

VOCATIONAL REHABILITATION AND EMPLOYMENT LONGITUDINAL STUDY

REPORT TO CONGRESS

Annual Report 2014 for FY 2013





VBA Longitudinal Studies

Contract No: GS-23F-8144H|VA798-11-0172

VR&E Longitudinal Study, Annual Report 2014
for FY 2013

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June 30, 2014

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Executive Summary

Overview of the Vocational Rehabilitation and Employment (VR&E)

The VR&E program provides benefits and services to assist Veterans with service-connected disabilities that contribute to an employment handicap (an impairment in substantial part from a service-connected disability) in preparing for, finding, and maintaining suitable employment. The VR&E program 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, the VR&E program offers services to improve their ability to live as independently as possible in their homes and communities.

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 36, 18, and 35 participants are not represented in the longitudinal study.*

The VR&E program assists eligible Veterans with service-connected disabilities and an employment handicap to prepare for, obtain, and maintain suitable employment.

VR&E administers these four programs through a decentralized service-delivery network comprised of 420 offices. This network is staffed with a VR&E workforce of 1,343 staff, including vocational rehabilitation counselors, employment coordinators, support staff, and managers. The network also includes 200 Integrated Disability Evaluation System (IDES) counselors on 71 military installations, 79 VetSuccess on Campus (VSOC) counselors at 94 college locations, and 198 out-based VR&E offices.

VR&E Longitudinal Study Background

In 2008, Congress passed the Veterans' Benefits Improvement Act of 2008, Pub. L. No. 110-389, 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 fiscal year

(FY) 2010, FY 2012, and FY 2014. These three cohorts will be followed annually for 20 years, with survey data collection that started in 2012.

- FY 2010 Cohort 10,792 Veteran Members
- FY 2012 Cohort 15,397 Veteran Members
- FY 2014 Cohort Currently entering VR&E Chapter 31 Program

The primary objective of the longitudinal study of the VR&E program is to determine the long-term outcomes associated with Veterans who establish and participate in a plan of services. Section 334 of Public Law 110-389 requires VA to report to Congress annually on 16 specific data elements.

The specific outcomes of interest in the mandate are:

- (1) employment,
- (2) income,
- (3) home ownership, and
- (4) use of other program benefits, measured by receipt of Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), or unemployment benefits.

Study Outcomes of Interest

- **Employment**
- **Income**
- **Home ownership**
- **Receipt of other program benefits**

The results of the study will be used to enhance the services VR&E provides to Veterans.

Comparison of Cohort Findings

Over time a comparison of cohort findings may show differences between cohorts, but at this early point in the longitudinal study, when comparing outcomes over the same time period there are no significant differences between the FY 2010 and FY 2012 cohorts. Furthermore, the two cohorts are similar demographically; however, as shown in Table E-1, the FY12 cohort is significantly

younger, more likely to have served during the Gulf War Era II (OEF/OIF/OND), more educated when starting the program, and more likely to have a PTSD diagnosis.

Table E-1. Comparison of FY 2010 and FY 2012 Cohort of VR&E Participants on Selected Demographic Characteristics as of end of FY 2013

Characteristic at Cohort Entry	FY 2010 Cohort	FY 2012 Cohort
Percentage of Veterans under 45 years of age	46%	58%
Percentage of Veterans from the Gulf War Era II (OEF/OIF/OND)	45%	61%
Percentage of Veterans with at least some college education	54%	62%
Percentage of Veterans diagnosed with PTSD	22%	25%

Highlights of Outcomes to Date

The main findings of the study are highlighted in the bulleted list below and in Table E-2. These findings are as of the end of FY 2013. The FY 2010 cohort has had more time to complete training and enhance their economic opportunities. The comparison demonstrates how cohort outcomes improve over time.

- Veterans who rehabilitated are twice as likely to be employed as those who discontinued.
- Rehabilitated participants reported substantially higher earnings over the past year, relative to discontinued participants, which is largely due to more rehabilitated individuals working and, when working, having higher salaries.
- On average, the median individual and household income for rehabilitated participants is almost \$20,000 higher than that of discontinued participants.

- For both cohorts, a larger percentage of those who rehabilitated reported owning their principal residence, relative to those who discontinued (63% vs. 47% for FY 2010 cohort, and 54% vs. 36% for FY 2012 cohort).
- Rehabilitation is the most dominant variable driving positive financial outcomes (current employment rate, number of months worked, annual earnings, and annual individual and household income) compared to a participation status of discontinued.
- Rehabilitated participants tend to be slightly older, have served more months on active duty, and have a larger proportion that obtained a degree or certificate in the past year.
- Discontinued participants have a higher combined disability rating (70% or higher), and made more visits to a VA medical facility in the past year.
- The majority of persisting and rehabilitated participants for both cohorts (~90%) reported moderate to high program satisfaction, relative to those who discontinued (~70%).
- The majority of all participants in both cohorts reported high program satisfaction (66% for FY 2010 and 72% for FY 2012).
- Regardless of length of time since beginning VR&E services, rehabilitated Veterans have substantially better employment and standard of living circumstances than those who discontinued.

Highlights of Main Findings Related to Outcomes

- **Veterans who rehabilitated are about twice as likely to be employed as those who discontinued.**
- **Rehabilitated participants reported substantially higher earnings for the past year, relative to discontinued participants, which is largely due to more rehabilitated individuals working and, when working, having higher salaries.**
- **On average, the median individual and household income for rehabilitated participants is almost \$20,000 higher than that of discontinued participants.**
- **For both cohorts, a larger percentage of those who rehabilitated reported owning their principal residence, relative to those who discontinued (63 percent vs. 47 percent for FY 2010 cohort, and 54 percent vs. 36 percent for FY 2012 cohort).**
- **The majority of persisting and rehabilitated participants for both cohorts (~90 percent) reported moderate to high program satisfaction, relative to those who discontinued (~70 percent).**

Table E-2. Summary of Outcomes for FY 2010 and FY 2012 Cohort of VR&E Participants as of end of FY 2013

Current Observation	FY 2010 Cohort	FY 2012 Cohort
Percentage of Rehabilitated Veterans employed (at the time of the survey)	71%	65%
Percentage of Discontinued Veterans employed (at the time of the survey)	67%	66%
Percentage of Persisting Veterans employed (at the time of the survey)	60%	63%
Percentage of Veterans persisting in the VR&E program	58%	81%
Average earnings for rehabilitated Veterans (during past 12 months) ¹	\$36,435	\$34,334
Average earnings for discontinued Veterans (during past 12 months) ¹	\$14,627	\$11,081
Percentage of Veterans with moderate or high program satisfaction	89%	90%
Percentage of Rehabilitated Veterans owning their principal residence	63%	54%
Percentage of Veterans receiving unemployment benefits (during past 12 months)	5%	8%

¹ Average earnings reported in table are based unconditional mean earnings which includes those with zero earnings.

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Section 1:

Overview of the Vocational Rehabilitation and Employment Program

Section 1A: Services Provided by the VR&E Program

Section 1B: Evolution of Vocational Rehabilitation for Veterans

Section 1C: The VR&E Process

Section 1D: VR&E Program Participants as of FY 2013

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

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 (VHA) and the National Cemetery Administration (NCA), 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 VR&E 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.

The VR&E program assists Veterans with service-connected disabilities and an employment handicap (an impairment in substantial part from a service-connected disability) to prepare for, find, and maintain suitable employment. The VR&E program provides guidance and advocacy while Veterans complete training and college programs, and also throughout the job-placement process. The

The VR&E program assists eligible Veterans with service-connected disabilities and an employment handicap to prepare for, obtain, and maintain suitable employment.

VR&E program also provides assistance to Veterans with service-connected disabilities seeking to start their own businesses. For Veterans with service-connected disabilities so severe that they cannot immediately consider work, the VR&E program offers services to improve their ability to live as independently as possible in their homes and communities.

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. Included in these outreach efforts are the following programs and resources: VetSuccess on Campus (VSOC), the Integrated Disability Evaluation System (IDES), and services provided under the Veterans Opportunity to Work (VOW) to Hire Heroes Act.

VR&E expanded the scope of program services for Veterans in VA education programs, including those Veterans receiving benefits under the Post-9/11 GI Bill, through the VSOC 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 VSOC program assigns a VA Vocational Rehabilitation Counselor to each participating campus to provide general benefits assistance; career counseling including vocational testing, academic and readjustment counseling services; assistance in overcoming barriers to retention and completion of degree programs; and medical or other referrals. VetSuccess on Campus counselors ensure that Veterans receive the support and assistance needed to achieve educational and employment goals. VetSuccess on Campus has a presence at 94 college campuses throughout the United States.

