

VOCATIONAL REHABILITATION AND EMPLOYMENT LONGITUDINAL STUDY

REPORT TO CONGRESS

Annual Report for FY 2011





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VR&E Longitudinal Study, Annual Report 2012
for FY 2011

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Executive Summary

Veterans with disabilities face multiple physical, mental, and economic effects from their disabilities, which may include unemployment or lower wages when employed. Disabled Veterans may struggle to maintain their role as providers within their families and/or have reduced ability to perform activities of daily living. Operated by the Department of Veterans Affairs (VA) Veterans Benefits Administration (VBA), the mission of the Vocational Rehabilitation and Employment (VR&E) VetSuccess program is to provide eligible Veterans with compensable service-connected disabilities all the services and assistance necessary to enable them to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment.

The VR&E VetSuccess program assists Veterans with service-connected disabilities to prepare for, find, and maintain suitable careers. VetSuccess provides guidance and advocacy while Veterans complete training and college programs, and also throughout the job-placement process. For Veterans with service-connected disabilities so severe that they cannot immediately consider work, VetSuccess offers services to improve their ability to live as independently as possible in their homes and communities. Once a Veteran has been determined to be entitled to vocational rehabilitation services, the Veteran and his/her counselor develop a rehabilitation plan in one of five tracks. These tracks include four employment tracks (Re-employment, Rapid Access to Employment, Self-Employment, and Employment through Long-Term Services) and the Independent Living track. The counselor and Veteran continue to meet throughout all steps of the rehabilitation plan. Monitoring and support continue as long as the Veteran is participating in the program.

In 2008, Congress passed the Veterans' Benefits Improvement Act to improve and enhance benefits for Veterans. A section of this legislation requires VA to conduct a 20-year longitudinal study of Veterans who begin participation in the VR&E program in FY 2010, FY 2012, and FY 2014. These three cohorts will be followed annually for 20 years, with data collection starting in 2012. The first report for the longitudinal study, entitled "VR&E Longitudinal Study, Annual Report 2011 for FY 2010," is based on administrative data routinely collected by VBA. The report will serve as a baseline point for comparison, against which VA will begin assessment of the long-term impact of

program participation on employment and other outcomes, as data for these study participants are collected and analyzed annually.

Similar to the first report, this second report, entitled “VR&E Longitudinal Study, Annual Report 2012 for FY 2011,” is also based on administrative data collected by VBA. This current report focuses primarily on the characteristics of the FY 2010 Longitudinal Study cohort as of the end of FY 2011 and examines changes in participant status that occurred in FY 2010 and FY 2011.

The FY 2010 cohort is comprised of Veterans or Servicemembers who applied for VR&E services and entered into a plan of services at any point during FY 2010. The status of some Veterans in the cohort changed in FY 2010 or FY 2011. For this FY 2011 report, Veterans in the cohort were classified into one of the following three groups for each fiscal year (FY 2010 and FY 2011) of the study:

- (1) Active: Participants still working on the steps of their rehabilitation plan;
- (2) Discontinued: Participants who stopped their rehabilitation plans of services without completing them; and
- (3) Rehabilitated: Participants who successfully completed their rehabilitation plans of services.

Findings

The FY 2010 cohort is comprised of 10,793 Veterans and Servicemembers. Among these participants are 180 Veterans who successfully completed their rehabilitation plans of services in FY 2010 and 172 Veterans who discontinued their participation in FY 2010. In FY 2011, 625 additional Veterans successfully completed their rehabilitation plans of services, and 811 additional Veterans discontinued services.

The length of time of an individual’s rehabilitation plan is associated with the track(s) of services in which they are participating, and thus the speed at which rehabilitation is achieved. The vast

majority of FY 2010 participants are in the Employment through Long Term Services track, which includes the completion of necessary training to enable Veterans to qualify for and enter suitable careers. As expected, these individuals comprise only a small portion (one-in-four) of completed rehabilitations by the end of FY 2011, as they are still participating in training which may span several years. More highly represented in the successful rehabilitation group were individuals in the Rapid Access to Employment track (one-in-three). However, this group comprises only 6.2 percent of the entire cohort. This finding was expected as the focus of their program is rapid job placement.

Findings from the administrative data for the FY 2010 cohort reveal several characteristics associated with either completing rehabilitation or discontinuing from the program within the first two years. These findings are based on analyses of under- and overrepresentation of Veterans with these various characteristics in the active, rehabilitated, and discontinued statuses in FY 2010 and FY 2011. The findings suggest that the characteristics associated with successful rehabilitation within the first two years include males, being over the age of 60, having a combined disability rating of 70% or higher, having a college degree prior to participation, having no pre-rehabilitation salary, having a primary (service-connected) mental health diagnosis, serving in the Vietnam War era, and attending a vocational training course. Characteristics of the cohort associated with discontinuing the program within the first two years include males, having a serious employment handicap, being over the age of 50, having a combined disability rating of rating of 70% or higher, having no pre-rehabilitation salary, having a mental health diagnosis, serving in the Vietnam War era, and being of a very junior rank (E1 – E3).

It should be noted that at this early point in the longitudinal study, having analyzed administrative data from only one cohort and from only two years, these findings are only descriptive and may have little or no predictive value. With that caveat in mind, it is relevant that patterns do emerge at this early point that bear closer study now and as the results unfold in the future as additional data are collected and analyzed. The following bulleted points provide an overview of those patterns in no particular order.

- **Serious Employment Handicap.** Over 70 percent of the FY 2010 cohort represents Veterans with a serious employment handicap. As of the end of FY 2011, 86.5 percent of those participants that discontinued their rehabilitation plans were designated as having a

serious employment handicap. Also, 70.6 percent of those participants who completed their rehabilitation plans successfully had a serious employment handicap. Thus, while cohort members with a serious employment handicap were substantially overrepresented among Veterans who discontinued their plans of services, their representation among Veterans who were rehabilitated was equal to their representation in the overall cohort. This particular overrepresentation is a concern that bears further scrutiny as the study unfolds.

- **Gender.** Males comprise about 83 percent of the cohort. Their status as of FY 2011 shows them to be overrepresented among those Veterans who discontinued their plans of services (88 percent) and they were overrepresented among Veterans who were rehabilitated (88 percent) as of the end of FY 2011. A 5 percent shift in representation of a group as large as males are in the study (9,003) is clearly a significant change.
- **Age.** Cohort participants age 60 or older comprise 11 percent of the study population. However, almost 35 percent of rehabilitated participants were 60 years of age or more. Similarly, participants who discontinued services also have a higher proportion of older Veterans, age 50 and above, relative to their representation in the cohort. However, these findings are not surprising given that 85 percent of older Veterans at least 60 years of age were in the Independent Living track, which generally lasts 24 months.
- **Pre-Rehabilitation Education.** Veterans with some training (non-degree) beyond a high school education at the time of their entry into the VR&E program are both less likely to discontinue services or be rehabilitated in the first two years of their plans of services. More precisely, these are Veterans who have a high school diploma plus additional education or training but no college degree. They are typically in longer term educational programs, which may explain why they are less likely to complete their rehabilitation within the first two years. In contrast, Veterans who already have a four year degree are less likely to discontinue and more likely to be rehabilitated within two years, relative to their representation in the overall cohort. As these Veterans already have a college degree, they are likely to pursue shorter duration training programs, or were in need of employment services without a need for additional education.
- **Rehabilitation Training.** Veterans in an undergraduate program comprise approximately one-fifth of those who completed rehabilitation by the end of two years. In contrast, Veterans in vocational training comprise a relatively higher proportion of the participants

who completed rehabilitation. These findings are driven by vocational training typically being a shorter duration program as compared to completing an undergraduate degree.

- **Pre-rehabilitation Salary.** More than three-fourths of Veterans in the 2010 cohort were not earning a salary when they initiated their rehabilitation plans. Those who had no pre-rehabilitation salary when they applied are more likely to discontinue within the first two years, but among those who stay, they are more likely to complete their rehabilitation within two years.
- **Primary Diagnosis.** Cohort members with a mental health diagnosis as their primary service-connected health condition are more likely to have left the program within the first two years. They are also rehabilitated in proportions higher than expected. These findings suggest that although Veterans with a mental health diagnosis are at greater risk for discontinuing, those that stay have a higher rate of program completion within the first two years of their plans. While primary diagnosis represents the most significant disabling characteristic of Veterans, it is very important to note that over 84 percent of Veterans receiving VR&E services have more than one reported health condition (or impairment).
- **Era Served.** Vietnam War era Veterans are overrepresented among those who discontinue their plans of services, and among those who complete their rehabilitation with the first two years. These Veterans are among the oldest in the cohort, and as noted earlier, older Veterans comprise a large portion of the participants in the Independent Living track. Thus, these findings are expected and easily explained.
- **Branch.** While the numbers of Veterans with changed status are relatively small across several branches of the military, it is noticeable that Veterans from the Army comprise over half (54.3 percent) of the entire cohort. In addition, members from this branch were substantially overrepresented among Veterans who discontinued their services within the two years, and they were slightly underrepresented among Veterans who were rehabilitated during this period.
- **Rank.** Individuals in the junior ranks (E-1 to E-3) are overrepresented among those who discontinue and underrepresented among those who are successfully rehabilitated within the first two years of their plans of services. These differences may be clouded by the relative sizes of the distribution of grades across the entire cohort. This pattern, while needing more

substantiation, is particularly concerning and bears watching as Veteran status changes over time as more participants discontinue their plans or successfully rehabilitate.

- **Program Track.** Relative to their starting numbers, individuals in the Independent Living track completed their rehabilitation plans of services faster than those in the Employment tracks, with most of the completions occurring in the second year. This pattern is to be expected, as Independent Living programs typically do not exceed 24 months unless approval is obtained by the VR&E Officer on station for an extended period of services.
- **Discontinuation Type.** The type of discontinuation significantly differs between FY 2010 and FY 2011. Of Veterans that discontinued, the predominant share is from Extended Evaluations in FY 2010. This may be explained by the fact that Veterans who participate in Extended Evaluations are those for whom the feasibility of a vocational goal is in question. The purpose of the Extended Evaluation plan is to provide evaluative and rehabilitative services to these individuals to help improve their rehabilitation potential and determine if a vocational goal may be feasible for them. Therefore, Veterans who participate in Extended Evaluation plans typically have significant barriers to employment which may or may not be overcome through a rehabilitation program. Those in an Extended Evaluation may be more complicated cases, but discontinuing under this status may also reflect that the individual Veteran discontinued early in the process prior to obtaining a rehabilitation track assignment. In contrast, in FY 2011, the predominant share of discontinuations is from “other” plan types, although those who remained in Extended Evaluation during the first year are still overrepresented among those who discontinue in FY 2011.

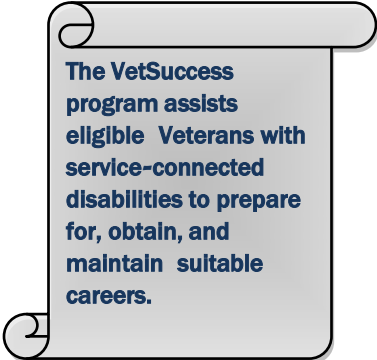
The foregoing analyses are necessarily univariate in nature. Being early in the study, the numbers of Veterans in the discontinued and rehabilitated statuses are relatively small making multivariate analyses particularly difficult. Thus, when representation in a particular status is broken out by two or more variables, the numbers within each cell are too small at this early point to draw any specific or targeted conclusions. While it is still early in the Longitudinal Study, some patterns do begin to emerge, as noted above, in the first two years following initiation of the plan of services. However, the challenges faced by Veterans with disabilities are dynamic and dependent on the stability of the impairments that led to disability, the social and physical environments in which these individuals live, and many other factors. As the next two cohorts are added to the study, and as the initial cohort continues to be observed over time, we will better understand how well the patterns hold up.

Overview of the Vocational Rehabilitation and Employment Program

1

The mission of the Department of Veterans Affairs (VA) Veterans Benefits Administration (VBA), in partnership with the Veterans Health Administration and the National Cemetery Administration, is to provide benefits and services to Veterans and their families in a responsive, timely, and compassionate manner in recognition of their service to the Nation. The Vocational Rehabilitation and Employment (VR&E) VetSuccess program is one of the benefits VBA provides to those who have served our country. It is authorized by Congress under Chapter 31 of Title 38, United States Code.

VR&E operates its program under the banner of VetSuccess. The VetSuccess program assists Veterans with service-connected disabilities to prepare for, find, and maintain suitable careers. VetSuccess provides guidance and advocacy while Veterans complete training and college programs, and also throughout the job-placement process. VetSuccess also provides assistance to Veterans seeking to start their own businesses. For Veterans with service-connected disabilities so severe that they cannot immediately consider work, VetSuccess offers services to improve their ability to live as independently as possible in their homes and communities.



The VetSuccess program assists eligible Veterans with service-connected disabilities to prepare for, obtain, and maintain suitable careers.

VR&E continues to develop and expand methods to assist Servicemembers and Veterans in obtaining and maintaining suitable employment, with a focus on outreach and early entry into VR&E services during transition from active duty. Expanded outreach and early intervention for Servicemembers and Veterans have resulted in increased program emphasis on briefings for active duty Servicemembers and National Guard and Reserve Members. VR&E also expanded the scope of the program to serve Veterans in VA education programs, including those Veterans receiving benefits under the Post-9/11 GI Bill, through the “VetSuccess on Campus” program, which

provides outreach and transition services to the general Veteran population during their transition from military to college life and ultimately entry into suitable employment.

The VetSuccess on Campus program assigns a VA Vocational Rehabilitation Counselor to each participating campus to provide general benefits assistance; career counseling including vocational testing, and academic and readjustment counseling services; assistance in overcoming barriers to retention and completion of degree programs; and medical or other referrals. Also co-located on campus is a VA Vet Center Counselor or Outreach Coordinator, whose function is to provide peer-to-peer counseling and referral services. VetSuccess counselors ensure that Veterans receive the support and assistance needed to achieve educational and employment goals. VetSuccess on Campus has a presence at eight college campuses throughout the United States, with plans to expand to an additional 24 locations by the end of fiscal year 2012.



The VetSuccess.gov website is a Veteran-centric tool, providing comprehensive transition and employment resources for all Veterans, with or without disabilities. Veterans, Servicemembers, and their families can access a variety of interactive tools and information available throughout the Veteran lifecycle from transition to college, career, retirement, and family life. VetSuccess.gov also serves as a virtual employment resource center for Veterans seeking employment.

VetSuccess.gov contains a job board which posted over 10,000 available jobs at the end of FY 2011. These jobs are posted directly on the website by employers seeking to hire Veterans. In FY 2011, VetSuccess.gov had over 91,000 registered Veterans, over 2,000 registered employers, and almost 48 million site hits. The website also provides links to over 8 million jobs on the VetCentral website and links Veterans to Indeed, Google, Simply Hired, and other job boards. Veterans may also apply for various VA benefits, including VR&E, through the website.

Section 1A: Services Provided by VR&E's VetSuccess Program

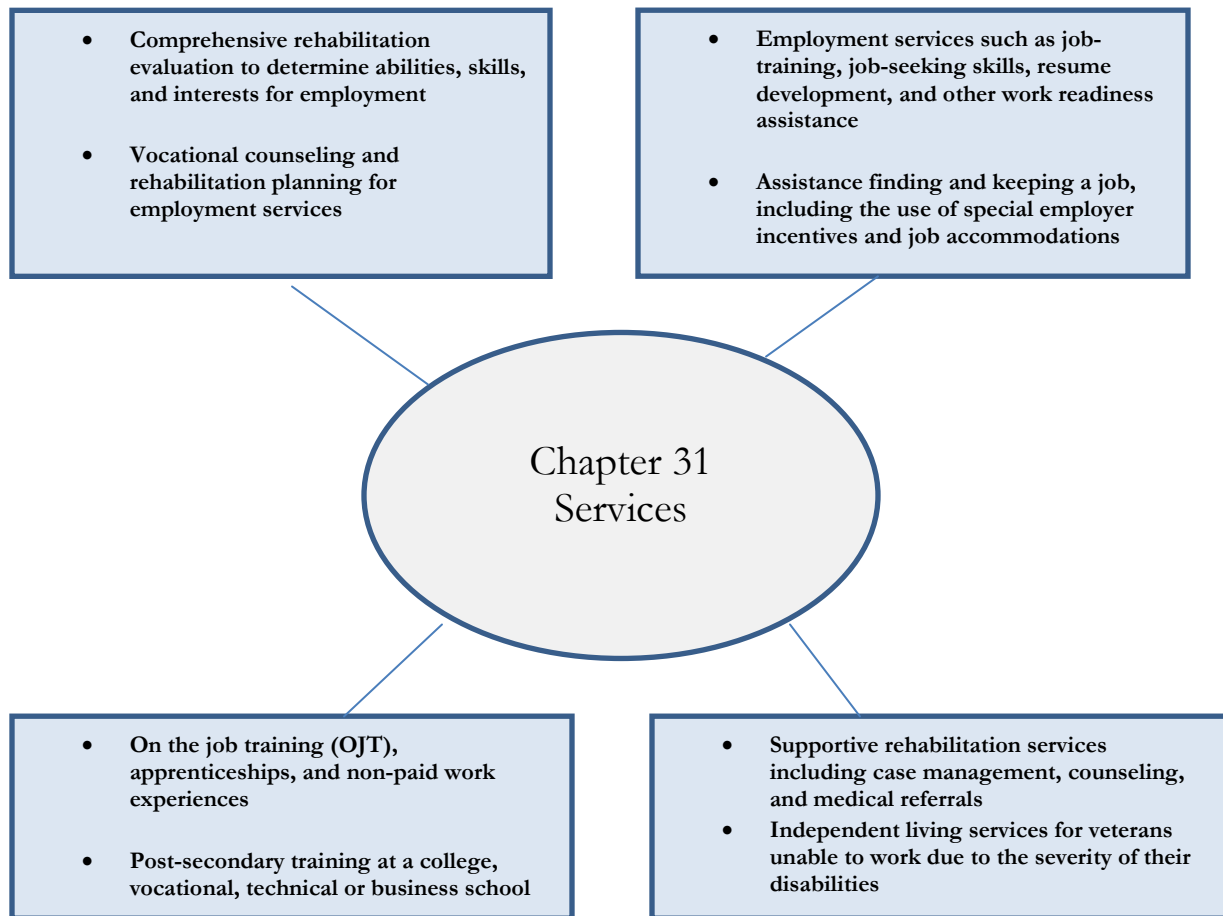
VR&E is one of five business lines within VBA that provides benefits and services to Veterans and Servicemembers. VR&E's VetSuccess program primarily delivers rehabilitation services to assist Veterans with service-connected disabilities to prepare for, obtain and retain careers in the civilian workforce. For those Veterans for whom employment is not currently an option – as well as for Veterans who need services to increase independence in conjunction with employment readiness – the program provides a wide range of services in the Independent Living track. These services are based on needs that Veterans have to live as independently as possible, with the least reliance on others and in the least restrictive environment. VR&E also provides benefits and services to eligible family members. VR&E administers Chapter 31, Chapter 36, and Chapter 18 benefit programs under Title 38 U.S.C. VR&E also provides counseling to dependents eligible for Chapter 35.

Chapter 31. The Chapter 31 program (also known as the VetSuccess program) assists Veterans with service-connected disabilities to prepare for, find, and keep suitable jobs. For Veterans with severe service-connected disabilities who cannot immediately consider work, the Chapter 31 program offers services to improve their ability to live as independently as possible (see Figure 1A-1). The entire FY 2010 cohort described in this longitudinal study report is comprised of individuals who applied for the Chapter 31 program, were found entitled, and began a plan of services during fiscal year 2010.

Chapter 36. VR&E can provide a wide range of educational and vocational counseling services to Servicemembers still on active duty, as well as Veterans and dependents who are eligible for one of VA's educational benefit programs. These services are designed to help an individual choose a vocational direction and determine the course needed to achieve the chosen goal.

Individuals who are eligible for educational and vocational counseling include transitioning Servicemembers who are within six months prior to discharge from active duty, or within one year following discharge from active duty. Individuals eligible for VA education programs such as the GI Bill are also eligible for educational and vocational counseling from VR&E.

