

HUD EMPLOYMENT LECTURE SERIES
Lecture #5 Script
WORK INCENTIVES

Section 1 Introduction to HUD’s Employment Lecture Series, Lecture #5
“Work Incentives”

Colleagues:

This lecture is the fifth in a series of nine lectures that are being developed on employment-related topics. To download lectures from this series, please go to www.hudhre.info.

In today’s lecture, we will talk about the work incentives that benefits programs have introduced to encourage beneficiaries to pursue employment. Many people who are homeless and unemployed would prefer to work. Knowing how work affects public benefits such as Supplemental Security Income, subsidized housing, or Medicaid influences decisions about whether to pursue employment and what kind of work to seek. Often, people fear losing eligibility for benefit programs if they go to work, or they are unaware of incentives that can help them increase their incomes.

While many benefit programs offer formal or informal “work incentives” to encourage recipients to work and move towards self-sufficiency, the rules and guidelines can be complex and hard to understand. In many cases, homeless jobseekers will need the help of individuals who are knowledgeable about these programs in order to find out which incentives they qualify for, how to apply for the benefits, and how to take full advantage of them once employed.

This lecture provides an introduction to work incentives. It describes the importance of considering them when helping people who are homeless seek work, and it offers suggestions about working with people who are homeless to ensure they understand and make the most of available work incentives. We will provide an overview of the incentives available and their impacts on work for the following public benefit programs:

- Two Social Security Administration programs—Supplemental Security Income, called SSI and Social Security Disability Insurance, called SSDI;
- The Medicare and Medicaid programs;
- The Temporary Assistance to Needy Families program (known as TANF);
- HUD-funded housing programs;
- Veterans benefits programs; and
- State and local programs.

This lecture is targeted to those who provide services to homeless and formerly homeless jobseekers, including the staff of homeless assistance agencies and workforce development agencies. We will talk primarily about serving homeless adults. However, much of the information contained in this lecture and pamphlet will also be useful if you are helping older adolescents.

There are seven sections in this lecture. The topics addressed in the remaining six sections are as follows:

- Section 2. How working impacts public benefits;
- Section 3. Overview of Social Security Administration, Medicare, and Medicaid work incentives;
- Section 4. Overview of other government programs providing work incentives;
- Section 5. Work incentives as a tool to help people who are homeless;
- Section 6. Helping people appreciate the positive aspects of working; and
- Section 7. Conclusion.

This lecture has a companion pamphlet that provides additional information, which includes website addresses for specific programs, resources, and more general assistance on understanding and accessing work incentives.

One of the key lessons we hope to impart is that you need to link up with experts on work incentives. This will help you ensure that your clients who are homeless will 1) receive the best advice possible about returning to work without losing benefits, and 2) receive the incentives and work supports for which they qualify.

Section 2 How Working Impacts Public Benefits

People who are homeless participate in public benefits programs in significantly lower numbers than the proportion who are eligible to receive the benefits. Many of these people probably think that it isn't worth the effort to go through the often lengthy application process, only to be disqualified once they find a job and stable housing. Those working with homeless people should help them understand that if they are eligible for public benefit programs, they will maintain access to some of these benefits even as they move into employment. If a client has an apparent disability, is a veteran, or has dependent children, you should talk with them about whether they are receiving benefits, and if they aren't, whether they might be eligible for one or more programs.

Historically, many of the programs that provided a "safety net" for people inadvertently discouraged recipients from working. Access to housing, health care, and a monthly check gave people a sense of security, though not the opportunity to move out of poverty. Getting a job carried with it the threat of losing important benefits that a modest income could not replace. Thus, a long-held belief by many people receiving public benefits is that they would lose these benefits if they become employed.

While this was true of many programs in the past, in recent years, public benefits programs have been redesigned. Work incentives have been introduced to counteract obstacles to working. In many cases, work incentives have been developed specifically to encourage those receiving public benefits to work.

Work incentives are structured to support an individual's working through one of several strategies. These strategies typically either 1) ensure that people receiving public benefits do not immediately lose them once they begin working, or 2) replace public benefits with income shelters or additional benefits to people who work, such as tax credits and child care subsidies.

