risk' of losing their jobs. Employers' responsibility for short-term sickness pay removes some possibilities of early identification, and complex issues of confidentiality and health and safety at work arise. The NDDP PAS depended on people 'at risk' or their employers approaching the service for assistance.

A small number of projects within the NDDP PAS aspired to encourage disability management practices, particularly within local authority departments. The evaluation found that although there was awareness among managers of the compensation costs and staff costs of sickness absence, this was not a catalyst for early intervention. The expense of retraining, the difficulties of redeployment, inflexible attitudes to adjustments and a lack of belief in disabled people's capacity to be re-employed contributed to some resistance to facilitating the return to work of employees on long-term sick leave and hampered early intervention. The evaluation of a disability management pilot project in three Canadian federal departments (described in a review by Burt Perrin Associates, 1999) found similar results and recommended an accountability framework to provide incentives.

### **Summary of findings**

In the next chapter we report on programme outcomes. Here we summarise some of the main findings from our review of the approach to delivery and the service components, and draw on the wider literature to discuss effectiveness of such approaches.

The following findings emerge from our review of the six programme evaluations.

- There was general support for the personal case-management approach. Clients generally liked the way in which personal support and advice was offered, and how access was arranged to services to meet individual needs, even when those same clients were critical of the actual services provided.
- Such a mode of delivery can set high expectations among clients, and frustrations and disappointments set in when expectations are not met, for example if people perceive delay in progressing plans, or if communications do not go smoothly.

- Problems in communications between clients and case managers, for whatever reason, leads to considerable dissatisfaction.
- It is important for clients to have clear understanding of the scope of the programme and what is offered.
- Quality of services available from providers, both in-house and 'brokered' from contractors, can be highly variable. There is a need for firm quality control. People with impairments and poor health may find it hard themselves to query what happens to them or make a complaint. If dissatisfaction leads to withdrawal from the service, then outcomes will be affected.
- Approaches to assessment were either systematic and highly procedural, or informal and discretionary. Assessment is used to address clients' vocational aspirations and aptitudes, identify medical factors which affect the type of work possible, and identify appropriate return-to-work services. It can also be used to screen out those with limited work ability or with conditions which could be exacerbated by work. Where programmes did both, the process was intensive and time-consuming, involving the coordination of information from multiple sources. Intensive or multiple assessment could prolong the waiting period from first applying to receipt of services.
- None of the programmes which served people volunteering for the programme used assessment to screen out those who might obtain employment without the help of the programme
- Individual employment plans are used to set out the steps to be taken by client and adviser, and to monitor progress. Usefulness may be enhanced by client involvement in preparation and ownership. They are also a tool for the purchaser to monitor the provider's activities, and there seems to be a potential role for such plans in maintaining general service quality and value for money from providers.
- Programme components are primarily work-focussed, and most programmes provide training in job search skills. There is isolated evidence of services to address the underlying barriers to employment.
- 'Marketing' of disabled job seekers to prospective employers and placement services are features of three of the programmes, provided directly by case managers or by purchased services. Intervention in the hiring process may facilitate ongoing support after job placement. Funding models which reward placement and sustained jobs may encourage marketing rather encouraging

people to take ownership of their search for a suitable job.

- If jobs are to be sustainable for many people in this client group, programmes need to be designed, and resources provided, for ongoing support after job placement. Even where resources are available, a performance focus on placement can detract from provision of on-going support.
- In planning new programmes it would be wise to consider not just sustaining people in the jobs they obtain through the programme but also their progression to better and more rewarding jobs. This would have implications for the types of pre-employment services provided.

Turning to the wider literature, we find support for holistic and individualised approaches. Burt Perrin Associates (1999) concluded from their review of evaluations of disability policies and programmes that the more successful programmes tended to take a holistic and individualised approach. They cite a US GAO report which identified common strategies among 'highly successful' employment and training programmes for economically disadvantaged adults. These include transport provision, child care, basic skills training and other supports needed to complete training and to acquire employment, strong links to the local labour market, and a combination of formal training and one-to-one support.

Individual employment plans, accompanied by continuing support and guidance, have been found to be a successful tool to plan and deliver appropriate assistance and services within the holistic approach, according to a review of experiences from the European ADAPT and EMPLOYMENT projects (European Commission, 2000b).

The evaluations reported in our review tell us little about which elements of the service process affect employment outcomes. Vandergoot (1987) reviewed the research literature published between 1972 and 1986 on 'placement' in US rehabilitation services for disabled people. Drawing on over 120 references to empirical research, Vandergoot concluded that there was surprisingly little evidence of the service process affecting placement outcomes. Of pre-employment services, only assistance with job search was unequivocally effective in terms of placement rates. Individualised placement planning was related to improved placement outcomes. Vandergoot suggested that the role of the case manager in providing guidance, support and reinforcement to the job seeker explains these findings.

Marnetoft and Selinger (2000) point out that it is hard to know whether it is a combination of elements or single elements which produce the results. Similarly, Høgelund (2001) concludes from a review of the literature on outcomes from

interventions that, while it is impossible to be certain about significant effects of specific variables, it may be that groups of variables have an effect.

Vandergoot (1987) found mixed evidence on the relationship between the interpersonal skills of rehabilitation professionals and employment-related outcomes.

There is limited evidence from our review of the effectiveness of different case-management approaches to working with clients. Reviewing the literature relating to clients with mental health problems, Marnetoft (2000) found that several studies have shown that effectiveness increases if one case manager is responsible for the rehabilitation: this means fewer meetings, increased clarity regarding the case-management task, and a more dependable contact with the client. Case managers who worked intensively with mentally disturbed patients, without referring them to others, were more successful with independent living and with employment. The 'strengths' model, focussing on identifying and enriching client strengths and encouraging control over the search for needed resources, uses this approach and, according to Marnetoft, has shown impressive results. However, models have not been evaluated specifically with regard to return to work or the labour market.

This review has focussed on services to improve employability as a precursor to taking up employment, rather than on services operating within the supported employment model which prioritise job placement followed by indefinite support on the job and avoid pre-vocational training and screening for employability. However, there is evidence from research in the USA that for people with severe mental illness supported employment is more effective in terms of employment outcomes than traditional vocational counselling, skills training and job clubs. In a literature survey, Bond *et al.* (1997) found six experimental studies. A mean of 58 per cent of clients in supported employment programmes achieved employment, as compared with 21 per cent receiving traditional vocational services, and supported employment clients had better outcomes in terms of time employed and employment earnings. There was strongest empirical support for the avoidance of pre-placement training and for the integration of mental health and vocational services within a single service team. In a systematic review, Crowther *et al.* (2001) covered the same and later US studies to conclude also that supported employment is more effective than preparation for entering competitive employment in helping people with severe mental illness to obtain and keep competitive employment. These reviews lack detailed information about the service components, setting, delivery, or target groups and their benefit status.

## CHAPTER SIX: OUTCOMES

This chapter brings together the reported outcomes of the programmes reviewed. The evaluations each sought rather different measures of outcome, reflecting the different programme aims and policy contexts. In most cases, however, the reports included some measure or discussion of outcome in terms of:

- programme participation or completion
- clients' employment outcomes and earnings
- clients' benefit receipt after programme participation
- clients' health and well-being
- outcomes for employers and/or service providers, in some reports.

This chapter reviews findings under these headings. When the evaluations included comparison or control groups, reported outcomes sometimes include measures of impact. The financial costs of programmes and any cost/benefit analyses reported are discussed in the next chapter.

### **Programme participation and completion**

Chapter Four presented findings about recruitment and selection of clients, but it is useful to bring together here the different measures of programme participation and completion.

In the New Deal for Disabled People Personal Adviser Service pilot (NDDP PAS) measured steps in client participation included the initial interview, production of a progress plan and 'exit' from the programme. The pilot projects engaged seven per cent of the target population in an initial interview, and 69 per cent of those interviewed were taken on to caseloads to start receiving services, representing 4.6 per cent of the target population. The evaluators believed that increasing the coverage would require continuous and intensive promotion to increase awareness and enable self-identification of eligibility. The NDDP PAS evaluation report presents some limited analysis of project management information, which shows that of those clients taken on to the caseload up to November 2000, 64 per cent had left the programme. Survey findings from people who were no longer in regular contact with their Personal Adviser showed that reasons for this included withdrawal through dissatisfaction, change in personal circumstances or 'just losing touch', as well as finding work. Project management information suggested that 59 per cent of clients who left the caseload found paid work.