Figure 1A-1. List of Services Provided under Chapter 31



Assistance may include interest and aptitude testing; occupational exploration; setting occupational goals; locating the right type of training program and exploring educational or training facilities which might be utilized to achieve an occupational goal. Chapter 36 participants are not represented in the longitudinal study.

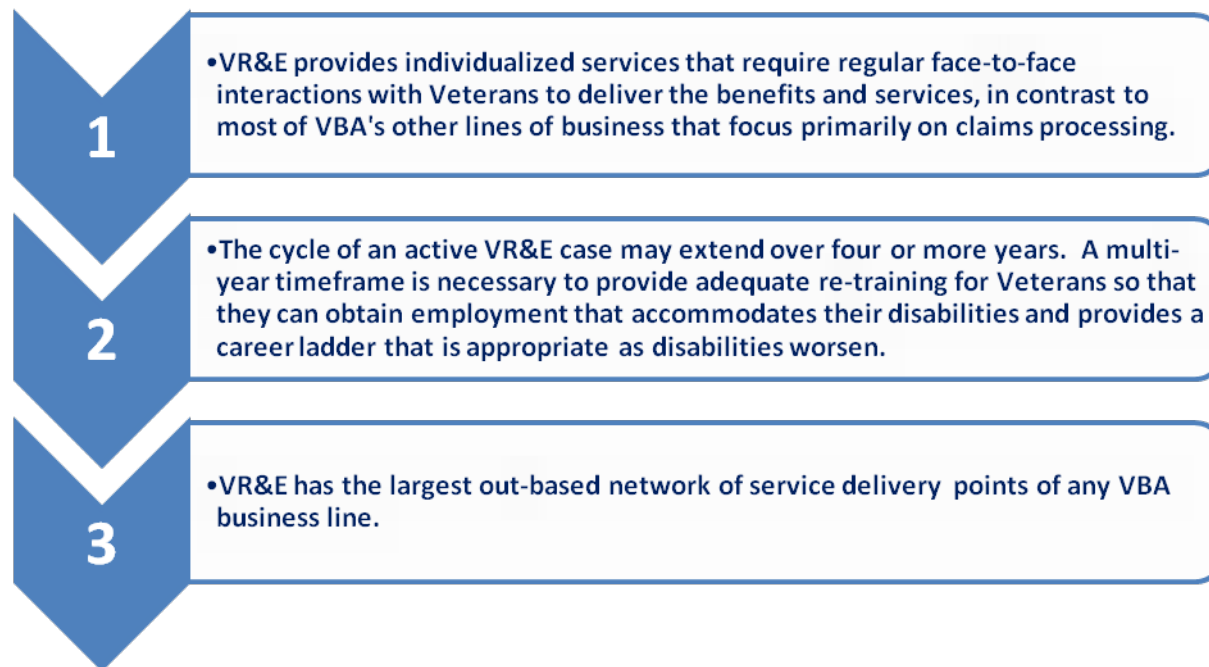
Chapter 18. VA provides monetary allowances, vocational training and rehabilitation and VA-financed health care benefits to certain Korea and Vietnam Veterans' birth children who have been diagnosed with spina bifida. For the purpose of this program, spina bifida is defined as all forms or manifestations of spina bifida (except spina bifida occulta). Effective October 10, 2008, Public Law

110-387, Section 408, made a change to 38 U.S.C. § 1803(a). As a result of this change, medical services and supplies for spina bifida beneficiaries are no longer limited to care for the spina bifida condition. This program now covers comprehensive health care considered medically necessary and appropriate.

VR&E services are available to Chapter 18 participants if it is reasonably feasible for the eligible child to achieve a vocational goal. Chapter 18 participants are not represented in the longitudinal study.

Chapter 35. Under Chapter 35, VR&E can provide a wide range of educational and vocational counseling services to the spouse, son or daughter of a Veteran who died or is permanently and totally disabled as a result of a service-connected disability, a Veteran who died from any cause while rated permanently and totally disabled as a result of a service-connected disability, a Servicemember missing in action or captured in the line of duty by a hostile force, a Servicemember forcibly detained or interned in line of duty by a foreign government or power, or a Servicemember who is hospitalized or receiving outpatient treatment and has a service-connected permanent and total disability and is likely to be discharged for that disability. These services are designed to help an individual choose a vocational direction and determine the course needed to achieve the chosen goal. Assistance may include interest and aptitude testing; occupational exploration; setting occupational goals; locating the right type of training program and exploring educational or training facilities which might be utilized to achieve an occupational goal. Chapter 35 participants are not represented in the longitudinal study.

VR&E administers these four programs through a decentralized service-delivery network comprised of 57 VBA regional offices and 169 out-based offices. This network is staffed with a VR&E workforce of 1,163 staff, including vocational rehabilitation counselors, employment coordinators, support staff, and managers. VR&E also has national counseling contracts which complement the delivery of services provided by VR&E counselors and employment staff. Figure 1A-2 displays the key features that distinguish the VR&E service-delivery strategy from the service-delivery strategy of VBA's other lines of business.

Figure 1A-2. Three Key Features of the VR&E Service-Delivery Strategy

The VR&E VetSuccess program workload is predominately driven by two factors: (1) the number of Veterans applying for rehabilitation and training benefits and services (Chapter 31, Title 38); and (2) the number of Veterans who enter into the development and implementation of a rehabilitation plan. Once a Veteran applies and is determined eligible for services, the Veteran meets with a VR&E counselor to complete a comprehensive vocational assessment. The VR&E counselor will then make an entitlement determination. If the Veteran or Servicemember is not entitled, the counselor will assist with any necessary referrals for other services.

After the Veteran or Servicemember is determined entitled to vocational rehabilitation services, the Veteran continues with further assessment and evaluation activities, if necessary. Based upon the results of the comprehensive vocational assessment and any additional evaluations, the Veteran and counselor will develop a rehabilitation plan to provide one or more of five tracks of services. The five tracks of services are listed in Figure 1A-3.

Assessment and evaluation activities help Veterans and their counselors to develop a rehabilitation plan. A rehabilitation plan lists the services that will be provided and identifies the steps Veterans

will take to achieve their rehabilitation goals. The rehabilitation plan can be re-developed based on new needs or circumstances identified by the Veteran and counselor. The counselor and Veteran continue to meet for supportive services throughout all steps of the rehabilitation plan. Monitoring and support continue as long as the Veteran is a participant of the VR&E program.

Prior to completing the steps of the rehabilitation plan, Veterans meet with their counselors to assess their readiness to enter employment, and work with their counselors to develop a job-ready plan of services or to update their combined training and employment plan. The VR&E counselors and Employment Coordinators, in collaboration with the Department of Labor's Veterans Employment and Training Service's (VETS) grant funded DVOPS and LVERS, then assist Veterans with obtaining employment; ensuring that the employment is stable; and once stable employment is reached, providing follow-up services for at least 60 days before closing their cases as rehabilitated.

Figure 1A-3. Five VR&E Tracks of Services



Section 1B: Evolution of Vocational Rehabilitation for Veterans

Vocational rehabilitation began as a government service to war-injured Veterans and disabled citizens during the World War I era. In 1917, the War Risk Insurance Act of 1914 was amended to provide rehabilitation and vocational training for Veterans with dismemberment injuries, injuries to their sight or hearing, and other injuries resulting in permanent disability. Although the legislative history of VA's vocational rehabilitation program has not been as dynamic as the compensation and pension programs or perhaps VBA's other lines of business, the basis for the program has changed substantively since it was first created. At the same time, the organization that administers this program within VBA has also evolved.

... in response to Veterans' needs, the VR&E VetSuccess program has changed substantively since it was first created.

The following legislative history of the VR&E program provides a context for understanding many of the issues that impact reform. Since the original legislation that established what the VR&E program is now, there have been several pieces of legislation that made the program what it is today, as noted in the highlighted facts in Figure 1B-1 below.

Figure 1B-1. Chronological History of the Legislative Changes to the VR&E Program

- 1918 – Public Law 65-178 expanded eligibility for other disabilities that were vocationally “handicapping.”**
- 1943 – Public Law 78-16 established the vocational rehabilitation program for Veterans of World War II.**
- 1962 – Public Law 87-815 authorized vocational rehabilitation benefits for Veterans who served during peacetime, but created more restrictive eligibility criteria for those who served in peacetime as compared to those who served in World War II or the Korean Conflict. Veterans with 10 percent and 20 percent service-connected disabilities were not eligible for vocational rehabilitation.**
- 1974 – Public Law 93-508 relaxed eligibility and entitlement provisions of the program to allow 10 and 20 percent service-disabled Veterans to receive vocational rehabilitation benefits.**

Figure 1B-1. Chronological History of the Legislative Changes to the VR&E Program (continued)

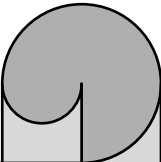

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- 1977** - Public Law 95-202 directed VA to engage in greater efforts to encourage Veterans to use vocational rehabilitation and counseling services. This change and the subsequent legislative change in 1980 were the result of Congressional scrutiny of the program.
- 1980** - Public Law 96-466 changed the purpose of the program to include independent living and services necessary to ensure that Veterans with service-connected disabilities not only obtained but maintained suitable employment. This legislation also changed the success criteria for the program to achievement of suitable employment and provided for intensive outreach and comprehensive, individualized plans for rehabilitation services. Until 1980, successful rehabilitation was defined as the completion of training for suitable employment, not actual employment.
- 1990** - Public Law 101-508 eliminated entitlement for Veterans with a 10 percent service-connected disability.
- 1993** - Public Law 102-568 changed the law again so that those with a 10 percent service-connected disability were once again entitled to benefits.
- 1996** - Public Law 104-275 limited participation in Self Employment and Home Bound Training to Veterans with severe service-connected disabilities who require self-employment to achieve vocational rehabilitation.
- 1999** - The program's name changed from Vocational Rehabilitation and Counseling to Vocational Rehabilitation and Employment (VR&E) to reflect the increased emphasis on employment services.
- 2008** - Public Law 110-181 allows for automatic eligibility and entitlement to VR&E services for active-duty Servicemembers with severe injuries or illnesses.
- 2010** - Public Law 111-275 increased the fiscal year limitation on the number of Veterans initiating programs of Independent living services and assistance from 2,600 to 2,700 beginning in 2011.
- 2011** - Public Law 111-377 allowed the program to pay a monthly allowance similar to the monthly allowance paid under the Post-9/11 GI Bill. This monthly allowance, based on the military Basic Allowance for Housing (BAH) rate for a member with dependents in pay grade E-5, is available for those Veterans who are entitled to a subsistence allowance under the program and would also qualify for educational assistance under the Post-9/11 GI Bill.

Figure 1B-1. Chronological History of the Legislative Changes to the VR&E Program (continued)

2011/2012 – Public Law 112-56 has five sections of the law that relate to VR&E.

- **Section 232 allows VR&E to expand the Special Employer Incentive (SEI) program.**
- **Section 233 entitles a Veteran who has completed a VR&E program and has exhausted state unemployment benefits to an additional twelve months of vocational rehabilitation services.**
- **Section 222 requires Department of Defense (DoD) to provide an individualized assessment to certain Servicemembers of skills that can be transferred to civilian employment and to share the assessment with VA and Department of Labor (DOL) to assist with the Servicemember's transition to civilian employment.**
- **Section 231 provides a two-year extension of the authority in Section 1631(b) (1) of Public law 110-181 (NDAA of 2008). Automatic eligibility and entitlement to VR&E services is granted to active-duty Servicemembers with severe injuries or illnesses until December 31, 2014.**
- **Section 261 grants additional Work Opportunity Tax Credits (WOTC) to employers and encourages the use of these tax credits to help Veterans return to work.**

Section 1C: The VR&E Process

The VR&E process begins when a Veteran completes an application (VA Form 28-1900) for VR&E services. The application can be filled out either electronically or hard copy. Once the application is received and basic eligibility is determined, the counselor meets with the Veteran to complete a vocational, medical, and academic history, including facts necessary to determine if the Veteran is entitled to services.

Veterans become eligible for VetSuccess in a number of ways. However, the basic criteria require a service-connected disability (resulting from a physical or mental injury or health condition), and determination that the disability results in an employment handicap. An employment handicap results from an impairment associated with the Veteran's inability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests. As shown in Figure 1C-1, Servicemembers and Veterans are eligible for the program if they have either a Memorandum rating of 20 percent or more or a service-connected disability rated at 20 percent or more and an employment handicap. A memorandum rating is provided when a Veteran has not yet completed a disability compensation evaluation, but is admitted to the VR&E program because there is sufficient information to determine that a disability rating of 20 percent or more will be granted. Section 1631 (b) (1) of the National Defense Authorization Act (NDAA), enacted on January 28, 2008, provides that members of the Armed Forces with a severe injury or illness are also entitled to receive VR&E benefits.

In order to be entitled for the VR&E VetSuccess program, a Veteran must have an employment handicap.

Veterans are also eligible if they have a service-connected disability rating of 10 percent and the VR&E counselor determines that they have a serious employment handicap. A serious employment handicap represents a significant impairment of a Veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests. A serious employment handicap results in substantial part from a service-connected disability, while also taking into account non-service disabilities, economic or educational disadvantages, and other factors impacting employability. Finally, active military personnel referred to a Physical Evaluation Board (PEB) or

participating in the Integrated Disability Evaluation System (IDES) are automatically eligible for the program.

Figure 1C-1. Eligibility Criteria for the VR&E Program

- **Memorandum or Service-connected disability rating of 20% or more AND Employment Handicap**
- OR**
- **Memorandum or Service-connected disability rating of 10% or more AND Serious Employment Handicap**
- OR**
- **Active military personnel referred to Physical Evaluation Board (PEB) or participating in the Integrated Disability Evaluation System (IDES)**

Veterans whose 12-year period of basic eligibility has passed can still be entitled to VR&E services if they are determined to have a serious employment handicap. However, per enactment of Public Law 110-181 and the extension provided under Public Law 112-56, Servicemembers with severe injuries or illnesses are granted automatic eligibility and entitlement to VR&E services until December 31, 2014.

Once an entitlement determination is made after a comprehensive vocational assessment, the counselor and Veteran work together to determine if testing or additional assessment is needed. Testing completed during the initial evaluation may include aptitude and interest testing, educational achievement testing, psychological and physical assessments of functioning (through collaboration

with the Veteran's Health Administration (VHA)), and other assessments, such as a work hardening program, as necessary. The counselor and the Veteran also review labor market information in order to ensure that the Veteran is prepared for, or pursuing training to prepare for, an in-demand career field.

When the assessments are completed, the counselor and Veteran develop a rehabilitation plan. Services identified in the rehabilitation plan are designed to meet the unique needs of each Veteran and will vary from Veteran to Veteran. Training services include tuition, fees, books, supplies, and a subsistence allowance. Veterans may also receive tutoring, adaptive equipment, specialized medical referrals, and other services as needed.

The rehabilitation plan:

- Lists the services that will be provided,
- Identifies the steps the Veteran will take, and
- Identifies milestones of progress and estimates timeframes for their completion.

The rehabilitation plan can be re-developed based on new needs or circumstances identified by the Veteran and counselor. The counselor and Veteran continue to meet for case management and counseling as rehabilitation services are provided. Case management and support continue as long as the Veteran is a participant of the VR&E program.

As Veterans near completion of the training requirements to become competitive and marketable in their career fields, their counselors and employment coordinators work with them to ensure that they are job-ready, including assisting Veterans with developing employment assistance plans or updating combination training and employment plans. The employment assistance plan includes services tailored to the Veteran's specific needs, and may include such services as job seeking skills training, resume development, intensive interview preparation, job development, job placement, job accommodation assistance, job coaching, or any other services necessary to ensure that the Veteran can obtain and maintain suitable employment. After a Veteran enters suitable employment, the counselor or employment coordinator will provide follow up assistance for at least 60 days, and up to a maximum of 18 months, in order to ensure that the employment is stable and the Veteran has adjusted well to his or her employment before closing the case as rehabilitated.

Section 1D: VR&E Program Participants as of FY 2011

The main focus of this report is on the Veterans and Servicemembers who applied and began a rehabilitation plan in FY 2010 (i.e., FY 2010 cohort). Before beginning the discussion of the FY 2010 cohort, we provide here in this section a description of all the individuals currently in the VR&E population. By reviewing the entire population of Veterans who participated in some manner in the VR&E program during FY 2011, we provide context for the examination of the FY 2011 status of Veterans in the FY 2010 cohort. The following section describes information that includes multiple cohorts of Veterans who participated during FY 2011, since many Veterans require additional training that can take multiple years to complete in preparation for employment. Recall that the FY 2010 cohort is comprised of Veterans or Servicemembers who entered a plan of services at any point during FY 2010.

In FY 2011, VR&E had 116,295 Veterans who participated in a rehabilitation plan, including those who began a plan in that year, and those who began their plans in the years preceding that year. A subset of these individuals also completed or discontinued their programs in FY 2011. Table 1D-1 shows the number of male and female Veterans who participated in the VR&E program for all or part of FY 2011, as well as the number of Veterans who participated in the program who have an employment handicap or a serious employment handicap.

Table 1D-1. Veterans Who Received Vocational Rehabilitation and Employment (VR&E) Benefits for all or part of FY 2011 (multiple cohorts)

| VR&E Program Participants in FY 2011 | # | % |
|--|----------------|---------------|
| Male Veterans who participated in the VR&E program | 94,836 | 81.5% |
| Female Veterans who participated in the VR&E program | 21,459 | 18.5% |
| Total Participants | 116,295 | 100.0% |
| Veterans with a serious employment handicap who participated in the VR&E program | 77,448 | 66.6% |
| Veterans with an employment handicap who participated in the VR&E program | 38,847 | 33.4% |
| Total Participants | 116,295 | 100.0% |

Male Veterans comprised over four-fifths (81.5 percent) of the VR&E program in FY 2011, and female Veterans less than one-fifth (18.5 percent). The percentage of VR&E participants who are female is consistent with the representation of female Servicemembers and Veterans who have served since the Gulf War era.

More than half of the Veterans participating in VR&E have a serious employment handicap, which means there is significant discrepancy between a Veteran's ability to prepare for, pursue, or retain employment and the Veteran's abilities, aptitudes, and interests. These Veterans receive additional supportive services, which may include extensions of entitlement, adaptive equipment, job coaching, independent living services, and/or other assistance.

All Veterans who apply for VR&E services are first provided with a VA-conducted orientation session, and offered an individualized assessment of their interests, skills, and disability needs. Upon completion of the individualized evaluation process and development of a rehabilitation plan of services, Veterans enter their individualized rehabilitation program to become job ready in their selected vocational choice or to achieve the maximum ability to live independently in the community. The length of time that Veterans remain in a rehabilitation program varies according to the Veteran's individual circumstances.

Of those Veterans participating in a plan of services, most follow the Employment through Long-Term Services track and receive services that include career counseling, case management, employment planning, training or education, VHA-sponsored medical or dental care, job-placement assistance, and other supportive services. In FY 2011, over ninety percent of the Veterans in the Employment through Long-Term Services track (~91 percent) participated in an educational program at an institution of higher learning (see Table 1D-2). Approximately nine percent participated in technical/apprenticeship or on-the-job training programs (~7 percent), and the remainder participated in a program of solely independent living services (1.8 percent).

The majority of VetSuccess program participants follow the Employment through Long-Term Services track which typically includes additional training.