It is now the case that people can go to work or return to work, knowing that they will still retain a level of benefits and will likely be eligible for additional benefits or income supports. The end result is that many people will have more income than when they relied only on benefit

programs. In addition, they will continue to qualify for health care, housing, and other elements of their safety nets as they transition into the work world.

It is important to keep in mind that even with the variety of work incentives now available, the risk of losing benefits due to working is present, but only under certain circumstances. This is why it's necessary to make sure that clients understand how their benefits may be affected by employment, as well as how work incentives can help offset the potential loss of benefits.

Unfortunately, too many people still fear that returning to work will result in a loss of benefits. Only a small number of those receiving benefits based on disability are trying to work, compared to the numbers who could participate in at least part-time competitive employment and would qualify for continued benefits and other work incentives. This lecture and pamphlet can help you understand the available programs and how to work with your clients to determine to what extent work incentives could enable them to work, without losing their safety net of housing, health care, and income supports.

Section 3	Overview of Social Security Administration, Medicare, and Medicaid Work Incentives
------------------	---

This section provides a snapshot of the work incentives now available in three large Federal benefits programs. While this information helps you with a basic understanding of the programs, you are urged to turn to this lecture's pamphlet and specifically to the list of Resources.

The first programs that we'll discuss are those administered by the Social Security Administration (SSA).

There are two SSA disability-related benefits programs for which your clients may be eligible—SSDI and SSI. SSDI is Social Security Disability Insurance, and it pays benefits to people based on disability. SSI is Supplemental Security Income, and it pays benefits to people based on need, and persons who are disabled are eligible to apply.

Disability under both benefits programs is defined as “the inability to engage in any substantial gainful activity because of a medically determinable physical or mental impairment.” Substantial gainful activity is referred to as SGA.

While some people who are homeless already receive SSI or SSDI, many who might qualify do not apply. This is particularly the case for those who might qualify on the basis of mental impairment. If you are working with a homeless person who you think might qualify for one of these programs, you may have to overcome several obstacles. These include the difficulty tracking work or hospitalization history, the lack of a birth certificate or Social Security card, or a reluctance to share personal information due to client mistrust of government and authority.

In order to counter the low numbers of homeless people applying and qualifying for SSA benefits, the Federal government launched an interagency initiative to train State and local programs to offer outreach and follow-up for people who are homeless. The training program is called SOAR, which stands for SSI/SSDI Outreach, Access and Recovery. It has been highly successful, with approval rates for homeless people applying to SSI and SSDI increasing dramatically where SOAR training has been offered.

For people receiving SSI or SSDI, it is important to quell fears about losing benefits by returning to work. While this was a well-grounded concern until recently, the SSI and SSDI programs have created work incentives that share a focus on enabling people to try out working without losing eligibility for benefits.

- SSDI does this through a trial work period. During this time, beneficiaries continue to receive their full benefit in addition to their earnings. In other words, their earnings are not used to determine whether they are engaged in substantial gainful activity.
- The SSI strategy provides an incentive to work through a benefits phase-out. As income increases, the benefit decreases accordingly; individuals do not abruptly lose their benefits.

SSI and SSDI also include provisions for expedited reinstatement. This feature applies to beneficiaries who are no longer eligible for SSI or SSDI due to employment but who become unable to work due to the disability under which they were originally qualified for benefits. In these cases, benefits will be quickly reinstated, with provisional payments of up to six months during the evaluation of the claim. This provides important protection for people who are disabled due to mental impairment; some of these clients may have periods where they are able to function very well, but their symptoms may re-emerge and prevent them from working for a time.

Both programs include an income sheltering incentive. The amount an individual pays for Impairment-related Work Expenses (called IRWEs) is subtracted from calculations of income earned from employment. IRWEs are equipment, services, and treatment that individuals need in order to manage work with their disability. This includes such expenses as medical devices, attendant care costs, and certain medical treatments.