In the Project NetWork evaluation, four major steps in progression through the programme were analysed: recruitment and intake; client assessment; development of the Individual Employment Plan (IEP) and provision of services. Findings of these analyses have been presented in earlier chapters. To summarise, 60 per cent of

people assigned to the treatment group reached the next step of development of an individual employment or referral plan and 45 per cent then received purchased rehabilitation services. No analyses are presented of client flows out of the service. Comparison of treatment and control groups showed that the programme had increased the rate of receipt of return to work services (provided by Project NetWork, purchased or free of charge) by six percentage points. People in the treatment group received, on average, more job-search assistance, more business skills training and more work-related assistance (from any source) than people in the control group who did not use Project NetWork services.

In the Canadian National Vocational Rehabilitation Programme (NVRP), an important measure of 'success' was the rate of completion of programme. As NVRP aimed to provide participants 'with the necessary vocational rehabilitation services that will allow for a return to meaningful employment', that is, to provide basic entry-level skills, an outcome measure was the proportion of participants who completed a programme of rehabilitation equipped with regained capacity for regular employment. Project data showed that at the time of data collection around 41 per cent of 429 NVRP clients who had left the programme had successfully completed their rehabilitation plan. Leaving before completion of plan was often associated with deterioration in health. Survey results, comparing people who had successfully completed their rehabilitation plan with those whose file was closed for other reasons showed significant correlation between completion of plan and:

- prior attempts to find employment while receiving Canada Pension Plan Disability (CPPD)
- self-reported potential for returning to the workforce
- not being in receipt of dependent child benefits
- having fewer activities limitations or needs for assistance.

There were two suggestions for interpretation of the association of successful completion with non-receipt of dependent child benefits. Receipt of the child benefits might act as a financial disincentive, or some people might leave the project before completion for reasons associated with family responsibilities.

The Case Based Funding Trial (CBFT) report also included a measure of increase in use of services, but this is not comparable to that described for Project NetWork because of differences in client group, recruitment strategies and programme structure. In the report from the first phase of the CBFT a figure of 31 per cent increase in numbers of new job seekers receiving support services is presented, but the authors emphasise that it is hard to separate the effects of the programme model from the increased funding available.

Intensive Assistance capacity, in terms of contracted places and access to those



places, is carefully controlled, so again there is no measure of participation that is comparable to those reported above for NDDP PAS and Project NetWork. By September 1999, 69 per cent of job seekers referred to Intensive Assistance had commenced and the number in receipt of services was close to contracted capacity (around a quarter of a million people at any one point in time).

Both the Australian programmes include 'milestones' for clients within the outcome funded models, providing some measures of completion of programme. It was too early in the CBFT evaluation for a full analysis of this kind. However, the CBFT evaluation also addressed issues of provider participation (in evaluating the impact of case-based funding on service viability and responsiveness). In 1999 there were just over 800 Department of Family and Community Services (FaCS) funded providers of Disability Employment Assistance services across Australia. 187 providers in the trial areas initially registered for the trial, of whom 148 went on to participate. 134 received case-based funding and 14 continued to receive block grant funding. The process of recruitment of providers in the trial areas was not made clear in the evaluation report, but the authors pointed to under-representation of supported employment service providers among providers taking part in the CBFT.

The authors of the Job Network report recommend caution in interpreting the outcomes data from evaluation of Intensive Assistance, mainly because of the lack of any comparison or control group. Findings are also of limited usefulness for purposes of this review because outcomes for disabled people are not reported separately. It may be of interest, however, that by September 1999, more than 90 per cent of job seekers who had started to receive Intensive Assistance during May-July 1998 had left the programme. Of those, 20 per cent had secured a paid outcome (a full time job for just over half). Forty nine per cent reached the end of their referral time without securing a paid outcome. Thirty one per cent left the programme without achieving an outcome payment milestone, but some of these went into work.

In the report on the Austrian programme there was limited data on participation in and completion of programme. The report states that around 9,000 people received *Arbeitsassistenz* in 1999, when there were around 75,000 registered disabled people, of whom around 7,000 were registered unemployed.

### **Clients' employment outcomes and earnings**

This section looks at each programme and reports findings about moves into work and any measure of programme contribution to employment outcomes; what was known about earnings and hours of work in the jobs of destination; and longer term outcomes and sustainability of work.

### *Moves into work and programme contribution*

In the UK policy context the key outcome measure from the NDDP PAS pilot was the proportion of clients who subsequently moved into work. As explained above, cumulative project management information to November 2000 suggested that 59 per cent of clients who left the caseload had found paid employment, representing 38 per cent of those taken onto the caseload. Client surveys provide an additional perspective. Around one quarter of participants surveyed, who had a first interview with a Personal Adviser 4 to 17 months previously, said that they had taken a job in mainstream employment or become self-employed since meeting with a Personal Adviser. There was a higher rate of movement into work among PAS participants than people who had not been in touch with the service, but very low rates of movement into work among the latter group made statistical comparison hard.

Characteristics identified statistically as significantly important in determining if participants moved into work after meeting with a Personal Adviser included: shorter periods of receipt of incapacity benefits; being a lone parent, and not having studied or been engaged in voluntary work. People who had approached the service without a formal invitation were also more likely than others to have a subsequent spell in paid work. According to clients' views, the greatest impact of Personal Advisers on employment-related outcomes related to their involvement in programmes and activities that are hard to access without an intermediary, for example taking part in supported employment and work placements as a result of help from the PAS. A high proportion of participants who obtained employment (78 per cent) claimed they would have done so even without contact with the PAS. However, caution must be exercised in interpreting such findings.

The impact of Project NetWork was reported in terms of earnings and hours worked rather than moves into work.

In the Canadian programme, survey results showed that among those clients who completed their rehabilitation plan, about 60 per cent returned to work, most of these within three months of completion. Most of those who were working did not attribute this to the NVRP, and the evaluators suggested that this might reflect low satisfaction levels with the project as a whole.

By the end of Phase 1 of the CBFT there was limited data about employment outcomes. At that stage only 44 CBFT job seekers and three virtual job seekers had reached the first formal employment outcome designated in the funding model (26 weeks employment). Early findings suggested that it was taking longer to place people with psychiatric illness in a job than people with other types of primary impairment, but care must be taken in interpreting findings from such a small group. As explained above, there was no information about the kinds of job or earnings levels achieved specifically by disabled people in the evaluation of Intensive

Assistance.

There is some summary information in the report studied about employment outcomes for the 1,872 *Arbeitsassistenten* clients who, during 1997, received support from a job-assistant to stay in work, return to or find a job (rather than short term advice only). The programme registered a 'successful intervention' when a person subsequently remained in a regular job for six months, excluding any probationary period (so-called efficacy ratios were laid down in provider contracts). According to these measures of outcome, the report states that, overall, 15.8 per cent of people supported by job assistants stayed at their workplace and 25.8 per cent found a job.

### *Earnings and hours of work*

There was limited analysis in the PAS evaluation of clients' hours and earnings after moves into work (small numbers of PAS non-participants surveyed who had moved into work made comparison with those who had used the PAS service difficult). Sixty four per cent of PAS participants who reported starting work after leaving incapacity benefits said they worked more than 30 hours weekly in that job; 31 per cent between 16 and 29 hours, and five per cent less than 16 hours weekly. In UK benefit terminology, 16 hours or more weekly counts as full-time work. As we would expect, weekly pay tended to reflect hours worked. In general, people earned less (median £136) than they had earned in their last pre-benefit job (median £160).

In the USA, both Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) beneficiaries are allowed to do a limited amount of paid work. The Project NetWork evaluation was designed to measure the net impact of the demonstration services on participants' employment and earnings, and the benefit waiver arrangements lifted some structural constraints to increasing earnings. Earnings effects of participation in the programme could occur through an increase in the proportion of people doing paid work, an increase in hours worked, an increase in hourly wages, or a combination of these. Analysis of administrative data showed that Project NetWork significantly increased average annual earnings in the treatment group by \$215 in the first year following random assignment, and by \$224 in the second year. These are increases of 12 per cent and 11 per cent over what people would have earned in the absence of Project NetWork (as evidenced by the control group). Data for the third year was available for 70 per cent of sample members and showed that this effect on annual earnings declined to zero for this group. The evaluators concluded that the services did increase earnings, but that this effect may have been short-lived. The increase in average earnings was modest, and not enough to lift the average participant above the poverty line. For a small group of participants, increase in earnings could have been high, however.

The evaluators found it hard to interpret differences in impacts on earnings across

the four models and eight sites. Observed differences reflected differences in populations served, availability of resources in the community, the local economy, and staff skills as well as relative effectiveness of the four models.