The Integrated Disability Evaluation System (IDES) initiative places VR&E counselors at military installations throughout the country to assist Servicemembers transitioning from active duty. The VR&E IDES initiative is directly supported by Public Law 110-181, the “National Defense Authorization Act for Fiscal Year 2008” (NDAA), as extended by Public Law 112-56, which provides for automatic eligibility for and entitlement to the VR&E program for wounded, ill and injured Servicemembers. Through this initiative, VR&E provides onsite outreach and transition services to Servicemembers who are transitioning out of the military.

The range of services VR&E provides includes:

- Onsite VR&E counselor referral for Servicemembers referred to the Physical Evaluation Board (PEB);
- Comprehensive evaluations;
- Career counseling to identify career goals; and
- Rehabilitation planning and services.

The early intervention provided by VR&E IDES counselors significantly reduces uncertainty among Servicemembers during the recovery process and provides for easier transition into civilian careers.

In 2012, VR&E implemented some of the provisions of Public Law 112-56, the “VOW to Hire Heroes Act of 2011.” In January 2012, policy was issued and training provided to increase job prospects for Veterans who need assistance with direct job placement. VA may now pay an incentive to employers to hire or train Veterans participating in a VR&E program even when the Veteran has not completed a training program under Chapter 31. In February 2012, policy was issued and training provided to assist VR&E staff to serve severely injured active duty military members earlier in their transition to civilian life. Under the law, these individuals will have automatic eligibility for and entitlement to VR&E services. This authority expires December 31, 2014, however anyone currently receiving VR&E services may remain in the program until completion. In May 2012, policy was issued and training provided to allow unemployed Veterans who previously completed a Chapter 31 program and have exhausted unemployment benefits to receive an additional 12 months of vocational rehabilitation services. Applications must have been received prior to March 31, 2014, to receive these additional benefits. These additional benefits will increase employment opportunities for these Veterans.

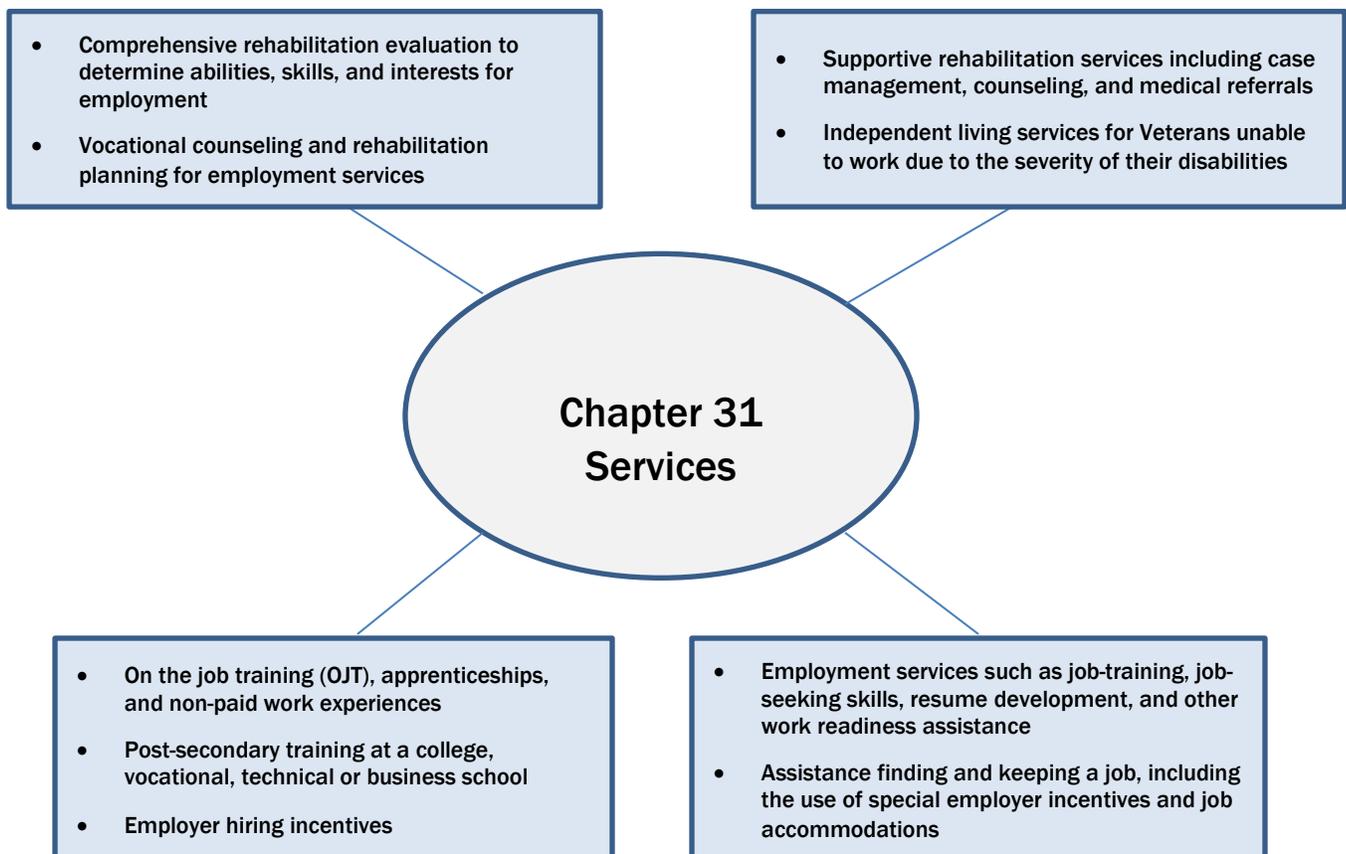
VA has conducted extensive outreach to inform Veterans, Servicemembers and stakeholders of the provisions of the new law and the availability of these expanded benefits. VA has established a web page dedicated to providing the most current information and directions for how to apply for these services (<http://www.benefits.va.gov/VOW/>).

Section 1A: Services Provided by the VR&E Program

VR&E administers the following four benefit programs to eligible participants:

Chapter 31. This program assists Veterans with service-connected disabilities and an employment handicap (an impairment in substantial part from a service-connected disability) 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 through their Independent Living track (see Figure 1A-1). The Longitudinal Study cohorts described in this report are comprised of individuals who applied for the Chapter 31 program, were found entitled, and began a plan of services during FY 2010, 2012, or 2014.

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



Chapter 36. VR&E provides a wide range of educational and vocational counseling services to Servicemembers separating from 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 or currently using VA education programs such as the GI Bill are also eligible for educational and vocational counseling from VR&E.

Assistance may include interest and aptitude testing; occupational exploration; setting occupational goals; locating the right type of training program; VA benefits coaching; adjustment counseling; 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.

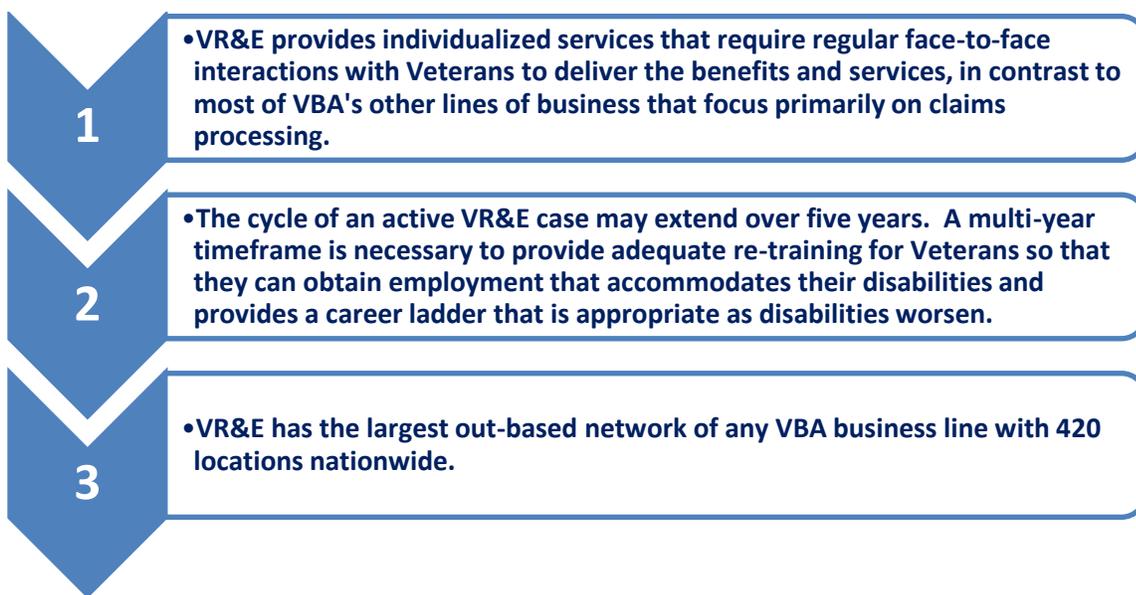
VR&E services are available to Chapter 18 participants if it is reasonably feasible for the eligible child to achieve a vocational goal. Chapter 18 participants are not represented in the longitudinal study.