SSI provides another income shelter through its Plan to Achieve Self-support program, also called the PASS program. SSI recipients who develop an approved plan to work towards economic independence do not have to pay taxes on the money they save for carrying out this plan. The individual can save money for education, job training, or starting a business.

SOAR, IRWEs, and the PASS program are described in greater detail in the pamphlet.

The next programs that we'll discuss are Medicare and Medicaid.

One of the greatest concerns that prevents people from going to work is their fear of losing access to the medical benefits of Medicare and Medicaid. Many of the low-paying jobs available to people leaving benefits programs provide no medical coverage; this is particularly worrisome for those who are disabled and expect to have continuing high medical expenses.

What's crucial here is that eligibility for Medicare and Medicaid is tied to other Federal programs.

- **We'll discuss Medicare first.** Medicare is linked to SSDI, so someone might fear losing Medicare if they are no longer eligible for SSDI. SSDI, however, has a trial work period, as mentioned above. As part of the work incentives offered to Medicare beneficiaries, Medicare coverage is available at no cost for 93 months following the end of a trial work period. After that time, workers in low-paying jobs may qualify for Medicaid coverage, though they may have to pay a monthly premium, depending on the State.
- **Medicaid is linked to SSI and TANF.** If someone is no longer eligible for SSI or TANF, however, they won't necessarily lose all of their Medicaid coverage. More than half the States offer a Medicaid "Buy-in." This means that low-income workers can receive Medicaid coverage, usually for a monthly payment that is based on income.

If you are helping people who receive Medicare or Medicaid based on a disability, make sure they understand that they will not automatically lose coverage when they no longer qualify for SSI or SSDI due to earned income under the definition of SGA. Individuals also need to know

about options available in their own State regarding Medicaid coverage available to low-income workers.

Section 4 Overview of Other Government Programs Providing Work Incentives

In this section, we'll be discussing HUD-funded housing programs, the TANF program, veterans benefits, and State and local programs.

The first programs that we'll discuss are those pertaining to HUD-funded housing.

In HUD housing programs, the rent is tied to income. Residents typically have to pay 30 percent of their income for rent, with rent rising along with income increases. For example, if a head of household receives \$1,000 in cash assistance, then the rent in public housing is \$300 per month. Should the resident take a part-time job that pays \$500 per month in earned income, the rent would increase by \$150 per month. This is a clear disincentive to working.

To counteract this disincentive, the Earned Income Disregard was developed for five of HUD's largest housing programs. This incentive is sometimes called the Earned Income Disallowance, or EID. Under the EID, if the income of an eligible tenant increases, the amount of the increase is disregarded from the tenant's share of rent for a 12-month period. Half the increase is then disregarded for an additional 12 months. If you start working before moving into HUD housing, you can still qualify for the EID program, so homeless people can begin working even while they are on a waiting list for housing.

The EID applies to all tenants in public housing; it is available to residents who have not worked during the previous 12 months or who have worked less than 10 hours per week at minimum wage.

It also applies to tenants with disabilities in Section 8 Housing Choice Voucher program, the HOME Investment Partnerships, Housing Opportunities for Persons with AIDS, and Supportive Housing. The Supportive Housing Program is one of the McKinney-Vento permanent housing programs for people who are homeless. The EID is not offered by the other two McKinney-Vento permanent housing programs, Shelter Plus Care and Section 8 Moderate Rehabilitation Single Occupancy.

The next program that we'll discuss is the TANF program. TANF stands for Temporary Assistance to Needy Families.

TANF is a program that relies largely on mandatory work requirements. TANF programs typically provide cash assistance for basic needs, employment training and job placement, and family education. The basic TANF guidelines require recipients to work or be involved in training or education that can lead to work; otherwise, they risk losing their benefits. However, there are a number of exceptions to the work and training requirements. One major exemption is for people with disabilities, who do not have to work or participate in training that can lead to work.

Child care funding is available for beneficiaries who are engaged in TANF-approved work and training activities. Most States also provide child care assistance for former TANF recipients who are working at low-paying jobs. Transportation assistance is often available and includes such items as bus tokens or vouchers. TANF programs are administered by the States, so, like Medicaid, there is State discretion and thus variance across States regarding work requirements and benefits provided.