With respect to different kinds of beneficiaries, the impact on earnings was largest for people receiving SSDI at random assignment, possibly because they had more work experience and the waiver provisions produced a stronger incentive to increase earnings. However, estimated impacts on earnings for this group were not statistically significantly different from impacts on people who received SSI at random assignment, or received neither benefit. Looking at sub-groups of participants according to primary impairment, estimated impacts on earnings were not statistically significantly different; nor were the impacts for men and women statistically significantly different from one another. Impacts on treatment group members aged 31 to 45 years were statistically significant, and for

those aged 18 to 30 years statistically insignificant, suggesting that younger people may need additional or different services from those available in Project Network.

Looking at impacts on the amount of work done, the impact on total hours worked for the overall sample of participants was not statistically significant, but the programme did significantly increase the average number of months worked in three of four analytic periods, by 19 to 24 months. There were no statistically significant impacts on hourly wage rates or fringe benefits for the sample as a whole. Increases in earnings were generally due to treatment group members spending longer spells in work than control group members.

In the Canadian programme, among those employed at the time they took part in the survey, 70 per cent worked full-time; 19 per cent part-time and around 12 per cent were engaged in seasonal or occasional work. Most of those employed following completion of their rehabilitation reported earnings above the Substantially Gainful Occupation (SGO) level for 1996 (ability to earn in excess of about \$9,000 per year) which might be taken as an indication that withdrawal of CPPD was appropriate in most cases. A small number of participants who had completed their plan and not found work reported household incomes below SGO level, and the evaluators suggested the NVRP may have resulted in unintended impacts of increases in poverty and dependence on social assistance for some participants when CPPD ceased after three months.

There was no relevant information from the Australian programmes or *Arbeitsassistentz* about hours or wages of people who found work.

### *Longer term outcomes and sustainability of work*

The NDDP PAS evaluation did not address longer term employment outcomes. However, as a measure of sustainability of work, among those people who reported starting mainstream work since meeting with a Personal Adviser around one fifth said they had left that work. Findings indicated a need for strengthening in-work support in services subsequently extended nationally.

Some evidence on the longer term effects of Project NetWork was presented above. The evaluators advised caution in interpreting the evidence on the duration of impacts of Project NetWork on earnings however.

In the NVRP study, the timing of the client survey meant that most of those who had found work had been in their jobs for less than a year when interviewed, so longer-term outcomes could not be studied.

Again, there was no relevant information from the Australian programmes or *Arbeitsassistentz* about longer term impacts of programmes.

### **Clients' benefit receipt**

The NDDP PAS report shows that, in the two year period prior to the survey interview, participants in the PAS were more likely to have moved off incapacity-related benefits (11 per cent) than non-participants (seven per cent). Lengths of time spent on benefit and score on scales of severity of disability were especially important in explaining participants' moves off benefit. Longer benefit durations and increased severity of disability both acted to reduce the likelihood of leaving benefit.

An important focus of the evaluation of Project Network was the potential reduction in SSDI and SSI payments made, as a result of any increases in earnings of people who had received rehabilitation services. The overall conclusion was that Project Network did not reduce either participation in SSDI or SSI or the average amounts of benefit received. There were no statistically significant differences between treatment and control groups in proportions of beneficiaries of either benefit or in amounts received, in each follow-up period. The report discusses possible reasons for this. The waiver provisions may have prevented reduction of SSDI for at least two years after random assignment. On the other hand, the impact on earnings may not have been great enough to affect benefit entitlement even in the absence of a waiver. The effect on SSI recipients of the waivers was probably less substantial than on SSDI recipients. Another possibility is that those whose earnings increased by relatively large amounts had already left benefit.

There was an impact on benefit receipt, however, for that group of people who received neither SSDI nor SSI at random assignment (a group including, for

example, new SSI applicants; people who had left SSDI or SSI by the time of random assignment, and people recruited from other programmes such as mental health services). Over the follow-up period, all measures of benefit receipt were reduced for this sub-group of treatment group members. Possible reasons suggested for this interesting finding included an 'entry effect', in that services helped participants to avoid future reliance on benefit, and a 'deterrence effect', in that some people believed wrongly that they had to take part in order to claim benefits and, not wanting to receive the services offered, gave up the benefits.

All participants who completed the CPPD rehabilitation programme lost entitlement to CPPD after three months. The client survey suggested that around 60 per cent of these found employment, but among those who did not, there may have been increased reliance on social assistance. The authors recommended that future evaluations should include more rigorous impact analyses, including tracking people for longer periods after programme completion.

There is little further useful information about benefit outcomes for clients in reports from either of the Australian programmes or *Arbeitsassistenz*.

### **Impacts of incentives**

The Project NetWork evaluation included analysis of the impact of the 'waivers', at two levels - the influence on participation of knowing about the waivers, and, the effects of the waivers themselves on earnings and benefit receipt of those who did take part.

Findings on the influence on client participation were that only a minority of eligible people understood that working could lead to reduction or cessation of benefits, anyway. Around a quarter of eligible people indicated that they would turn down a job offer if it meant losing cash or medical benefits, and participants were as likely to be deterred by the prospect of losing benefits as eligible people who did not take part. It was not clear whether waivers had been effectively explained to potential participants, and both the base-line and follow-up surveys showed considerable confusion about work incentives under the waivers.

Interpretation of the impact of the waivers on programme participants was complicated by the probability that the waivers were not administered effectively (although there was no direct evidence for this). Results of non-experimental analysis were that the waivers, by themselves, did not have significant impact on earnings of programme participants. There was also little evidence that waivers themselves affected SSDI or SSI receipt, with the possible exception for SSDI beneficiaries, for whom waivers may have increased SSDI participation in the short run. This effect might be expected as waivers protected those who would have worked anyway from losing benefits.

## **Clients' health and well-being**

There are a number of ways in which participation in the rehabilitation programmes may have had an effect on people's health and general well-being. Physiotherapy might help to improve physical health. Assistance with transport or aids/adaptations might reduce fatigue or pain. Counselling and personal support might have a positive impact on mental health. There might also be some negative effects on health or well-being; for example, effort and activity might increase levels of pain or fatigue, or disappointment with outcomes might reduce self-esteem and encourage depressive illness. It is hard, however, to measure such impacts and to distinguish them from patterns of improvement or relapse due to the nature of illness itself.

The most rigorous attempt to measure impacts on measures of health and well-being reported from the programmes studied in detail was that conducted within the Project NetWork evaluation. The follow up survey of people in treatment and control groups asked a series of questions about self-assessed health, covering:

- measures of overall health
- functional and life skills limitations
- use of alcohol and drugs
- measures of emotional state
- performance of cognitive abilities
- measures of work limitations.

The overall finding was that Project NetWork generally did not have statistically significant effects on these measures of health and well-being, but the authors recommend care in interpretation, due to limitations in sample size, the different meanings attached by respondents to components in the questions, and possible non-disclosure of correct information for example in response to questions about use of drugs or alcohol.

Other programmes studied in detail did not include a controlled impact analysis for health and well-being. In qualitative interviews with NDDP PAS participants some people reported positive aspects of participation such as improved self-esteem, confidence and sense of security, but there had been negative impacts for some, of increased stress, disappointment and loss of self-esteem, especially when the pace of progress appeared slow or it proved hard to maintain contact.

Clients surveyed in the NVRP evaluation were asked to indicate the impact of the project in several areas of quality of life: improved health and well-being; increased self-esteem; and improved quality of life in general. The outcome most frequently reported among these was increased self-esteem. There was a clear pattern in that those clients still engaged in the rehabilitation process reported more positive

impacts on these measures than those who had completed their plan, who in turn reported more positive impacts than people whose file was closed before completion.

There is little further useful information about programme impact on clients' general health and well-being from the reports on the Australian or Austrian programmes.

### **Outcomes for employers**

Views and experiences of employers were sought in personal qualitative interviews with employers in the NDDP PAS pilot areas. Findings showed some lack of awareness and understanding of what the pilot service could provide, and some unevenness in service delivery in terms of meeting employers' perceived needs. Findings highlighted some of the tensions which can arise within this kind of service, for example balancing the employers' desire for information about prospective employees with the maintenance of clients' confidentiality.

Employers' perspectives were not pursued in the US or Canadian programmes. The Australian Job Network evaluation design included surveys and qualitative enquiry among employers, but the first report did not include any views or experiences of employers in respect of employing disabled people who had used Intensive Assistance. In the CBFT of Disability Employment Assistance, some providers of supported employment are also employers (so-called business services) and some of their views are presented in the following chapters. The report on *Arbeitsassistenz* refers briefly to a telephone survey of employers. Very little information was presented, but it appeared that there was some reluctance among employers to use the service: four out of ten employers who were aware of the service said they would be reluctant to become involved.

### **Outcomes and service providers**

Some aspects of performance of service providers have been reported already in appropriate sections of previous chapters. For example, we discussed aspects of communication within the CPPD in the previous chapter.

