

Evaluation of the SourceAmerica® Pathways to Careers™ Program

SourceAmerica launched the Pathways to Careers (Pathways) program in Clearfield, Utah, in 2012 and it is being implemented by the Pioneer Adult Rehabilitation Center, a community rehabilitation program. SourceAmerica has since expanded Pathways to three other sites in Massachusetts, Michigan, and Virginia in 2015. This brief summarizes evaluation findings from the Utah Pathways program through December 2016, the fourth full year of implementation.

The SourceAmerica® Pathways to Careers™ (Pathways) program is a customized employment service approach designed to help people with intellectual or developmental disabilities and people with autism spectrum disorder obtain competitive integrated employment aligned with their skills, interests, strengths, and abilities. SourceAmerica contracted with Mathematica Policy Research to conduct a comprehensive evaluation of the Pathways to Career program. The Pathways service model incorporates five key service components:

1. **Discovery** is a strengths-based assessment that focuses on identifying the interests, skills, and conditions for success for each Pathways participant. Examples of ideal work conditions include the participant's work schedule, his or her commute to and from work, and the management style of his or her direct supervisor. To uncover the ideal conditions in which the participant can work, Pathways staff members observe the participant in a variety of settings, including the participant's home and community, in 10 to 15 Discovery sessions, culminating in a career-planning meeting with the career navigator, employer facilitator, participant, and family members to identify criteria for the ideal internship or employment match.
2. **Expanded Discovery and paid internships** provide the opportunity to affirm or expand on what was learned about each individual during Discovery to further identify each participant's ideal conditions for success. Paid internships allow Pathways participants to try different job responsibilities and determine whether the job is a suitable placement for them. Participants can experience one or more 8- to 12-week paid internships and develop a greater experience base from which to make decisions about employment. During the internship, Pathways rather than the employer, provides salary, benefits, and employment supports (for example, job coaching or transportation). At the end of the internship, if a job offer is extended, the participant can move into employment or wait for an opportunity for placement in another internship.
3. **Employment supports (and integrated behavioral health/mental health services)** are identified in the Discovery and Expanded Discovery phases, and a support plan is developed for each person. If needed, behavioral health services, mental health services, or both are coordinated with and/or identified and incorporated into the employment support plan. These integrated services aim to help each participant successfully access and maintain employment.
4. **Employment and the Employer Payroll Tax Adjustment (EPTA)** are additional components of the Pathways model if the participant accepts an employment offer. When a Pathways participant becomes employed, a Pathways staff member will help the participant negotiate wages, a work schedule, and benefits. Employers that hire Pathways participants are eligible for simulated EPTA payments ranging from \$167 to \$583 per month for each Pathways participant they hire who works and earns at least \$750 per month. Four EPTA amounts are available, depending on a participant's earnings and whether he or she is enrolled in a health plan sponsored by the employer.
5. **Post-employment career support** is offered by Pathways staff members after the participant has accepted a job offer. Staff work with participants and employers to identify training, professional development, and educational opportunities, as well as mentors who will support their career development. Staff also help address concerns the participant or employer might have about the participant's success in the job.

Participant Characteristics

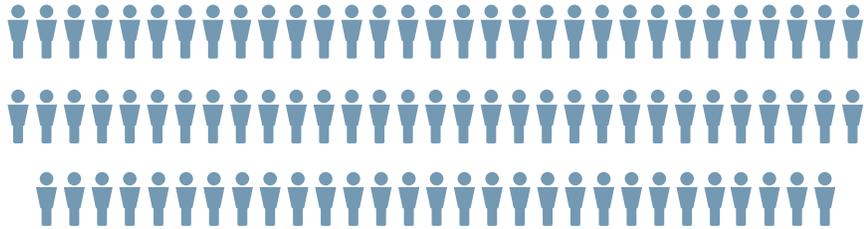
Individuals are eligible for Pathways in Utah if:

- they are 18 or older
- have a primary diagnosis of an intellectual or developmental disability or autism spectrum disorder and
- reside in Davis County, Utah



Through 2016, the Utah Pathways program enrolled 91 participants. At the time of application, Pathways participants were 28 years old, on average; more than half were between the ages of 18 and 25. About two-thirds of participants had obtained a high school diploma, GED, or certificate of completion by the time they applied to the program. Seventy percent of participants reported that they had received Supplemental Security Income (SSI) and a quarter reported receiving Social Security Disability Insurance (SSDI) benefits at the time of application.

91 participants as of December 31, 2016



69% completed high school, GED, or some postsecondary education



77% live with parents or guardians



28 = Average age



62% male

PATHWAYS SERVICES

Discovery, a strengths-based assessment of each participant that translates his or her competencies and life skills into job skills and potential contributions to employers, reflects a key principle of customized employment. Pathways participants spent an average of 17 weeks in Discovery, during which time Pathways staff helped them translate their strengths and contributions to the workplace into job skills. After completing Discovery, participants take advantage of one or more paid internships during the expanded Discovery phase of the program, to more clearly reveal their conditions for success, job interests, and potential contributions to employers. During the first four years of implementation, 67 participants completed 130 internships, 46 of which resulted in offers of employment and 33 of which were accepted by 32 participants (one participant received two job offers).

Characteristics of Completed Internships, N=130

Median number of hours per internship

123.0



Median internship duration (weeks)

10.6



Median participant hours per internship per week

19.5



Mean participant hours per internship per week

20.9



Source: Author calculations based on data from the Pathways Management Information System.
 Note: The statistics in this figure pertain to the 80 (out of 91) participants in cohorts 1-4 who completed Discovery by December 31, 2016, excluding two participants who dropped out after completing Discovery but before an internship match.