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 363 out-based offices including 71 IDES sites and 94 VSOC locations. This network is staffed with a VR&E workforce of 1,343 staff, including vocational rehabilitation counselors, employment coordinators, support staff, and managers. VR&E also has national service 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 Chapter 31 workload is predominately driven by three factors: (1) the number of Veterans applying for rehabilitation and training benefits and services (Chapter 31, Title 38); (2) the number of Veterans who enter into the development and implementation of a rehabilitation plan; and (3) the associated growth of disability claims and the ongoing reduction of the claims backlog. 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, as 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.

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



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. Some individuals in the VR&E program have disabilities or situations so severe that current feasibility to achieve a vocational goal cannot be determined. These individuals may have unstable medical conditions or other barriers which prevent the current achievement of a vocational goal. If achievement of a vocational goal cannot be determined, the Veteran enters an Extended Evaluation phase. The purpose of Extended Evaluation is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether achievement of a vocational goal is currently reasonably feasible. Individuals with Extended Evaluation plans often have the most severe employment handicaps and may exit the VR&E program without a suitable employment goal being selected. As their situations change, these individuals may enter a VR&E track. If they discontinue their services, they may later re-apply to the VR&E program to reopen their case. The Veteran then participates in a new evaluation, as their circumstances may have changed, and may enter an employment or Independent Living plan.

As Veterans near the completion of the steps of their rehabilitation plans, 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 Disabled Veterans' Outreach Program (DVOP) and Local Veterans Employment Representative (LVER) program, 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.

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 VBA's other lines of business, the scope of 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 program has changed substantively since it was first created.

The legislative history noted in the highlighted facts in Figure 1B-1 provides context for understanding the nature and extent of changes that have been made over the years to the VR&E program. Since the original legislation that established the VR&E program, there have been numerous pieces of legislation that have shaped the eligibility rules and benefits into the modern program of today.

Section 334 of the Veterans' Benefits Improvement Act of 2008 requires VA to conduct a longitudinal study of Veterans who apply for VR&E services and begin rehabilitation plans in FY 2010, FY 2012, and FY 2014. Hence, it is important to note legislative changes concerning the VR&E program that have passed into law within the past few years. These recent changes to the VR&E program resulting from new legislation could impact the findings of the Congressionally-mandated longitudinal study. Recent legislative changes to the program include:

- Automatic entitlement of VR&E services for active duty Servicemembers with severe injuries or illnesses through the end of 2014;
- Increasing the annual limit on the number of Veterans initiating plans for Independent Living services;

- The provision of monthly subsistence allowances similar to those paid under the Post-9/11 GI Bill for those VR&E program participants who would also qualify for Post-9/11 educational benefits; and
- An extension of services for an additional 12 months for Veterans who have completed VR&E programs and exhausted state unemployment benefits.

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 Veterans with 10 and 20 percent service-connected disabilities Veterans to receive vocational rehabilitation benefits.

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.

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

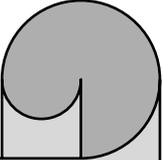
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- 1980** – Public Law 96-466 changed the purpose of the program to include independent living and services necessary to ensure that Veterans with service-connected disabilities not only obtained but maintained suitable employment. This legislation 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 could once again be 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 for and entitlement to VR&E services for active-duty Servicemembers with severe injuries or illnesses.
- 2008** - Public Law 110-389 requires VA to conduct a 20-year Longitudinal Study on the outcomes of three cohorts in the VR&E program.
- 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 (VOW to Hire Heroes Act of 2011) has three sections of the law that relate to VR&E.

- **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 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. This entitlement only applies to applications received prior to March 31, 2014.**

2012: Public Law 112-154 provides assistance to Veterans displaced or affected by natural disaster. Up to two additional Employment Adjustment Allowance (EAA) payments may be authorized and new Independent living plans will not count toward the cap for those impacted by the natural disaster.

2013 - Public Law 112-249 directed VA to develop a comprehensive policy to improve outreach and transparency to Veterans and members of the Armed Forces through the provision of information on institutions of higher learning.

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.

The basic criteria entitling Veterans to VR&E services require that the Veteran has received or will receive an honorable or other than dishonorable discharge, a service-connected disability (resulting from a physical or mental injury or health condition), and a determination that the service-connected disability results in an employment handicap. An employment handicap is an impairment associated with the Veteran's inability to prepare for, obtain, or retain suitable employment consistent with his or her abilities, aptitudes, and interests.

Veterans with a service-connected disability or memorandum rating, and a discharge other than dishonorable are eligible for the VR&E program.

In order to be entitled to VR&E services, a Veteran must have an employment handicap or a serious employment handicap.

As shown in Figure 1C-1, Servicemembers and Veterans are determined to be entitled to 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 NDAA, enacted on January 28, 2008, for which the expiration date was extended by PL 112-56, provides that members of the Armed Forces with a severe injury or illness are also entitled to receive VR&E benefits. This authority expires December 31, 2014.

Veterans are also entitled if they have a service-connected disability rating of 10 percent or more and the VR&E counselor determines that they have a serious employment handicap. A serious employment handicap is determined to be present when a significant impairment of a Veteran's

ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests exists. 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 entitled to VR&E services following submission of an application and meeting with a counselor.

➤ **Memorandum or Service-connected disability rating of 20 percent or more that contributes in substantial part to an Employment Handicap**

OR

➤ **Memorandum or Service-connected disability rating of 10 percent or more that contributes in substantial part to a Serious Employment Handicap**

OR

➤ **Active military personnel referred to Physical Evaluation Board (PEB) or participating in the Integrated Disability Evaluation System (IDES)**

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

The law generally provides for a 12-year basic period of eligibility in which services may be used. 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.

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 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 individualized 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 is individualized and 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 and 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. 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, 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 2013

The focus of this report is the Veterans and Servicemembers who applied and began a rehabilitation plan in FY 2010 (i.e., FY 2010 cohort) or FY 2012 (i.e., FY 2012 cohort). Before beginning the discussion of each cohort, we first provide 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 2013, we provide context for the examination of the current status of Veterans in the FY 2010 and FY 2012 cohorts. Because many Veterans take multiple years to complete their program, current VR&E participants include individuals who started their programs in different years. In contrast, the FY 2010 and FY 2012 cohorts are comprised only of Veterans or Servicemembers who entered a plan of services during FY 2010 or FY 2012, respectively.

In FY 2013, VR&E had 135,815 Veterans who participated in a rehabilitation plan, including those who began a plan in that year, and those who began their plans in previous years. Table 1D-1 shows the number of male and female Veterans who participated in the VR&E program for all or part of FY 2013, as well as the number of participating Veterans who had 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 2013 (all cohorts)

VR&E Program Participants in FY 2013	#	%
Male Veterans who participated in the VR&E program	110,329	81.2%
Female Veterans who participated in the VR&E program	25,486	18.8%
Total Participants	135,815	100.0%
Veterans with a serious employment handicap who participated in the VR&E program	97,045	71.5%
Veterans with an employment handicap who participated in the VR&E program	38,770	28.5%
Total Participants	135,815	100.0%

SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report 2013.

Male Veterans comprised over four-fifths (81 percent) of the VR&E program in FY 2013, and female Veterans less than one-fifth (19 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 I era. About three-quarters (72 percent) of the Veterans participating in VR&E have a serious employment handicap, which means there is significant impairment associated with their ability to prepare for, pursue, or retain employment that is consistent with their 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.

Seventy-two percent of the Veterans participating in the VR&E program have a serious employment handicap, which means there is significant impairment associated with their ability to prepare for, pursue, or retain employment that is consistent with their abilities, aptitudes, and interests.

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 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.

While in Job-Ready Status (JRS), 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 certain circumstances, follow-up support will exceed 60 days, 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 length of time that Veterans remain in a rehabilitation program varies according to the Veteran's individual circumstances. During FY 2013, the average number of days that VR&E participants were in JRS was 193.

The majority of VR&E program participants follow the Employment through Long-Term Services track which typically includes completing additional education or training.