Project NetWork was designed to throw light on the impact of different models of case-management and service delivery, and to understand the reasons for any resulting differences in client outcomes. The three different kinds of organisations which implemented case-management produced similar results in terms of the numbers and type of clients recruited and brought to each step of the return to work process. There were sharper differences according to intensity of services, rather than organisational management. The Social Security Administration (SSA) Referral Manager Model achieved similar recruitment goals to the case-management models,



but clients received less assessment and less detailed goal planning, and fewer employment services were purchased (all of which was consistent with design).

Estimated impacts on clients' earnings across the four models and eight sites varied considerably, but were extremely difficult to interpret. Relative differences reflected not only effectiveness of programme, but also, for example, differences in populations served, availability of community resources, the local economy and staff skills. Programme impacts were largest in the Model 3 sites (Vocational Rehabilitation Outstation model) but the evaluators cautioned against drawing conclusions about relative effectiveness. They did suggest that the evidence of earnings impacts in follow-up years suggested that more intensive services (the case-management models) may be needed to produce a 'payoff' of increases in earnings for clients.

It proved hard to interpret client outcomes from the NDDP PAS evaluation in terms of differences in programme implementation, for reasons similar to those described above, and findings were not reported in this way.

The concept of 'outcome' has special significance for those service providers who must compete for long-term funding on the basis of projected or actual performance, namely the two Australian programmes. The outcomes of the two funding models in these programmes is discussed in the following chapter.

There will also be outcomes for agencies which provide contracted services to the rehabilitation service providers for example agencies providing training/education courses, or specialist services/facilities such as interpretation to the 'brokering' service provider. There is little comparative information available about the impact on providers or partners at this level of service provision.

The following chapter reviews the information available about costs of service provision.

### **Summary of findings**

From our review of the evidence of programme impact and outcomes for clients, general findings may be summarised thus:

- Different kinds of organisations and service models were able to recruit people receiving disability-related benefits for voluntary participation in vocational rehabilitation.
- There was evidence that potential participants fear loss of benefit and are interested in hearing that there are ways of preventing this during participation

in vocational rehabilitation. However, evidence from Project NetWork was that it was unlikely that the incentives available in that programme could have had much effect.

- The rate at which those recruited complete the agreed programme and subsequently moved into work varied and was hard to compare across programmes.
- What evidence there was suggested that programme impacts in terms of client moves into work or increase in earnings may be relatively modest, but only Project NetWork included full impact analysis.
- There was some evidence from one study of negative outcome for some clients, in terms of loss of disability pension and increase in poverty.
- There was some evidence that programme impact declines, especially in the absence of in-work support, but few of the evaluations looked at longer term effects of programmes and sustainability of work.
- Programme participants report both positive and negative effects of programme participation on their general health and well-being. Increased self-esteem is one impact frequently reported. However, in the only study which included a controlled impact analysis on health and well-being, statistically significant effects were not found on a number of measures of health and well-being.
- There is an overall gap in knowledge about employers' experiences, and outcomes for them of vocational rehabilitation programmes for disabled people.
- Conclusive evidence on the relative impacts of different models of case-management and service delivery is very difficult to achieve.

None of the evaluations reported here compared outcomes for populations who received vocational rehabilitation services with outcomes for a matched group who did not. In Project NetWork, the only controlled evaluation, some of the control group received alternative services. The NDDP PAS evaluation compared outcomes for participants with those for non-participants who had been invited to take part, but the characteristics of the two groups differed. A Swedish study used a matched pairs methodology to examine the impacts of rehabilitation for recipients of sickness and disability benefits (Fröhlich, *et al.*, 2000). The study was based on a sample of 6287 persons in Western Sweden who were long-term sick and qualified for participation

in rehabilitation programmes, observed from 1991 to 1994. It compared several types of rehabilitation intervention (educational, medical, social and workplace rehabilitation), intervention in the shape of assessment of health status and work capacity, and no rehabilitation. It found that many rehabilitation measures decreased chances of re-employment and reintegration into the labour force compared with no rehabilitation.

There appear to be few studies of vocational rehabilitation which examine longer-term impacts and relate them to service inputs. A 1993 US General Accounting Office (GAO) review of the US state and federal vocational rehabilitation programmes suggested that short-term gains often do not appear to endure (cited in Burt Perrin Associates, 1999).



## CHAPTER SEVEN: FUNDING AND COSTS

The New Deal for Disabled People Personal Adviser Service (NDDP PAS) evaluation did not include any kind of cost analysis. The amount of information available about costs and savings attributed to the other interventions studied is variable, and does not fit easily under general sub-headings which bring together material from all programmes. We have chosen, therefore, a different way of organising the material in this chapter, looking at each programme in turn, and drawing out the main relevant findings. First, we present the minimal information available about the costs of *Arbeitsassistentz*, and some projections about costs and savings from the Canadian National Vocational Rehabilitation Programme (NVRP). The Project NetWork evaluation included a full cost/benefit analysis, and a summary of the main findings is presented in the third section of the chapter. Some information on the outcome-related funding models in the two Australian programmes reviewed has been presented in earlier chapters, but in this chapter we review their rationales and bring together some of the emerging findings about the suitability of the models in providing resources to reflect the amount and timing of costs incurred by service providers. A currency exchange table is appended.

### ***Arbeitsassistentz***

The real costs of *Arbeitsassistentz* were reported to have grown steadily from 200,000 Euro in 1995 to 5,552,556 Euro in 1999, but to have kept below the budgets allocated. Further analysis of costs was undertaken in the study reviewed here, but findings were not included in the report written in English.

### **National Vocational Rehabilitation Project**

The NVRP also operated within budgetary targets, partly because of lower enrolment than anticipated. Over the three-year operating period, project data indicated that the expenditure breakdown was as follows:

- 65% on rehabilitation costs
- 35% on staffing the Rehabilitation Unit
- 5% overheads.

By dividing the total staff and management costs by the number of clients served by the end of the project period, the evaluators construed management costs per client (acknowledging a slight underestimate because some clients were still in progress and would impose further costs). Then, adding rehabilitation costs per client, the evaluators estimated total average cost for each client categorised as having left the programme as \$5,757. Adding in the costs incurred for those not accepted on to the programme and the administration, average programme costs for each client whose benefits were terminated were estimated at around \$14,000. On the basis that this amount was less than twice the amount of the average Canada Pension Plan (CPP)

pension received by NVRP clients, it was suggested that costs per rehabilitated client might be recovered within two years of successful rehabilitation. The evaluation report concluded that establishment of a rehabilitation component within Canada Pension Plan Disability (CPPD) was likely to lead to 'noteworthy cost savings'. However, the authors recommend care in interpretation of their projected costs savings, pointing out that it was hard to estimate potential cost-savings without more information about the long-term impact of the programme.

One objective within NVRP had been to increase cost-sharing agreements and complementarity with other disability insurers or rehabilitation service providers. This was not achieved - only a handful of cost-sharing agreements were concluded. Contributory factors included differences in goals between services, issues of client confidentiality and information sharing, and desire among providers to retain a certain degree of control over the rehabilitation process. Trying to resolve these issues could be time-consuming and frustrating, and both NVRP staff and clients wished to avoid the delays that could arise pending an agreement between co-insurers.

### **Project Network**

Important objectives of the Project Network evaluation included finding out:

- whether people who received services were financially better off as a result
- how the programme costs compared with any reductions in Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) expenditure
- the overall financial impact of the programme, taking into account other state expenses and tax payments, and
- the overall costs and benefits to society.

To do this, the evaluators estimated the programme's net effects and net use of resources. Net effects were derived from impact estimates as described in previous chapters, comparing treatment and control groups and using survey data and other sources. Net resource use was estimated using programme expenditure and participation data for the treatment group, and use of non-NetWork resources for both treatment and control groups, using survey data and putting financial values to services used.

Average project expenditure per treatment group member was \$3,660. Around 66 per cent of project expenditure was spent on site operations, such as case-management and services provided directly by project staff. Six per cent was spent on central administration, and around 29 per cent on purchased services including assessment and employment services for clients. The average cost of non-NetWork services was estimated to be \$326 per treatment group member, much lower than the average cost per control group member of \$1,779. Both the direct and non-

NetWork expenditures varied considerably across the eight demonstration sites. The net cost per treatment member was highest in a Model 3 site (Vocational Rehabilitation Outstationing Model) and lowest in the two Model 4 sites (Referral Management Model).

Estimated impacts on treatment group members' earnings and disability benefits have been discussed in previous chapters. The cost/benefit analysis also included fringe benefits such as pension contributions, and employer-based health and life insurance. The small increases in earnings as a result of the project's impact meant that there was a small increase in federal and state income taxes and social security taxes, and expenditures on other transfer programmes such as Food Stamps and Medicaid. For the final analysis, the evaluators made assumptions about more long-term impacts on earnings and benefits by assuming that these impacts declined linearly to zero at the end of the fifth year after random assignment.

