

Comparison of Program Incentives for Personal Wellness

- **Federal Disability (SSI SSDI)**

- **Welfare post – 1996 (TANF)**

Comparison of Program Incentives for Personal Wellness

Disability

- Funds 100% federal no cap
- Benefits and admin are separate

TANF

- Funding fixed state block
- Benefits and admin unified
- Savings from reduced benefits increase funds for work support and prevention

Comparison of Program Incentives for Personal Wellness

Disability

- Process driven

TANF

- Outcome driven

Four purposes of TANF:

- Promote job preparation, work and marriage to reduce dependency
- 3 others

Comparison of Program Incentives for Personal Wellness

Disability

- No prevention

TANF

- Focus on prevention.

Example:

Applicant job search and

“Work First”

Comparison of Program Incentives for Personal Wellness

Disability

- Focus on calculating limitations to employment.

TANF

- Focus on overcoming or accommodating limitations
 - Simultaneous work activity is part of the health solution
 - Concurrent not sequential.

Comparison of Program Incentives for Personal Wellness



Disability

- Culture neutral - -

Applicant is the autonomous decision maker.

TANF

- Culture normative - -

Work is shared decision.

Society has interest in family self-reliance.

Comparison of Program Incentives for Personal Wellness

Disability

- Private profit incentive can create moral hazard (lawyers)

TANF

- Private profit incentive:

Increasingly Pay for Results

Comparison of Program Incentives for Personal Wellness

Disability

- The Reach for Safety and Security
 - Lifetime guarantee
 - Income unchanged over time

TANF

- The Reach for Safety and Security
 - Basket of:
 - ✦ Wages
 - ✦ EITC
 - ✦ Child Care
 - ✦ Food Stamps, etc.
 - Income changeable over time