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. Veterans requiring additional training or education may receive a subsistence allowance. A subsistence allowance is paid each month during training and is based on the rate of attendance (e.g., full-time or part-time), the number of dependents, and the type of training. In accordance with Public Law 111-377, in 2011, a Veteran could choose a higher amount of subsistence allowance, similar to the monthly allowance paid under the Post-9/11 GI Bill. Table 1D-2 shows the number of Veterans who received subsistence payments as part of a vocational training program in FY 2013. In FY 2013, 67,433 (~50 percent) of the Veterans in VR&E received a subsistence allowance for education or training being pursued while in the Employment through Long-Term Services track.

Table 1D-2. Veterans who Received Subsistence as part of a Training Program during FY 2013 (all cohorts)

Program	#	%
Subtotal – Educational Program at an Institution of Higher Learning	61,264	90.9%
Undergraduate School	53,780	79.8%
Graduate School	5,849	8.7%
College, Non-Degree	1,635	2.4%
Subtotal – Vocational/Apprenticeship, On-the-Job Training, or Other Training Program	4,877	7.2%
Vocational/Technical	3,486	5.2%
Paid On-Job Training	181	0.3%
Non-Pay Work Experience in Federal, State, or Local Agency	682	1.0%
Non-Pay On-Job Training	278	0.4%
Apprenticeship	108	0.2%
Improvement of Rehab Potential	87	0.1%
Farm Co-op	33	0.0%
High School	22	0.0%
Extended Evaluation/Independent Living Program	1,292	1.9%
Total¹	67,433	100.0%

SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report 2013.

¹ This number only represents participants during FY 2013 in receipt of subsistence allowance, a subset of total participants.

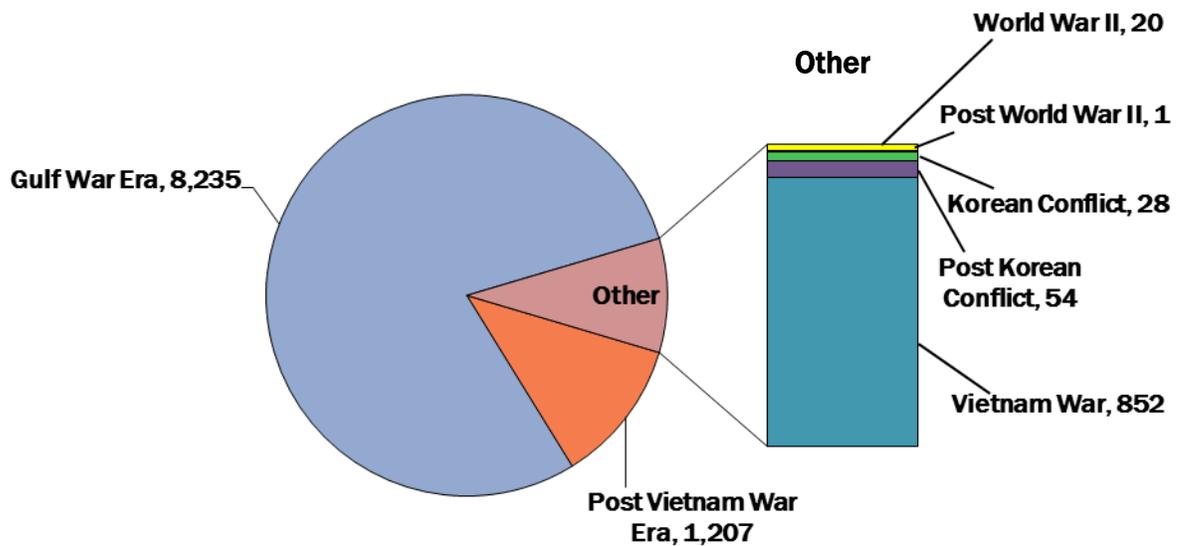
About 86 percent (not shown) of Veterans participating in VR&E in FY 2013 had less than a 4-year college degree prior to beginning services. Hence, it is not surprising to find that of those participants who received a subsistence allowance in FY 2013, almost 80 percent received a subsistence allowance for participating in an educational program at an institution of higher learning to pursue an undergraduate degree (see Table 1D-2). Nine percent received a subsistence allowance for pursuing a graduate degree, and another 2 percent are taking college courses as part of a non-degree program. The remaining individuals either participated in technical/apprenticeship, on-the-job training, or other training programs (~7 percent), or a program of solely independent living services (2 percent).

Veterans who did not receive subsistence payments during the fiscal year received other forms of rehabilitation services. Veterans who have appropriate training and skills receive job search assistance and job accommodation services to transition them into the workforce. Other non-subsistence services include independent living services, career counseling, medical referrals and non-training evaluation services such as assistive technology evaluations.

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

Of the Veterans who participated in the VR&E program in FY 2013, there were 10,397 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 served since the Gulf War I era, a trend that will likely continue as more military personnel return to the U.S. from deployments in the Middle East. It is important to note that the Veterans rehabilitated in FY 2013 entered the program at different points in time as many Veterans require multiple years of training to become qualified for new careers.

Figure 1E-1. Rehabilitated VR&E Participants (all cohorts) by Period of Service in FY 2013 (N = 10,397)



SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report 2013.

As shown in Figure 1E-2, Veterans who have a serious employment handicap represent 69 percent of the successfully rehabilitated closures in FY 2013. Eighty-four percent (8,689) of the successful rehabilitation closures in FY 2013 included Veterans who obtained and maintained employment (see Figure 1E-3). The balance of successful closures was Veterans who participated in the VR&E Independent Living program. 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, 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 one of the VR&E Employment tracks. However, for most, 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

Figure 1E-2. Rehabilitation Outcomes by Employment Handicap in FY 2013 (N = 10,397)

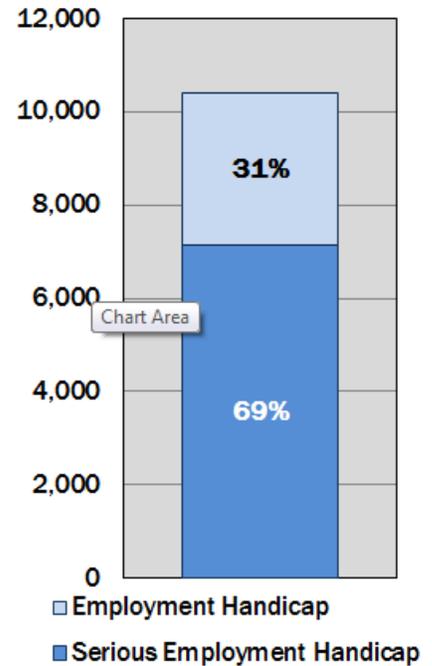
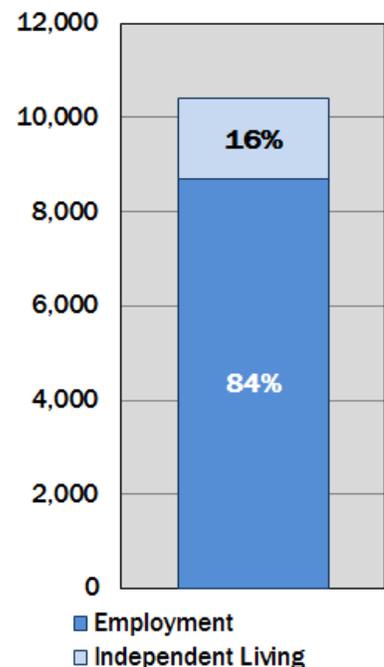


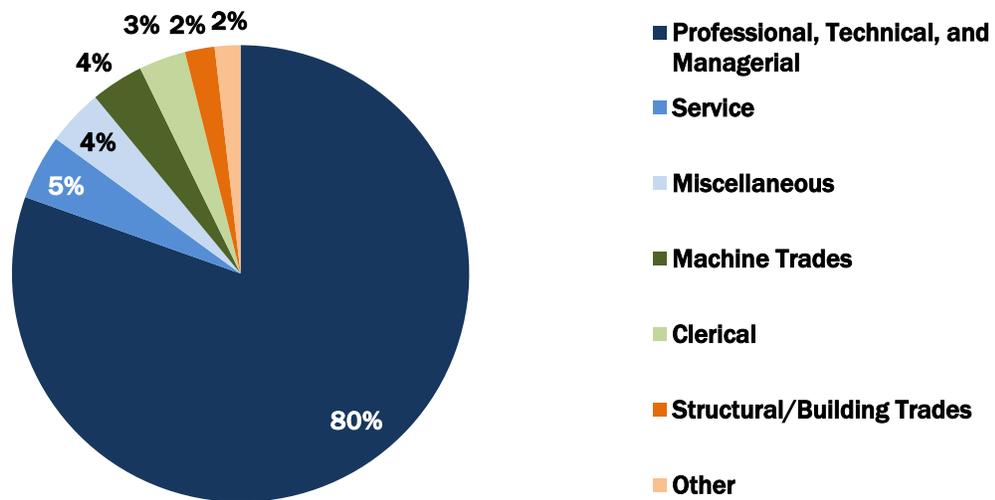
Figure 1E-3. Types of Rehabilitation Outcomes in FY 2013 (N = 10,397)



extensions may be provided for up to 30 months if needed. For Veterans in Service after 9/11, additional extensions may be approved to ensure the most severely injured Veterans are able to achieve successful rehabilitation outcomes.