Conclusions from this cost-effectiveness analysis were as follows. The project produced modest economic gains for disabled people, with gains in earnings and fringe benefits more than offsetting any losses in disability benefits and tax. There was a net loss for taxpayers, in that savings in disability benefit payments, reduced service costs in other programmes and increase in tax take were not enough to offset the net cost of the project. There was, however, a net gain for state and local governments due to the displacement of their vocational rehabilitation services by the demonstration services. Overall, the programme resulted in transfer of resources to disabled people from taxpayers, and from the Federal government to state and local governments. The estimated net present value of the programme is negative, taking into account all benefits and costs, but the net loss is a little less if projections are made to five years beyond random assignment. In cost-effectiveness terms, the programme can be justified only if taxpayers put a high premium on enabling disabled people to become more self-sufficient. In their overall discussion, the evaluators suggest caution in designing expensive case-management services like Project NetWork. The costs of the evaluation itself were not presented.

The programmes discussed thus far in this chapter were funded on the basis of payments mainly for inputs and processes. The two Australian programmes were outcome-based funding models. As explained in earlier chapters, the funding models were designed to promote effectiveness and efficiency, viable services in a competitive market and hence choice and quality for clients. We go on to present additional material about these models, and how well they worked in practice.

### **Intensive Assistance**

As discussed before, findings from the Intensive Assistance evaluation were not reported in ways that identified disabled people as a sub-group, but general findings

about the financial incentives created by the fee structure are of interest. To recap on the fee structure:

- Two thirds of funding was for outcome payments: an interim payment after 13 weeks in employment; and a final payment after 26 weeks. Payment was at two levels, depending on whether the individual earned enough to leave benefit altogether or an amount which reduced benefit entitlement. The aim was to promote effectiveness and efficiency, by giving providers an incentive to secure employment outcomes but minimise costs per outcome. Providers had to invest resources to secure outcomes, giving them a financial stake in cost-effectiveness.
- In addition, there was an up-front payment for each new job seeker taken on. This feature was designed to ensure cash flow for the service provider, so that the pursuit of outcomes was not hindered by lack of sufficient available resources.
- Payment level was determined by the level of disadvantage. Both the outcome payments and the up-front payments were made at one of three levels, with higher amounts paid for more disadvantaged people. This feature was designed to ensure access to job seekers at all levels of disadvantage and reduce the risk that providers would focus activity on those easier and less expensive to place in employment.

It was too early in the evaluation to assess how well these financial incentives were working, but there was some evidence to suggest that some providers were focussing more on containing costs than pursuing outcome payments. Some clients apparently received rather little in the way of services after referral. Further analysis was required to assess the impact of the funding structure on cost effectiveness. The up-front fees were designed to reduce the risk of provider loss, if they accepted referrals for whom assistance proved not cost effective enough to increase profitability. The evidence available from the early evaluation suggested that, with a steady stream of referrals, providers did not always need to pursue outcomes to maintain viability.

Changes in the funding structure made in the second tender round to address these issues were:

- price competition, rather than fixed-price tendering
- a 'declaration of intent' as part of the service providers' contract, to place stronger obligations to deliver assistance proposed in tenders
- individual support plans to be completed for job seekers still in the programme after 13 weeks



- a system for recording all job seeker contacts with provider
- a revised fee structure, allowing for competitive tendering with a floor price, assigning 70 per cent of the competitive fee to the interim outcome payment, and fixing the final outcome payments.

### **Case Based Funding Trial**

To summarise, the funding regime for the Case Based Funding Trial (CBFT) was:

- an up-front payment of 75 per cent of funding level paid monthly for 12 months, subject to agreement of an Employment Assistance Plan by eight weeks
- a one-off outcome payment of 25 per cent of funding level, on achievement of work of at least eight hours week for 26 weeks
- a maintenance payment of 70 per cent of funding level paid monthly after 12 months if outcome achieved, up to 18 months.

The model aimed to provide incentives to providers to secure outcomes and achieve cost effectiveness; to ensure cash flow for providers; to ensure access by making more money available for the most disadvantaged people; and to use time limits to ensure through-put and sharpen focus. This model recognised the need for flexibility for some particularly disadvantaged people, and allowed suspensions of up to six months, for example if people needed some time out for medical treatment, and extensions of six months if a job seeker had achieved 20 to 25 weeks employment by the time limit. The maintenance payment element was also designed to cover the efforts required if the job seeker lost a job and needed help to regain employment.

A cost attribution study was designed as part of the second stage of the CBFT evaluation, to establish the total costs of achieving employment outcomes for job seekers. The costs of provision were to be compared with the levels of payment and funding bands.

Some information was already emerging on by the end of Phase 1 of the evaluation, from consultations with service providers. The majority of service providers responding to a questionnaire believed that some types of job seekers were disadvantaged by the model. Examples of those most frequently mentioned included people requiring intensive on the job support, and people needing extensive job training and/or maintenance. Some providers were concerned that 26 weeks in employment was an unreasonable duration for measured outcome, and hard to achieve for people with certain kinds of condition such as psychiatric illness, which made employment hard to sustain. Broader definitions of outcome were suggested for some people with psychiatric illness, to provide recognitions of lower level milestones such as having an interview.

Service providers expressed generally negative views about the suitability of the Job Seekers Classification Instrument (JSCI) score to classify job seekers into appropriate funding bands. Doubts were expressed about the appropriateness of Centrelink conducting the JSCI assessment. Service providers expressed a need for separate assessment and funding to be determined for ongoing in-work (maintenance) support.

Nearly all providers who gave an opinion about the CBFT model as a method for funding employment services said that some modification was required. They variously reported:

- increased costs due to increased administration
- inadequate up-front funding and lack of flexibility for job seekers who needed extended pre-employment support. Providers of supported employment reported a need for less commencement and more maintenance payment.
- difficulties planning staffing levels because of variable funding and, in some cases, major difficulties recruiting and training staff
- inadequate coverage under the case-based funding of the costs of re-placing a job seeker who lost a job
- problems ensuing from having to pay wage subsidies out of the case-based funding, thought by some to reduce the amount available for subsidy and so disadvantage people with multiple barriers to employment.

Some felt that the funding would be inadequate without existing block funding to cover overheads and administration. Service providers who had accepted large numbers of case-based funded job seekers reported fewer administrative problems and appeared to have fewer concerns about managing cash flow. Some providers believed that the case-based funding represented increased commercial risk, and there were mixed views on the acceptability of this.

Phase 2 of the CBFT addressed a number of these concerns. A new funding classification process was developed, the Disability Pre-employment Instrument (DPI), including assessment of support requirements, with a secondary assessment at achievement of an outcome, the Disability Maintenance Instrument (DMI). One option for providers was receiving an Independent Worker payment of \$500 for job seekers not expected to need in-work support for more than three months. A start-up payment of \$1,000 would be made when the job seeker is accepted, to cover the two month period of assessment and processing the DPI.

### **Summary of findings**

- Funding for the programmes reviewed was of two broad types: budget allocations for inputs and processes; and fixed-price outcome-related funding with up-front payments. In the former block funding approach, there were no

financial incentives to achieve outcomes, except that in Project NetWork managers in the Referral Model sites were encouraged to refer clients, wherever possible, to services that would not incur programme costs. Outcome-related funding, on the other hand, was generally intended to increase service effectiveness as well as efficiency. Interim findings from Australia suggest that it is difficult to achieve the right balance between up-front and outcome payments and to pitch the level of funding to achieve objectives.

- Funding levels linked to level of support needs appears necessary in outcome-funding models where some participants need intensive and ongoing support.
- In an outcome-funding approach, systems for monitoring provider activity need to be in place to ensure that participants receive the services they need. In addition, care is needed so that providers cannot maintain economic viability solely by accepting clients with up-front payments.
- The dual case-management model in the NVRP incurred high staffing costs, and these costs may also be related to the screening processes undertaken by staff.
- Cost savings are hard to predict accurately without information about the longer-term impacts of programmes being evaluated. Clearly, this is difficult to achieve when the purpose is to pilot a programme.
- There are likely to be non-programme costs attached to the implementation of vocational rehabilitation programmes, such as costs to agencies and organisations within the community as a result of programme activity. These should be considered in overall cost analysis.
- Cost/benefit analysis of Project NetWork showed moderate economic gains for disabled people but a net loss for tax payers. Decisions on whether to subsidise programmes from the public purse need to weigh in the balance the impacts they are likely to achieve.
- Costs of the evaluation itself, in terms of research expenditure, are rarely presented. This information could be useful in determining future evaluation strategies.