Comparison of Program Incentives for Personal Wellness

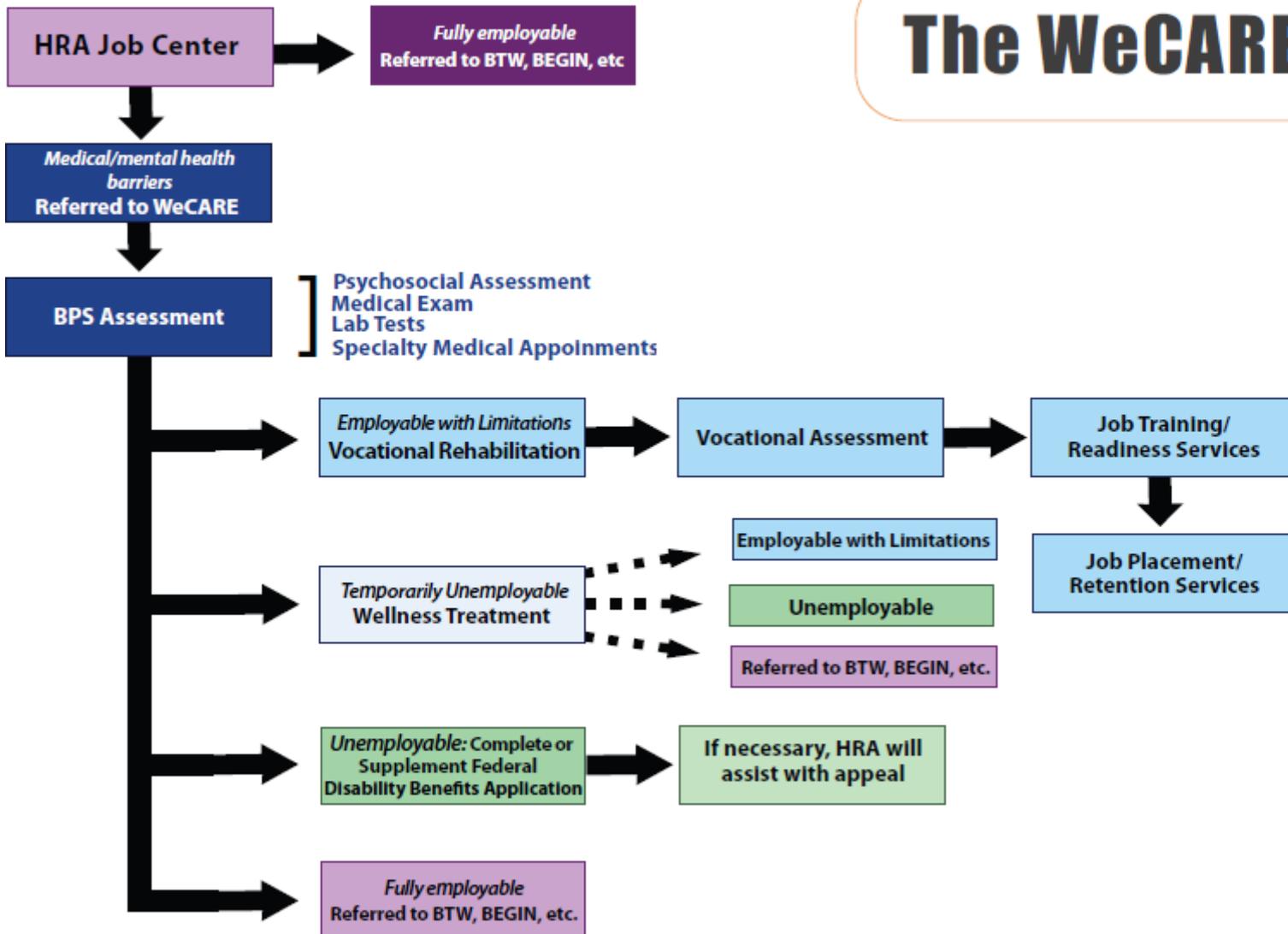
Disability

- Uncoordinated interactions among physicians, employers, state

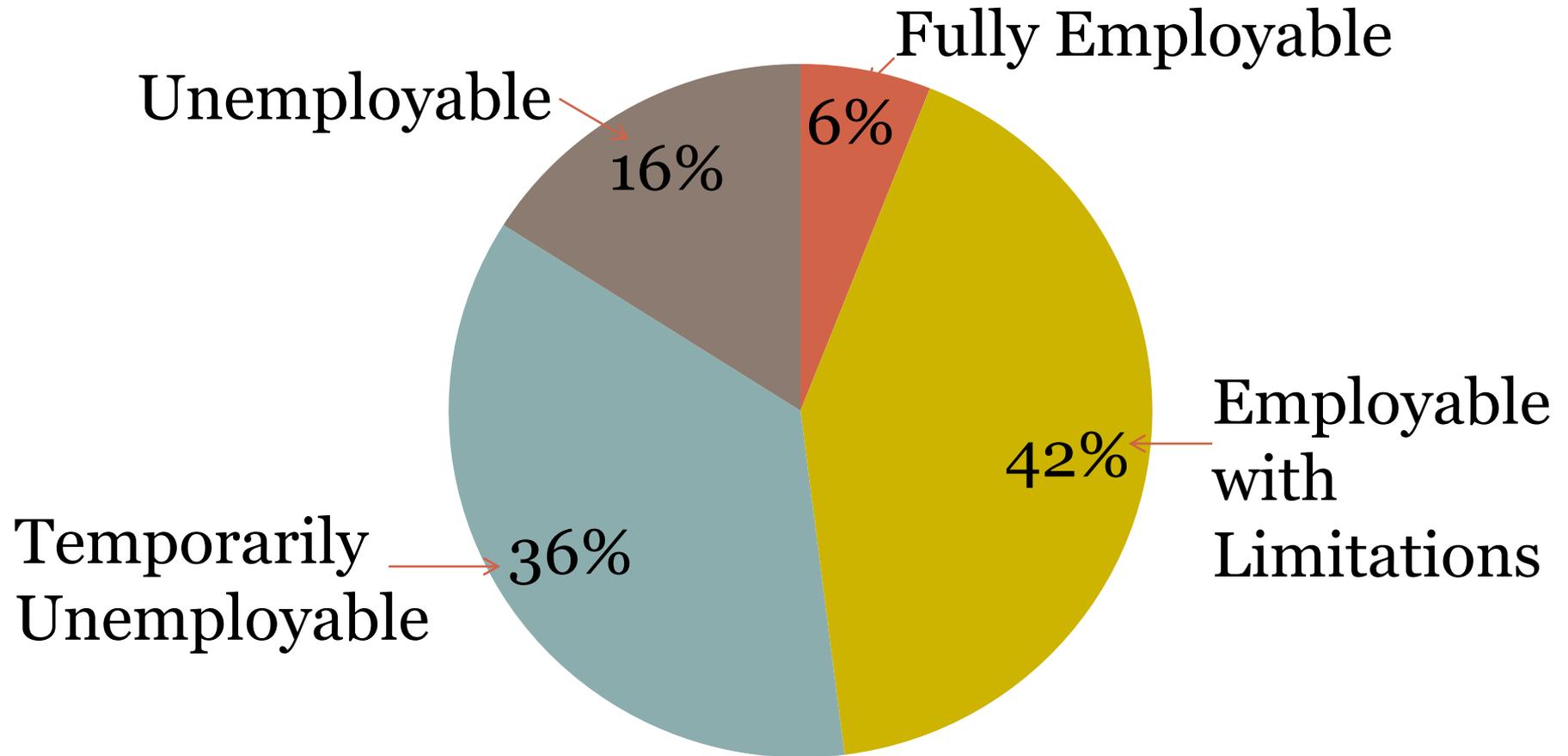
TANF

- System response *can be* unified and seamless

The WeCARE Process



RESULTS: WeCARE Clients by BPS Outcome February 2005-January 2009



WeCARE Program Outcomes To Date



- Over 42,000 wellness plans completed
- Almost 12,000 job placements with 73% retention at 6 months.
- Over 21,500 SSI awards with award rate on initial application improving.

Comparison of Program Incentives for Personal Wellness

Disability

- Absence of vibrant experimentation

TANF

- Fifty state programs with variety and exchange of ideas and practices

What is minimum necessary for state operation?



1. State skin in game
2. Operational flexibility
3. Eligibility criteria need not be changed

What could states do?



- Dutch model
- Merge with State Workers' Compensation

What could states do?



- Permit private or self-insurance plans with state backstop
- Create portable tax favored insurance plans not tied to an employer
- Permit partial, temporary, time limited disability periodically renewable.

What could states do?



- Use SSI children funds for services; pay service vendor for accession into adult employment or full time school at age 18.
- Require recipients to engage in ongoing health and vocational activities
- OR: Keep all provisions of current federal law and run disability more efficiently