Table 1D-2. Veterans who Received Subsistence as part of a Vocational Training Program during FY 2011 (multiple cohorts)

| Program | # | % |
|--|---------------|---------------|
| Undergraduate School | 49,440 | 82.7% |
| Vocational/Technical | 3,317 | 5.5% |
| Graduate School | 3,581 | 6.0% |
| College, Non-Degree | 1,463 | 2.4% |
| Extended Evaluation/Independent Living | 1,063 | 1.8% |
| Paid On-Job Training | 125 | 0.2% |
| Non-Pay Work Experience in Federal, State, or Local Agency | 435 | 0.7% |
| Non-Pay On-Job Training | 152 | 0.3% |
| Apprenticeship | 87 | 0.1% |
| Improvement of Rehab Potential | 99 | 0.2% |
| High School | 2 | 0.0% |
| Farm Co-op | 20 | 0.0% |
| Total¹ | 59,784 | 100.0% |

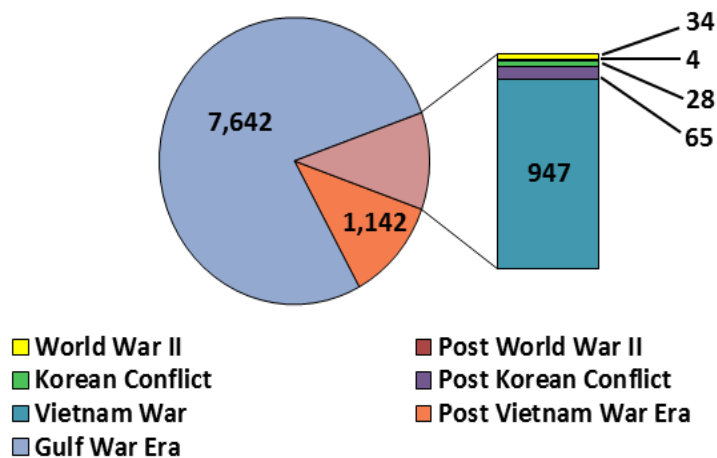
SOURCE: VR&E Program Management Reports – VR&E Participants during Fiscal Year 2011.

¹This number only represents participants during FY 2011 in receipt of subsistence allowance, a subset of total participants.

Section 1E: VR&E Program Participants with Successful Rehabilitations

Continuing with the overall VR&E program in FY 2011, there were 9,862 Veterans who successfully completed their rehabilitation plans at some point during the year. As shown in Figure 1E-1, the majority of Veterans who successfully completed their rehabilitation plans were Veterans who served during the Gulf War era, a trend that will more than likely continue as more military personnel return to the U.S. from the Middle East. It is important to note that the Veterans rehabilitated in FY 2011 represent multiple cohorts. That is, many of these Veterans began their rehabilitation programs over the course of the past several years, representing the fact that many Veterans require training to become qualified for new careers, and many of these training programs require multiple years to complete.

Figure 1E-1. Rehabilitated VR&E Participants (multiple cohorts) by Period of Service in FY 2011 (N = 9,862)



The average annual wage among Veterans who successfully completed their VR&E program in FY 2011 was \$35,719 (see Table 1E-1). It is noteworthy that nearly 76 percent (5,603) of those Veterans took positions in the professional, technical, and managerial employment sector. Their average annual wage was \$39,639, substantially above the average for the entire group. The remaining 24 percent of Veterans who completed their VR&E program in FY 2011 entered into service, clerical, machine trades, or other occupations. Their average annual wages ranged from \$30,069 to \$32,226, well below their counterparts entering occupations in the professional, technical, and managerial employment sector.

Table 1E-1. VR&E Employment Outcomes (multiple cohorts) in FY 2011

| FY 2011 Career Categories of Rehabilitated Veterans | Number of Veterans | Average Annual Wages Prior to VR&E Program Entrance | Average Annual Wages at Rehabilitation |
|--|---------------------------|--|---|
| Professional, Technical, and Managerial | 5,603 | \$9,834.84 | \$39,638.52 |
| Service | 419 | \$6,457.00 | \$28,149.74 |
| Clerical | 418 | \$6,357.24 | \$30,069.07 |
| Miscellaneous | 313 | \$5,981.60 | \$32,226.21 |
| Machine Trades | 295 | \$6,256.52 | \$31,768.64 |
| Other (below 2% each category) | 375 | - | - |
| National Average | 7,420¹ | \$7,498.92 | \$35,718.84 |

SOURCE: VR&E Program Management Reports – VR&E Participants during Fiscal Year 2011.

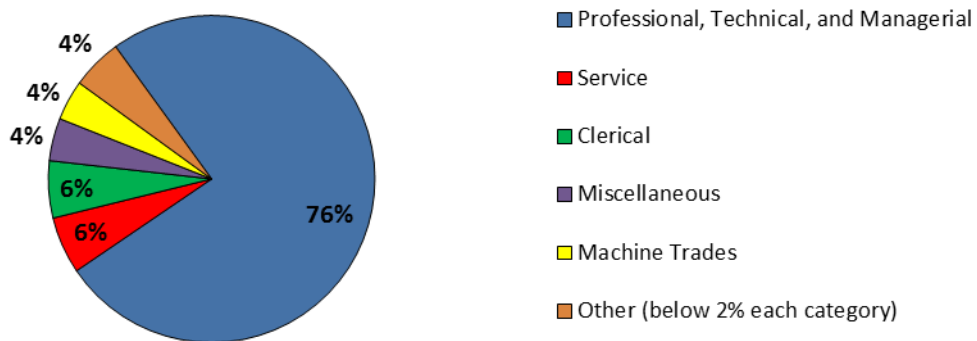
¹Excludes 2,442 Veterans rehabilitated in an Independent Living program.

Three comparison measures provide useful context for the annual post-rehabilitation employment wages of Veterans who completed their VR&E programs. They are the average annual pre-rehabilitation wage of those Veterans, the average annual wage for all Americans, and the poverty rate. The average annual pre-rehabilitation wage for Veterans who completed their VR&E programs in FY 2011 was \$7,499. Thus, the average annual post-rehabilitation wage of \$35,719 represents a 470 percent increase over their average annual pre-rehabilitation wage. In May 2011, the average

annual wage of Americans¹ in all occupations was \$45,230. Given that Veterans likely take jobs in entry level positions (with lower starting salaries) following completion of their VR&E programs, the comparison with the entire American working population, which includes wages of those working in occupations for many years, appears to be both realistic and favorable. Finally, the 2011 poverty guideline for a single person was \$10,890². While their pre-rehabilitation average annual wage of \$7,499 was 31 percent below the 2011 poverty guideline, their average annual post-rehabilitation wage is 228 percent above the guideline.

Over three-quarters of rehabilitated Veterans started professional, technical, or managerial careers (see Figure 1E-2). Six percent of rehabilitated Veterans obtained service jobs and another six percent obtained clerical jobs.

Figure 1E-2. Career Categories of Rehabilitated Veterans (multiple cohorts) in Fiscal Year 2011 (N = 7,420¹)



¹Excludes 2,442 Veterans rehabilitated in Independent Living program

¹ http://www.bls.gov/oes/current/oes_htm#11-0000

² <http://aspe.hhs.gov/poverty/11poverty.shtml>

As shown in Figure 1E-3, Veterans who have a serious employment handicap represent 62 percent of the successfully rehabilitated closures in FY 2011.

While in Job-Ready Status, the Veteran works with a counselor to obtain a suitable job, become stable in the job, and once the job is stable, receive follow-up support for a minimum of 60 days. In special circumstances, support can be provided for up to 18 months, such as to meet the needs of a severe disability or to monitor stability of a Veteran who has become self-employed or job-ready. The average number of days that a Veteran is in Job-Ready status is 244 (meaning the time it took for them to obtain employment, become stable in their job and be followed for a minimum of 60 days).

Over 75 percent (7,420) of the successful closures in FY 2011 included Veterans who obtained and maintained employment (see Figure 1E-4). The balance of successful closures included Veterans who participated in the VR&E Independent Living program, the primary goal of which is not employment. The Independent Living program assists Veterans with disabilities to develop capacity to live as independently as possible in their homes and communities, as well as increase their potential to return to work. Thus, completing the Independent Living program represents a significant step forward for the Veterans with the most serious impairments.

Once these Veterans have achieved the highest level of independence that is possible with completion of their VR&E program, then a subsequent challenge may be to find employment. It is expected that some percentage of Veterans will try to accomplish the goal of employment through

Figure 1E-3. Rehabilitation Outcomes by Employment Handicap in FY 2011 (N = 9,862)

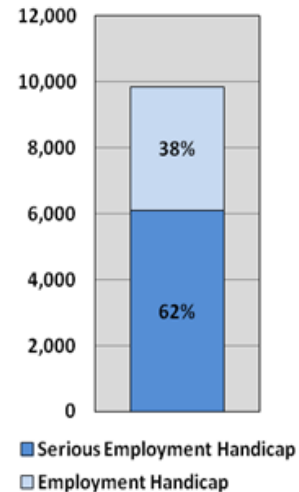
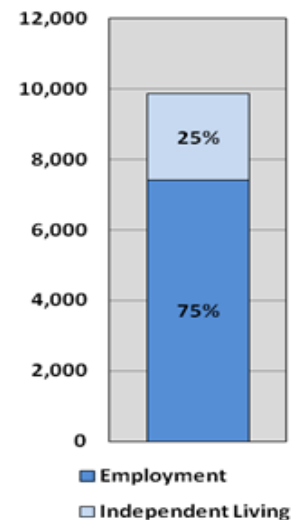


Figure 1E-4. Types of Rehabilitation Outcomes in FY 2011 (N = 9,862)



one of the VR&E employment tracks. However, for others, the ultimate goal is to live as independently as possible and not pursue employment. It is expected that a larger proportion of Veterans in the Independent Living track will complete their rehabilitation plans within two years and ahead of Veterans in some of the employment tracks. The Independent Living track is targeted to be 24 months long, although extensions may be provided up to 30 months if needed. Additionally, for Post-9/11 Veterans, additional extensions may be approved to ensure the most severely injured Veterans are able to achieve successful rehabilitation outcomes.

Updated Analysis of the FY 2010 Cohort of VR&E Participants

2

In 2008, Congress passed the Veterans' Benefits Improvement Act to improve and enhance compensation and pension, housing, labor and education, and insurance benefits for Veterans. Section 334 of this law amended Chapter 31 by adding a 20-year longitudinal study requirement of Veterans who began their vocational rehabilitation program during FY 2010, FY 2012, or FY 2014.

Figure 2-1. Section 334 of the Veterans' Benefits Improvement Act of 2008 Requiring VA to Conduct a Longitudinal Study of VR&E Program

"Sec. 3122. Longitudinal study of vocational rehabilitation programs

(a) Study Required.—

(1) Subject to the availability of appropriated funds, the Secretary shall conduct a longitudinal study of a statistically valid sample of each of the groups of individuals described in paragraph (2). The Secretary shall study each such group over a period of at least 20 years.

(2) The groups of individuals described in this paragraph are the following:

(A) Individuals who begin participating in a vocational rehabilitation program under this chapter during FY 2010.

(B) Individuals who begin participating in such a program during FY 2012.

(C) Individuals who begin participating in such a program during FY 2014."

The Act requires that VA report to Congress annually on the long-term employment outcomes of a statistically valid sample of Veterans. In compliance with the law, the first report entitled "VR&E Longitudinal Study, Annual Report 2011 for FY 2010," which was due to Congress in July of 2011, focused on Veterans and Servicemembers who applied, were accepted, and subsequently developed a plan of services during FY 2010. Veterans who applied in FY 2010 were not included

in the cohort if they had not yet entered into a plan of services by the end of FY 2010, were found not entitled, or did not complete a comprehensive assessment. Using VBA administrative datasets, the first report provided a cross-sectional random sample, from which baseline description of the characteristics and first-year employment outcomes of the FY 2010 cohort of VR&E participants were described.

While all FY 2010 cohort members applied and began a plan of services during FY 2010, some of those cohort members discontinued their rehabilitation plans, while other members completed their plans (i.e., were successfully rehabilitated) within that first year. The remaining cohort members were still in the process of their rehabilitation plans in FY 2010. However, a portion of them discontinued their rehabilitation plans or were successfully rehabilitated at some point during FY 2011.

This current report entitled “VR&E Longitudinal Study, Annual Report 2012 for FY 2011” describes the characteristics of the FY 2010 cohort of VR&E participants based on VBA administrative data as of the end of FY 2011. In addition, we describe three subgroups of Veterans in the cohort population: those who remain active in their VR&E program, those who were successfully rehabilitated, and those who discontinued their VR&E program.

Section 2A: Introduction to the Longitudinal Study

The primary objective of the longitudinal study of the VR&E VetSuccess program is to determine the longitudinal outcomes associated with community adjustment of Veterans who establish a plan of services. The long-term outcomes of interest include employment and income, home ownership, and use of supplemental programs, such as unemployment, Social Security Disability Insurance, or other public assistance.

Study Outcomes of Interest

- Employment
- Income
- Home ownership
- Receipt of (Need for) other program benefits

The primary source of information about outcomes will be self-report survey data, which will be collected from all three cohorts of participants who established a “plan of services” in fiscal years 2010 (i.e., Cohort I), 2012 (i.e., Cohort II), and 2014 (i.e., Cohort III). Survey data collection will begin in the fall of 2012 for Cohorts I and II. Thus, for Cohort I, all analyses conducted during the first two years of the study (and presented in this report) rely solely on VBA administrative data. Moving forward, analyses will include VBA administrative data, the self-reported survey data that will be collected from cohort members, and administrative data from other relevant agencies, such as the Social Security Administration. However, when Veterans complete their rehabilitation programs, there will be limited VBA administrative data available that concerns the outcomes of interest. Therefore, over time, as more and more participants end their programs, there will be much less VBA administrative data available to track their long-term outcomes, beyond changes in disability status, use of health care assistance, death status, and entry into VR&E service tracks. At that point, information about employment outcomes, such as changes in jobs, types of jobs, wages, and home ownership, will need to rely on the survey data.

As required in the mandate, each of the three cohorts of VR&E participants will be followed annually for 20 years. At the end of the full 20-year study period, each cohort must have a sample size that will provide enough statistical power to detect significant changes over time, as well as to detect statistically significant differences between specific sub-populations of interest. A final

sample of 1,190 Veterans in each cohort remaining at the end of the 20 years will yield a statistically valid sample with enough power to conduct meaningful analyses among the subpopulations of interest.

To ensure a statistically valid sample at the end of the 20-year period, 3,500 participants will be recruited for the survey during the first year of administration. Given the expected response rates and potential participant retention issues, the entire population of the FY 2010 cohort of VR&E participants will be contacted and asked to complete the survey when it is initially fielded in late 2012. Table 2A-1 presents the schedule of survey data collections VA has planned for the next 5 years for all three cohorts.

Table 2A-1. Five-Year Schedule of VR&E Longitudinal Study Survey Data Collections

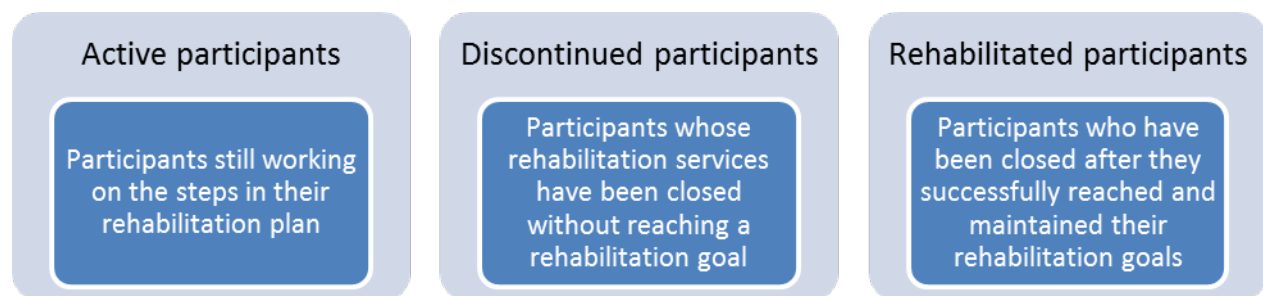
| 2012 | 2013 | 2014 | 2015 | 2016 |
|--|---|---|---|---|
| <u>Initial Survey</u> VR&E Cohort I N=10,793 | | <u>Initial Survey</u> VR&E Cohort III N≈11,000 | | |
| VR&E Cohort II N≈11,000 | <u>Annual Survey</u> | <u>Annual Survey</u> | <u>Annual Survey</u> | <u>Annual Survey</u> |
| | VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 | VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 | VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 VR&E Cohort III n≈3,500 | VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 VR&E Cohort III n≈3,500 |

In addition to analyzing VBA administrative data and self-reported survey data, beginning in the fall of 2012, the study will also include administrative data from other agencies that will provide information about “other” program participation, such as the Social Security Disability Insurance

program. Use of data from all three sources – (1) VBA administrative data, (2) annual survey data, and (3) administrative data from other agency sources – will allow for a more complete understanding of the long-term VR&E outcomes of interest to Congress. The third annual report due to Congress on July 1, 2013 is intended to include data from all three sources.

The FY 2010 Longitudinal Study cohort is comprised of individuals who applied for VR&E services in FY 2010 and entered a plan of services in FY 2010. In FY 2011, most of the 2010 Longitudinal Study participants were still in the rehabilitation process (i.e., active), but some study participants had their rehabilitation services closed without reaching their rehabilitation goals (i.e., discontinued) or had their rehabilitation services closed after successful rehabilitation (i.e., rehabilitated) (see Figure 2A-1).

Figure 2A-1. Cohort Subgroups included in Analysis



The status (active, discontinued, or rehabilitated) of all cohort participants in each of the first two years of the study is presented in Table 2A-2. Almost 97 percent of the FY 2010 cohort was active in FY 2010. However, that status dropped nearly 14 percent to nearly 84 percent of the cohort by the end of FY 2011. This 14 percent decrease in the number of active participants can be explained by the increase in the rate of rehabilitated participants from almost 2 percent as of the end of FY 2010 to a little over 7 percent as of the end of FY 2011, and the increase in the rate of participants who discontinued services from almost 2 percent (as of the end of FY 2010) to 9 percent (as of the end of FY 2011).

Table 2A-2. Status of FY 2010 Cohort of VR&E Participants as of FY 2010 and FY 2011

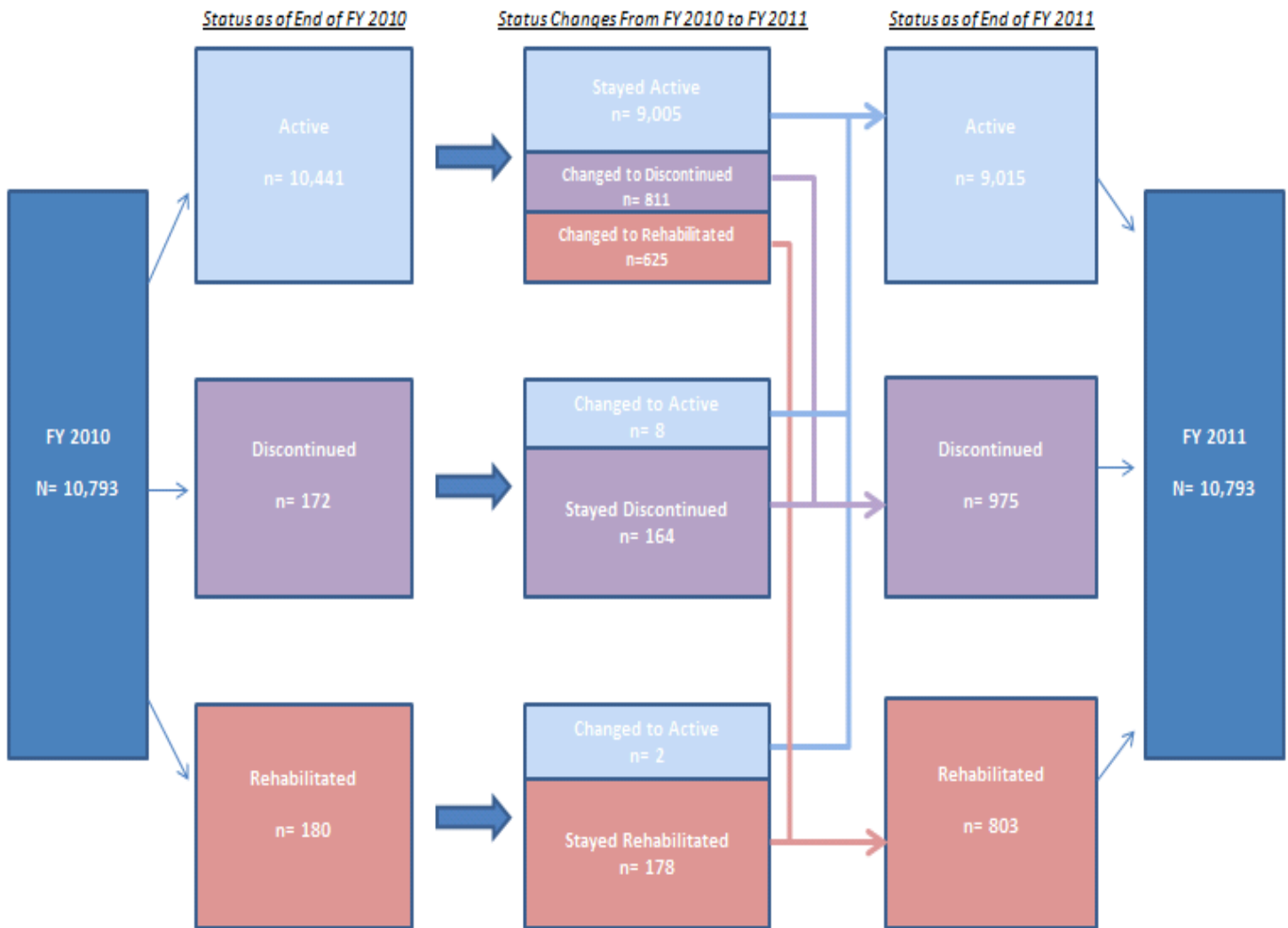
| FY 2010 | | | FY 2011 | | |
|---------------|---------------|---------------|---------------|---------------|---------------|
| Status | # | % | Status | # | % |
| Active | 10,441 | 96.7% | Active | 9,015 | 83.5% |
| Discontinued | 172 | 1.6% | Discontinued | 975 | 9.0% |
| Rehabilitated | 180 | 1.7% | Rehabilitated | 803 | 7.4% |
| Total | 10,793 | 100.0% | Total | 10,793 | 100.0% |

Figure 2A-2 presents the chronological flow of changes in participation status between FY 2010 and FY 2011. The figure indicates that of the 10,441 Veterans who applied, began, and were still working on their plans of services as of the end of FY 2010, 811 of them (7.7 percent) discontinued services in FY 2011, and 625 of them (6.0 percent) successfully completed their rehabilitation plans. The remaining 9,005 Veterans (86.3 percent) continued working on the steps of their rehabilitation plans in FY 2011.