The next set of programs that we'll discuss here pertains to veterans benefits.

A disproportionate number of veterans are homeless, and many of them want to work. The Department of Veterans Affairs and Department of Labor both offer locally-based vocational

training and placement services to veterans, with special efforts aimed at disabled veterans. A large number of homeless veterans fit into this category. They have high rates of mental illness and substance abuse disorders, which are often accompanied by physical disabilities. Certain veterans with psychosocial disorders may qualify for Department of Veterans Affairs Compensated Work Therapy (or CWT). This program provides case management, employment, transitional housing, and supportive services to participants.

The two major VA benefits programs are VA Disability Compensation and VA Pension. These two programs do not offer specific work incentives. VA Disability Compensation is paid to veterans with a “service connected” disability and is based solely on the level of disability. The payment does not change with an individual’s employment or income status. Therefore, returning to work generally does not threaten an individuals’ disability payment.

If you are working with veterans with disabilities, make sure that they understand the cases in which their VA Disability Compensation benefits may be reduced. These include situations in which a veteran that the VA has determined is unable to work returns to work. In this case his or her disability payment (called “Individual Unemployability” or IU) would be reduced according to the level of disability. Another case, which applies to many homeless veterans, is when a veteran who has been accorded a high level of disability based on a psychiatric disability returns to work. The chances are good that in the next periodic assessment done by the VA, he or she will be rated as having a lower level of disability, based on the fact that he or she is able to work.

In contrast to the VA Disability Compensation, the VA Pension is paid to veterans who are of a certain age or who are completely disabled. It is based on income and length of service during a period of armed conflict. It is only for veterans with very low incomes and is not dependent on a service-connected disability. The VA Pension is an example of a benefits program with a “cash cliff;” beneficiaries who work, even at low-wage, part-time jobs, lose the pension.

The final programs that we’ll mention are State and local work incentive programs.

Numerous States and localities have instituted their own work incentive programs. We will note three program examples. You can explore these and work incentives programs offered elsewhere by visiting the *EarnBenefits* website identified in this lecture’s pamphlet:

- Erie County New York’s Wheels for Work Program provides low-income families with loans of up to \$4,000 for a car to get to work.
- Healthy NY offers low-cost health insurance to workers up to a certain income who are ineligible for Medicaid, Medicare, or insurance subsidized by their employer.
- And in Georgia, parents who have a limited income and are working, attending school, or in training may qualify to receive subsidized child care through The Childcare and Parent Services Program. This program is funded through a combination of Federal Child Care Development funds and State funding.

In the next section, we’ll discuss how you can put this information about benefits programs and work incentives into practice.

Section 5	Using Work Incentives as a Tool to Help People Who Are Homeless
------------------	--

As you work to help homeless people find employment you should, at the same time, consider incentives and benefits for which your clients may qualify, including subsidized housing, to help supplement their earnings and end their homelessness. In this section, we have identified several strategies and resources to help get you on your way.

One of your first priorities should be to get in touch with the local experts who best understand the ins and outs of work incentives.

These people can help you guide your clients make employment choices that make the most sense given their particular circumstances. There are several excellent resources that are likely to be available in your communities:

- First, there are Disability Program Navigators, called DPNs. DPNs offer a comprehensive set of employment services and expertise on work incentives to SSI and SSDI beneficiaries and other jobseekers with disabilities. Funded by DOL and SSA, the DPN Initiative operates out of a number of One-Stop Career Centers. There are more than 3,500 One-Stop Career Centers that provide comprehensive job search and employment preparation services. They are administered by local Workforce Investment Boards and funded by DOL.
- Second, there are Work Incentive Planning and Assistance programs, called WIPA programs. SSA has established WIPA programs in all States and Territories to provide people receiving SSI or SSDI with information about working and work incentives.
- Lastly, while DPNs and WIPA programs are for individuals with disabilities, One-Stop Career Center services are available to all comers. With some exceptions, Center staff is not trained to focus on the special needs of homeless people, so it's a good idea for staff from homeless programs to accompany their clients on at least the first visit to a One-Stop Career Center.

