

BBS

BROWN BAG SEMINARS

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HOW DOES SUPPORTED EMPLOYMENT HELP DISABILITY INSURANCE RECIPIENTS WORK WHILE ON CLAIM? (WITH ILAN TOJEROW)

In this paper, we evaluate the effects of a Supported Employment (SE) program aimed at Disability Insurance (DI) recipients with mental conditions. The program is characterized by a "work first" approach with intensive job counseling and follow-along support. Using a Randomized Control Trial with more than 660 participants over a follow-up period of 18 months, we compare the benefits of this newly introduced program to regular vocational rehabilitation services traditionally used in Belgium. We find that SE increases the probability of DI recipients with mental conditions to work while on claim and reduces their reliance on DI benefits. In fact, 18 months after the start of their return-to-work program, participants in the SE group are 10 percentage points more likely to be working and have earnings that are on average 6% higher than those in the control group.