Executive Summary

What Strategies Work for the Hard-to-Employ?
Final Results of the Hard-to-Employ Demonstration and Evaluation Project and Selected Sites from the Employment Retention and Advancement Project

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Overview

In the context of a public safety net focused on limiting dependency and encouraging participation in the labor market, policymakers and researchers are especially interested in individuals who face obstacles to finding and keeping jobs. The Enhanced Services for the Hard-to-Employ (HtE) Demonstration and Evaluation Project was a 10-year study that evaluated innovative strategies aimed at improving employment and other outcomes for groups who face serious barriers to employment. The project was sponsored by the Administration for Children and Families (ACF) Office of Planning, Research and Evaluation in the U.S. Department of Health and Human Services, with additional funding from the U.S. Department of Labor. This report describes the HtE programs and summarizes the final results for each program. Additionally, it presents information for three sites from the ACF-sponsored Employment Retention and Advancement (ERA) project where hard-to-employ populations were also targeted.

Three of the eight models that are described here led to increases in employment. Two of the three — large-scale programs that provided temporary, subsidized “transitional” jobs to facilitate entry into the workforce for long-term welfare recipients in one program and for ex-prisoners in the other — produced only short-term gains in employment, driven mainly by the transitional jobs themselves. The third one — a welfare-to-work program that provided unpaid work experience, job placement, and education services to recipients with health conditions — had longer-term gains, increasing employment and reducing the amount of cash assistance received over four years. Promising findings were also observed in other sites. An early-childhood development program that was combined with services to boost parents’ self-sufficiency increased employment and earnings for a subgroup of the study participants and increased the use of high-quality child care; the program for ex-prisoners mentioned above decreased recidivism; and an intervention for low-income parents with depression produced short-term increases in the use of in-person treatment. But other programs — case management services for low-income substance abusers and two employment strategies for welfare recipients — revealed no observed impacts.

While these results are mixed, some directions for future research on the hard-to-employ emerged:

- The findings from the evaluations of transitional jobs programs have influenced the design of two new federal subsidized employment initiatives, which are seeking to test approaches that may achieve longer-lasting effects.
- The HtE evaluation illustrates some key challenges that early childhood education programs may face when adding self-sufficiency services for parents, and provides important lessons for implementation that can guide future two-generational programs for low-income parents and their young children.
- Results from the HtE evaluation suggest future strategies for enhancing and adapting an intervention to help parents with depression that may benefit low-income populations.
- Evidence from the HtE evaluation of employment strategies for welfare recipients along with other research indicates that combining work-focused strategies with treatment or services may be more promising than using either strategy alone, especially for people with disabilities and behavioral health problems.
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Acknowledgments

The Enhanced Services for the Hard-to-Employ (HtE) Demonstration and Evaluation Project and the Employment Retention and Advancement (ERA) Project would not have been possible without the ongoing commitment of the funders — the Office of Planning, Research and Evaluation in the Administration for Children and Families and the Office of the Assistant Secretary for Planning and Evaluation in the U.S. Department of Health and Human Services — and supplemental funding from the U.S. Department of Labor.

We are grateful to the administrators and staff at all levels of the participating sites for their steadfast support of the project and for giving generously of their time. Staff members from the sites provided crucial assistance in transmitting and analyzing administrative data. We thank the countless research partners and advisers who lent their expertise and insight to the project teams throughout the design, implementation, and analysis phases of the evaluations. Our gratitude goes also to HumRRO, the subcontractor that fielded the surveys and assessments. While we offer our heartfelt thanks to the other people who have supported the studies in various ways, space does not permit us to mention each individual who contributed.

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Finally, we are deeply grateful to the members of the study samples. Whether participating in the demonstration programs or as members of the control group, these individuals went through random assignment, granted us access to confidential information about themselves, and participated in surveys and assessments as part of the research effort. Without these individuals, our research would not have been possible.

The Authors
Executive Summary

In the context of a public safety net focused on limiting dependency and encouraging participation in the labor market, policymakers and researchers are especially interested in individuals who face obstacles to securing stable employment.1 These individuals — including, for example, long-term welfare recipients, people with disabilities, those with mental or physical health problems, and former prisoners — can spend long periods involved in costly public assistance and enforcement systems that provide needed support but often leave them on the economic and social margins of society. The Enhanced Services for the Hard-to-Employ (HiE) Demonstration and Evaluation Project seeks to answer a critical question about this population: how might we improve the prospects of the many Americans who grapple with serious barriers to finding and holding a steady job?