The results from Project NetWork's full cost/benefit analysis put in perspective the frequent claim in the wider literature that vocational rehabilitation is cost effective (Burt Perrins Associates, 1999).



## CHAPTER EIGHT: SUBSEQUENT POLICY DEVELOPMENTS

Before drawing together the lessons from the six programme evaluations and considering their implications for the development of return to work services for disabled people, it is useful to review the directions policy has taken in the study countries since the programmes were established.

### UK

The New Deal for Disabled People Personal Adviser Service (NDDP PAS) tried two models of service delivery. In the first model, the public Employment Service was funded to deliver the programme. In the second model, independent sector organisations took the lead in partnership with other independent sector organisations, public authorities and the Employment Service. The evaluation did not report on the relative effectiveness of the two models. In both models block funding was provided. The evaluation reports commented on some effects which might be attributed to the funding regime, notably the initial tendency for Personal Advisers to spend time on clients who needed intensive or prolonged pre-employment support. The reports noted more selectivity once it was impressed upon pilot staff that they had notional targets to work towards. A further important finding was that the incentives to provide in-work support were weak, as staff focussed on through-put of new entrants to the pilots. In addition, it was found that participants often found jobs themselves, although it was acknowledged that pre-employment assistance could prepare them to do so.

During the NDDP PAS pilot period, a 'single work-focussed gateway' was piloted and subsequently extended. New claimants of social security benefits, including incapacity benefits, are required to discuss work possibilities with an adviser when applying for a benefit.

Before the final report of the NDDP PAS was delivered the Government announced its plans for a new national 'Job Broker' network of independent and public sector organisations, to begin in July 2001 and run until March 2004. Potential brokers bidding to provide a service specified the geographical area or areas they proposed to serve. Key differences from the NDDP PAS are:

- inclusion of all recipients of incapacity-related benefits, including new recipients who may be informed about the service at the 'gateway'
- fixed price outcome-related funding, with payments for job entry and sustained employment (for six in the nine months after job entry) as well as a nominal up-front payment
- an emphasis on broking jobs, although Job Brokers are free to choose approaches to preparing disabled people for employment and helping them to find and retain jobs.

The NDDP PAS evaluation had been unable to assess the impact of the service through a comparison group survey because of funding limitations (Walker, 2000). The net impact of the Job Broker services is to be measured using a randomised allocation of clients to treatment and control groups.

The new Job Broker services were not designed for people at risk of losing their job after the onset of ill-health or impairment. The NDDP PAS evaluation had identified some difficulties in combining job retention and services for incapacity benefit recipients within a single service. It found that different skills were required of staff and that job retention took a low priority when the main policy emphasis was on returning incapacity benefit recipients to work. Instead, Job Retention and Rehabilitation pilot projects were to be established, contracted through competitive tendering. The net impact is to be measured using random assignment. The planning for service delivery and the evaluation of the Job Retention and Rehabilitation pilots were to be linked, with evaluators and providers working together on initial feasibility and implementation phases.

## **USA**

Project NetWork tested models of delivery, with a strong emphasis on case-management. The programme itself ran from 1992 to 1995. During this period, some changes were introduced:

- making it possible to use private and public non-state vocational rehabilitation (VR) providers when a state VR agency declines to provide services to individuals referred to it - introduced in 1994. However, their participation was limited, most likely due to the statutory provision that allows for reimbursement only after successful rehabilitation, and in 1999 only 400 alternative contractors had signed contracts (Sim, 1999)
- enquiring whether a beneficiary wants VR services as part of a new process for determining continued eligibility of Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) beneficiaries, implemented nationally in 1993
- Project ABLE - a new demonstration project launched in 1994 using an automated system to link job-ready SSDI and SSI beneficiaries with employers who have job vacancies
- Project RSVP - initiated to enable an outside contractor to manage the Social Security Administration (SSA) referral and reimbursement system.

No case-management model was rolled out from Project NetWork. Rather, policy for disability benefit recipients moved in the direction of stimulating rehabilitation provision through consumer choice and making providers bear the financial risks, taking forward ideas discussed during the Project NetWork period. The SSA is also planning an early intervention demonstration project.

### *The 'ticket to work'*

Policy moved to expand the range of rehabilitation provision through encouraging competition and innovation among VR private and public sector providers, paying for results that reduce benefits expenditures and doing so in a way that is administratively efficient. Known as the 'ticket to work', a voucher permits consumer choice and influence in the market. Compensation to providers is a percentage of the benefit level that the person would have received if they had not gained employment and financial independence. Ideas for legislation were discussed among academics, policy makers and law makers from the early 1990s. A 'ticket to work' programme was enacted in 1999 and is to be phased in from 2001. It will be evaluated. The provision requiring referral of specified disabled individuals under SSDI and SSI programmes to state VR agencies was repealed. The new ticket is an entitlement to everyone who meets the eligibility criteria. People whose impairments are expected to improve and have not had a continuing disability review are excluded.

The programme allows SSDI and SSI beneficiaries to assign the ticket to an 'employment network' of their choice. An individual work plan must be developed and implemented by the provider in partnership with the beneficiary. In line with the outcome-related funding system there are few regulations on the kinds of services that can be provided. The ticket can be used by the individual to secure the supports needed to remain working for up to five years provided that he or she stays employed and off SSA cash benefits. No continuing disability review can be initiated while an individual is using the ticket.

The original idea promoted by experts (Berkowitz, 1996; Mashaw and Reno, 1996) was for employment networks to receive their compensation only after enabling the individual to leave the benefit register and sustain gainful employment. Under the draft regulations under the Act (see Silverstein, 2001) employment networks can elect either the outcome or the outcome milestone system of payment. Under the outcome payment system, SSA pays up to a maximum of 60 monthly payments to the employment network for each month for which SSDI or SSI benefits are not payable to the individual because of work or earnings. Payment is equal to 40 per cent of the preceding calendar year's national average disability benefit. The outcome-milestone payment alternative system includes two payments after the beneficiary has started work: after three months and after seven months, provided that a set earnings threshold is achieved. The later outcome payments, up to 60 months, are then lower than those in the outcome payment system.

### *State Partnership Initiative Projects*

A second US development of some interest is the move by the SSA in 1998 to fund and evaluate 12 state demonstration projects to develop integrated service delivery systems for SSDI and SSI beneficiaries to increase income from employment.

Disabled recipients of Temporary Assistance for Needy Families (TANF) are eligible if additional funds are available from other federal bodies. The State Partnership Initiative Projects (SPIP) were awarded in the context of a patchwork of uncoordinated services.

It was anticipated that projects would:

- ensure a comprehensive service package of supports which coordinates such elements as vocational planning and support; employer and employee coaching; financial planning; risk management; health including mental health coverage and
- long-term care; job search; job development; job placement; training and on-going job support; transport; and housing
- provide easy access, seamless connections between providers and employers, and a smooth transition to competitive employment
- provide information about work incentives and assist participants in using them.

According to the project summaries, several projects target people with mental illness. Innovative ideas include field testing employment vouchers to provide consumer choice; vouchers for on-going in-work support; consumer navigators to assist people with disabilities to use the various systems; and peer counsellors. There is strong emphasis on self-determination rather than on case-management.

#### *America's Workforce Network*

The SPIP's emphasis on co-ordination is echoed on a national scale by the Workforce Investment Act (WIA), effective from July 2000. The WIA introduced 'one-stop delivery', integrating multiple federally-sponsored employment and training services into a single system known as 'America's Workforce Network'. The 12 mandated partners, and others who chose to join, may deliver their services through co-location but the ideal is a single management structure; ideally, users need not apply for each partner's services separately. The WIA introduced universal access to core services, such as guidance, initial assessment, job search and placement assistance. Intensive services are for those who do not become successfully employed as a result of core services and can include case-management. Training services are provided as a last resort. Among the mandated partners only VR funds services specifically for disabled people. SSA is not a partner.

Some concerns were expressed that disabled people might miss out in a generic programme if more intensive levels of assistance, resources and specific expertise were lacking (Hoff, 2000). Recognising that many one-stop delivery systems might not have the capacity to provide comprehensive services for people with disabilities,



in late 2000 the Department of Labour awarded \$20 million in competitive grants to provide seed money to 22 projects. Consortia or partnerships of public and non-profit organisations were to work closely with the delivery systems. They aimed at developing and implementing strategies for seamless service delivery as well as providing innovative direct services.