About four-fifths (80 percent) of the 8,689 Veterans who successfully completed employment rehabilitation plans started professional, technical, or managerial careers (see Figure 1E-4). Five percent of rehabilitated Veterans obtained service jobs and another 4 percent obtained machine trade jobs.

Figure 1E-4. Career Categories of Rehabilitated Veterans (all cohorts) in FY 2013 (N = 8,689¹)



SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report 2013.
¹ Excludes Veterans rehabilitated in Independent Living program.

The average annual starting wage among Veterans who successfully completed their employment rehabilitation plans in FY 2013 was \$37,717 (see Table 1E-1). Of the 80 percent taking a professional, technical, and managerial position, the average annual wage was \$41,085, above the average for the entire group. The remaining 20 percent of Veterans who completed their

employment plans in FY 2013 entered into service, clerical, machine trades, or other occupations. Within these career categories, the average annual wages ranged from \$28,721 to \$35,566.

Table 1E-1. VR&E Employment Outcomes (all cohorts) in FY 2013

FY 2013 Career Categories of Rehabilitated Veterans	Number of Veterans	Average Annual Wages at Rehabilitation
Professional, Technical, and Managerial	6,989	\$41,084.57
Service	400	\$28,721.09
Miscellaneous	347	\$33,126.50
Machine Trades	324	\$32,633.37
Clerical	289	\$30,922.05
Structural/Building Trades	182	\$35,565.61
Other (below 2% each category)	158	\$29,280.69
National Average	8,689¹	\$37,716.82

SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report 2013.

¹ Excludes Veterans rehabilitated in an Independent Living program.

To put these salaries in context we compare the average annual post-rehabilitation employment wages of rehabilitated Veterans to the average annual wage for all Americans. In May 2013, the average annual wage of Americans¹ in all occupations was \$46,440. Given Veterans who complete their rehabilitation are typically newly trained in their field, it is not unexpected that their average wages immediately following rehabilitation are somewhat lower than the average annual wages of the American working population, which includes individuals who have been working in their occupations for many years.

¹ http://www.bls.gov/oes/current/oes_nat.htm

Section 2:

VR&E Longitudinal Study

Section 2A: Introduction to the Longitudinal Study

Section 2B: Data Sources used for the Longitudinal Study

Section 2C: Policy and Environmental Conditions at Cohort Entry

Section 2D: Interpreting Longitudinal Study Findings

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 (see Figure 2-1). A copy of the law is included in Appendix A.

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."

In compliance with the law, VA is conducting the VR&E Longitudinal Study to assess the long-term outcomes of three cohorts of participants – those who applied for and began a plan of services during FY 2010, FY 2012, or FY 2014. A total of 10,792 Veterans began a plan of services during FY 2010 and 15,397 Veterans began a plan of services during FY 2012. At this time, some members

of each cohort have completed their plans (i.e., were successfully rehabilitated), while other members have discontinued their rehabilitation plans. The remaining cohort members continue pursuing the steps of their rehabilitation plans. However, over time, a larger cumulative portion of them will successfully complete the program.

This report describes the characteristics of each cohort by program participation status (i.e., persisting, rehabilitated, or discontinued) (see Figure 2-2) as of the end of FY 2013, and examines the factors associated with exiting the program (e.g., voluntarily discontinuing participation or successfully completing the program). In addition to describing the demographic and programmatic characteristics of the persisting, rehabilitated, and discontinued members of both cohorts, the report assesses the outcomes-to-date of each cohort and examines the factors associated with positive outcomes. Before presenting the findings for both cohorts as of the end of FY 2013, we provide more details on the study methodology in the remainder of this section.

Figure 2-2. Definition of Cohort Subgroups included in the Analysis



Section 2A: Introduction to the Longitudinal Study

The primary objective of the longitudinal study of the VR&E program is to determine the long-term 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 (SSDI), or other public assistance. Results of this study are intended to improve the quality of services that the VR&E program provides to Veterans.

Study Outcomes of Interest

- Employment
- Income
- Home ownership
- Receipt of other program benefits

Section 334 of Public Law 110-389 requires the VA to report to Congress annually on 16 specific data elements. The 16 data elements include specific outcome measures for which we will assess changes over time, as well as 9 specific measures to be considered as possible covariates to be included in the analyses to explain employment outcomes. The specific outcomes of interest in the mandate are (1) employment, (2) income, (3) home ownership, and (4) use of other program benefits, measured by receipt of SSDI or Supplemental Security Income (SSI) or unemployment benefits. Table 2A-1 lists these outcomes and background characteristics along with the data sources that are used to define each measure.

The first step of data analysis includes a descriptive examination of the frequency distributions of various demographic and program characteristics of each cohort, by participation status (i.e., active, discontinued, or rehabilitated). Observed differences among subgroups within each cohort are examined further for statistical significance, and then differences across cohorts are assessed as well. Examination of the cumulative annual rates for discontinuation, rehabilitation, and customer satisfaction over time provides insights into program trends. In addition to describing the characteristics of the cohorts and discussing the trends related to exiting the VR&E program, we use regression modeling to identify the individual and program characteristics associated with exiting the program.

Table 2A-1. Data Elements Mandated by Section 334 of Public Law 110-389 to be Collected for the VR&E Longitudinal Study

Domain	Measure	Source of Data
Background characteristics	▪ The number of individuals participating in vocational rehabilitation programs under this chapter who suspended participation in such a program during the year	▪ VBA administrative data
	▪ The average number of months such individuals served on active duty	▪ VBA administrative data
	▪ The distribution of disability ratings of such individuals	▪ VBA administrative data
	▪ The types of other benefits administered by the Secretary received by such individuals	▪ VBA administrative data
	▪ The number of such individuals enrolled in an institution of higher learning, as that term is defined in section 3452(f) of this title	▪ Survey
	▪ The average number of academic credit hours, degrees, and certificates obtained by such individuals during the year	▪ Survey
	▪ The average number of visits such individuals made to Department medical facilities during the year	▪ Survey
	▪ The average number of visits such individuals made to non-Department medical facilities during the year	▪ Survey
	▪ The average number of dependents of each such veteran	▪ Survey
Employment	▪ The average number of months such individuals were employed during the year	▪ Survey
	▪ The average annual starting and ending salaries of such individuals who were employed during the year	▪ Survey, VBA administrative data
Income	▪ The average annual income of such individuals	▪ Survey
	▪ The average total household income of such individuals for the year	▪ Survey
Home ownership	▪ The percentage of such individuals who own their principal residences	▪ Survey
Use of other public program benefits	▪ The types of Social Security benefits received by such individuals	▪ SSA administrative data
	▪ Any unemployment benefits received by such individuals	▪ Survey

NOTE: A copy of Section 334 of Public Law 110-389 is included in Appendix A.

We follow a similar strategy of first conducting descriptive analysis and then using regression analysis to identify key drivers to assess the long-term outcomes of interest. Current differences and trends over time in employment, income, home ownership, and receipt of other program benefits are examined and compared for active, discontinued, and rehabilitated cohort members. Differences among subgroups within each cohort, as well as differences across cohorts, are assessed for statistical significance. In addition to describing the outcomes and discussing observed trends, we use regression modeling to determine the factors that are associated with long-term outcomes.

Section 2B: Data Sources used for the Longitudinal Study

The VR&E Longitudinal Study data sources used for analysis include (1) self-reported survey data collected from a sample of cohort members, and (2) VBA administrative data. Future reports will eventually include administrative data from other relevant agencies, such as the Social Security Administration.

Details about the survey methodology are included in Appendix B.

Two Data Sources for the VR&E Longitudinal Study:

- Survey data
- VBA administrative data

VBA administrative data focuses on information about the participant while they are in the program and their immediate post-program circumstances. Therefore, as Veterans complete their rehabilitation programs, there is limited VBA administrative data available regarding the long-term outcomes of interest. After participants end their programs, VBA administrative data only provide information on changes in disability status, use of health care assistance, death status, and re-entry into VR&E service tracks. Information about employment outcomes, such as changes in employment status, annual wages from employment, income, and home ownership, come from survey data. A copy of the survey instrument for the VR&E Longitudinal Study is included in Appendix C, and Appendix D includes a list of the relevant administrative variables used for analysis.