The HiE evaluation was a 10-year study that used rigorous random assignment research designs to evaluate innovative strategies aimed at improving employment and other outcomes for groups who face serious barriers to employment. The strategies were tested in New York, Pennsylvania, Rhode Island, Kansas, and Missouri. The project was sponsored by the Administration for Children and Families (ACF) Office of Planning, Research and Evaluation and the Office of the Assistant Secretary for Planning and Evaluation in the U.S. Department of Health and Human Services, with additional funding from the U.S. Department of Labor.2 MDRC led the evaluation along with the Urban Institute, the Lewin Group, Group Health Cooperative, and United Behavioral Health.

This report describes the HiE programs that were tested and summarizes the final results for each program. Similar information is presented for three of the programs in the ACF-sponsored Employment Retention and Advancement (ERA) project — programs that also targeted hard-to-employ populations, operated around the same time, and were evaluated with an identical methodology.3 The inclusion of these ERA results permits an analysis of a wider variety of programs targeting those with serious barriers to finding and holding a steady job. The HiE and ERA programs had a variety of goals, but they all aimed, directly or indirectly, to increase employment and earnings, and most aimed to reduce reliance on public assistance.

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1This paragraph is partially adapted from the Executive Summary of Bloom et al. (2007).
2The Annie E. Casey Foundation and the W. T. Grant Foundation provided funding for an 18-month follow-up survey to study how the model being tested in Rhode Island affects children.
3The ERA project began in 1999. The project evaluated 16 innovative models across the country that aimed to promote steady work or career advancement for current and former welfare recipients and other low-wage workers. For the interim and final results of the ERA evaluations, see Hendra et al. (2010); Martinez, Azurdia, Bloom, and Miller (2009); Bloom, Miller, and Azurdia (2007); LeBlanc, Miller, Martinson, and Azurdia (2007).
While the results from these evaluations are mixed, with impacts on employment for the full sample seen in only three of the evaluations described, some cross-cutting themes and lessons emerged for future directions in research on hard-to-employ populations — not the least of which is that this group of people is diverse and presents a variety of challenges. Among other considerations, these evaluations underscore the need to reexamine assumptions about hard-to-employ people, to modify existing strategies for subgroups of hard-to-employ populations, and, in some cases, to use multiple strategies together rather than implementing only one at a time.

**The Programs in the Hard-to-Employ Evaluation**

**New York City: Center for Employment Opportunities**

The Center for Employment Opportunities (CEO) evaluation tested a large-scale transitional jobs program for former prisoners located in New York City. CEO provides transitional jobs — temporary, paid jobs that are subsidized by the program — as well as support services and job placement assistance, with the goal of improving long-term employment outcomes and reducing recidivism. In 2004 and 2005, nearly 1,000 parolees who were referred to CEO by their parole officers were randomly assigned to a program group that was offered the full CEO program or to a control group that was offered limited job search assistance only. The research team tracked both groups for three years using a variety of administrative records. Additionally, a subset of participants completed a survey that focused on service receipt, employment, housing, and other outcomes.

The evaluation found that CEO substantially increased employment early in the follow-up period, when most program group members were working in CEO transitional jobs. However, the employment gains faded as people left the CEO jobs. There were no consistent increases in unsubsidized (non-CEO) employment. Nevertheless, CEO generated reductions in recidivism that were statistically significant (that is, it is unlikely that they occurred by chance), particularly for people who came to the program soon after their release from prison. Mainly as a result of these impacts on recidivism, CEO’s financial benefits outweighed its costs.

**Kansas and Missouri: Enhanced Early Head Start**

The Enhanced Early Head Start (EHS) evaluation tested programmatic enhancements to Early Head Start, an existing two-generation early childhood program. The existing EHS program provides high-needs, low-income families with intensive, child-focused services, parenting education, and services addressing families’ social and economic needs to improve children’s developmental outcomes. The enhancements to EHS in the HtE study were aimed at improving employment outcomes for parents and increasing family self-sufficiency. The
evaluation took place in two EHS programs operating in rural and suburban locations in Kansas and Missouri. The enhancements included hiring on-site self-sufficiency staff who helped parents develop career plans; develop skills to find and keep jobs; and access training, education, and employment services in the community. In addition, frontline staff were trained to focus more on employment and other economic self-sufficiency issues during their interactions with families. Between August 2004 and December 2006, 610 low-income families who had a child under the age of 3 years or were expecting a child, and who were on the EHS waiting list, were assigned either to Enhanced EHS or to a control group that was not eligible for EHS or Enhanced EHS but could access other services in the community. Both groups were tracked for three and a half years using surveys and administrative records.