EMPLOYMENT

Pathways staff view internships resulting in job offers as successes and as reflective of good matches between participants' ideal job characteristics and employers' needs and work cultures. Overall, 44 percent of employed participants (n = 32) were matched to employment after one internship. On average, the jobs paid \$9.65 per hour and participants earned \$1,124 per month. Almost half of the jobs provided monthly earnings that, on average, exceed the Substantial Gainful Activity (SGA) level.¹ For Pathways participants who are SSI or SSDI beneficiaries, sustained earnings at this level could eventually reduce their disability benefits to zero.²

¹ The SGA level in 2016 was \$1,130.

² SSDI beneficiaries can work and earn any amount during a nine-month trial work period (TWP). If they continue to work above SGA after completing a TWP, their benefits are suspended during a 36-month extended period of eligibility (EPE). During the EPE, beneficiaries may resume benefits in any month they are not earning above SGA. Once the beneficiary completes 36 EPE months, SSDI cash benefits are terminated if he or she is working above SGA. In the SSI program, monthly benefits are reduced \$1 for every \$2 of earnings after \$65 of earnings and a \$20-per-month general income exclusion. When earnings are sufficient to reduce cash SSI benefits to zero, the beneficiaries enter section 1619b, where they might remain indefinitely if they continue to work at levels that preclude eligibility for SSI cash benefits. Numerous other work incentive provisions affect how earnings are counted against benefits, including wage subsidies, business expenses, impairment-related work expenses, plans to achieve self-support, and others.

Internships longer than 2 weeks resulting in employment: 27.2%

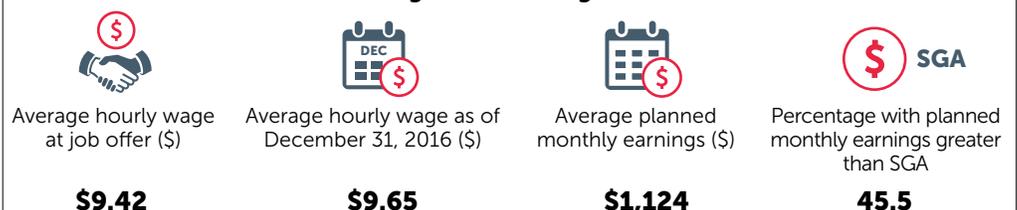


Percentage of participants matched to employment, by number of completed internships*



Characteristics of jobs obtained through Pathways

Wages and earnings



*Statistics are based on internships of all durations completed by 32 employed participants through 2016.

PATHWAYS PROGRAM COSTS

Mathematica estimated the costs of operating the Pathways program in Utah based on the mix of participants and staff effort spent delivering services during a six-month period, extending from November 2015 through April 2016. Annual per-participant costs are about \$12,000 (\$15,000 when including selected overhead costs that might not be generally applicable to other programs). The largest share of total service costs (74 percent) was associated with providing internships and conducting job development activities. Among the 32 participants who obtained competitive integrated jobs as of January 2017, the average total pre-employment Pathways service costs were roughly \$24,000, incurred over an average of about 18 months from intake to employment.

How are those costs used?

	Service phase	Average annual cost per participant ³	
 19.4% Discovery	Discovery	\$14,967	
	 73.7% Paid internships & job development	Paid internships/job development	\$15,833
		Expanded Discovery activities	\$14,393
 6.9% Post-employment supports	Internship wages and FICA	\$1,440	
	Post-employment supports	\$2,959	
	Post-employment activities	\$901	
	EPTA	\$2,058	
	TOTAL	\$12,081	

Note: Percentages show the distribution of estimated costs for the three Pathways service phases.

³Excluded overhead costs include rent and utilities, and labor costs for executive and program leadership.

EPTA = employer payroll tax adjustment; FICA = Federal Insurance Contributions Act.

METHODS

When estimating Pathways operating costs, we relied on two primary sources of information: (1) program cost information, and (2) data on how staff spend their time across various Pathways and non-Pathways activities. To estimate the annual cost per participant, we:

- 1** Calculated the number of days each Pathways participant was enrolled in the demonstration during the six-month study period.
- 2** Calculated annualized participant months for each phase by multiplying the total number of participant days in each phase by 2 and dividing by 30.4 (365 days per year divided by 12 months).
- 3** Determined the average monthly cost per participant for each phase by dividing total annual costs by the annual number of participant months for each respective phase.
- 4** Multiplied the average monthly cost per participant by 12 to estimate the average annual cost per participant for each service phase.

Our assessment of the costs of operating the Pathways program in Utah indicate that an investment is needed to provide people with significant disabilities an informed choice of competitive employment options that are an alternative to facility-based employment, the predominant employment setting for this population. Although the number of participants as of the end of 2016 is small (91), Pathways appears to have increased the employment rate and earnings of participants who completed follow-up surveys 24-months after enrolling. At 24 months after intake, most Pathways participants (83 percent) had been recently employed in either internships or competitive integrated jobs. By 12 months after intake, average monthly earnings had nearly tripled, increasing by \$287 relative to earnings at the time of application. By 24 months after intake, average earnings had more than doubled, increasing by \$255 relative to earnings at application. The earnings increases were accompanied by a \$162 reduction in the average monthly disability benefit (SSI and/or SSDI) at 12 months after intake, and a \$178 (or 25 percent) reduction at 24 months after intake. If these early outcomes observed among employed participants are indicative of the potential impacts of the program, and if such impacts can be sustained, Pathways has the potential to generate substantial savings to the federal government.

For more information about the Pathways evaluation, visit the project's web page at <https://www.mathematica-mpr.com/our-publications-and-findings/projects/pathways-to-careers-program-evaluation>