Staff at One-Stop Career Centers and in WIPA programs also should make it their business to partner with homeless agencies and initiatives in their communities. Through reaching out to local Continuums of Care and homeless service providers, they can learn how to better respond to people requesting their services who are homeless or at risk of homelessness; this could include referring clients to local or State incentive or income support programs for homeless people that they would otherwise not know about.

Next, taking an individualized approach is key to realizing the potential for work incentives, as well as ensuring that people do not prematurely lose their current benefits.

A starting point with all clients should be a benefits analysis. This is an analysis of all benefits—cash and otherwise—that an individual receives to determine how work will affect these benefits. Many agencies develop a Benefits Analysis Form to ease this task.

There are also online tools that take people through the benefits analysis process. Some of these tools provide results for various hypothetical situations. For example, someone could consider different options and ask: “Am I better off working part-time and maintaining benefits eligibility, or am I better off taking full-time employment and losing cash assistance?” “If I choose to work full-time, would I still qualify for food stamps and Federal and State Earned Income Tax Credits, which would help offset the loss of cash assistance?”

Most homeless people lack ready computer access and expertise in using the Internet, so helping them explore online resources, such as interactive benefits calculators, is an important role for those working with people who are homeless. One-Stop Career Centers have computers available for their clients; many also have their own websites that include information about work incentive programs.

Because many homeless people do not take advantage of the benefits for which they may qualify, an individualized approach also means gathering information such as work history, veteran status, health and mental health background, and homeless history. This information is needed for determining eligibility for benefits, and thus for work incentives connected with the

benefits. This is not always easy, and it often requires spending time building sufficient trust with clients for them to be willing to divulge this information. Those working with homeless clients may also have to “dig” a bit to piece together someone’s history who has spent a good deal of time uprooted and may well not have records of past jobs or medical/mental health treatment. In doing so, however, you must always respect confidentiality.

Once you have conducted a benefits analysis and gathered client history and current circumstances, the next step is to help jobseekers develop an individual employment plan.

As part of this process, you will help match their qualifications, any special needs or circumstances, and salary requirements to potential jobs. At the same, you need to take into consideration what incentives and work supports can help ensure individuals have sufficient income to afford decent housing, food, health care, and other needs. This means making sure you are familiar with all of the possible incentives and income supports for which an individual may qualify. Some of these are unique to particular communities, such as transportation vouchers or childcare assistance for low-wage workers. Others are broad Federal and State programs, like Medicaid Buy-in programs and the Federal Child Tax Credit.

Because SSI and SSDI have multiple work incentive mechanisms, it is especially important that you either work with someone who knows these programs well, such as DPN and WIPA staff mentioned earlier, or become knowledgeable yourself. One major resource is the *SSA Red Book*, available online, which provides a detailed description of all employment support and incentive programs available through SSI and SSDI.

In developing an employment plan with your clients, be sure to explore all options with them. Remember that for people who have been homeless and may have not worked for awhile, or not at all, it may make most sense for them to gradually enter the workforce. Options include part-time jobs, training to help them prepare for competitive employment, or participation in a work-readiness or non-competitive employment opportunity. This last alternative is best when there is supervision and expectations that someone may need time to adapt to a regular work environment. Depending on the individual, a client may be eligible for a variety of programs that pay for training and education and/or pay a stipend for someone placed in a public or non-profit non-competitive job for a period of time.

The concept of job “readiness” may have to be redefined for clients who are homeless and might have other barriers to work, such as serious mental illness or discomfort in an office environment. With such clients, those counseling them will need to help tailor situations that meet people “where they are,” including customized employment and ongoing job support.

Employment plans should look beyond the point at which someone finds a job and should be revisited on a regular basis. Many work incentive programs have either time limits or income ceilings, so individuals must be aware of how both entering and continuing in the workforce affects their benefits and is offset by incentives. This includes considering the impact of future salary raises, qualification for employer benefits over time, and loss of eligibility for such benefits as Medicaid or Medicare and associated work incentives. To cite just one example, SSDI provides full cash payments during the first 12 months of work activity, a 36-month extended eligibility period, and a 5-year period in which benefits can be reinstated without a new application. This is a lot to track for someone who is or has been homeless, and speaks to the need for long-term employment plans.