The evaluation found that although the sites were able to increase the program focus on employment, education, and other self-sufficiency issues, they were not able to fully integrate the enhancements into the core services. The Enhanced EHS program did not have positive impacts on employment or earnings for the full sample but was more successful among a subgroup of families with infants and pregnant women. The subgroup result should be interpreted with caution because the sample size was small. For the full research sample, Enhanced EHS did have two positive results for child care services: it increased families’ use of higher-quality care, such as formal day care center-based care, and it decreased reliance on home-based care provided by people who are not relatives.

**Philadelphia: Transitional Work Corporation and Success Through Employment Preparation**

The Hard-to-Employ evaluation in Philadelphia tested two different employment strategies for hard-to-employ public assistance recipients. The first service model, administered by the Transitional Work Corporation (TWC), was a transitional jobs program that combined temporary, subsidized employment with work-related assistance (such as job search, job-readiness instruction, and preparation for the General Educational Development exam). The second program, the Success Through Employment Preparation (STEP) program, focused on assessing and treating employment barriers before participants obtained a job. From 2004 to 2006, 1,942 recipients of Temporary Assistance for Needy Families (TANF) who were not currently employed or participating in work activities were randomly assigned to one of two program groups — one that was required to participate in the TWC program and one in the STEP program, or to a control group that was encouraged to participate in work and education activities other than TWC and STEP. The research team tracked all three groups for three years using surveys and a variety of administrative data.

Like other random assignment evaluations of transitional jobs programs, the evaluation found that TWC was able to increase short-term employment and income for a very disadvan-
taged population, but it did not lead to increases in long-term unsubsidized (that is, regular) employment. The evaluation of the STEP program found no significant impacts on employment, earnings, or public assistance receipt at any time during the follow-up period.

Rhode Island: Working toward Wellness

The Working toward Wellness (WtW) evaluation tested a telephonic care management program in Rhode Island for parents receiving Medicaid who were suffering from symptoms of depression. In the WtW program, care managers used the telephone to provide education about depression, encourage in-person mental health treatment, and monitor treatment adherence and depression outcomes. The goal was to reduce the symptoms of depression and, as a result, to eventually increase employment and earnings. From 2004 to 2006, 499 Medicaid beneficiaries who screened positive for depression were randomly assigned to either a program group to receive WtW services or to a control group that was referred to mental health treatment providers in the community. Both groups were tracked for three years through surveys and Medicaid administrative records.

The evaluation found that care managers were able to engage people with depression on the telephone. Many participated in a structured, short-term, telephonic psychoeducation program designed to educate participants about depression and provide specific steps for managing stress and overcoming depression — and during the one-year intervention period, more program group than control group members received in-person treatment. However, the effects on treatment participation were not sustained, and there were no consistent impacts on depression or employment.

Selected Programs in the ERA Evaluation

New York City: Substance Abuse Case Management

The Employment Retention and Advancement project evaluation of the Substance Abuse Case Management (SACM) program tested the effects of intensive case management services provided to public assistance recipients who were substance abusers, with the aim of helping participants to enter and remain in treatment programs and to connect with welfare-to-work activities. Between 2003 and 2005, 8,800 public assistance recipients were randomly assigned to a program group that was offered SACM services or to a control group that was referred to the usual services provided to public assistance recipients with substance abuse problems. The research team tracked both groups for two years using a variety of administrative data.

The evaluation found that SACM was able to enroll public assistance recipients with substance abuse problems into intensive case management. However, the program showed no
impacts on employment and earnings and no impacts on receipt of public benefits. Overall, employment rates for both groups were very low during the study period. Because individuals entered the study at the point of referral, prior to being fully assessed for substance abuse, the SACM group included a large segment of individuals who either were not fully assessed or were not in need of treatment and thus were ineligible for program treatment, which may have diluted the program effects.

**New York City: Personal Roads to Individual Development and Employment Evaluation**

The Employment Retention and Advancement project evaluation of the Personal Roads to Individual Development and Employment (PRIDE) program tested the effects of an employment strategy aimed at public assistance recipients with medical or mental health conditions that prevented them from participating in regular welfare-to-work activities, but who were not eligible for federal disability benefits. Participants received placement assistance into unpaid work, education, and other employment activities that took account of their medical conditions and were designed to help them find paid work. In 2001 and 2002, more than 2,500 single parents who were deemed “employable with limitations” were randomly assigned to a program group that was required to participate in PRIDE, or to a control group that could not enroll in PRIDE but could seek other services. The research team tracked both groups for four years using a survey and various administrative data.