Results from the first 2 years of the VR&E Longitudinal Study were based solely on VBA administrative data. For this report, data collection for the first annual follow-up survey began in the fall of 2013 for the FY 2010 and FY 2012 cohorts. The survey was initially administered to both of these cohorts one year prior in the fall of 2012. All Veterans and Servicemembers who completed the initial survey were encouraged to participate this year for the first annual follow-up.²

The sampling plan for the survey was designed to yield 3,500 completed surveys from each cohort during the initial year of administration. This was achieved with 3,710 responding from the FY 2010 cohort and 3,636 responding from the FY 2012 cohort in the initial survey that was administered in

² During the first year of data collection, a \$20 incentive was offered to Veterans who completed the initial survey. The incentive was not offered for the first annual follow-up.

2012. These same respondents were the starting sample for the 2013 survey administration, which yielded 2,007 responding from the FY 2010 cohort and 1,890 responding from the FY 2012 cohort (see Table 2B-1).³

Table 2B-1. VR&E Longitudinal Survey Completions during 2013 Administration

Respondent Type	FY 2010 Cohort	FY 2012 Cohort
Total in survey sample	3,710	3,636
Deceased Cohort Members	16	13
Eligible Potential Respondents¹	3,694	3,623
Explicit Refusals	33	10
Survey Non-respondents	1,654	1,723
Survey Respondents	2,007	1,890
Response Rate²	54.3%	52.2%

¹ Eligible potential respondents include cohort members who completed the initial survey and were still alive at the start of the field period for the second year of data collection.

² Response rate is calculated by dividing the number of respondents by the total number of eligible potential respondents. The 95% confidence intervals of the response rates are [52.7%, 55.8%] for the FY 2010 cohort and [50.5%, 53.8%] for the FY 2012 cohort.

³ Appendix E includes details on the procedures used for survey non-response weighting.

Section 2C: Policy and Environmental Conditions at Cohort Entry

There are many factors that influence a Veteran's decision to seek assistance from VR&E. Many of these are personal factors, such as the nature and severity of a disability, level of education, professional skills, length of time unemployed or underemployed, and family finances. Additional personal factors, such as a Veteran's ability, aptitude, and interests, can also impact the type of program track pursued while in the VR&E program, as well as the length of time it takes to complete the program. However, there are often external factors, such as underlying policy and environmental conditions that can affect program participation and subsequent employment outcomes. These conditions interact with the personal factors and may help to explain the decision to enter into a plan of services with VR&E, and the outcome of that decision. We discuss some of these external factors below in more detail to illustrate the conditions that were present at the time of cohort entry.

Changes in number of eligible Veterans. The overall number of Veterans who seek to receive VR&E services is a function of the number of Veterans who are eligible for the program. Both the number of Veterans separating from the military and the share of Veterans determined to have a service-connected disability affect the number of Veterans eligible for VR&E services. Military personnel levels are typically expressed in terms of end strength, which is the maximum number of personnel each of the military services is authorized to have on the last day of the fiscal year (September 30). The number of military separations is related to the end strength cap, which are dictated by Congress each fiscal year. Table 2C-1 shows the end strength levels authorized in FY 2007 through FY 2014 by the NDAA for each fiscal year. In general, between FY 2007 and FY 2011, end strength levels grew, peaking at just over 1.43 million Servicemembers. Since then, end strength levels have been declining, which is likely to continue based on recent Congressional discussions regarding the Federal budget and necessary personnel levels.

Table 2C-1. End Strength Levels Authorized in the National Defense Authorization Act FY 2007 through FY 2014

Fiscal Year	Army	Navy	Marine Corps	Air Force	Total
2007	512,400	340,700	180,000	334,200	1,367,300
2008	525,400	329,098	189,000	329,563	1,373,061
2009	532,400	326,323	194,000	317,050	1,369,773
2010	562,400	328,800	202,100	331,700	1,425,000
2011	569,400	328,700	202,100	332,200	1,432,400
2012	562,000	325,700	202,100	332,800	1,422,600
2013	552,100	322,700	197,300	329,460	1,401,560
2014	520,000	323,600	190,200	327,600	1,361,400

SOURCE: NDAA for FY 2007 through FY 2014.

The declining active duty end strength numbers stem from military policy and budgetary decisions. The military completed the withdrawal of troops from Iraq in 2011, and plans to have combat troops out of Afghanistan by the end of 2014. In January 2012, Secretary of Defense Leon Panetta announced that Pentagon spending would be decreased over the next decade by \$487 billion. As end strength declines, we expect the number of separations to continue to increase. Table 2C-2 shows the number of military separations from FY 2007 through FY 2012 for the four branches of service combined. The table shows an increase in separations starting in FY 2011. Decreasing end strengths and increasing separations are indicators that over the time period of this study's cohort entry dates (FY 2010 through FY 2014), more Servicemembers will transition into Veteran status.

In parallel to the increases in the number of individuals becoming Veterans, a greater share of military personnel are separating with a disability rating. Due to the improvements and technological advances in military medicine and equipment, more Servicemembers are surviving

Table 2C-2. Number of Military Separations from FY 2007 through FY 2012

Fiscal Year	Total
2007	210,226
2008	185,101
2009	179,273
2010	176,248
2011	184,484
2012	201,928

SOURCE: Department of Defense, Office of the Deputy Assistant Secretary of Defense for Military Community and Family Policy, Annual Demographic Profile of the Military Community Reports 2007-2012. Accessed from

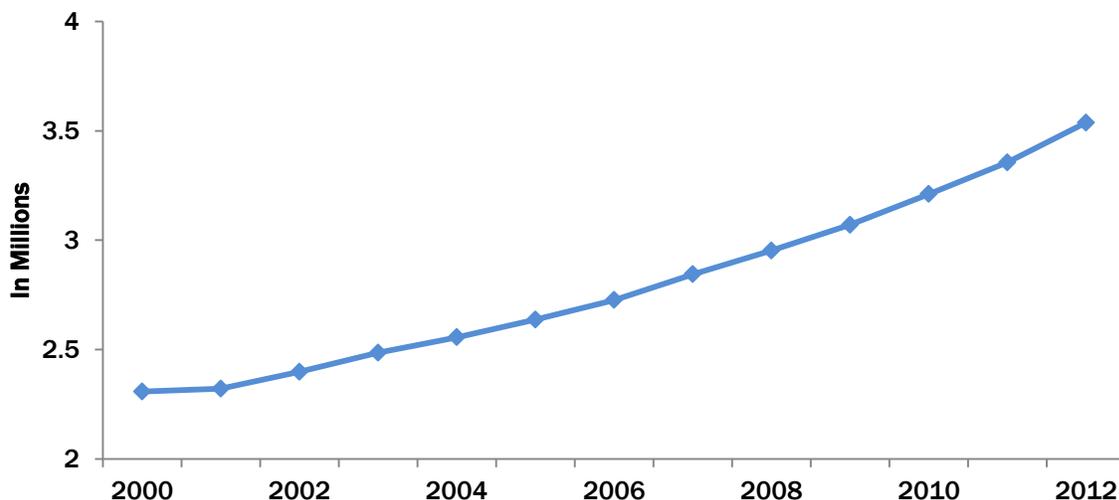
http://www.militaryonesource.mil/search?content_id=268828

injuries, compared with previous wars. One research study⁴ that examined injuries related to involvement in the Iraq and Afghanistan campaigns reported that unlike previous wars such as World War II and the Vietnam conflict where only 70 to 75 percent of soldiers survived their injuries, more than 90 percent of Operation Enduring Freedom/Operation Iraqi Freedom soldiers survived their injuries. However, as a consequence, some soldiers separate from active duty with multiple injuries, many with “invisible wounds” such as hearing impairments, degenerative vision, or post-traumatic stress disorder. These injuries can have a pronounced impact on a Veteran’s ability to find and keep a job.

As Figure 2C-1 shows, the number of Veterans with a service-connected disability has risen substantially since 2000. Further examination of this same data indicates that the growth in the number of Veterans with a service-connected disability is concentrated among those rated 50 percent or higher (see Figure 2C-2). In particular, there has been a marked increase in the number of individuals with disability ratings of 70 percent or higher starting in 2001, coinciding with the beginning of combat operations in Afghanistan.

The number of Veterans with a disability rating of 70 percent or higher has increased from 330,000 to 1,000,000 since 2000.