Veterans may re-enter the VR&E program because of changes in their disability status or life circumstances. Of the 172 Veterans who applied, began, and then discontinued services during FY 2010, 8 of those individuals re-entered the VR&E program and either resumed their plans or began another plan of services in FY 2011.

Of the 180 Veterans who applied, began, and successfully completed their rehabilitation plans in FY 2010, 2 of those individuals re-entered the VR&E program and began another plan of services in FY 2011. As the study continues on, it will be important to continue to track such individuals who exit the VR&E program and then re-enter the program, to determine if their long-term outcomes are different than participants who enter and exit the program only once. It will also be important to continue to analyze discontinuance data and to interview those Veterans whose plans were discontinued to better understand their circumstances and long-term outcomes. Likewise, it will be very important to identify success factors, including plan type, disability issues, family support, and type of occupation pursued.

Figure 2A-2. Changes in Participation Status of FY 2010 Cohort of VR&E Participants between Year 1 (FY 2010) and Year 2 (FY 2011)



The next section of this report describes the demographic, military-related, and program characteristics of the FY 2010 cohort population, based on VBA administrative data as of the end of FY 2011. In addition, we look more closely at cohort members who have ended their programs in each of the first two years of the study, in FY 2010 and in FY 2011.

Section 2B: Characteristics of FY 2010 Cohort

In this section we examine the demographic and background characteristics of the FY 2010 cohort as of FY 2011. In particular, we explore if and how their characteristics vary among those participants who are active, discontinued, and rehabilitated as of the end of FY 2011. We determine if those who have discontinued the program have different characteristics from those who complete their rehabilitations and those who are still continuing in the program. For example, to determine if gender is related to one's likelihood of discontinuing within the first two years, we examine the percentage of males who discontinue compared to their percentage in the overall FY 2010 cohort. If the percentage of males who discontinue in the first two years is higher than the percentage of males in the cohort, then males are overrepresented among those who discontinue in the first two years and, therefore, have a relatively higher likelihood of discontinuing in the first two years than women.

VR&E Track. Table 2B-1 provides a snapshot of the FY 2010 cohort by their track selection as of the end of FY 2011. Track selection is one of a few profile characteristics that can change over the course of time, and indeed a few individuals did change tracks between the two years (not shown)³. Table 2B-1 shows, that as of FY 2011 the vast majority of participants – 86.7 percent - are in the Employment through Long Term Services track. A little over 12 percent of Veterans selected in equal numbers either the Rapid Access to Employment or Independent Living tracks. The remaining 1 percent of Veterans selected either the Re-Employment or Self-Employment track.

While Veterans in the Employment through Long Term Services track comprise the vast majority of the cohort, they represented only 24.8 percent of the successful rehabilitations by the end of FY 2011. In contrast, individuals in the Rapid Access to Employment track represent 30.8 percent of the successful rehabilitations as of the end of FY 2011; yet Veterans in this track represent only 6.2 percent of the cohort. These findings are entirely consistent with the intentions of these employment tracks. The Employment through Long Term Services track includes Veterans who are

³ It is important to note that some Veterans who were successfully rehabilitated during FY 2010 or FY 2011, especially those in the Independent Living track, could have re-entered VR&E services. However, that information was not available for this analysis.

seeking further education or other training which often requires multiple years of effort. The greatest percentage of rehabilitations from this group is not expected until 3 or 4 years after Veterans initiate their rehabilitation plans. The Rapid Access to Employment track assists Veterans with disabilities that already have the skills to be competitive in the job market, or who feel themselves ready and desire immediate employment. We expect the majority of Veterans in this group to achieve success much earlier than the majority of Veterans in the Employment through Long Term Services group.

Table 2B-1. Track Selection of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Track Selection | FY 2011 | | | | | | | |
|---|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Track 1 Re-Employment | 50 | 0.6% | 9 | 1.1% | 7 | 0.9% | 66 | 0.6% |
| Track 2 Rapid Access to Employment | 341 | 3.8% | 63 | 7.8% | 247 | 30.8% | 651 | 6.2% |
| Track 3 Self-Employment | 23 | 0.3% | 2 | 0.2% | 3 | 0.4% | 28 | 0.3% |
| Track 4 Employment - Long Term Services | 8,241 | 91.4% | 709 | 87.5% | 199 | 24.8% | 9,145 | 86.7% |
| Track 5 Independent Living | 279 | 3.1% | 27 | 3.3% | 347 | 43.2% | 657 | 6.2% |
| Subtotal | 8,934 | 100.0% | 810 | 100.0% | 803 | 100.0% | 10,547 | 100.0% |
| Extended Evaluation | 79 | — | 165 | — | 0 | — | 244 | — |
| Data Unavailable ¹ | 2 | — | 0 | — | 0 | — | 2 | — |
| Total | 9,015 | | 975 | | 803 | | 10,793 | |

¹ Data points listed as unavailable will be corrected for future reports.

As of FY 2011, 9 percent (not shown) of Veterans in the cohort discontinued their rehabilitation plans. Of this group of 975 Veterans, the majority (709) began their plans in the Employment through Long Term Services track. They represent 72.7 percent (not shown) of the entire group of

Veterans who discontinued their rehabilitation plans. While the overall percentage of Veterans who discontinued their plans might be considered high, there is no strong pattern between track selection and discontinuation among Veterans in the five VR&E tracks, as the distribution of Veterans that discontinued their VR&E programs as of FY 2011 closely mirrors (within 1 to 2 percentage points) the original distribution among the five tracks.

A noticeable statistic is the percentage of Veterans who discontinued their plans after originally being classified in the Extended Evaluation phase. Veterans in this group represent approximately 2 percent (not shown) of the cohort. Of the 244 Veterans in Extended Evaluation, none were rehabilitated, 32.4 percent (not shown) were still actively pursuing their rehabilitation plans, and 67.6 percent (not shown) discontinued their plans as of the end of FY 2011. The fact that none of these Veterans was successfully rehabilitated during their first two years of program participation is not particularly noteworthy, as the Extended Evaluation, which may last up to twelve months or more, is intended to assist the Veteran and the VR&E counselor to determine the feasibility of a vocational goal. However, it is noteworthy that two-thirds of these Veterans discontinued their rehabilitation plans at some point in their first two years of VR&E service.

Two recent studies that addressed Veterans' discontinuation of VR&E services point to a number of reasons for this phenomenon. The two reports are the Audit of VR&E Program Operations⁴ (VA Office of the Inspector General, 2007; Report No. 06-00493-42) and the 2007 report⁵ of the Veterans Employability Research Survey (Abt Associates, 2008). Together these two reports specify a number of reasons for program discontinuations. They include the following: (1) circumstantial reasons (medical issues, travel distances/complications required for participation, personal and family problems, financial concerns, personal goals no longer matched the program), (2) goal achievement reasons (found a job on own – though not necessarily in planned profession), and (3) disagreements between the Veteran and the counselor or the program direction (counselor disregarded Veteran's personal goals and interests, dissatisfied with counselor, unable to agree on plan/coursework).

⁴ <http://www.va.gov/oig/52/reports/2008/VAOIG-06-00493-42.pdf>

⁵ http://www.va.gov/VETDATA/docs/SurveysAndStudies/VERS_FINAL_REPORT_2-8-08.pdf

Both reports predate changes to the VetSuccess program as amended by Public Law 111-377. With the substantial enhancements to Veterans benefits associated with the new mandate, it will be important to continue to monitor both the number of discontinuations and the reasons for them. Although reasons for discontinuations cannot be assessed from VBA administrative datasets, the Longitudinal Study Survey (to begin in fall 2012) will include data on reasons for discontinuing VR&E service plans.

Serious Employment Handicap. Table 2B-2 presents the status of cohort participants as of FY 2011 with or without a serious employment handicap (SEH). Over 70 percent of the FY 2010 cohort population has a serious employment handicap. Cohort members who were still actively working on their rehabilitation plans during FY 2011, as well as cohort members who successfully completed their rehabilitation plans during FY 2011, had SEH rates that were similar to the overall cohort population. In contrast, 86.5 percent of Veterans who discontinued their rehabilitation plans within the first two years had a serious employment handicap. This finding, which is over 16 percentage points above the overall rate (70.4 percent), suggests that the presence of a serious employment handicap is associated with a higher rate of Veterans who discontinued services within the first two years.

Table 2B-2. Serious Employment Handicap Status of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Serious Employment Handicap | FY 2011 | | | | | | | |
|-----------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Yes | 6,185 | 68.6% | 843 | 86.5% | 567 | 70.6% | 7,595 | 70.4% |
| No | 2,830 | 31.4% | 132 | 13.5% | 236 | 29.4% | 3,198 | 29.6% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

Gender. Table 2B-3 presents the gender distribution for the FY 2010 cohort population of VR&E participants as of FY 2011. It should also be noted that a greater share of the FY 2010 cohort are

women (17.0 percent) as compared to the percentage of Veterans overall (8 percent⁶) that are women. This finding reflects the fact that the percentage of Veterans that are women has been rising over that past 20 years, and they represent 18 percent of the Gulf War II era Veterans⁷.

Table 2B-3. Gender of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Gender | FY 2011 | | | | | | | |
|--------|-------------------------|--------|-------------------------------|--------|--------------------------------|--------|--------|--------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Male | 7,440 | 82.5% | 854 | 87.6% | 709 | 88.3% | 9,003 | 83.4% |
| Female | 1,575 | 17.5% | 121 | 12.4% | 94 | 11.7% | 1,790 | 16.6% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

As of FY 2011, 17.5 percent of Veterans who were actively pursuing their rehabilitation plans were female, as were the approximately 12 percent of those who discontinued their programs. Thus, females show a slight overrepresentation in the active pursuit of their plans and a strong underrepresentation of them among Veterans that discontinued their plans. These figures suggest that females were more persistent in their programs as compared to males who were slightly underrepresented in the active category and overrepresented in the discontinued category. On the other hand, males were overrepresented in the successful rehabilitation category (88.3 percent compared to 83.4 percent) and females were underrepresented (11.7 percent compared to 16.6 percent) in this category.

Age. Table 2B-4 reveals that about 12 percent of the FY 2010 cohort population was under the age of 30 as of FY 2011. Over half of the cohort (almost 57 percent) was between the ages of 30 and 49

⁶ National Center for Veterans Analysis and Statistics. *America's Women Veterans: Military Service History and VA Benefit Utilization Statistics*. National Center for Veterans Analysis and Statistics, Department of Veterans Affairs, Washington, DC. November 2011.

⁷ Based on 2009 Bureau of Labor Statistics data found at http://www.bls.gov/opub/ted/2010/ted_20100805.htm

(inclusive), and over 20 percent of the population was between the ages of 50 and 59 (inclusive). Almost 11 percent of the population was at least 60 years of age.

Table 2B-4. Age Ranges of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Age Range | FY 2011 | | | | | | | |
|--------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| <17 | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| 17-21 | 9 | 0.1% | 2 | 0.2% | 0 | 0.0% | 11 | 0.1% |
| 22-29 | 1,106 | 12.3% | 149 | 15.3% | 43 | 5.4% | 1,298 | 12.0% |
| 30-39 | 2,429 | 26.9% | 212 | 21.7% | 119 | 14.8% | 2,760 | 25.6% |
| 40-44 | 1,513 | 16.8% | 127 | 13.0% | 88 | 11.0% | 1,728 | 16.0% |
| 45-49 | 1,382 | 15.3% | 125 | 12.8% | 98 | 12.2% | 1,605 | 14.9% |
| 50-54 | 1,142 | 12.7% | 138 | 14.2% | 100 | 12.5% | 1,380 | 12.8% |
| 55-59 | 669 | 7.4% | 93 | 9.5% | 82 | 10.2% | 844 | 7.8% |
| 60 and above | 765 | 8.5% | 129 | 13.2% | 273 | 34.0% | 1,167 | 10.8% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

Further examination of age by participation status indicates rehabilitated participants in the first two years have a much higher proportion of older participants, age 55 and above. Nearly 35 percent of rehabilitated participants are 60 years of age or more compared to 11 percent for the cohort population. However, this finding is not surprising given the fact that the majority of those who rehabilitated in this age group, 85 percent (not shown), were in the Independent Living program.

Participants who discontinued also have a higher proportion of older individuals, age 50 and above, relative to their representation in the cohort. Most of the Veterans who discontinued in this age group, 72 percent (not shown), were in an employment track. In contrast, younger individuals, especially those below age 40, are underrepresented among those who completed their rehabilitation within the first two years. This is not surprising, given that these younger individuals are much more highly represented in the active group, which reflects that they are receiving longer term services

towards their rehabilitation. The overwhelming majority of younger individuals below age 40 in the active group, 96 percent (not shown), were in the Employment through Long Term Services track.

Combined Disability Rating. Table 2B-5 presents the combined disability rating for the population of VR&E participants who established a plan of services during FY 2010. The table indicates that a little more than half (54 percent) of the population has a combined disability rating of at least 50%. More specifically, almost 17 percent of the cohort population has a combined disability rating of 20% or less, while approximately 30 percent of the population has combined ratings of at least 70%. A 2012 report⁸ by the Department of Labor indicates that among all Veterans with a service-connected disability in 2011, about 4 in 10 reported a disability rating of less than 30%. In the FY 2010 cohort, only 16.9 percent have a disability rating of less than 30% indicating that Veterans with higher combined disability ratings are more likely to participate in VR&E.

Table 2B-5. Combined Disability Rating of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Combined Disability Rating Percentage | FY 2011 | | | | | | | |
|---------------------------------------|-------------------------|-------|-------------------------------|-------|--------------------------------|-------|-------|-------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| 0% ¹ | 7 | 0.1% | 1 | 0.1% | 0 | 0.0% | 8 | 0.1% |
| 10% | 549 | 6.1% | 52 | 5.3% | 29 | 3.6% | 630 | 5.8% |
| 20% | 1,058 | 11.7% | 74 | 7.6% | 55 | 6.8% | 1,187 | 11.0% |
| 30% | 1,369 | 15.2% | 103 | 10.6% | 87 | 10.8% | 1,559 | 14.4% |
| 40% | 1,355 | 15.0% | 118 | 12.1% | 96 | 12.0% | 1,569 | 14.5% |
| 50% | 1,024 | 11.4% | 92 | 9.4% | 65 | 8.1% | 1,181 | 10.9% |
| 60% | 1,183 | 13.1% | 110 | 11.3% | 71 | 8.8% | 1,364 | 12.6% |
| 70% | 864 | 9.6% | 111 | 11.4% | 102 | 12.7% | 1,077 | 10.0% |
| 80% | 684 | 7.6% | 117 | 12.0% | 95 | 11.8% | 896 | 8.3% |

⁸ www.bls.gov/news.release/vet.nr0.htm

Table 2B-5. Combined Disability Rating of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011 (continued)

| Combined Disability Rating Percentage | FY 2011 | | | | | | | |
|---------------------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| 90% | 389 | 4.3% | 51 | 5.2% | 64 | 8.0% | 504 | 4.7% |
| 100% | 504 | 5.6% | 136 | 13.9% | 138 | 17.2% | 778 | 7.2% |
| Memo Rating ² | 29 | 0.3% | 10 | 1.0% | 1 | 0.1% | 40 | 0.4% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

¹ Participants with a zero percent rating either entered a program of rehabilitation services after receiving a Memorandum Rating (a temporary rating provided to allow for VR&E participation), or had their rating decision reduced to zero percent after entering a program of services.

² A memorandum rating is provided when a Veteran has not yet completed a disability compensation evaluation, but is admitted to the VR&E program because there is sufficient information to determine that a disability rating of 20 percent or more will be granted.

We find FY 2010 cohort members who have a combined disability rating of 70% or higher are both overrepresented among individuals who discontinue as well as among individuals who complete their rehabilitation. This finding suggests that Veterans with high combined disability ratings are more likely to discontinue the program within the first two years, but among those who stay, these Veterans are more likely to complete their rehabilitation within two years. Drill down analysis reveals that although the majority of cohort members with a combined disability rating of 70% or higher are in employment rehabilitation tracks, they comprise 77.5 (not shown) percent of the cohort members in the Independent Living track, which is typically completed within two years.

Pre-Rehabilitation Level of Education. Table 2B-6 shows that more than 84 percent of Veterans in the cohort began their rehabilitation plans either with a high school education (44.1 percent) or some training (non-degree) beyond a high school education (40.0 percent). Another 10.9 percent of these Veterans entered their program with a college degree. The remaining 5 percent of the cohort either had less than a high school education (1.8 percent) or graduate training (3.2 percent).

Veteran pre-rehabilitation level of education appears to have an impact on the pattern of rehabilitation success in the first two years of VR&E service. Table 2B-6 shows that at the time they

began their VR&E program, Veterans with either a college degree or graduate training were well overrepresented among those who were rehabilitated within the first two years of their rehabilitation plans (25.7 percent versus 14.1 percent). In addition, both of these highly educated Veteran groups were slightly underrepresented among discontinued participants and evenly represented among active participants.

Table 2B-6. Pre-Rehabilitation Level of Education of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Prior Level of Education | FY 2011 | | | | | | | |
|--------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Below High School | 159 | 1.8% | 17 | 1.7% | 19 | 2.4% | 195 | 1.8% |
| High School | 3,923 | 43.5% | 502 | 51.5% | 338 | 42.1% | 4,763 | 44.1% |
| Some College | 3,730 | 41.4% | 346 | 35.5% | 239 | 29.8% | 4,315 | 40.0% |
| Four Year Degree | 932 | 10.3% | 82 | 8.4% | 165 | 20.5% | 1,179 | 10.9% |
| Graduate Training | 271 | 3.0% | 28 | 2.9% | 42 | 5.2% | 341 | 3.2% |
| Subtotal | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

In contrast to Veterans with a college degree or graduate training, Veterans with a high school education, when they began their VR&E plans, were underrepresented among rehabilitated participants, slightly underrepresented among active participants, and overrepresented among discontinued participants. Veterans with some training (non-degree) beyond a high school education were strongly underrepresented among rehabilitated participants (29.8 percent versus 40.0 percent), and underrepresented among discontinued participants (35.5 percent versus 40.0 percent). Interestingly, these Veterans are the only group that is overrepresented among the active participants (41.4 percent versus 40.0 percent), confirming that Veterans with a post high school education, but less than a college degree, remain in their plans of services compared to Veterans with other levels of pre-rehabilitation education, most likely due to the fact that many Veterans in this group are participating in four year degree programs. In fact, 90 percent (not shown) of those with less than a

four year degree when they began their plans of services are in a college program working towards a degree (among those receiving a VR&E subsistence allowance).