The evaluation found that PRIDE was able to engage a large number of recipients who had previously been exempt from work requirements. PRIDE generated modest but sustained increases in employment throughout the four-year follow-up period and significantly reduced the amount of cash assistance that participants received. While overall employment rates in the program group were still low, the results of the evaluation suggest that providing employment-related assistance to public assistance recipients who have conditions that limit their ability to work, and requiring them to participate in activities, can result in gains in employment.

**Minnesota: Tier 2 Evaluation**

The Employment Retention and Advancement project evaluation of a welfare-to-work program in Hennepin County, Minnesota, tested an employment services model aimed at addressing the employment barriers of TANF recipients who had remained on the rolls a long time without working and thus appeared most likely to reach the time limit for receiving bene-

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4The research team selected the point of referral as the time for study entry because that was the best way to ensure randomization.
fits. Since TANF can be provided to individuals for only a limited time, unemployed long-term TANF recipients are in a particularly vulnerable position. The program, known as “Tier 2,” built on the county’s existing welfare-to-work program, Tier 1. Tier 1 requires that recipients participate in work or work-related activities and provides job search and job-readiness assistance followed by unpaid or volunteer work for those who do not find paid work, as well as support services, including job retention and advancement assistance, for working participants. Tier 2 built on Tier 1 by using a more in-depth assessment to identify the barriers to finding work that longer-term TANF recipients face, addressing those barriers through more appropriate referrals to services, and monitoring outcomes closely and decreasing caseload sizes for the staff who work with participants. Between 2002 and 2003, nearly 1,700 individuals who were deemed most likely to meet their benefit-receipt time limit using a number of criteria were randomly assigned to the Tier 2 program or to a control group that remained in the Tier 1 program. The research team tracked both groups for four years using a variety of administrative data. In addition, a survey was administered to a subset of the study sample members about one year after random assignment.

The evaluation found that the Tier 2 program did not increase the use of services that address barriers to employment. Tier 2 participants were slightly more likely than control group members to be involved in supported, unsubsidized employment — that is, jobs for which participants received a wage and were supervised by program staff — and did so for longer periods of time. However, the Tier 2 program, compared with the Tier 1 program, had little effect on employment, earnings, or public assistance receipt over the four-year follow-up period.

**Themes, Implications, and Future Directions**

As observed above, the results of the evaluations described in this report are mixed. Only three of the eight programs studied — CEO and TWC in the HtE evaluation, and PRIDE in the ERA evaluation — increased employment, and only PRIDE had impacts on regular employment for the full research sample that persisted over the full follow-up period. The other sites increased participation in pre-employment activities and other services that were expected to lead to work, but there were no impacts on employment. Several of the sites did, however, achieve positive results in domains other than employment: reductions in recidivism in CEO that led to favorable benefit-cost results, reductions in TANF payments in PRIDE and in TWC during the first year and a half of follow-up, and increases in the use of higher-quality care options in the EHS sites.

In a demonstration project the primary goal is knowledge building, so just as important as the results themselves is the extent to which the project has generated knowledge that can be used to develop and test new strategies with greater potential to succeed. For example, findings from the HtE and ERA projects suggest that groups who are designated as hard-to-employ do not all face the same challenges in sustaining employment, and these challenges are not always
distinct from those among other low-income groups. For some of the target populations studied (TANF recipients with disabilities and TANF recipients and other lower-income people with substance abuse problems), finding any employment during the evaluation follow-up period meant overcoming a major hurdle. However, in six of the evaluations, between 70 percent and 83 percent of control group members were employed at some point during the follow-up period, rates that are in line with employment rates found by MDRC in other studies of TANF programs that were more broadly targeted. This indicates that for most participants in HtE and in the ERA sites that served groups identified as hard-to-employ, sustaining employment was the more frequent challenge. Yet, all of the interventions studied placed more emphasis programmatically on services and activities related to job placement than job retention. Future programs should design employment components that are better matched to the pattern of labor force participation and nonparticipation that is experienced by the target population.

A few of the project’s other lessons are examined below.

- **The lessons learned in the HtE demonstration and related research have shaped new national transitional jobs initiatives.**

  In addition to the two transitional jobs studies in the Hard-to-Employ project — CEO and TWC — MDRC evaluated four others under the Joyce Foundation’s Transitional Jobs Reentry Demonstration (TJRD). Of the six programs that were tested, five targeted ex-prisoners and one targeted long-term TANF recipients.