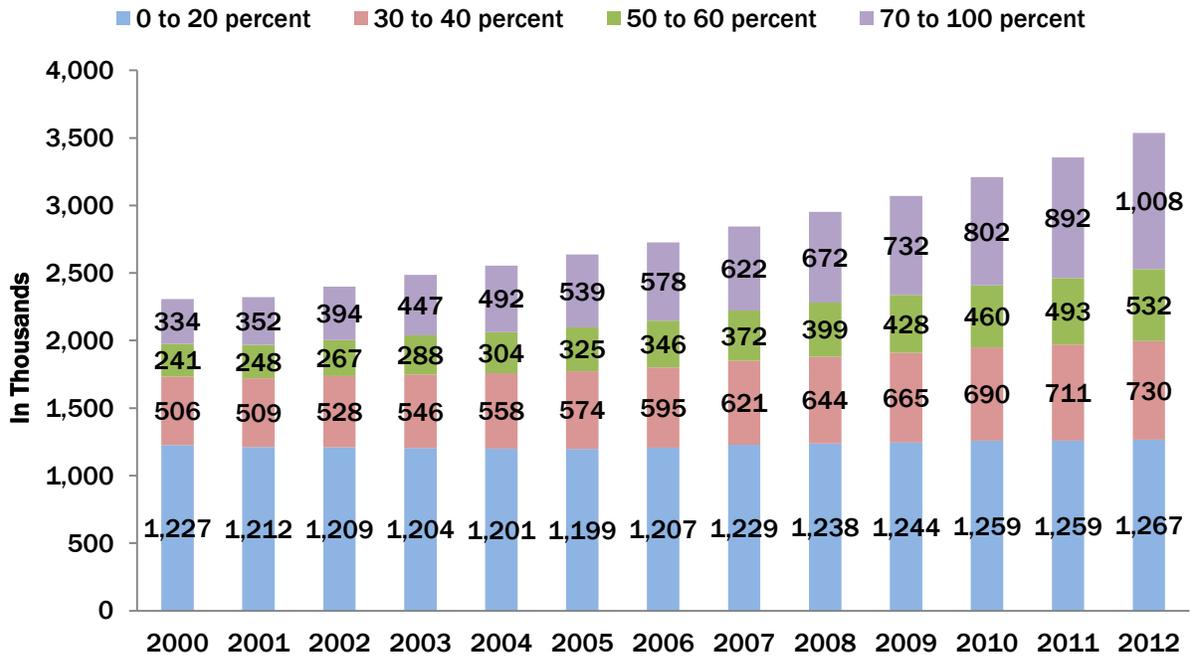
Figure 2C-1. Number of Veterans with a Service-Connected Disability (from 2000 to 2012)



SOURCE: Department of Veteran Affairs, Veterans Benefits Administration Annual Benefits Reports 2000-2012.

⁴ Gawande, Atul, “Casualties of War – Military Care for the Wounded from Iraq and Afghanistan,” *New England Journal of Medicine*, Vol. 351, No. 24, December 2004, pp. 2471-2475.

Figure 2C-2. Number of Veterans with a Service-Connected Disability (from 2000 to 2012), by Severity



SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Reports, 2000-2011.

The number of Veterans receiving disability compensation has also steadily grown in recent years, increasing by more than 580,000 individuals (~20 percent) between FY 2008 and FY 2012 (see Table 2C-3). In fact, as shown in Table 2C-4, the number of Veterans who began receiving disability compensation increased by almost 40 percent between FY 2007 and FY 2012, which is largely due to the doubling of the number of Veterans with an initial disability rating of 50 percent or higher in this time period, indicating more complex or severe disabilities.

Table 2C-3. Number of Veterans with Service-Connected Disabilities Receiving Compensation from FY 2008 through FY 2012

Fiscal Year	Total
2008	2,952,282
2009	3,069,652
2010	3,210,261
2011	3,354,741
2012	3,536,802

SOURCE: Department of Veteran Affairs, Veterans Benefits Administration Annual Benefits Reports 2008-2012.

Table 2C-4. Number of Veterans with Service-Connected Disabilities Who Began Receiving Compensation by Disability Rating by Fiscal Year (FY 2007 through FY 2012)

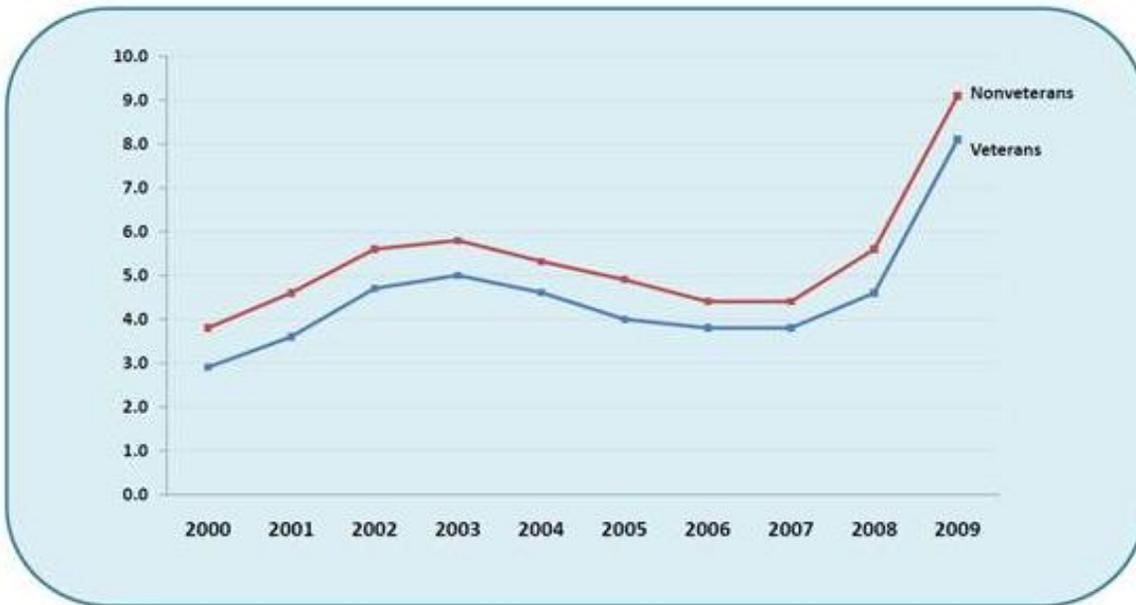
Disability Rating	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Percent Change FY 2007 - FY 2012
0%	521	551	624	635	522	710	36.3%
10%	52,949	53,374	58,949	70,872	68,834	67,541	27.6%
20%	33,702	33,024	34,069	36,763	28,980	31,163	-7.5%
30%	25,851	26,368	27,495	29,078	32,089	30,602	18.4%
40%	20,748	20,539	21,311	21,145	18,576	24,051	15.9%
< 50%	133,771	133,856	142,448	158,493	149,001	154,067	15.2%
50%	14,004	14,513	15,239	16,217	15,989	20,979	49.8%
60%	13,009	13,849	14,873	14,903	18,314	24,477	87.9%
70%	9,316	10,031	10,729	11,457	12,297	21,280	128.4%
80%	5,580	6,233	7,199	7,648	7,808	15,054	169.8%
90%	2,384	2,927	3,475	4,010	4,131	9,070	280.5%
100%	9,653	9,909	11,103	12,175	15,467	16,912	75.2%
50% - 100%	53,946	57,462	62,618	66,410	74,006	107,772	99.8%
Total	187,717	191,318	205,066	224,903	223,007	261,839	39.5%

SOURCE: Department of Veteran Affairs, Veterans Benefits Administration Annual Benefits Report 2012.

Trends in U.S. economic and employment climate. It is likely that the U.S. economic and employment climate has a potential impact on the number of Veterans seeking assistance from VR&E. Figure 2C-3 shows that from 2000 through 2009 Veteran unemployment mirrored overall unemployment, with Veterans consistently having roughly one percentage point lower unemployment rates than the overall population. However, according to the Bureau of Labor Statistics, unemployment rates for Veterans with a service-connected disability are typically higher than those for the general U.S. population and non-military personnel with disabilities.⁵

⁵ U.S. Department of Labor, Bureau of Labor Statistics, "Employment Situation of Veterans Summary," Washington, D.C., March 20, 2012.