Pre-Rehabilitation Salary. Table 2B-7 presents pre-rehabilitation annual salary data across the three participant groups. It is immediately notable that 76.7 percent of the FY 2010 cohort was not earning a salary prior to beginning the VR&E program. Although these Veterans represent the overwhelming majority of the cohort, they comprise an even larger share of participants who discontinued (82.4 percent) and the participants who completed rehabilitation (86.3 percent). This finding suggests that those who have no pre-rehabilitation salary (meaning they were unemployed at the time of their application) are more likely to discontinue within the first two years, but among those who stayed, they are more likely to complete their rehabilitation within two years. .

Table 2B-7. Pre-Rehabilitation Annual Salary of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Pre-Rehabilitation Annual Salary | FY 2011 | | | | | | | |
|----------------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| \$0 | 6,777 | 75.2% | 803 | 82.4% | 693 | 86.3% | 8,273 | 76.7% |
| \$1-6,000 | 172 | 1.9% | 19 | 1.9% | 10 | 1.2% | 201 | 1.9% |
| \$6,001-12,000 | 321 | 3.6% | 31 | 3.2% | 17 | 2.1% | 369 | 3.4% |
| \$12,001-18,000 | 319 | 3.5% | 30 | 3.1% | 21 | 2.6% | 370 | 3.4% |
| \$18,001-24,000 | 353 | 3.9% | 26 | 2.7% | 18 | 2.2% | 397 | 3.7% |
| \$24,001-30,000 | 292 | 3.2% | 22 | 2.3% | 16 | 2.0% | 330 | 3.1% |
| \$30,001-36,000 | 254 | 2.8% | 18 | 1.8% | 8 | 1.0% | 280 | 2.6% |
| \$36,001-42,000 | 144 | 1.6% | 5 | 0.5% | 6 | 0.7% | 155 | 1.4% |
| \$42,001-48,000 | 151 | 1.7% | 6 | 0.6% | 8 | 1.0% | 165 | 1.5% |
| \$48,001+ | 232 | 2.6% | 15 | 1.5% | 6 | 0.7% | 253 | 2.3% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

For those who had a pre-rehabilitation salary, there does not appear to be a systematic relationship between the magnitude of that salary and the likelihood of leaving or completing rehabilitation. It should also be noted that 75.2 percent of the cohort members who had no pre-rehabilitation salary were in an active status, indicating that they continued to participate in their rehabilitation programs

Number of Dependents. Table 2B-8 presents the distribution of the number of dependents of the FY 2010 cohort. However, these data must be interpreted with caution since they are based on the only current data source available to VR&E, which is the VA Compensation and Pension database. Veterans with a 20 percent or less service-connected disability rating do not receive additional disability compensation for dependents. Therefore, some dependency information for all the FY 2010 Longitudinal Study participants may be incorrectly counted as null in this annual report. Future reports will include reliable data points that will be updated through participant surveys as the longitudinal study continues.

Table 2B-8. Number of Dependents of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Number of Dependents | FY 2011 | | | | | | | |
|----------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| 0 | 4,267 | 47.3% | 759 | 77.8% | 632 | 78.7% | 5,658 | 52.4% |
| 1 | 4,698 | 52.1% | 214 | 21.9% | 168 | 20.9% | 5,080 | 47.1% |
| 2 | 37 | 0.4% | 2 | 0.2% | 3 | 0.4% | 42 | 0.4% |
| 3 | 10 | 0.1% | 0 | 0.0% | 0 | 0.0% | 10 | 0.1% |
| 4 | 2 | 0.0% | 0 | 0.0% | 0 | 0.0% | 2 | 0.0% |
| 5 | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| 6 or more | 1 | 0.0% | 0 | 0.0% | 0 | 0.0% | 1 | 0.0% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

Location. Every state is represented in the FY 2010 cohort, as Table 2B-9 shows. Although there is no general pattern, a few states stand out as having high representation among those who

discontinued, and those who completed rehabilitation within the first two years. California stands out as the state with the highest overrepresentation among Veterans who discontinued participation within the first two years. Among states with higher overrepresentation among Veterans who completed rehabilitation, Arizona, New Jersey, and New York stand out. This finding is partially explained by the fact that the majority of rehabilitations were in the Independent Living program. While Independent Living rehabilitations constitute 43.7 percent (not shown) of all rehabilitations for the FY 2010 cohort, these three states have higher rates of Independent Living rehabilitations among all rehabilitations (86 percent in New York, 58 percent in Arizona, 52 percent in New Jersey; not shown). Most states do not have large enough samples to conduct further explorations of these data, but as the sample sizes increase, this finding warrants further analysis to explore the variability across states or regions in terms of keeping Veterans in the program and getting them through their rehabilitation plans successfully.

Table 2B-9. State of Residence of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| State | FY 2011 | | | | | | | |
|----------------------|-------------------------|------|-------------------------------|------|--------------------------------|------|-------|------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Alabama | 186 | 2.1% | 27 | 2.8% | 32 | 4.0% | 245 | 2.3% |
| Alaska | 55 | 0.6% | 2 | 0.2% | 2 | 0.2% | 59 | 0.5% |
| Arizona | 186 | 2.1% | 27 | 2.8% | 62 | 7.7% | 275 | 2.5% |
| Arkansas | 129 | 1.4% | 9 | 0.9% | 4 | 0.5% | 142 | 1.3% |
| California | 462 | 5.1% | 86 | 8.8% | 30 | 3.7% | 578 | 5.4% |
| Colorado | 286 | 3.2% | 11 | 1.1% | 26 | 3.2% | 323 | 3.0% |
| Connecticut | 133 | 1.5% | 9 | 0.9% | 20 | 2.5% | 162 | 1.5% |
| Delaware | 14 | 0.2% | 4 | 0.4% | 2 | 0.2% | 20 | 0.2% |
| District of Columbia | 13 | 0.1% | 1 | 0.1% | 0 | 0.0% | 14 | 0.1% |
| Florida | 726 | 8.1% | 83 | 8.5% | 56 | 7.0% | 865 | 8.0% |
| Georgia | 283 | 3.1% | 38 | 3.9% | 21 | 2.6% | 342 | 3.2% |
| Hawaii | 48 | 0.5% | 9 | 0.9% | 7 | 0.9% | 64 | 0.6% |

Table 2B-9. State of Residence of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011 (continued)

| State | FY 2011 | | | | | | | |
|----------------|-------------------------|------|-------------------------------|------|--------------------------------|-------|-------|------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Idaho | 63 | 0.7% | 12 | 1.2% | 13 | 1.6% | 88 | 0.8% |
| Illinois | 165 | 1.8% | 33 | 3.4% | 14 | 1.7% | 212 | 2.0% |
| Indiana | 293 | 3.3% | 11 | 1.1% | 21 | 2.6% | 325 | 3.0% |
| Iowa | 128 | 1.4% | 9 | 0.9% | 4 | 0.5% | 141 | 1.3% |
| Kansas | 86 | 1.0% | 15 | 1.5% | 5 | 0.6% | 106 | 1.0% |
| Kentucky | 316 | 3.5% | 8 | 0.8% | 8 | 1.0% | 332 | 3.1% |
| Louisiana | 130 | 1.4% | 11 | 1.1% | 10 | 1.2% | 151 | 1.4% |
| Maine | 81 | 0.9% | 5 | 0.5% | 11 | 1.4% | 97 | 0.9% |
| Maryland | 186 | 2.1% | 16 | 1.6% | 13 | 1.6% | 215 | 2.0% |
| Massachusetts | 81 | 0.9% | 13 | 1.3% | 2 | 0.2% | 96 | 0.9% |
| Michigan | 303 | 3.4% | 14 | 1.4% | 19 | 2.4% | 336 | 3.1% |
| Minnesota | 97 | 1.1% | 32 | 3.3% | 12 | 1.5% | 141 | 1.3% |
| Mississippi | 100 | 1.1% | 11 | 1.1% | 10 | 1.2% | 121 | 1.1% |
| Missouri | 167 | 1.9% | 14 | 1.4% | 10 | 1.2% | 191 | 1.8% |
| Montana | 78 | 0.9% | 5 | 0.5% | 3 | 0.4% | 86 | 0.8% |
| Nebraska | 71 | 0.8% | 18 | 1.8% | 2 | 0.2% | 91 | 0.8% |
| Nevada | 49 | 0.5% | 9 | 0.9% | 4 | 0.5% | 62 | 0.6% |
| New Hampshire | 55 | 0.6% | 4 | 0.4% | 2 | 0.2% | 61 | 0.6% |
| New Jersey | 139 | 1.5% | 11 | 1.1% | 48 | 6.0% | 198 | 1.8% |
| New Mexico | 75 | 0.8% | 13 | 1.3% | 12 | 1.5% | 100 | 0.9% |
| New York | 310 | 3.4% | 36 | 3.7% | 88 | 11.0% | 434 | 4.0% |
| North Carolina | 243 | 2.7% | 25 | 2.6% | 0 | 0.0% | 268 | 2.5% |
| North Dakota | 17 | 0.2% | 3 | 0.3% | 2 | 0.2% | 22 | 0.2% |
| Ohio | 230 | 2.6% | 12 | 1.2% | 3 | 0.4% | 245 | 2.3% |
| Oklahoma | 210 | 2.3% | 16 | 1.6% | 27 | 3.4% | 253 | 2.3% |
| Oregon | 152 | 1.7% | 14 | 1.4% | 10 | 1.2% | 176 | 1.6% |
| Pennsylvania | 173 | 1.9% | 46 | 4.7% | 23 | 2.9% | 242 | 2.2% |
| Rhode Island | 18 | 0.2% | 5 | 0.5% | 1 | 0.1% | 24 | 0.2% |

Table 2B-9. State of Residence of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011 (continued)

| State | FY 2011 | | | | | | | |
|------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| South Carolina | 198 | 2.2% | 28 | 2.9% | 19 | 2.4% | 245 | 2.3% |
| South Dakota | 83 | 0.9% | 12 | 1.2% | 2 | 0.2% | 97 | 0.9% |
| Tennessee | 176 | 2.0% | 21 | 2.2% | 12 | 1.5% | 209 | 1.9% |
| Texas | 929 | 10.3% | 99 | 10.2% | 56 | 7.0% | 1,084 | 10.0% |
| Utah | 132 | 1.5% | 13 | 1.3% | 6 | 0.7% | 151 | 1.4% |
| Vermont | 39 | 0.4% | 0 | 0.0% | 0 | 0.0% | 39 | 0.4% |
| Virginia | 295 | 3.3% | 13 | 1.3% | 6 | 0.7% | 314 | 2.9% |
| Washington | 277 | 3.1% | 28 | 2.9% | 38 | 4.7% | 343 | 3.2% |
| West Virginia | 92 | 1.0% | 10 | 1.0% | 9 | 1.1% | 111 | 1.0% |
| Wisconsin | 133 | 1.5% | 19 | 1.9% | 12 | 1.5% | 164 | 1.5% |
| Wyoming | 16 | 0.2% | 1 | 0.1% | 1 | 0.1% | 18 | 0.2% |
| Outside of U.S. | | | | | | | | |
| American Samoa | 12 | 0.1% | 0 | 0.0% | 0 | 0.0% | 12 | 0.1% |
| Philippines | 17 | 0.2% | 0 | 0.0% | 0 | 0.0% | 17 | 0.2% |
| Puerto Rico | 60 | 0.7% | 2 | 0.2% | 2 | 0.2% | 64 | 0.6% |
| Other Outside US | 19 | 0.2% | 2 | 0.2% | 1 | 0.1% | 22 | 0.2% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

Primary Diagnosis. Table 2B-10 presents the primary diagnosis of VR&E participants in the FY 2010 cohort by their current status at the end of FY 2011. The distribution of primary diagnoses indicates that physical health conditions (including musculoskeletal, eye and other sensory, and dental and oral conditions) comprise 45.6 percent, neurological conditions another 15.4 percent, and mental health conditions 39.0 percent of the cohort. Cohort members with a physical health condition were overrepresented among active participants, but well underrepresented among discontinued and rehabilitated participants. This pattern suggests that Veterans with physical health

conditions continue to actively participate in their rehabilitation plans, and this pattern is largely consistent across all physical health diagnoses.

Table 2B-10. Primary Diagnosis of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Primary Diagnosis | FY 2011 | | | | | | | |
|--|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Diseases of the Musculoskeletal System including Muscle Injuries | 1,433 | 15.9% | 103 | 10.6% | 71 | 8.8% | 1,607 | 14.9% |
| Diseases of the Eye, Ear, or other Sensory Organs | 439 | 4.9% | 37 | 3.8% | 40 | 5.0% | 516 | 4.8% |
| Other Physical Health Conditions or Diseases | 2,205 | 24.5% | 170 | 17.4% | 152 | 18.9% | 2,527 | 23.5% |
| Neurological Conditions and Convulsive Disorders (excluding Mental Health Conditions or Disorders) | 1,411 | 15.7% | 128 | 13.1% | 120 | 14.9% | 1,659 | 15.4% |
| PTSD | 1,734 | 19.2% | 236 | 29.4% | 254 | 26.1% | 2,224 | 20.6% |
| Major Depression | 645 | 7.2% | 54 | 6.7% | 88 | 9.0% | 787 | 7.3% |
| Other Mental Health Conditions | 935 | 10.4% | 105 | 13.1% | 159 | 16.3% | 1,199 | 11.1% |
| Dental and Oral Conditions | 202 | 2.2% | 31 | 3.2% | 24 | 3.0% | 257 | 2.4% |
| Subtotal | 9,004 | 100.0% | 970 | 100.0% | 802 | 100.0% | 10,776 | 100.0% |
| Data Unavailable ¹ | 11 | - | 5 | - | 1 | - | 17 | - |
| Total | 9,015 | | 975 | | 803 | | 10,793 | |

¹ Data points listed as unavailable will be corrected for future reports.

Further analyses (not shown) into secondary and tertiary diagnosis indicate no major differences across the three subgroups of active, discontinued, and rehabilitated participants. However, Veterans with two or more diagnoses (health conditions) represent over 84 percent (not shown) of the total cohort. This group represented 84 percent (not shown) of all active participants, but more than 87 percent (not shown) of all rehabilitated Veterans and 81 percent (not shown) of the Veterans who discontinued services. Thus Veterans with multiple health conditions were overrepresented among Veterans in the rehabilitated group, and similarly underrepresented among Veterans in the discontinued group.

Length of Military Service. Table 2B-11 presents the distribution of participants who remained active, discontinued, or completed rehabilitation as of the end of FY 2011 by their length of military service. Approximately 50 percent of the FY 2010 cohort served in the military more than 4 years.

Table 2B-11. Length of Service in Military of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Length of Service in Military | FY 2011 | | | | | | | |
|-------------------------------|-------------------------|--------|-------------------------------|--------|--------------------------------|--------|--------|--------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| < 3 Months | 90 | 1.0% | 16 | 1.6% | 4 | 0.3% | 110 | 1.0% |
| 3-5 Months | 154 | 1.7% | 14 | 1.4% | 9 | 0.8% | 177 | 1.6% |
| 6 Months - 2 Years | 1,586 | 17.7% | 172 | 17.7% | 144 | 20.6% | 1,902 | 17.7% |
| > 2 Years - 4 Years | 2,637 | 29.4% | 327 | 33.7% | 248 | 32.9% | 3,212 | 29.9% |
| > 4 Years - 10 Years | 2,583 | 28.8% | 274 | 28.2% | 194 | 23.9% | 3,051 | 28.4% |
| > 10 Years - 15 Years | 522 | 5.8% | 59 | 6.1% | 36 | 4.7% | 617 | 5.7% |
| > 15 Years - 20 Years | 663 | 7.4% | 55 | 5.7% | 72 | 7.4% | 790 | 7.3% |
| > 20 Years - 30 Years | 730 | 8.1% | 52 | 5.4% | 90 | 9.0% | 872 | 8.1% |
| > 30 Years | 14 | 0.2% | 2 | 0.2% | 2 | 0.3% | 18 | 0.2% |
| Subtotal | 8,979 | 100.0% | 971 | 100.0% | 799 | 100.0% | 10,749 | 100.0% |
| Data Unavailable ¹ | 36 | — | 4 | — | 4 | — | 44 | |
| Total | 9,015 | | 975 | | 803 | | 10,793 | |

¹ Data points listed as unavailable will be corrected for future reports.

There does not appear to be any obvious relationship between length of military service and the likelihood of discontinuing the program or completing rehabilitation services within the first two years. At this early date in the study, the lack of any noticeable relationship may be due to small sample sizes within the various categories.

Era of Service. Table 2B-12 shows participant status by their era of military service. It is notable that 76.0 percent of the Veterans in the FY 2010 cohort served during the Gulf War era while approximately 23 percent served during the Vietnam War and Post Vietnam War era. Gulf War era Veterans are underrepresented among both those who discontinued services and among those who completed their rehabilitation within two years of beginning their plans. In contrast, Vietnam War era Veterans are overrepresented among both those who discontinued services and among those who completed their rehabilitation in the same period. This pattern is similar to the pattern we see in Table 2B-4 for individuals over the age of 55 which is the age group of Vietnam War era Veterans.

Table 2B-12. Era of Service in Military of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Era of Service in Military | FY 2011 | | | | | | | |
|-------------------------------|-------------------------|--------|-------------------------------|--------|--------------------------------|--------|--------|--------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| World War II | 3 | 0.0% | 4 | 0.4% | 13 | 1.6% | 20 | 0.2% |
| Post World War II | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Korean Conflict | 16 | 0.2% | 4 | 0.4% | 13 | 1.6% | 33 | 0.3% |
| Post Korean Conflict | 15 | 0.2% | 1 | 0.1% | 9 | 1.1% | 25 | 0.2% |
| Vietnam War | 741 | 8.2% | 137 | 14.1% | 217 | 27.0% | 1,095 | 10.1% |
| Post Vietnam War Era | 1,162 | 12.9% | 151 | 15.5% | 109 | 13.6% | 1,422 | 13.2% |
| Gulf War Era | 7,076 | 78.5% | 678 | 69.5% | 442 | 55.0% | 8,196 | 76.0% |
| Subtotal | 9,013 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,791 | 100.0% |
| Data Unavailable ¹ | 2 | — | 0 | — | 0 | — | 2 | — |
| Total | 9,015 | | 975 | | 803 | | 10,793 | |

¹ Data points listed as unavailable will be corrected for future reports.

Further examination of these data reveals that among Veterans pursuing an Independent Living program, approximately 50 percent of those rehabilitated within the first two years and about 56 percent of those who discontinued during this period are Vietnam War era Veterans. Since the Longitudinal Study Survey will include data on reasons why participants discontinue, future reports will further explore this finding of overrepresentation of Vietnam War era Veterans among those who discontinue their rehabilitation plans, and whether or not that pattern is associated with the high prevalence of PTSD among that Veteran subgroup.

Branch of Service. Table 2B-13 shows that the FY 2010 cohort of active, discontinued, and rehabilitated members generally reflects the relative sizes of the various branches of service. However, the majority of participants (54.3 percent) are from the Army. And with its relatively large representation, it is clear that Veterans from the Army are overrepresented among Veterans in the discontinued group and underrepresented among Veterans in the rehabilitated group. Army representation among Veterans still active in the VR&E program is proportional to their representation in the cohort.