#### *Welfare to Work programmes*

A fourth development is the increasing participation of people with health problems and impairments in state welfare to work programmes following the welfare reforms introduced by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (Thompson *et al.*, 1998). Prior to welfare reform, disabled recipients of cash assistance were generally exempt from participating in welfare to work programmes and cash assistance was available for unlimited periods. Now recipients of the new block grant Temporary Assistance for Needy Families (TANF) have to work within two years of receiving benefit and are barred from receiving aid after five years. Up to 20 per cent of the caseload may be exempted from the five year limit. States have achieved targets for the proportion of the caseload in work or face financial penalties. As welfare rolls have fallen states have begun to identify disabled people among TANF beneficiaries and implement case-management programmes for transition from welfare to work (Holcomb and Thompson, 2000).

The Department of Labor's Welfare to Work Grants programme supplements federal funds under TANF to promote job opportunities and employment preparation for the hardest to employ TANF recipients. An evaluation report found some innovative programmes for groups not typically served in the past, including people with disabilities (Nightingale, 2001).

#### *Post-employment services*

Finally, we note that reforms imposing TANF time limits and work requirements have increased interest in strategies for helping welfare recipients who find jobs to stay employed. As mentioned in Chapter Five, the emphasis is on sustaining employment and advancing in the labour market, rather than staying in entry-level jobs. A number of post welfare reform state programmes and a ten year federal Employment Retention and Advancement project are being evaluated.

### **Canada**

The National Vocational Rehabilitation Project (NVRP) implementation period saw a number of policy shifts. Eligibility criteria for Canada Pension Plan Disability (CPPD) benefits became medically based and reassessment was introduced. A computerised 'rules-based' reassessment system, introduced in 1993, aimed to identify and prioritise clients most likely to have regained the capacity for work, for example by receiving information from income tax files. A third change was the introduction of work incentives in early 1996: volunteer work or enrolment in full-time

studies was no longer grounds for ceasing benefits; a three-month trial work period was introduced to allow work without the immediate fear of losing benefits; and a fast-track re-application process was instituted for those who had returned to work and then had a recurrence of their medical condition which prevented them working.

These changes happened in a context of activation measures in social programmes generally and increasingly heavy criticism from the disability community of the work disincentives in the CDDP programme in particular. In 1995, Canada Pension Plan (CPP) surveyed its disability beneficiaries and found that about 30 per cent felt they might be able to work in some capacity; of those, two thirds felt that they would require retraining. The formal evaluation of the NVRP, backed by the survey results, led to the decision to make the programme permanent, to expand the number of participants and to regionalise operations. The programme was fully operational by mid 1998

The target group is those clients whose doctors agree that they can cope with a work-related rehabilitation programme and who are motivated to return to work. It is not clear whether potential participants are targeted by CPP. CPP web-site information refers to encouraging co-insurers, social services workers, doctors, officials at all levels of government and employers to discuss the programme with clients of theirs who receive CPP disability benefits and to refer them to the toll-free number.

As in the pilot, the programme operates on a case-management model with services provided by private sector vocational rehabilitation specialists. The new programme centres on the return to work plan. A rehabilitation specialist works with the client and the CPP rehabilitation case manager to develop the plan. The participant, their doctor, the CPP case manager and the vocational rehabilitation specialist must all sign this plan which then becomes the participant's contract with the CPP. After participants complete their work-related rehabilitation, the rehabilitation specialist will help them to find work. Benefit continues during the job search period. If the person finds a job, the CPP disability benefit continues for the first three months after work begins (an incentive introduced to CPPD in 1997). But, as in the pilot, if they do not find a job the benefit stops at the end of the job search period.

The programme emphasises collaborative working with co-insurers; new legislation was to allow increased information sharing with the other federal departments, provincial governments, private insurers and others (Drummond, 1998). This was expected to make it easier for CPP to invest jointly with other partners in rehabilitation and return to work measures and also to undertake concurrent assessments. In a pilot of this joint strategic approach in British Columbia, qualitative data suggest that the work incentives are ineffective, even with steps to enhance awareness of them, and that the majority of CPP participants referred to the

programme declined to take part primarily because they feared losing their CPP benefits before they could build up their work experience and earnings (Drummond, 1998). According to Drummond this would suggest that three months of benefits is not enough of an incentive, particularly when ancillary supports and services provided provincially may also be lost.

Drummond (1998) comments on the difficulty of managing a programme with apparently conflicting aims, especially with a newly decentralised administration. Programme administrators found it hard to accept the concept that someone termed severely disabled to the point of never being able to work again was now being helped back to work and paid the benefit during a period of retraining, job search and a work trial.

Also of interest in Canada are provincial programmes funded through a federal/provincial cost-sharing arrangement. An example is the employment supports programme within the Ontario Disability Support Program for people who are not eligible for support from other public programmes. Of interest is the emphasis on self direction. Individuals are responsible for preparing their own employment plans, although a distinction is made between 'self-directed' clients and those who require assistance with employment planning. The application pack includes an employment planning guide. The first meeting with a local Employment Supports Specialist firms up the plan: it identifies the employment goal, outlines the disability-related barriers the individual faces and lists the goods and services the individual needs to overcome those barriers and become employed. Once the plan is approved, the individual enters into a funding agreement with a service co-ordinator for the purchase of the required goods and services. The individual has a choice of purchasing them directly or having the co-ordinator purchase them on their behalf.

### **Australia**

In Australia, Intensive Assistance is a component of an ongoing mainstream service, although the Job Network itself was regarded by commentators as an experiment in the delivery of employment services (Dockery, 1999). The Intensive Assistance purchaser/ provider contracting model gave the government some flexibility to adjust the terms to achieve objectives. As reported in Chapter Seven, changes were made to the funding model for the second round of contracting.

The Case Based Funding Trial (CBFT) was conducted within existing Employment Assistance Services. Phase 1 of the trial was followed by Phase 2 which considerably extended the number of participating providers in Australia. As reported in Chapter Seven, problematic features of Phase 1 identified in the research evaluations were addressed in Phase 2. As a result, the Phase 2 trial tested new instruments and funding mechanisms.

The Australian government is taking forward further welfare reforms in response to the McLure Report (Final Report of the Reference Group on Welfare Reform) with more individualised service delivery, a simpler income support structure, incentives and financial assistance, mutual obligations and social partnerships. Key themes in the government's published response were 'preventative strategies' to reduce the need to call on income support in the first place; early intervention, such as help for disabled people to stay in employment; active assistance to move off income support; and engaging businesses to provide opportunities for people who are overlooked and have under-utilised skills, such as people with disabilities. In the longer-term the government will move towards basing eligibility criteria for DSP more strongly around work capacity than medical impairment. The Australians Working Together package, announced in June 2001, provides extra funding for Employment Assistance Services for disabled people. The package provides new incentives for people to take up full-time, part-time or irregular casual jobs by allowing them to keep more of their income support payments when they start work. From July 2002 new requirements will apply to working-age people receiving income support payments.

### **Summary**

We should be cautious in drawing out common strands from countries with different systems and at different stages of development but we suggest, tentatively, that policy seems to be moving in the following directions:

- towards outcome-related funding and away from block-funding for vocational rehabilitation services
- towards consumer choice and self direction, with assistance to navigate the system, and away from 'case-managed' approaches
- towards sustainable employment outcomes and post-employment support.

We may also note, in the US context, an increasing interest in providing employment services for social assistance beneficiaries with health problems and impairments and an acknowledgement that generic services need to be better tailored to the needs of disabled people.

## **CHAPTER NINE: DISCUSSION**

To inform policy development we conclude by discussing key questions that have emerged from the review.

### **What is the scope of the research literature?**

Our search of the research literature found only six English language reports which met our policy-related and research criteria. While we restricted the main search to countries which we knew might have relevant research, we followed up references in reviews and made extensive enquiries of colleagues world-wide. Thus, we have no reason to suspect that we missed significant English language research literature from other countries. We are aware, however, that potentially relevant research reports are available in other languages.

We were not surprised to find only three evaluations of programmes specifically for recipients of incapacity benefits which met the research criteria. We were surprised, however, by finding that evaluations of programmes for job seekers and welfare benefit recipients do not report specifically on the impacts on participants with health problems and impairments. As eligibility for incapacity benefits tightens, disabled people increasingly are participating in mainstream return to work programmes. Although they are often identified as having a disabled status in such programmes, research analysis seldom treats them as a sub-group. Future research on labour market programmes might be designed so that, where it is helpful, findings about people with health problems and impairments might be distinguished from other participants. This would increase understanding of the programme elements of benefit.

### **What has been learned about programme evaluation?**

Reviewing a number of different evaluations has provided an opportunity to consider what has been learned about different methodologies and approaches. Knowing something about the relative expense of the studies would have been useful.