  None of the six programs produced sustained increases in regular, unsubsidized employment, although all of them increased employment and earnings early in the follow-up period when participants were in temporary (subsidized) transitional jobs. In two newer federal projects, ACF’s Subsidized and Transitional Employment Demonstration (STED) and the U.S. Department of Labor’s Enhanced Transitional Jobs Demonstration (ETJD), a primary goal is to identify and test programs that are different in key ways from the transitional jobs programs that have been evaluated in the HtE and Joyce TJRD projects.

  The new approaches are based, in part, on hypotheses about why the transitional jobs programs did not increase long-term employment. For example, while the transitional jobs programs sought to build participants’ “soft skills,” they did not include much direct occupational training to help participants qualify for higher-paying jobs. The results of the Sectoral Employment Impact Study conducted by Public/Private Ventures suggest that industry-specific training programs can substantially increase employment and earnings. Thus, STED and ETJD hope to test some programs with a stronger emphasis on training.

  — Maguire et al. (2010).
Similarly, in the transitional jobs programs, participants were almost always placed at worksites where there was no chance for them to make a direct transition to an unsubsidized job; typically, they worked in a nonprofit organization (sometimes the program sponsor) for a few months and then received help looking for a permanent job. In contrast, STED and ETJD hope to test some models in which participants are placed into subsidized jobs with private employers with the possibility of rolling over directly onto the employer’s payroll when the subsidy ends.

A question for both of these strategies is whether they will be able to serve the highly disadvantaged groups that are expected to participate in STED and ETJD, which may include TANF recipients, ex-prisoners returning to the community, low-income noncustodial parents, disadvantaged youth, and people with disabilities.

- **The Enhanced Early Head Start study illustrates some key challenges and provides important lessons that can guide future two-generation programs that attempt to combine self-sufficiency, child development, and parenting goals.**

New models that combine parental employment and educational services with early childhood education services have garnered considerable interest in recent years. The results from the HiE evaluation provide some of the first rigorous evidence of the effectiveness of combined dual-generation, child-focused, and parental employment and educational services for low-income parents and their young children, and therefore provide an important foundation for future research in this area. The results highlight real-world challenges and hurdles that early childhood education programs may face when expanding their services with a proactive focus on parental employment, educational, and self-sufficiency needs. At the same time, the cautionary pattern of findings highlights opportunities and potentially fruitful program models that may be important to test in the future.

A key question is how early childhood educational services and parental employment and educational services can be successfully combined and targeted to reach populations that are most likely to benefit from such services. In the HiE evaluation, because of implementation and engagement challenges, many families who enrolled in Enhanced EHS did not receive the program’s parental employment, educational, and self-sufficiency services. One lesson stemming from this finding is that it may be important to revamp strategies used to recruit and engage low-income parents with young children into dual-focused services. Looking forward, a more productive strategy may be to target low-income parents who are already interested in pursuing employment and educational opportunities and then encouraging them to place their children in high-quality early childhood educational services, rather than to target families with children in early childhood programs who are not necessarily interested in pursuing employ-
ment and educational opportunities. A corollary to this suggestion is that it may be promising to identify existing adult employment and secondary education programs that serve low-income parents of young children and then enhance or pair these program services with high-quality early childhood education services.

Furthermore, the HtE evaluation may suggest that a more robust parental employment and educational service approach and staff training in this area are needed to bring about a more successful marriage of dual-generation program services aimed at addressing children’s developmental needs and low-income families’ economic self-sufficiency needs. A cluster of new initiatives has aimed to pair sectoral job training with high-quality education for children. These new approaches are based on the premise that more focused and formal industry-specific training programs may be more effective at increasing employment and earnings, rather than a “light-touch” approach to addressing parents’ employment and educational needs, as was tested in HtE’s Enhanced Early Head Start evaluation.

- Despite its modest findings, the Working toward Wellness study provides lessons for trying several enhancements and adaptations that may yield better results.

Given the barriers faced by individuals in the Rhode Island WtW evaluation to seeking in-person mental health treatment, an alternative might be to combine telephonic care management with telephonic psychotherapy. A recent study within the Group Health Cooperative found that cognitive behavioral therapy plus care management provided by telephone to patients beginning antidepressant treatment reduced depression severity. It will be important to learn whether this approach is also effective for low-income individuals, such as those receiving Medicaid or TANF benefits.