Table 2B-13. Branch of Service in Military of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Branch of Service in Military | FY 2011 | | | | | | | |
|-------------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Army | 4,856 | 53.9% | 590 | 60.5% | 413 | 51.4% | 5,859 | 54.3% |
| Navy | 1,588 | 17.6% | 146 | 15.0% | 162 | 20.2% | 1,896 | 17.6% |
| Air Force | 1,271 | 14.1% | 99 | 10.2% | 114 | 14.2% | 1,484 | 13.7% |
| Marine Corps | 1,160 | 12.9% | 127 | 13.0% | 105 | 13.1% | 1,392 | 12.9% |
| Coast Guard | 86 | 1.0% | 6 | 0.6% | 7 | 0.9% | 99 | 0.9% |
| Reserves/Guard | 50 | 0.6% | 6 | 0.6% | 2 | 0.2% | 58 | 0.5% |
| Other | 4 | 0.0% | 1 | 0.1% | 0 | 0.0% | 5 | 0.0% |
| Total | 9,015 | 100.0% | 975 | 100.0% | 803 | 100.0% | 10,793 | 100.0% |

Members of the Navy, Air Force, and Marines are somewhat overrepresented among veterans who completed rehabilitation and evenly represented among those still active. However, members of the Navy and Air Force are underrepresented among Veterans who discontinued their program, while Marines remained evenly distributed. There were too few members of the Coast Guard, Reserves/Guard, and “others” to see any visible patterns.

Rank. Table 2B-14 shows the distribution of the FY 2010 cohort by military rank and current participation status as of FY 2011. At this two-year point in their programs, there are some perceptible differences among discontinued participants and rehabilitated participants between Veterans with ranks E3 and below and those with ranks E4 and above.

Table 2B-14. Rank Upon Exit from Military of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Rank | FY 2011 | | | | | | | |
|-------------------------------|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| E1 | 624 | 6.9% | 85 | 8.7% | 35 | 4.4% | 744 | 6.9% |
| E2 | 661 | 7.3% | 84 | 8.6% | 44 | 5.5% | 789 | 7.3% |
| E3 | 1,383 | 15.4% | 145 | 14.9% | 89 | 11.1% | 1,617 | 15.0% |
| E4 | 2,768 | 30.7% | 304 | 31.2% | 250 | 31.2% | 3,322 | 30.8% |
| E5 | 1,537 | 17.1% | 165 | 17.0% | 148 | 18.5% | 1,850 | 17.2% |
| E6 | 836 | 9.3% | 86 | 8.8% | 80 | 10.0% | 1,002 | 9.3% |
| E7 | 656 | 7.3% | 54 | 5.5% | 65 | 8.1% | 775 | 7.2% |
| E8 | 229 | 2.5% | 16 | 1.6% | 35 | 4.4% | 280 | 2.6% |
| E9 | 58 | 0.6% | 8 | 0.8% | 6 | 0.7% | 72 | 0.7% |
| O (1-8) | 204 | 2.3% | 18 | 1.8% | 39 | 4.9% | 261 | 2.4% |
| W (1-5) | 46 | 0.5% | 8 | 0.8% | 11 | 1.4% | 65 | 0.6% |
| Subtotal | 9,002 | 100.0% | 973 | 100.0% | 802 | 100.0% | 10,777 | 100.0% |
| Data Unavailable ¹ | 13 | — | 2 | — | 1 | — | 16 | |
| Total | 9,015 | | 975 | | 803 | | 10,793 | |

¹ Data points listed as unavailable will be corrected for future reports.

Veterans in the most junior ranks (E1 to E3) are all somewhat overrepresented among discontinued participants compared to Veterans in the more senior ranks (E4 and above), with the minor exception of E4 Veterans, who are relatively evenly represented among Veterans in that status. Also, Veterans in the most junior grades (E1 to E3) are underrepresented among rehabilitated participants, while those in the higher grades are overrepresented among Veterans in that status. These differences may be clouded by the relative sizes of the distribution of grades across the entire cohort. However, this pattern bears watching over the next several years as Veteran status changes over time as more participants discontinue their plans or successfully rehabilitate. The distribution across all grades among active participants is nearly identical to the overall distribution of grades in the cohort.

Training Type. Table 2B-15 shows the distribution of the FY 2010 cohort by their subsistence allowance and training type which provides insight into the specific training they are undertaking and the likely length of the program. It should be noted that not everyone participating in the program received an allowance. As the table shows, 83.9 percent of the cohort members receiving subsistence allowance are in an undergraduate program. As expected, cohort members in an undergraduate program only comprise 21.7 percent of those who completed rehabilitation by the end of two years. In contrast, although only 5.5 percent of the cohort is in vocational training, these Veterans comprise 43.5 percent of the participants who completed rehabilitation. These findings are driven by the fact that vocational training is typically a shorter duration program as compared to completing an undergraduate degree.

Table 2B-15. Subsistence Allowance by Training Type of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011

| Training Type | FY 2011 | | | | | | | |
|--|-------------------------|------|-------------------------------|------|--------------------------------|-------|-------|------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Non-College Degree; Vocational/Technical | 400 | 5.3% | 21 | 8.6% | 10 | 43.5% | 431 | 5.5% |
| College, Non Degree | 208 | 2.8% | 13 | 5.3% | 1 | 4.3% | 222 | 2.9% |

Table 2B-15. Subsistence Allowance by Training Type of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2011 (continued)

| Training Type | FY 2011 | | | | | | | |
|--|-------------------------|---------------|-------------------------------|---------------|--------------------------------|---------------|---------------|---------------|
| | All Active Participants | | All Discontinued Participants | | All Rehabilitated Participants | | Total | |
| | # | % | # | % | # | % | # | % |
| Undergraduate | 6,340 | 84.5% | 176 | 72.1% | 5 | 21.7% | 6,521 | 83.9% |
| Graduate School | 393 | 5.2% | 5 | 2.0% | 2 | 8.7% | 400 | 5.1% |
| Farm Cooperative | 4 | 0.1% | 0 | 0.0% | 0 | 0.0% | 4 | 0.1% |
| Non Pay Work Experience in a Federal, State, or Local Agency | 28 | 0.4% | 6 | 2.5% | 2 | 8.7% | 36 | 0.5% |
| Apprenticeship | 10 | 0.1% | 0 | 0.0% | 0 | 0.0% | 10 | 0.1% |
| Nonvocational Chapter 31 (includes Independent Living and Extended Evaluation) | 95 | 1.3% | 20 | 8.2% | 1 | 4.3% | 116 | 1.5% |
| NonPay On-Job Training in a Federal, State, or Local Agency; Training in the Home; Vocational Courses in a Sheltered Workshop or Rehabilitation Facility; and Independent Instructor | 11 | 0.1% | 0 | 0.0% | 1 | 4.3% | 12 | 0.2% |
| OJT (On-Job Training) | 9 | 0.1% | 1 | 0.4% | 1 | 4.3% | 11 | 0.1% |
| Special Rehabilitation Services; Improvement of Rehabilitation Potential; Special Evaluation Procedures; Adult Basic Education | 5 | 0.1% | 2 | 0.8% | 0 | 0.0% | 7 | 0.1% |
| Subtotal | 7,503 | 100.0% | 244 | 100.0% | 23 | 100.0% | 7,770 | 100.0% |
| Not Receiving Assistance | 1,512 | — | 731 | — | 780 | — | 3,023 | — |
| Total | 9,015 | | 975 | | 803 | | 10,793 | |

Section 2C: Rehabilitation Outcomes

In this section of the report, we examine more closely the characteristics of cohort members who have successfully completed their rehabilitation plans in either FY 2010 or FY 2011, the first two years following their entry into the VR&E program. Specifically, we characterize individuals based on their status in FY 2010 when they entered the program. We then trace the cohort outcomes over the first two years and compare cohort members who completed their rehabilitation plans in the first year (i.e., as of the end of FY 2010) to those who completed their plans in the second year (i.e., as of the end of FY 2011). When comparing both discontinuations and rehabilitations between FY 2010 and FY 2011, it is important to point out that Veterans joined the VR&E program during all weeks and months of FY 2010. Those who joined earlier enjoyed nearly a full year of services before the end of FY 2010. Those who joined later in the year had a much briefer period within which to become rehabilitated. Thus, most individuals were not in VR&E a full year by the end of the fiscal year. As such, we expect to see higher absolute numbers of rehabilitations and discontinuations in FY 2011 as compared to FY 2010.

We also examine how individual characteristics differ by rehabilitation track (employment versus independent living). To further determine how demographic factors may correlate with rehabilitation patterns, we cross these findings with key demographics including gender, age, pre-rehabilitation education level, and combined disability rating. Finally, we also provide the distribution of the starting FY 2010 cohort which serves as a reference point for determining if a particular subgroup is overrepresented or underrepresented in the distribution of rehabilitations by year.

Rehabilitation Track. Among the cohort of Veterans and Servicemembers who applied and began a rehabilitation plan of services in FY 2010, 180 in FY 2010 and 625 in FY 2011 were successfully rehabilitated, representing 7.5 percent of the total cohort. As Table 2C-1 shows, of the total rehabilitations, 56.1 percent are in employment and 43.9 percent are in independent living. In contrast, 94.1 percent of those who established a plan of services in FY 2010 are in an employment track while only 5.9 percent are in the Independent Living track. Therefore, relative to their starting

numbers, individuals in the Independent Living program complete their rehabilitation faster than those in the employment programs, with most of the completions occurring in the second year. This finding is not surprising given the services provided under the Independent Living track may not exceed 24 months without VR&E Officer approval, and many of those Veterans in the employment tracks are in four year undergraduate programs, and therefore require a longer period of time to complete rehabilitation. In fact, almost half (313 cases) of the participants in Independent Living programs (642 cases), completed their rehabilitation in FY 2011, making this group account for about half of the rehabilitations, 50.1 percent, in that year.

Table 2C-1. FY 2010 and FY 2011 Rehabilitation Outcomes of FY 2010 Cohort

| Rehabilitation Type | Percentage of Total Starts (#) | REHABILITATED | | |
|---------------------|--------------------------------|---|---|---|
| | | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
| Employment | 94.1% (10,151) | 77.8% (140) | 49.9% (312) | 56.1% (452) |
| Independent Living | 5.9% (642) | 22.2% (40) | 50.1% (313) | 43.9% (353) |
| Total | 100.0% (10,793) | 100.0% (180) | 100.0% (625) | 100.0% (805) |

NOTE: Rehabilitation outcomes are defined as the percentage (or number) of individuals rehabilitated in a given fiscal year. Total rehabilitations are the sum of FY 2010 and FY 2011 rehabilitations.

Rehabilitation Track and Gender. Table 2C-2 shows the gender distribution of those who completed rehabilitation by year and rehabilitation track. We see the same pattern that the analysis of the status of the cohort revealed which is that women are underrepresented among those who complete their rehabilitations within the first two years. This finding holds true for both those rehabilitated in employment and independent living, respectively.

Among those in the employment tracks that have completed rehabilitation, women represent 17.0 percent of the FY 2010 cohort, but only 14.3 percent of the FY 2010 completions and 14.4 percent of the FY 2011 completions. Similarly, among those in the Independent Living track that have completed rehabilitation, women represent 9.5 percent of the FY 2010 cohort, but only 5.0 percent of the FY 2010 completions and 8.9 percent of the FY 2011 completions.

Table 2C-2. FY 2010 and FY 2011 Rehabilitation Outcomes of FY 2010 Cohort by Gender

| Gender | Percentage of Total Starts (#) | REHABILITATED | | |
|--|--------------------------------|---|---|---|
| | | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
| Rehabilitated in Employment | | | | |
| Male | 83.0% (8,422) | 85.7% (120) | 85.6% (267) | 85.6% (387) |
| Female | 17.0% (1,729) | 14.3% (20) | 14.4% (45) | 14.4% (65) |
| Total | 100.0% (10,151) | 100.0% (140) | 100.0% (312) | 100.0% (452) |
| Rehabilitated in Independent Living | | | | |
| Male | 90.5% (581) | 95.0% (38) | 91.1% (285) | 91.5% (323) |
| Female | 9.5% (61) | 5.0% (2) | 8.9% (28) | 8.5% (30) |
| Total | 100.0% (642) | 100.0% (40) | 100.0% (313) | 100.0% (353) |

NOTE: Rehabilitation outcomes are defined as the percentage (or number) of individuals rehabilitated in a given fiscal year. Total rehabilitations are the sum of FY 2010 and FY 2011 rehabilitations.

Rehabilitation Track and Age. As shown in Table 2C-3, the age distribution differs slightly between those who completed rehabilitation in employment versus independent living. A higher percentage of cohort members in the Independent Living track are older. Within this track, 63.2 percent are over the age of 60 as compared to 7.5 percent of those in rehabilitation in employment being over 60. The age distribution of those who completed rehabilitation is not much different between year one and year two.

Table 2C-3. FY 2010 and FY 2011 Rehabilitation Outcomes of FY 2010 Cohort by Age Range

| Age Range | Percentage of Total Starts (#) | REHABILITATED | | |
|--|--------------------------------|---|---|---|
| | | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
| Rehabilitated in Employment | | | | |
| 17-21 | 0.1% (11) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 22-29 | 12.7% (1,291) | 13.6% (19) | 7.7% (24) | 9.5% (43) |
| 30-39 | 27.0% (2,737) | 24.3% (34) | 23.7% (74) | 23.9% (108) |
| 40-44 | 16.7% (1,692) | 15.7% (22) | 16.7% (52) | 16.4% (74) |
| 45-49 | 15.5% (1,572) | 11.4% (16) | 21.5% (67) | 18.4% (83) |
| 50-54 | 13.0% (1,316) | 15.0% (21) | 13.1% (41) | 13.7% (62) |
| 55-59 | 7.6% (771) | 13.6% (19) | 7.1% (22) | 9.1% (41) |
| 60 and above | 7.5% (761) | 6.4% (9) | 10.3% (32) | 9.1% (41) |
| Total | 100.0% (10,151) | 100.0% (140) | 100.0% (312) | 100.0% (452) |
| Rehabilitated in Independent Living | | | | |
| 17-21 | 0.0% (0) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 22-29 | 1.1% (7) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 30-39 | 3.6% (23) | 5.0% (2) | 2.9% (9) | 3.1% (11) |
| 40-44 | 5.6% (36) | 5.0% (2) | 3.8% (12) | 4.0% (14) |
| 45-49 | 5.1% (33) | 7.5% (3) | 4.2% (13) | 4.6% (16) |
| 50-54 | 10.0% (64) | 10.0% (4) | 11.2% (35) | 11.0% (39) |
| 55-59 | 11.4% (73) | 10.0% (4) | 11.8% (37) | 11.6% (41) |
| 60 and above | 63.2% (406) | 62.5% (25) | 66.1% (207) | 65.7% (232) |
| Total | 100.0% (642) | 100.0% (40) | 100.0% (313) | 100.0% (353) |

NOTE: Rehabilitation outcomes are defined as the percentage (or number) of individuals rehabilitated in a given fiscal year. Total rehabilitations are the sum of FY 2010 and FY 2011 rehabilitations.

Rehabilitation Track and Pre-Rehabilitation Level of Education. As Table 2C-4 shows, a larger share of the Veterans who are in an employment track and completed rehabilitation (32.8 percent) within the first two years had a four year degree or higher when they applied, as compared to individuals in the Independent Living track (16.7 percent), suggesting that having a degree affects length of time in the program for those in the employment tracks, but not necessarily for those in

the Independent Living track. This finding is expected as individuals in the employment tracks who already have a four year degree rehabilitate relatively faster. In contrast, education is less linked to the content of the Independent Living track, explaining why it is not a strong predictor of completing rehabilitation within the first two years for this group. There is no strong education pattern difference between those who completed rehabilitation in FY 2010 and FY 2011.

Table 2C-4. FY 2010 and FY 2011 Rehabilitation Outcomes of FY 2010 Cohort by Pre-Rehabilitation Level of Education

| Prior Education Level | Percentage of Total Starts (#) | REHABILITATED | | |
|--|--------------------------------|---|---|---|
| | | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
| Rehabilitated in Employment | | | | |
| Below High School | 1.7% (169) | 1.4% (2) | 1.6% (5) | 1.5% (7) |
| High School | 43.9% (4,455) | 40.7% (57) | 38.8% (121) | 39.4% (178) |
| Some College | 40.5% (4,110) | 25.7% (36) | 26.6% (83) | 26.3% (119) |
| Four Year Degree | 10.9% (1,110) | 25.0% (35) | 29.2% (91) | 27.9% (126) |
| Graduate Training | 3.0% (307) | 7.1% (10) | 3.8% (12) | 4.9% (22) |
| Total | 100.0% (10,151) | 100.0% (140) | 100.0% (312) | 100.0% (452) |
| Rehabilitated in Independent Living | | | | |
| Below High School | 4.1% (26) | 0.0% (0) | 3.8% (12) | 3.4% (12) |
| High School | 48.0% (308) | 40.0% (16) | 46.3% (145) | 45.6% (161) |
| Some College | 31.9% (205) | 32.5% (13) | 34.5% (108) | 34.3% (121) |
| Four Year Degree | 10.8% (69) | 12.5% (5) | 10.9% (34) | 11.0% (39) |
| Graduate Training | 5.3% (34) | 15.0% (6) | 4.5% (14) | 5.7% (20) |
| Total | 100.0% (642) | 100.0% (40) | 100.0% (313) | 100.0% (353) |

NOTE: Rehabilitation outcomes are defined as the percentage (or number) of individuals rehabilitated in a given fiscal year. Total rehabilitations are the sum of FY 2010 and FY 2011 rehabilitations.

Rehabilitation Track and Combined Disability Rating. Table 2C-5 shows how those who successfully completed rehabilitation in FY 2010 and FY 2011 are distributed in terms of their VA combined disability ratings. As we determined previously, cohort members with a combined

disability rating of 70% or higher are overrepresented among completed rehabilitations in the first two years. For those in an employment track, a large share of the first year rehabilitations has a disability rating of 70% or higher. Similarly, among Veterans in the Independent Living track, a large share of the first year rehabilitations has a disability rating of 70% or higher. For this group, it should be noted that 33.8 percent has a combined disability rating of 100% and that these individuals have a relatively high completion rate in the first year, comprising 42.5 percent of the independent living rehabilitations in FY 2010.

Table 2C-5. FY 2010 and FY 2011 Rehabilitation Outcomes of FY 2010 Cohort by Combined Disability Rating

| Combined Disability Rating | Percentage of Total Starts (#) | REHABILITATED | | |
|-----------------------------|--------------------------------|---|---|---|
| | | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
| Rehabilitated in Employment | | | | |
| 0% ¹ | 0.1% (8) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 10% | 6.2% (627) | 5.7% (8) | 6.1% (19) | 6.0% (27) |
| 20% | 11.5% (1,170) | 7.9% (11) | 12.5% (39) | 11.1% (50) |
| 30% | 15.1% (1,534) | 11.4% (16) | 17.9% (56) | 15.9% (72) |
| 40% | 15.1% (1,537) | 19.3% (27) | 15.1% (47) | 16.4% (74) |
| 50% | 11.3% (1,147) | 13.6% (19) | 10.6% (33) | 11.5% (52) |
| 60% | 13.1% (1,326) | 10.7% (15) | 11.2% (35) | 11.1% (50) |
| 70% | 9.7% (984) | 15.0% (21) | 8.3% (26) | 10.4% (47) |
| 80% | 7.8% (792) | 7.9% (11) | 8.0% (25) | 8.0% (36) |
| 90% | 4.2% (425) | 5.0% (7) | 6.1% (19) | 5.8% (26) |
| 100% | 5.5% (561) | 3.6% (5) | 3.8% (12) | 3.8% (17) |
| Memo Rating ² | 0.4% (40) | 0% (0) | 0.3% (1) | 0.2% (1) |
| Total | 100.0% (10,151) | 100.0% (140) | 100.0% (312) | 100.0% (452) |

Table 2C-5. FY 2010 and FY 2011 Rehabilitation Outcomes of FY 2010 Cohort by Combined Disability Rating (continued)

| Combined Disability Rating | Percentage of Total Starts (#) | REHABILITATED | | |
|-------------------------------------|--------------------------------|---|---|---|
| | | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
| Rehabilitated in Independent Living | | | | |
| 0% ¹ | 0.0% (0) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 10% | 0.5% (3) | 2.5% (1) | 0.3% (1) | 0.6% (2) |
| 20% | 2.7% (17) | 2.5% (1) | 1.3% (4) | 1.4% (5) |
| 30% | 3.9% (25) | 2.5% (1) | 4.2% (14) | 4.2% (15) |
| 40% | 5.0% (32) | 5.0% (2) | 6.1% (20) | 6.2% (22) |
| 50% | 5.3% (34) | 5.0% (2) | 3.6% (11) | 3.7% (13) |
| 60% | 5.9% (38) | 2.5% (1) | 6.1% (20) | 5.9% (21) |
| 70% | 14.5% (93) | 10.0% (4) | 16.8% (52) | 15.9% (56) |
| 80% | 16.2% (104) | 17.5% (7) | 16.8% (52) | 16.7% (59) |
| 90% | 12.3% (79) | 10.0% (4) | 11.3% (35) | 11.0% (39) |
| 100% | 33.8% (217) | 42.5% (17) | 33.3% (104) | 34.3% (121) |
| Memo Rating ² | 0.0% (0) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| Total | 100.0% (642) | 100.0% (40) | 100.0% (313) | 100.0% (353) |

NOTE: Rehabilitation outcomes are defined as the percentage (or number) of individuals rehabilitated in a given fiscal year. Total rehabilitations are the sum of FY 2010 and FY 2011 rehabilitations.