A multi-method approach seems essential for attempting to capture the range of data necessary for full evaluation. The randomised controlled trial provides the most robust evidence of a programme's impact, but where this approach is not adopted, quasi-experimental methods using carefully selected comparison groups can generate valuable information about outcomes. Process information, explaining the details of programme implementation, can be essential in understanding important aspects such as recruitment and selection of participants, and what happens to them once accepted on to the programme. It is also important to understand the practicalities of implementation, for example the constraints on staff who put the programme into operation. Qualitative research with participants and staff can add to understanding of how overall impacts are achieved.

Results suggested that there is a danger of relying too much on early findings from a new programme: early entrants may be highly motivated, and interested in an apparently new opportunity. Staff recruited to a new programme or new duties may be particularly enthusiastic, and not yet burdened by growing case-loads or disappointing outcomes of the service. On the other hand, staff who are given additional duties or responsibilities, such as administering new screens within their normal day-to-day work, may take time to understand fully the significance of the new process, or give it priority. New projects take time to 'bed down' to the point at which findings about what is happening will be valuable in informing policy development.

Findings emphasise the importance of longitudinal elements and follow-up of clients for a proper understanding of the longer term impact of taking part in rehabilitation. In economic terms, the value of expensive vocational rehabilitation services depends on whether people have been helped towards employment outcomes that are sustainable. In terms of evaluation, this is likely to mean tracking clients into at least the second or third year after initial enquiry into their circumstances, whether they were originally surveyed as participants or people who did not use the service.

In terms of data sources, there is evidence of the value of using administrative data of various kinds, including social security and employment records of individuals, and project management data. Issues of client confidentiality arise. In addition, aspects of information technology and transfer, and quality of data (especially at project level) will determine what use researchers can make of data which has already been collected. It will be useful to consider such issues at an early stage in programme design and implementation.

It was, perhaps, surprising that more data was not sought from employers in some of the evaluations. Employers are of key importance in determining programme outcomes.

### **Should interventions be targeted?**

Incapacity benefits recipients include many people for whom work is not an option because of ill-health, and programmes such as these reported here may be suitable for a small number only. The question arises of whether to extend an open invitation to everyone or to make a positive identification of those most likely to benefit. The UK Job Broker service providers are expected to accept all incapacity benefit recipients who approach them for assistance. The New Deal for Disabled People Personal Adviser Service (NDDP PAS) and Project NetWork extended an open invitation, and Project NetWork made extra efforts to attract good candidates and people for whom assistance was thought to be especially valuable. In the US programme, people were screened for suitability after they approached it. The

Canadian National Vocational Rehabilitation Programme (NVRP) screened the caseload before issuing invitations to participate to identify those most likely to complete the programme, and there was some further screening by providers.

There are arguments for both approaches. An invitation to all means equity of opportunity. Moreover, those who appear *least* likely to benefit can come forward. Identification of those most likely to benefit should mean more cost-effective service provision but only if conducted efficiently. The experience of the two North American programmes shows that screening is labour intensive and time consuming and, in the case of Project NetWork, led to delays in starts which could sap motivation. In both approaches there are difficulties in managing the process.

A related question is that of appropriate 'intervention points'. For example, should the service avoid targeting those who have received benefits or have been out of work for short periods, on the grounds that they are more likely to return to work without the intervention? In the new Job Broker services disabled people will be given information about the service when they first receive an incapacity benefit, while in the NDDP PAS only those with at least 28 weeks of incapacity were eligible. There is no evidence from the evaluations to answer this question, unfortunately. What can be said about intervention points is that it was less appropriate to target at the point of application for disability pension.

In the longer term, once a service is well known, well understood and accessible, questions of targeting and intervention points will become less relevant.

### **What are the incentives to participation and how can they be maintained?**

Increasing incentives to participate and reducing fears of negative consequences of taking part are likely to be important in any system. In the UK, USA and Canada there are particular disincentives attached to the structure of the disability benefit system, and we have reported on policy changes to reduce them. For example, in the new US Ticket to Work programme continuing benefit reviews will be suspended while the individual is using the ticket. Project NetWork introduced 'waivers' for both the treatment group and the control group and there are thus no experimental findings on the effects on participation of the removal of structural disincentives. It would be hard, however, to introduce new incentives experimentally because of problems of lack of understanding and ethical issues of withholding incentives in random assignment.

There is evidence that motivation is important. This may be fragile and easily reduced by perceived bureaucracy, delays in the service system, poor communication and services perceived as unsuitable. The personal relationship with the case manager is important. Participants welcomed support and encouragement but disappointments in the relationship could be discouraging and lead to negative

outcomes. There is little evidence from the evaluations of approaches which provide motivation through self-direction and user control over resources, though these are developments elsewhere.

### **What should the scope of a programme be?**

All the programmes studied (except the job retention elements in the Austrian and UK programmes) focussed mainly on the pre-employment period. The assumption was that participants would generally follow a sequence of preparatory activities to help them increase their job readiness, and then receive assistance in getting a job. The focus of programme support then faded, with some programmes offering low level in-work support during a period of disengagement, while others were not designed to continue into the post-placement period. There was evidence, however, of the importance of continuing in-work support if people were to stay in work, and growing recognition of the need for extension in the scope of the programme, for example to help in re-placing clients whose first job was not successful.

In-work support that did exist seemed to focus on maintaining the person in the job obtained in the short term, and there was almost no help to sustain employment and for career advancement. As sustainability of employment is an increasing policy concern, there is an argument for changing the nature of pre-employment support to include skills for advancement rather than for just getting a job.

### **What has been learned from experience of funding models?**

A good outcome-funding model should provide value for money and prevent waste, if there is a good match between payment levels and services required, adequate monitoring of provider activities and proper quality assessment. But the evidence from the review is that outcome funding does not always work in the way designed.

There is some evidence that weighting the balance of payments towards outcomes does not necessarily encourage through-put to employment if fixed price up-front payments are also available, and that programme participants may not get the services they require. Up-front payments can be necessary when participants need intensive or prolonged pre-employment support, however, and help to solve cash flow problems, among smaller providers especially.

Moves towards competitive price fixing will need careful monitoring.

Outcome funding for sustained employment is designed to promote in-work support. It was too early in say from the Australian experience whether that effect was achieved. It will be interesting to observe the findings from the new US Ticket to Work programme where providers may receive outcome payments for up to 60 months after the individual has left benefit for work.



### **What factors contribute to positive outcomes for clients?**

How far a person with impairment or health condition can be helped to move into, return to or stay in work may depend on individual characteristics and circumstances and the content and duration of the rehabilitation service provided. Factors outwith the person or programme will also have some effect, for example the infrastructure and wider support within the community, employers' attitudes and behaviour, and general economic and employment patterns.

In terms of characteristics of those people who moved into work after contact with the NDDP PAS, those factors identified as significant were having spent shorter periods on incapacity benefits, being a lone parent and not having studied or done voluntary work while on benefits. In Project NetWork, impact on earnings was largest for people receiving disability pension compared with those receiving social assistance, and impacts on treatment group members aged 31 to 45 years were statistically significant. Apart from this there were few strong indicators of the 'kind of person' for whom the service worked best.

In terms of the rehabilitation programme itself, there was little strong evidence from the six programmes reviewed about links between service process or content and effective outcomes for clients. Evidence from the wider research literature suggests that the more successful programmes tend to take a holistic and individualised approach, incorporating basic skills and supports, formal training and one-to-one support alongside some practical assistance, for example with transport or child care. There was limited evidence, however, of the effectiveness of different case-management approaches. There is also some evidence that supported employment may be more effective than traditional vocational counselling and job clubs for people with severe mental illness.

Looking at specific pre-employment activities, there is evidence from the wider literature that assistance with job search was effective in increasing placement rates, and placement planning was related to improved placement outcomes.

Among external factors that may be important, and where further research is necessary, is the transport available to people who would like to work. Access to private transport and lack of transport problems were significant indicators of the likelihood of taking part in the NDDP PAS and Project NetWork

### **What has been learned about cost effectiveness?**

The full cost/benefit analysis conducted on Project NetWork produced disappointing results on the cost-effectiveness of the programme. It has generally been assumed that vocational rehabilitation brings savings to the tax payer through reductions in benefits expenditure and increased contributions to the exchequer from earnings. It may be, however, that a programme with a different balance of expenditures and

possibly improved recruitment and selection procedures would produce different results in terms of cost effectiveness.

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## Appendix A

### Currency exchange table

	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>Pound Sterling</b>	1.00	1.00	1.00	1.00	1.00
<b>US Dollar</b>	1.55	1.64	1.63	1.60	1.50
<b>Canadian Dollar</b>	2.13	2.26	2.38	2.38	2.25
<b>Australian Dollar</b>	1.95	2.16	2.64	2.49	2.62

Note: prices as at 1 June, based on daily US dollar rates