Social and financial support services to help clients access treatment were not included in WtW, but were an important feature of one rigorously evaluated program that improved depression outcomes for low-income individuals. Supplemental services, such as transportation and child care, as an enhancement to telephonic care management — though potentially costly — might help overcome the practical barriers to seeking treatment that were found in the WtW study. In addition, using financial incentives to increase participation in treatment is another

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6For example, CareerAdvance, developed and implemented by the Community Action Project in Tulsa, Oklahoma, is a workforce development program aimed at helping parents of very young children earn sufficient wages to sustain their families. See www.captc.org.

7Simon et al. (2004).

8Miranda et al. (2006).
enhancement worth considering. A recent study in New York City found that financial incentives for low-income families increased their use of a variety of health care services.$^9$

Although there was little effect on depression severity overall in the Rhode Island study, there was a small and marginally significant reduction in the proportion of people with very severe depression. In addition, a widely cited meta-analysis suggests that antidepressant medication treatment is more effective for patients with very severe depressive symptoms.$^{10}$ A promising approach worth testing might be to target a telephonic care management intervention to people with the most severe depression.

A majority of study participants in the WtW evaluation had previously been diagnosed with and treated for depression. Although none was in active treatment upon entering the study, the fact that they had previously received treatment and remained depressed might indicate that these participants were unlikely to benefit from increased use of mental health services. This suggests that telephonic care management may have more of an impact among individuals with depression who have not previously received treatment.

Finally, although there is evidence that telephonic care management is a relatively inexpensive means of reducing depression for more affluent populations, existing telephonic care management models may not be intensive or comprehensive enough for low-income populations — in particular, Medicaid participants with children. A study that targeted low-income, minority women who faced multiple barriers to care found promising results.$^{11}$ However, that intervention was not telephonic. Instead, it offered more intensive, in-person outreach to participating women, and it provided such support services as child care and transportation to facilitate participation in in-person treatment. Viewed alongside the current study, such work may be used to suggest that Medicaid and other low-income populations might require more intensive interventions that extend beyond telephonic care management, possibly including in-person components that address critical barriers to in-person treatment.

- The evaluation sites that served TANF recipients tended to emphasize either work- or treatment/service-focused strategies. There is emerging evidence that combining both strategies in a more integrated model may be more promising than offering either one alone, especially for people with disabilities and behavioral health problems.

Two programs, PRIDE and TWC, used unpaid work experience or transitional employment as their primary strategies. The three other TANF programs — STEP, Minnesota Tier

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$^9$Riccio et al. (2010).
$^{10}$Fournier et al. (2010).
$^{11}$Miranda et al. (2006).
2, and SACM — included some work activities in their service menus but these were usually provided after participants had been assessed and received services or treatment to address their work barriers. Many participants in these programs did not complete assessment or treatment and thus did not make the transition to employment activities.

However, both the work- and service-focused strategies had limited success. As noted previously, although PRIDE had employment effects throughout the follow-up period, many participants lost their jobs quickly, and more than half never worked at all.

Practitioners who work with the disabled population have long argued that balancing work and treatment in an integrated rather than sequential model is more likely to lead to better employment outcomes, over both the short and longer terms, than other approaches. One such model that has been tested in random assignment studies and has produced relatively large and sustained employment impacts is the Individual Placement and Support (IPS) program. This approach differs from any included in this evaluation because it uses a team of co-located clinicians and vocational counselors to coordinate treatment with job placement and retention activities. It also emphasizes rapid entry into regular employment rather than starting with transitional employment or unpaid community work experience.

Thus far the model has only been tested as a voluntary program operating in a variety of community settings for adults with severe mental illness. The Social Security Administration (SSA) is now evaluating IPS more broadly for mentally ill adults who are receiving federal disability benefits. Most recently, it has been adapted for pilot testing for a TANF population with mental health problems in Ramsey County, Minnesota, as part of the ACF- and SSA-funded TANF/Supplemental Security Income Disability Transition Project. The decision to pilot this approach was motivated both by the IPS studies and by the more mixed findings from the HtE evaluation. A key open question is whether the IPS approach will be successful with a less seriously mentally ill population who face TANF mandates and have child care and other family service needs. If the pilot results are promising, it could become the basis for a national multisite random assignment demonstration that would focus primarily on TANF and might include target groups who have a range of health and behavioral health barriers.

\footnote{Drake et al. (1996, 1999); Gold et al. (2006).}
References for the Executive Summary