¹ Participants with a zero percent rating either entered a program of rehabilitation services after receiving a Memorandum Rating (a temporary rating provided to allow for VR&E participation), or had their rating decision reduced to zero percent after entering a program of services.

² A memorandum rating is provided when a Veteran has not yet completed a disability compensation evaluation, but is admitted to the VR&E program because there is sufficient information to determine that a disability rating of 20 percent or more will be granted.

Salary Outcomes. Finally, in Table 2C-6 we provide the salary outcomes for those cohort members who were rehabilitated in employment in FY 2010 and FY 2011. Over 72 percent of the rehabilitated members have post-rehabilitation salaries between \$18,000 and \$48,000, and about 20 percent of the rehabilitated members have post-rehabilitation salaries over \$48,000. The outcomes are not significantly different by year.

Table 2C-6. FY 2010 and FY 2011 Post-Rehabilitation Annual Salary of Rehabilitated Members of FY 2010 Cohort

| Annual Salary | Percentage (#) Rehabilitated in FY 2010 | Percentage (#) Rehabilitated in FY 2011 | Percentage (#) of Total Rehabilitations |
|---------------------------|--|--|--|
| \$0 | 0.7% (1) | 2.2% (7) | 1.8% (8) |
| \$1-6,000 | 0.0% (0) | 0.3% (1) | 0.2% (1) |
| \$6,001-12,000 | 1.4% (2) | 1.6% (5) | 1.5% (7) |
| \$12,001-18,000 | 5.0% (7) | 3.8% (12) | 4.2% (19) |
| \$18,001-24,000 | 20.0% (28) | 9.6% (30) | 12.8% (58) |
| \$24,001-30,000 | 17.1% (24) | 17.0% (53) | 17.0% (77) |
| \$30,001-36,000 | 17.1% (24) | 23.7% (74) | 21.7% (98) |
| \$36,001-42,000 | 12.1% (17) | 11.5% (36) | 11.7% (53) |
| \$42,001-48,000 | 7.1% (10) | 9.9% (31) | 9.1% (41) |
| \$48,001+ | 19.3% (27) | 20.2% (63) | 19.9% (90) |
| Subtotal | 100.0% (140) | 100.0% (312) | 100.0% (452) |
| Independent Living | 40 | 313 | 353 |
| Total | 180 | 625 | 805 |

Very few rehabilitated members have no post-rehabilitation salary and less than 12 percent of those rehabilitated have post-rehabilitation salaries below \$18,000 in either year. It should be noted that Veterans may elect to work part time to accommodate the effects of their health condition or impairment, which may account for some of the lower salaries. Also, participants may complete all of the training necessary to be competitive in their occupation, but may choose to continue their education in lieu of obtaining employment, using non-Chapter 31 benefits to pay for an additional degree. Due to preference or life circumstances, some Veterans may choose nominal or non-paid employment. Of the 8 Veterans with no post-rehabilitation income, 4 are working in nominal or non-paid jobs and the other 4 chose to continue pursuing further education after successfully rehabilitating.

Section 2D: Discontinuation Outcomes

Similar to the analysis of rehabilitations above, this section of the report closely examines the characteristics of cohort members who have discontinued participation in VR&E in FY 2010 or FY 2011. Specifically, we characterize individuals based on their status in FY 2010 when they began a plan of services. We then compare cohort members who discontinued participation in the first year (i.e., as of the end of FY 2010) with those who discontinued participation in the second year (i.e., as of the end of FY 2011). We also examine how these Veterans differ by type of discontinuation (i.e., from Extended Evaluation versus from a rehabilitation plan).

Veterans participate in Extended Evaluation plans when the feasibility of a vocational goal cannot be determined at the time of the initial evaluation. The purpose of the Extended Evaluation plan is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible. To further determine how demographic factors may affect discontinuation patterns, we cross these findings with key demographics including gender, age, pre-rehabilitation education level, and combined disability rating.

Discontinuation Type. As Table 2D-1 shows, among the cohort of Veterans who began a plan of rehabilitation services in FY 2010, 172 in FY 2010 and 811 in FY 2011 discontinued their programs. The type of discontinuation differs substantially between year one and two. Among Veterans that discontinued their plans in FY 2010, the predominant share (70.9 percent) comes from among those Veterans in Extended Evaluations. It may be reasonable to expect that many of the Veterans who discontinue in the first year had participated in Extended Evaluations plans, as these Veterans have more significant employment barriers to overcome, and the purpose of the assessment is to determine the feasibility of a vocational goal. In contrast, in FY 2011, the predominant share of Veterans that discontinued their plans (83.0 percent) are from other plan types, although those who remained in Extended Evaluation during the first year are still overrepresented among those who leave in the second year.

The lower numbers of Veterans in the Extended Evaluation phase is not surprising since Extended Evaluations are required to be completed within 12 months. Some extensions are permitted and do occur. However, it is anticipated the number of Veterans in this group who discontinue services will drop significantly in the third year due to the twelve month requirement.

Table 2D-1. FY 2010 and FY 2011 Discontinuations for FY 2010 Cohort

| Discontinuation Type | Percentage of Total Starts (#) | DISCONTINUED | | |
|----------------------|--------------------------------|--|--|--|
| | | Percentage (#) Discontinued in FY 2010 | Percentage (#) Discontinued in FY 2011 | Percentage (#) of Total Discontinuations |
| Extended Evaluation | 11.8% (1,274) | 70.9% (122) | 20.1% (136) | 26.2% (258) |
| Other Plan Type | 88.2% (9,519) | 29.1% (50) | 83.0% (675) | 73.8% (725) |
| Total | 100.0% (10,793) | 100.0% (172) | 100.0% (811) | 100.0% (983) |

Note: The percentage discontinued is defined as the number of individuals discontinued in a given fiscal year, divided by the total number of individuals in each category who began a plan of services in FY 2010. Total discontinuations are the sum of FY 2010 and FY 2011 discontinuations.

Discontinuation Type and Gender. Table 2D-2 shows the gender distribution of those who discontinued their VR&E programs by year and type of discontinuation. As noted earlier, the rates of discontinuation are much higher among Veterans in Extended Evaluations than for other types of plans. With regard to gender, we see the same pattern that the analysis of the cohort population characteristics revealed, which is that women discontinue their plans at lower rates than do males, regardless of which discontinuation type, i.e., Extended Evaluation or other plan type. While there is no perceptible difference between FY 2010 and FY 2011, this pattern among women holds true for both years, as they are more likely than men to remain in the active status.

Table 2D-2. FY 2010 and FY 2011 Discontinuations for FY 2010 Cohort by Gender

| Gender | Percentage of Total Starts (#) | DISCONTINUED | | |
|--|--------------------------------|--|--|--|
| | | Percentage (#) Discontinued in FY 2010 | Percentage (#) Discontinued in FY 2011 | Percentage (#) of Total Discontinuations |
| Discontinued from an Extended Evaluation | | | | |
| Male | 86.6% (1,103) | 88.5% (108) | 89.0% (121) | 88.8% (229) |
| Female | 13.4% (171) | 11.5% (14) | 11.0% (15) | 11.2% (29) |
| Total | 100.0% (1,274) | 100.0% (122) | 100.0% (136) | 100.0% (258) |
| Discontinued from Other Plan Type | | | | |
| Male | 83.0% (7,900) | 86.0% (43) | 87.1% (588) | 87.0% (631) |
| Female | 17.0% (1,619) | 14.0% (7) | 12.9% (87) | 13.0% (94) |
| Total | 100.0% (9,519) | 100.0% (50) | 100.0% (675) | 100.0% (725) |

Note: The percentage discontinued is defined as the number of individuals discontinued in a given fiscal year, divided by the total number of individuals in each category who began a plan of services in FY 2010. Total discontinuations are the sum of FY 2010 and FY 2011 discontinuations.

Discontinuation Type and Age. As shown in Table 2D-3, the age distribution of those who leave the program differs slightly between year one and two. Overall, there is no strong age pattern difference between discontinuation types or years. For individuals who discontinue from an Extended Evaluation, there is a higher concentration of individuals age 40 to 45 and 55 and older who leave in the first year as compared to the second year. In contrast, among those who discontinued from other plan types, there is a concentration of individuals between 50 to 59 year olds and age 60 and older who leave in year one as compared to year two. However, although there are some differences in the age distributions of those who leave in FY 2010, as compared to FY 2011, there is no systematic pattern to these age differences.

Table 2D-3. FY 2010 and FY 2011 Discontinuations for FY 2010 Cohort by Age Range

| Age Range | Percentage of Total Starts (#) | DISCONTINUED | | |
|---|--------------------------------|--|--|--|
| | | Percentage (#) Discontinued in FY 2010 | Percentage (#) Discontinued in FY 2011 | Percentage (#) of Total Discontinuations |
| Discontinued from an Extended Evaluation | | | | |
| < 17 | 0.0% (0) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 17-21 | 0.2% (2) | 0.0% (0) | 0.7% (1) | 0.4% (1) |
| 22-29 | 13.2% (168) | 11.5% (14) | 14.0% (19) | 12.8% (33) |
| 30-39 | 19.6% (250) | 15.6% (19) | 20.6% (28) | 18.2% (47) |
| 40-44 | 11.6% (148) | 10.7% (13) | 11.8% (16) | 11.2% (29) |
| 45-49 | 11.8% (150) | 19.7% (24) | 8.1% (11) | 13.6% (35) |
| 50-54 | 15.5% (197) | 12.3% (15) | 14.0% (19) | 13.2% (34) |
| 55-59 | 11.8% (150) | 15.6% (19) | 11.8% (16) | 13.6% (35) |
| 60 and above | 16.4% (209) | 14.8% (18) | 19.1% (26) | 17.1% (44) |
| Total | 100.0% (1,274) | 100.0% (122) | 100.0% (136) | 100.0% (258) |
| Discontinued from Other Plan Type | | | | |
| < 17 | 0.0% (0) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 17-21 | 0.1% (9) | 0.0% (0) | 0.1% (1) | 0.1% (1) |
| 22-29 | 11.9% (1,130) | 14.0% (7) | 16.1% (109) | 16.0% (116) |
| 30-39 | 26.4% (2,510) | 32.0% (16) | 22.7% (153) | 23.3% (169) |
| 40-44 | 16.6% (1,580) | 12.0% (6) | 13.9% (94) | 13.8% (100) |
| 45-49 | 15.3% (1,455) | 6.0% (3) | 13.0% (88) | 12.6% (91) |
| 50-54 | 12.4% (1,183) | 6.0% (3) | 15.0% (101) | 14.3% (104) |
| 55-59 | 7.3% (694) | 4.0% (2) | 8.3% (56) | 8.0% (58) |
| 60 and above | 10.1% (958) | 26.0% (13) | 10.8% (73) | 11.9% (86) |
| Total | 100.0% (9,519) | 100.0% (50) | 100.0% (675) | 100.0% (725) |

Note: The percentage discontinued is defined as the number of individuals discontinued in a given fiscal year, divided by the total number of individuals in each category who began a plan of services in FY 2010. Total discontinuations are the sum of FY 2010 and FY 2011 discontinuations.

Discontinuation Type and Pre-Rehabilitation Level of Education. Table 2D-4 shows that Veterans who discontinued in FY 2010 and FY 2011 have very similar representations of prior education level relative to the distribution in total starts. Overall there is no evidence of substantial differences in the pre-rehabilitation level of education between those who discontinue in FY 2010 and FY 2011, or between those who discontinue from an Extended Evaluation versus a plan track.

Table 2D-4. FY 2010 and FY 2011 Discontinuations for FY 2010 Cohort by Pre-Rehabilitation Level of Education

| Prior Education Level | Percentage of Total Starts (#) | DISCONTINUED | | |
|---|--------------------------------|--|--|--|
| | | Percentage (#) Discontinued in FY 2010 | Percentage (#) Discontinued in FY 2011 | Percentage (#) of Total Discontinuations |
| Discontinued from an Extended Evaluation | | | | |
| Below High School | 2.7% (34) | 1.6% (2) | 1.5% (2) | 1.6% (4) |
| High School | 52.7% (672) | 48.4% (59) | 51.5% (70) | 50.0% (129) |
| Some College | 34.4% (438) | 36.9% (45) | 34.6% (47) | 35.7% (92) |
| Four Year Degree | 7.5% (96) | 10.7% (13) | 9.6% (13) | 10.1% (26) |
| Graduate Training | 2.7% (34) | 2.5% (3) | 2.9% (4) | 2.7% (7) |
| Total | 100.0% (1,274) | 100.0% (122) | 100.0% (136) | 100.0% (258) |
| Discontinued from Other Plan Type | | | | |
| Below High School | 1.7% (161) | 4.0% (2) | 1.6% (11) | 1.8% (13) |
| High School | 43.0% (4,091) | 46.0% (23) | 52.4% (354) | 52.0% (377) |
| Some College | 40.7% (3,877) | 32.0% (16) | 35.7% (241) | 35.4% (257) |
| Four Year Degree | 11.4% (1,083) | 12.0% (6) | 7.6% (51) | 7.9% (57) |
| Graduate Training | 3.2% (307) | 6.0% (3) | 2.7% (18) | 2.9% (21) |
| Total | 100.0% (9,519) | 100.0% (50) | 100.0% (675) | 100.0% (725) |

Note: The percentage discontinued is defined as the number of individuals discontinued in a given fiscal year, divided by the total number of individuals in each category who began a plan of services in FY 2010. Total discontinuations are the sum of FY 2010 and FY 2011 discontinuations.

Discontinuation Type and Combined Disability Rating. Table 2D-5 shows how those who left the program in FY 2010 and FY 2011 are distributed in terms of their VA combined disability ratings and discontinuation type. As we determined previously, individuals with a combined

disability rating of 70% or higher are overrepresented among those who leave within the first two years, and Table 2D-5 shows this result holds for both types of discontinuations. For those who discontinued from an Extended Evaluation, a sizable share of the first year discontinued members has a disability rating of 70% or higher. In contrast, among those who discontinue from another plan type, a large share of the second year rehabilitations has a disability rating of 80% or higher.

Table 2D-5. FY 2010 and FY 2011 Discontinuations for FY 2010 Cohort by Combined Disability Rating

| Combined Disability Rating Percentage | Percentage of Total Starts (#) | DISCONTINUED | | |
|---|--------------------------------|--|--|--|
| | | Percentage (#) Discontinued in FY 2010 | Percentage (#) Discontinued in FY 2011 | Percentage (#) of Total Discontinuations |
| Discontinued from an Extended Evaluation | | | | |
| 0% ¹ | 0.3% (4) | 0.0% (0) | 0.0% (0) | 0.0% (0) |
| 10% | 7.2% (92) | 4.1% (5) | 6.6% (9) | 5.4% (14) |
| 20% | 8.2% (105) | 6.6% (8) | 6.6% (9) | 6.6% (17) |
| 30% | 10.5% (134) | 9.0% (11) | 10.3% (14) | 9.7% (25) |
| 40% | 9.0% (115) | 7.4% (9) | 14.7% (20) | 11.2% (29) |
| 50% | 8.6% (109) | 13.1% (16) | 8.1% (11) | 10.5% (27) |
| 60% | 11.4% (145) | 6.6% (8) | 10.3% (14) | 8.5% (22) |
| 70% | 12.2% (156) | 14.8% (18) | 10.3% (14) | 12.4% (32) |
| 80% | 9.8% (125) | 9.8% (12) | 11.8% (16) | 10.9% (28) |
| 90% | 5.7% (72) | 9.8% (12) | 3.7% (5) | 6.6% (17) |
| 100% | 15.6% (199) | 18.9% (23) | 14.7% (20) | 16.7% (43) |
| Memo Rating ² | 1.4% (18) | 0.0% (0) | 2.9% (4) | 1.6% (4) |
| Total | 100.0% (1,274) | 100.0% (122) | 100.0% (136) | 100.0% (258) |
| Discontinued from Other Plan Type | | | | |
| 0% ¹ | 0.0% (4) | 0.0% (0) | 0.1% (1) | 0.1% (1) |
| 10% | 5.7% (538) | 2.0% (1) | 5.5% (37) | 5.2% (38) |

Table 2D-5. FY 2010 and FY 2011 Discontinuations for FY 2010 Cohort by Combined Disability Rating (continued)

| Combined Disability Rating Percentage | Percentage of Total Starts (#) | DISCONTINUED | | |
|---------------------------------------|--------------------------------|--|--|--|
| | | Percentage (#) Discontinued in FY 2010 | Percentage (#) Discontinued in FY 2011 | Percentage (#) of Total Discontinuations |
| Discontinued from Other Plan Type | | | | |
| 20% | 11.4% (1,082) | 6.0% (3) | 8.1% (55) | 8.0% (58) |
| 30% | 15.0% (1,425) | 10.0% (5) | 10.8% (73) | 10.8% (78) |
| 40% | 15.3% (1,454) | 12.0% (6) | 12.6% (85) | 12.6% (91) |
| 50% | 11.3% (1,072) | 14.0% (7) | 8.9% (60) | 9.2% (67) |
| 60% | 12.8% (1,219) | 22.0% (11) | 11.4% (77) | 12.1% (88) |
| 70% | 9.7% (921) | 14.0% (7) | 10.8% (73) | 11.0% (80) |
| 80% | 8.1% (771) | 10.0% (5) | 12.4% (84) | 12.3% (89) |
| 90% | 4.5% (432) | 2.0% (1) | 5.0% (34) | 4.8% (35) |
| 100% | 6.1% (579) | 6.0% (3) | 13.5% (91) | 13.0% (94) |
| Memo Rating ² | 0.2% (22) | 2.0% (1) | 0.7% (5) | 0.8% (6) |
| Total | 100.0% (9,519) | 100.0% (50) | 100.0% (675) | 100.0% (725) |

Note: The percentage discontinued is defined as the number of individuals discontinued in a given fiscal year, divided by the total number of individuals in each category who began a plan of services in FY 2010. Total discontinuations are the sum of FY 2010 and FY 2011 discontinuations.

¹ Participants with a zero percent rating either entered a program of rehabilitation services after receiving a Memorandum Rating (a temporary rating provided to allow for VR&E participation), or had their rating decision reduced to zero percent after entering a program of services.

² A memorandum rating is provided when a Veteran has not yet completed a disability compensation evaluation, but is admitted to the VR&E program because there is sufficient information to determine that a disability rating of 20 percent or more will be granted.