After developing the initial employment plan, training as a first step towards employment makes good sense for some people who are homeless.

There are some clients who may feel they are not yet ready for competitive employment. These clients would benefit from training both in job-related skills and work-readiness. They would also benefit from workshops on the job application process.

Another group of people for whom training or education is helpful is low-wage workers who are doing well enough on the job that they may have the potential to advance with additional training in specific skills and knowledge, or credentials like a GED or community college degree.

While there are many opportunities to receive partial or even full payment for training and education programs, they often require considerable planning and detailed application procedures. This is another area where those working with homeless and/or disabled jobseekers should expect to help clients navigate – and maximize – their various options.

Resources to investigate include One-Stop Career Centers, including their websites; Department of Veteran Affairs Vocational Rehabilitation and Employment Program offices; and agencies administering TANF, for TANF recipients. People with disabilities will do well to seek out DPNs and WIPAs. Many States and communities offer training and education funding aid based on income, disability, or even homeless status; those working with homeless jobseekers should seek out local expertise or become knowledgeable in these resources themselves.

If you are working with clients who are homeless, the job search often goes hand-in-hand with seeking permanent housing.

People who qualify for the McKinney-Vento HUD housing programs may be worried that getting a job will mean that they will be terminated from the housing. As with the other HUD housing programs, while *applicants* must not exceed a certain income to qualify for the program, there are no upper income limits for someone who is a *tenant* in HUD-supported housing. Thus, no one is terminated from HUD housing for earning too much. However, the amount of rent one pays will rise along with increased earnings, unless the resident is in a HUD-funded housing program that offers the EID.

In closing Section 5, we would like to share a success story about a veteran named Juan.

Juan came to the attention of the shelter caseworker, Melissa, because he always got up and out earlier than most residents. It turned out that he was lining up for day labor work, though he rarely got chosen. Juan, who appeared to be in his early thirties, had a bad limp, and he tended to be a real loner, avoiding others and not making eye contact if spoken to. Melissa approached Juan and suggested that she might be able to help him get a regular job, as well as access to health care. Juan missed his first two appointments, but he finally showed up the third time. Melissa learned that Juan had served in the first Gulf War, which is where he sustained his leg injury. He'd been in a lot of pain after that, and on pain medication. It wasn't until their second meeting that Juan volunteered that he'd become addicted to the pain meds, and ended up in prison and with a record after he'd starting selling Vicodin on the street. He'd been without a home and hadn't worked since then. Juan had been in a VA hospital a couple of times, once for surgery on his leg, but it had been a bad experience, and he stopped having anything to do with the VA after that.

Melissa eventually was able to convince Juan to meet with the local VA office, where he was evaluated and found to have untreated post-traumatic stress disorder (PTSD) in addition to his leg injury. He was given a 50 percent service connected disability rating, which provided him with a modest but regular VA Disability Compensation check, and linked with a program that treated PTSD. Juan very much wanted to work, even though Melissa explained to him that working could result in his disability benefit being reduced. He and Melissa spent several more appointments going over his work history (he'd been a bartender and a short-order cook before the Gulf War), his interests, and gathering his missing records. They even tracked down an old boss, who said Juan could use him as a reference.

Juan liked restaurant work, but couldn't be on his feet much due to his leg injury. He and Melissa went together to the One-Stop Career Center to learn about possible jobs. Over the next couple of months, Juan took a free workshop on preparing to work and another on using the computer to explore job possibilities. Meanwhile, Melissa helped Juan fill out the paperwork for the Section 8 Moderate Rehabilitation Single Occupancy Program. He was found qualified and moved in within several months.

Juan decided he wanted to learn to be a sous chef. Several large hotels had sous chef training positions available. Juan applied, and Melissa helped him prepare for his interviews and ask about the job accommodations he would need (mainly the ability to sit on a stool for at least half of the workday rather than be on his feet all day). One of the hotels hired Juan for the apprenticeship position, which paid slightly over minimum wage to start. This hotel had had success hiring several of Melissa's clients in housekeeping and as waitstaff.

Juan is currently six months into his training period. He is doing well enough that the hotel restaurant has indicated he will likely be hired for a junior sous chef position after another six months of apprenticeship. He has recently gone back for his regular VA disability evaluation. His disability rating has been reduced to 25 percent, as he has shown he can work, and because his PTSD symptoms have lessened with treatment. However, Juan was relieved to learn that he will have access to free VA health care for life.

Even with the reduction in cash assistance, Juan is taking home slightly more than he was before his disability benefit was cut, due to a 6-month raise at work. Juan plans to save what he can and move out into an unsubsidized apartment soon after he gets the junior chef job. In the year since he first met with Melissa, Juan has gained the confidence and skills to make it on his own, as well as access to resources that will enable him to maintain his independence.

Section 6 Helping People Appreciate the Positive Aspects of Working

It is sometimes hard for people who have not been working for some time, and have been receiving income supports on an ongoing basis, to see why getting a job makes sense. In many cases, people who have been homeless and/or are disabled qualify for jobs with low-paying positions and few or no benefits. Furthermore, most of these jobs are far from glamorous, highly sought after positions; they are often low-level service jobs, such as food service work, janitors or housekeepers, and store or office clerks.

If you are working with people who are ambivalent about returning to work, part of your role is to encourage them to look towards the future. While they may be starting out near the bottom, if they stick with the job and do well, they will likely advance up the ladder. This means higher pay, better benefits, and more job choices. For most people, it doesn't take long for their salary and benefits to outpace the worth of their income support and government benefits.

Your job is also to counter people's fears about being worse off financially once they work, especially due to loss of benefits like Medicaid and housing subsidies. Help them understand that in most cases, their benefits will be phased out. Show people how their individual situations will improve, depending on their salary and length of time working.

Homeless people may well worry about keeping a job as much or more than whether they can get a job in the first place. People who have been homeless for quite awhile or who have had multiple episodes of homelessness might well wonder about their ability to maintain a regular schedule and stick with the responsibility of working over time. It's vital to develop a job retention culture, one in which you help people develop an ongoing connection to the workforce and view themselves as belonging there.

Money is a key reason to work. However, most of us get other significant rewards from our jobs, which is an important point to share with clients. Working brings other people into our lives, provides a sense of accomplishment, and helps us define who we are. Having people count on you, taking pride in one's work, and learning new skills are some of the personal benefits of holding a job. Many homeless people who lack confidence in their ability to work can do so with the help of planning, support, and follow-up.

Section 7 Conclusion

This lecture has provided an overview of work incentives in public benefit programs, most of which have been developed fairly recently. We also have addressed the general purpose of work incentives – to encourage people to work without fear of immediately losing access to cash and other basic benefits.

We stressed the importance of helping clients who are seeking jobs understand the impact of work on their benefits, and how work incentives come into play. We underscored the need to individualize the process of determining how people can take advantage of work incentives, which means first conducting a thorough client history, gathering all information that might affect qualification for benefits and/or work incentives.

There are numerous factors that determine which work incentives individuals qualify for and the impact of work on benefits. Thus, staff helping people who are homeless find employment should make sure they either become knowledgeable themselves through taking advantage of training programs like SOAR, or work in close collaboration with work incentive experts, like DPNs and WIPA program staff.

This lecture also briefly touched on training and education programs that are often subsidized for people with low incomes, disabilities, or other special circumstances.

We closed with a section on the importance of helping people who have not worked in a long time, or at all, to appreciate the benefits of working that extend far beyond a paycheck.

The hope is that this lecture and the pamphlet that goes with it will give those working to help homeless people find work an awareness of the potential impact of work incentives. This includes the need to address work incentives and their interaction with benefit programs as part of the overall employment search process, and the availability of resources to seek out in this effort.