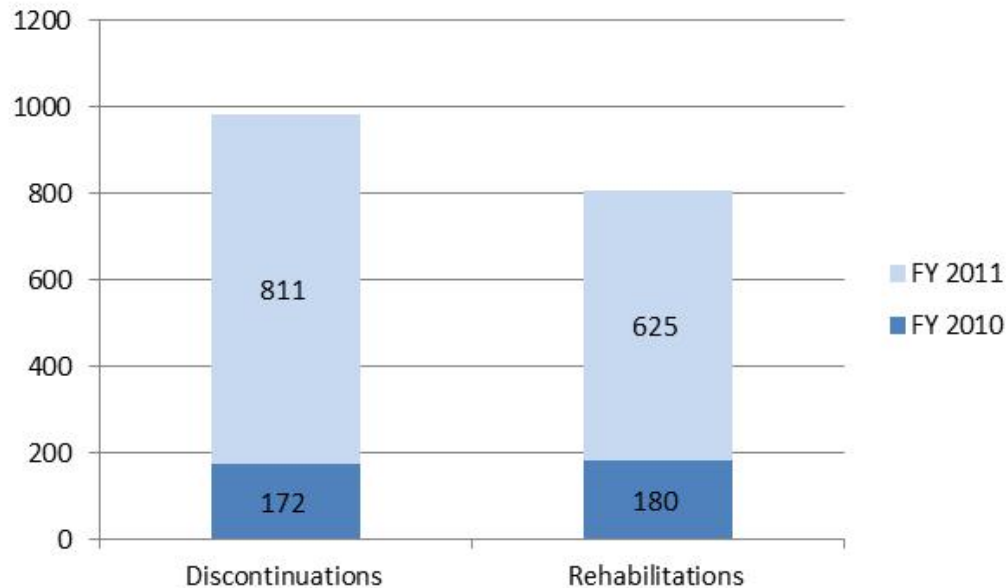
This report describes the characteristics of the FY 2010 cohort of VR&E participants based on VBA administrative data as of the end of FY 2011. In addition the report includes a detailed examination of participants who successfully completed or discontinued the program during the first year, FY 2010, compared with participants who successfully completed or discontinued the program during the second year, FY 2011.

Section 3A: Program Participation Status

The VR&E FY 2010 Longitudinal Study cohort is comprised of 10,793 Veterans or Servicemembers who applied for and entered a rehabilitation plan of services in FY 2010. As Figure 3A-1 shows, by the end of FY 2010, 180 Veterans successfully completed their rehabilitation plans, and 172 Veterans discontinued their participation, while the remainder of 10,441 (not shown) were still working on their rehabilitation plans.

Of these remaining 10,441 Veterans, 625 of them successfully completed their rehabilitation plans in FY 2011, and 811 of them discontinued their plans of services. The remaining 9,005 Veterans continued working on the steps of their rehabilitation plans in FY 2011, and into FY 2012.

Initiation of a plan of services will occur at any time during a fiscal year. The rehabilitations and discontinuations shown in Figure 3-1 represent a snapshot at a single point in time, and do not reflect the equal amounts of elapsed time implied by the two fiscal years. Some Veterans who initiated their plans late in FY 2010 did not have the luxury of two full years of services before their status was reported in FY 2011. Thus, the snapshot of Veteran statuses between FY 2010 and FY 2011 should be interpreted accordingly.

Figure 3A-1. Number of Active Individuals who Rehabilitate and Discontinue Each Year

Almost 97 percent (10,441) of the FY 2010 cohort of 10,793 VR&E participants was categorized as active as of the end of FY 2010, and 83 percent (9,005) were active at the end of FY 2011. This decrease in the number of active participants is due partly to an increase of 4.1 percent of Veterans who were rehabilitated between FY 2010 (180) and FY 2011 (625) from the FY 2010 cohort of 10,793 participants. In addition, the decrease was impacted by a higher increase (5.9 percent) of FY 2010 cohort members who discontinued their plans of services between FY 2010 (172) and FY 2011 (811).

Veterans may re-enter the VR&E program because of changes in their disability status or life circumstances. Eight of the 172 Veterans who discontinued services in FY 2010 and two of the 180 Veterans who successfully completed their rehabilitation plans in FY 2010 re-entered the VR&E program in FY 2011. As the study matures, it will be important to continue to track such individuals who exit and then re-enter the VR&E program to determine if their long-term outcomes are different than the participants who enter and exit the program only once.

Section 3B: Characteristics of the Cohort by Program Participation Status

VR&E Track. The length of time of an individual's rehabilitation plan is associated with his or her track selection. The vast majority of participants are in the Employment through Long Term Services track which involves participating in training to prepare for a career. Not surprisingly, these comprise only one-in-four rehabilitations as of FY 2011, even though these Veterans represent 86.7 percent of the cohort. In contrast, cohort members in the Rapid Access to Employment track represent almost one-in-three rehabilitations, as compared to them only comprising 6.2 percent of the cohort. This finding is expected as the intent of their program is to assist them in obtaining employment quickly. There is no strong pattern between program track and discontinuation, except among those who had participated in an Extended Evaluation and not entered a track by the end of FY 2011. This exception could be a factor behind their relative higher proportion of discontinuations, but also could be the result of their early departure.

Traits Associated with Completed Rehabilitations as of 2nd Year

- Rapid access to employment track
- Independent Living program track
- Male
- Age 60+
- Disability rating of 70%+
- 4 year degree (or higher) prior to program participation
- No pre-rehabilitation salary
- Mental health diagnosis
- Vietnam War era service
- Subsistence allowance for vocational training

Serious Employment Handicap. Just over 70 percent of the FY 2010 cohort is designated as having a serious employment handicap, leaving 29.6 percent who do not have such a designation. Among Veterans rehabilitated as of FY 2011, those with a serious employment handicap were proportionately represented at about 70.6 percent. However, they were somewhat underrepresented among active participants and substantially overrepresented (86.5 percent compared to 70.4 percent) among discontinued participants. This finding suggests that Veterans with a serious employment handicap may be at higher risk of program discontinuation than Veterans without a serious employment handicap. However, a word of caution is appropriate since the reasons for discontinuation were not available for this analysis, and it is known that some portion of Veterans discontinue their plans of services due to finding a job on their own.

Gender. Females comprised about 17 percent of the cohort population. Only 12 percent of Veterans who discontinued their plans were female, suggesting that they are underrepresented among the discontinued group. At the same time females were underrepresented among rehabilitated participants, again representing 12 percent of the total rehabilitated but 17 percent of the cohort total. These particular types of underrepresentation occurring together suggest that females are actively pursuing their plans at the end of FY 2011 in somewhat larger proportions than males.

Age. Rehabilitated participants are comprised of a high proportion of older participants. Compared to being 11 percent for the cohort population, almost 35 percent of rehabilitated participants are 60 years of age or more. Similarly, participants who discontinue also have a higher proportion of older Veterans, age 50 and above, relative to the representation in the cohort and majority of those rehabilitated in this age group are in the Independent Living program.

Combined Disability Rating. We find cohort members who have a combined disability rating of 70% or higher are both overrepresented among those who discontinue and among those who complete their rehabilitation programs. This finding suggests that Veterans with high combined disability ratings are more likely to leave the program but among those who stay, these Veterans are more likely to complete their rehabilitation within two years. Drill down analysis reveals that

Traits Associated with Discontinuations as of 2nd Year

- Participation in an Extended Evaluation
- Serious Employment Handicap
- Male
- Age 50+
- Disability rating of 70 %+
- No pre-rehabilitation salary
- Mental health diagnosis
- Vietnam War era service
- Junior rank (E1 – E3)

although the majority of cohort members with a combined disability rating of 70% or higher are in Employment rehabilitation tracks, they comprise 77.5 percent of the cohort members in the Independent Living track, which is designed to be completed within two years. Thus, it is not surprising that individuals with a higher disability rating are overrepresented among the rehabilitated group. However, their overrepresentation among the group of Veterans who discontinued their rehabilitation plans needs further exploration.

Pre-Rehabilitation Level of Education. Most Veterans in the FY 2010 cohort started their VR&E program with a high school diploma (44.1 percent) or some training (non-degree) beyond a high school education (40 percent). Veterans with some training (non-degree) beyond a high school education are more likely to be actively working on the steps of their rehabilitation plans in the first two years. They are most likely in longer term educational programs, which may explain why they are less likely to complete their rehabilitation within the first two years. Among cohort members receiving a VR&E subsistence allowance, 90 percent of those with less than a four year degree when they began their rehabilitation plans are in a college program working towards a degree. This pattern will be examined more closely in future analyses as the Longitudinal Study Survey data are collected. While VBA administrative data provides insight on training and education subsidized by the VR&E program, the survey will ask sampled participants about any training and education received, including educational assistance through various GI Bill programs.

Pre-Rehabilitation Salary. More than three-in-four Veterans were not earning a salary when they entered into their VR&E rehabilitation plans. Although these Veterans represent the overwhelming majority of the cohort, they comprise even larger shares of participants who discontinued their rehabilitation plans (82.4 percent) as well as a participants who were rehabilitated (86.3 percent) within the first two years of their program. Veterans reporting a salary (of any amount) at the start of their VR&E programs were substantially underrepresented among Veterans in the rehabilitated group and among Veterans in the discontinued group as of FY 2011. They were overrepresented among active participants. However, with no data on reasons for discontinuation it is difficult to interpret these data, especially since some Veterans discontinue their program after finding a job on their own.

Primary Diagnosis. Over 60 percent of the FY 2010 cohort has a physical health diagnosis as their primary service-connected disability rating while the remaining 39.1 percent has a mental health diagnosis as their primary condition. Cohort members with a primary mental health diagnosis are both more likely to have left the program within the first two years and to have completed their rehabilitations. This pattern is particularly pronounced for those with PTSD and other mental health conditions. This pattern suggests that although those with a primary mental health diagnosis are at great risk for discontinuing, those that do stay have a high rate of program completion within

two years. Further analysis indicates that, among the rehabilitated Veterans with PTSD and other mental health conditions almost 60 percent are in Independent Living program while this ratio is a little over 27 percent among rehabilitated Veterans with all other primary diagnoses.

Era of Service. More than three-in-four Veterans served during the Gulf War era, while approximately one-in-four Veterans served during the Vietnam War or Post Vietnam War era. Gulf War era Veterans are underrepresented among both those who discontinue and those who complete their rehabilitation with the first two years. In contrast, Vietnam War era Veterans are overrepresented among both those who discontinue and those who complete their rehabilitation with the first two years, which is similar to the pattern for cohort members over the age of 55 (the age group of Vietnam War era Veterans). Further analysis indicates that among the Independent Living program, 50 percent of those who got rehabilitated are Vietnam War era Veterans.

Branch of Service. Army personnel represent the majority (54.3 percent) of the FY 2010 cohort. In addition, they are the only branch to have the unenviable distinction of being substantially overrepresented among Veterans who discontinued their plans as of the end of FY 2011, and somewhat underrepresented among rehabilitated Veterans. This pattern bears watching over the next few years as the numbers of rehabilitations and discontinuations increase not only among the Veterans representing the Army, but also among the other branches of the service. The only other remarkable pattern was among Veterans representing the Navy, Air Force, and Marines. All three groups were overrepresented among the Veterans who rehabilitated during the first two years of the study.

Rank. Overall, there is not a strong relationship between military rank and discontinuing or completing rehabilitation, however Veterans in the junior ranks (E-1 to E-3) are overrepresented among those who discontinue and also underrepresented among those who complete their rehabilitations in the first two years.

Training Type. Among the FY 2010 cohort members receiving subsistence allowance, 83.9 percent are in an undergraduate program. As expected, individuals in an undergraduate program only comprise 21.7 percent of those who completed rehabilitation by the end of two years. In contrast, although only 5.5 percent of the cohort is in vocational training, these individuals comprise

43.5 percent of the participants who completed rehabilitation during the first two years. These findings are driven by vocational training typically being a shorter duration program as compared to completing an undergraduate degree, which is typically a four year program. Veterans with a college degree are more likely to enter post graduate training which is typically a one to two year program, depending upon the educational program or institution.

Section 3C: Differences in Outcomes Across Fiscal Years

As expected, we observe a higher number of Veterans successfully completing their rehabilitation plans or discontinuing their participation in the second fiscal year as compared to the first year. It is important to note that because the FY 2010 cohort is defined as Veterans who began a plan of rehabilitation services sometime in FY 2010, not every member has been in the program a full year at the end FY 2010. Thus, it is reasonable to expect higher numbers of rehabilitations and discontinuations in the second year. Among the FY 2010 cohort, 180 were successfully rehabilitated in FY 2010 and 625 in FY 2011. Similarly, among this cohort, 172 discontinued their program in FY 2010 and 811 in FY 2011.

Rehabilitation Outcomes. The most striking characteristic of those who have completed rehabilitation by the end of FY 2011 is that they heavily occur in year two and they are concentrated among those in the Independent Living track. Of all the rehabilitations, 56.1 percent are in Employment and 43.9 percent are in Independent Living. In contrast, 93.9 percent of those who started rehabilitation in FY 2010 are in an Employment track while only 6.1 percent are in the Independent Living track. Therefore, relative to their starting numbers, cohort members in the Independent Living program complete their rehabilitation faster than those in the Employment programs, with most of the completions occurring in the second year. This finding is not surprising and entirely in line with the design of the program. Services provided under the Independent Living track may not exceed 24 months without VR&E Officer approval. In fact, almost half (313 cases) of the Independent Living group (642 cases), completed their rehabilitation in FY 2011, making this group account for nearly half of the rehabilitations, 50.1 percent, in that year.

Discontinuation Outcomes. The most striking pattern among those who discontinue by year two is that they are concentrated among those who are in an Extended Evaluation rather than a rehabilitation track in year one but most discontinuations occur in year two. Of those that leave, the predominant share (70.9 percent) is from Extended Evaluations in FY 2010. In contrast, in FY 2011, the predominant share of discontinuations (83.0 percent) is from other plan types, although those who remained in Extended Evaluation during the first year are still overrepresented among those who leave the cohort.

Section 3D: Future Reports

Going forward, this study will collect self-report survey data from all sampled members of the cohort on key outcomes over a 20-year period. These data will be linked to Veterans' administrative data, which will allow for analyses and generalization of findings about long-term outcomes among all cohort members. When Veterans complete their rehabilitation programs, there is limited VBA administrative data available that concerns the outcomes of interest, with the exception of changes in disability status, death status, and enrollment in other educational or other benefit programs. Therefore, over time, as more and more participants end their programs, there will be less VBA administrative data available to track their long-term outcomes. At this point, the study will need to rely more heavily on survey data and Social Security data to assess the long-term outcomes of cohort members.

In addition to the FY 2010 cohort, two additional cohorts will be tracked for a 20-year period as well. These cohorts will be selected from Veterans who apply and begin a plan of services during FY 2012 and FY 2014. Each cohort will have a sample size that will provide enough statistical power to detect significant changes over time, as well as to detect statistically significant differences between specific sub-populations of interest.

Finally, as the cohorts mature, it will become increasingly important to track status changes such as returns after discontinuation or re-entering the program after having completed rehabilitation. A unique capability of a longitudinal study is the ability to track individuals' pathways over time. As

the cohorts mature, it will become more critical to track these status changes each year to be able to fully understand and determine the long-term outcomes of participants in the VR&E program.

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Only data currently available in the VBA data systems are available for the Annual Report 2012 to Congress. VR&E is working to ensure future reports will contain all of the data Congress requested. The data for these elements will be provided by data sharing agreements with the Veterans Health Administration, the Social Security Administration, and possibly the Internal Revenue Service. The following data will be gathered as the FY 2010 Longitudinal Study Cohort participants are surveyed.

- The types of other benefits administered by the Secretary received by such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(4))
- The types of social security benefits received by such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(5))
- Any unemployment benefits received by such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(6))
- The average number of months such individuals were employed during the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(7))
- The number of such individuals enrolled in an institution of higher learning, as that term is defined in section 3452(f) of this title. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(9))
- The average number of academic credit hours, degrees, and certificates obtained by such individuals during the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(10))
- The average number of visits such individuals made to Department medical facilities during the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(11))
- The average number of visits such individuals made to non-Department medical facilities during the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(12))
- The average annual income of such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(13))

- The average total household income of such individuals for the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(14))
- The percentage of such individuals who own their principal residences. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(15)).

Acronyms and Definitions

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Definitions:

Dependent: A person who has a specific familial relationship to the Veteran, such as a spouse child, or parent, and who is financially “dependent” on the Veteran.

Discontinued Status: Situations in which termination of all services and benefits received under Chapter 31 is necessary.

Employment Handicap (EH): An impairment of a Veteran’s ability to prepare for, obtain, or retain employment consistent with such Veteran’s abilities, aptitudes, and interests.

Employment Services: The counseling, medical, social, and other job placement and post-placement services provided to a Veteran under Chapter 31 to assist the Veteran in obtaining or maintaining suitable employment.

Employment through Long-Term Services Track: The Employment through Long-Term Services track helps individuals develop the job skills needed for employment. Training may include college or certificate programs, on-the-job training, apprenticeships and/or internships. VA pays for all required tuition, books, fees and equipment and provides a monthly subsistence allowance to the Veteran.

Entitled to Services: The determination by a Vocational Rehabilitation Counselor (VRC) that an individual with eligibility meets the established standards related to an employment handicap (EH) or serious employment handicap (SEH).

Evaluation and Planning Status: Assessment, evaluation, and planning of an individual’s vocational needs.

Extended Evaluation Status: The feasibility of the Veteran achieving a vocational goal cannot be reasonably determined on the basis of information developed during the initial evaluation.

Fiscal Year (FY): Federal fiscal years run from October 1 – September 30.

Independent Living (IL) Services Track: Individuals may not be able to go to work immediately due to the severity of their disabilities and who need assistance to lead a more independent life. Services that may be provided include, but are not limited to providing adaptive or assistive devices and modifications in the home to increase access and connections with community support services.

Interrupted Status: The Veterans' program is suspended but not closed. A variety of situations may arise in the course of a rehabilitation program in which a temporary program suspension is warranted. Participants in this status have unique life, family, and disability needs that preclude their time and ability to work on their rehabilitation services.

Job Ready Status (JRS): Participants have completed their Individual Written Rehabilitation Plan (IWRP) or have entered VR&E with marketable skills. After being declared "Job Ready," participants enter into an Individual Employment Assistance Plan (IEAP) that outlines the steps and services needed for them to obtain suitable employment.

Rapid Access to Employment Track: Participants are ready to seek employment soon after separation from the military and already have the necessary skills to be competitive in the job market in an appropriate occupation. Services that may be provided include, but are not limited to: resume development, career-readiness preparation, career-search assistance, job accommodations, certificate training, and post-employment placement assistance.

Re-employment Track: Participants separated from the National Guard or Reserves and wish to return to work with previous employers. Services that may be provided include, but are not limited to: provision of workplace accommodations and/or modifications in order to increase

accessibility, adaptive equipment, and re-employment rights advice.

Rehabilitated Status: A closed case status used to identify participants who have completed the goals of their rehabilitation program. They have either achieved their independent living goals or obtained and maintained suitable employment.

Rehabilitation to Employment (RTE): A case status for participants for whom a feasible vocational goal has been selected and the participants are active in the steps outlined on their rehabilitation plans to make them job ready.

Rehabilitated to the Point of Employability: The Veteran is employable (job-ready) in an occupation for which a vocational rehabilitation program has been provided under the Chapter 31 program.

Self-Employment Track: Participants have or are acquiring job skills to start their own businesses. Self-Employment may also be the right track for individuals who have limited access to traditional employment, need flexible work schedules or a more accommodating work environment due to a disability or other life circumstances. Services that may be provided include but are not limited to: assistance with developing a viable business plan, training in the operation of a small business, marketing and financial assistance and tuition for training and licensing fees.

Serious Employment Handicap (SEH): A significant impairment of a Veteran's ability to prepare for, obtain, or retain employment consistent with such Veteran's abilities, aptitudes, and interests.

Service-Connected Disability (SCD): A disease or injury determined to have occurred in or to have been aggravated by military service.

Acronyms:

EC – Employment Coordinator

EH – Employment Handicap

FY – Fiscal Year

IEEP – Individual Extended Evaluation Plan

IILP – Individualized Independent Living Plan

IL – Independent Living

JRS – Job Ready Status

RPE – Rehabilitated to the Point of Employability

RTE – Rehabilitation to Employment

SCD – Service-Connected Disability

SEH – Serious Employment Handicap

VA – Department of Veterans Affairs

VRC – Vocational Rehabilitation Counselor

VR&E - Vocational Rehabilitation and Employment