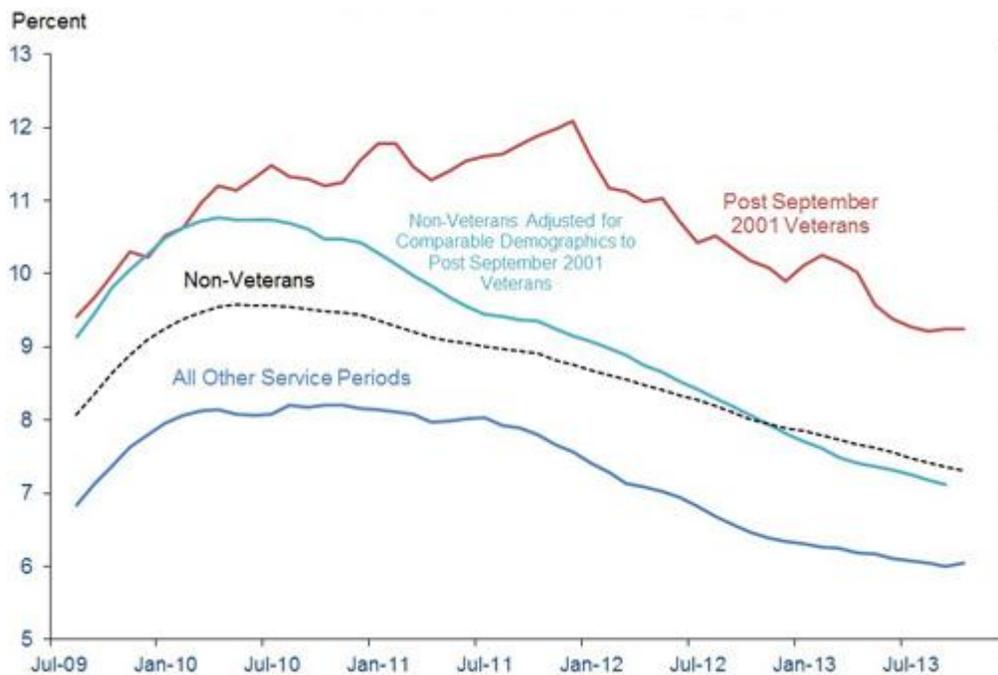
Figure 2C-3. Annual Unemployment Rates for the Total Population 18 Years and Older by Veteran Status from 2000 to 2009 (in percent)



SOURCE: Department of Veteran Affairs, Office of Policy and Planning, National Center for Veterans Analysis and Statistics, "Unemployment Rates of Veterans: 2000 to 2009," (2010).

Although unemployment rates have declined starting mid-way through 2010 to early 2014, the job market remains relatively tight. In fact, White House Council of Economic Advisers statistics show that post-September 2001 Veterans have a higher unemployment rate than both non-Veterans and Veterans from all other service periods combined (Figure 2C-4). These unemployment statistics indicate that Veterans with service-connected disabilities are experiencing significant unemployment hurdles similar to, or often greater than, those of the general population.

Figure 2C-4. Unemployment Rates for Veterans Compared to Non-Veterans from July 2009 through July 2013 (in percent)



NOTE: Unemployment rate is a 12-month moving average based on not seasonally adjusted data.

SOURCE: Furman, Jason. "The Employment Situation in October." November 8, 2013. Accessed from <http://www.whitehouse.gov/blog/2013/11/08/employment-situation-october>

Legislative changes concerning Veterans returning to work. In recent years, several pieces of legislation have expanded and enhanced VR&E services for Veterans and Servicemembers that are intended to lead to increased employment opportunities for them. In 2011, Public Law 111-377 allowed VR&E to pay a monthly allowance similar to the monthly allowance paid under the Post-9/11 GI Bill.

To counteract some of the difficulties Veterans encounter in obtaining employment, especially those who have sustained injuries, President Obama signed the VOW to Hire Heroes Act of 2011 in November 2011. This Act expands education and training opportunities for Veterans and also provided tax credits to employers who hire Veterans with service-connected disabilities. Starting in January 2012, VA may now pay an incentive to employers to hire or train Veterans participating in a VR&E program even when the Veteran has not completed a VR&E training program. In February 2012, under Section 231 of the VOW Act, a two-year extension was provided to section 1631(b)(1)

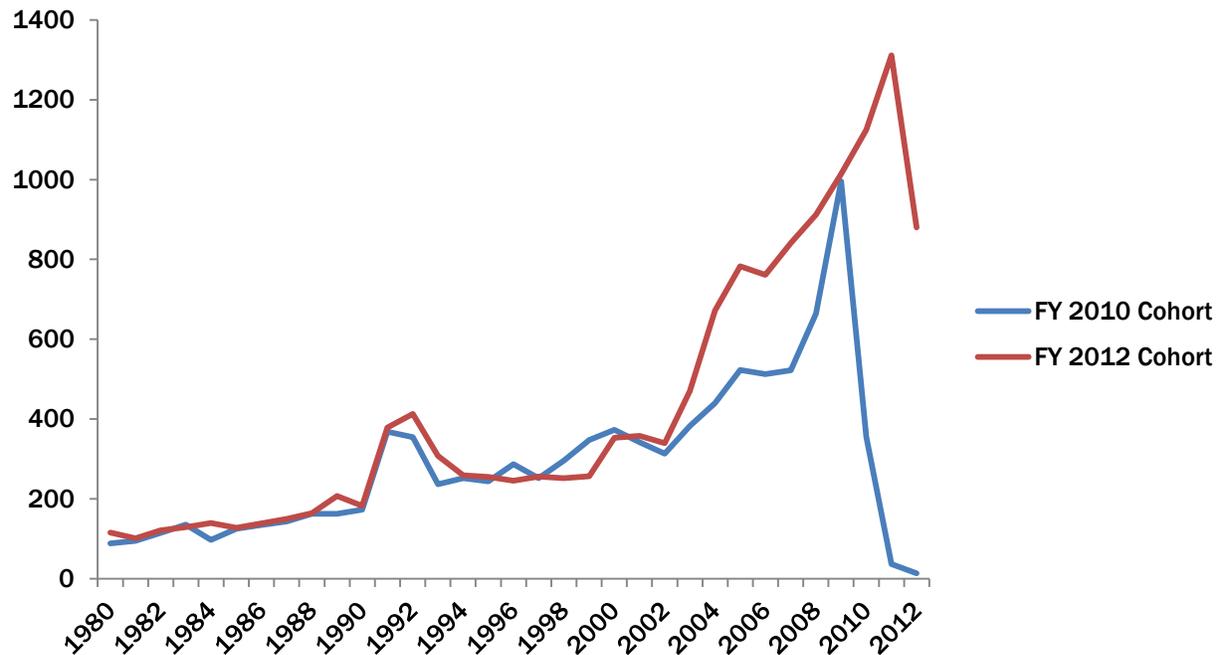
of Public Law 110-181, which entitled severely injured active duty military members to VR&E services, until December 31, 2014. Section 233, effective in June 2012, allowed unemployed Veterans who previously completed a VR&E program and have exhausted unemployment benefits to receive an additional 12 months of VR&E services.

VA has conducted extensive outreach to inform Veterans and Servicemembers of these recent provisions and the availability of these expanded benefits. As we continue to assess the long-term outcomes of the study cohorts over time, it will be important to understand the nature and extent of these recent legislative changes to the VR&E program, as they could affect both program participation and long-term outcomes. In fact, the VR&E program has already experienced an increase in program participation from the FY 2010 cohort to the FY 2012 cohort, and it is likely that this trend will continue with the FY 2014 cohort.

Recent increases in VR&E program participation. There is a marked increase in the number of Veterans and Servicemembers who began a rehabilitation plan of services in FY 2012 compared to the number who began their plans in FY 2010. There are 43 percent (4,605) more members in the FY 2012 cohort than in the FY 2010 cohort. While the exact reason for this increase is difficult to discern, there are several factors that may contribute to this increase over time in the number of Veterans and Servicemembers who apply for and begin a plan of VR&E services.

First, as discussed previously, increases in the number of eligible Veterans are driven, in part, by the increases in military separations and the number of Veterans with a service-connected disability. Second, there has been a marked increase in the number of Veterans with a combined disability rating of 50 percent or more since 2007 which may contribute to the demand for VR&E services. Consistent with these trends, Figure 2C-5 reveals that the increase in the size of the FY 2012 cohort is largely due to higher numbers of recently separated Veterans seeking VR&E services. Third, although the U.S. economic and employment climate is improving, the job market remains somewhat tight, which may be encouraging more individuals to seek VR&E services.

Figure 2C-5. Distribution of the Year of Military Separation (from 1980 to 2012) for FY 2010 and FY 2012 Cohorts of VR&E Participants



Finally, recent changes in program eligibility and provisions may have attracted more Veterans with service-connected disabilities to the program. For example, Public Law 111-377, signed on January 4, 2011, modified the program so that Veterans eligible for both VR&E training and the Post-9/11 GI Bill (also known as Chapter 33) could utilize VR&E training benefits while collecting a larger housing allowance comparable to that associated with Chapter 33. In addition, recent agency-level initiatives resulting from legislative changes have focused on increased outreach to Veterans and Servicemembers. These increased recruitment and outreach initiatives may have had an impact on the number of Veterans entering into a plan of services with VR&E. No doubt the cumulative effect of all of these related factors has contributed to the increase in the number of Veterans and Servicemembers who begin a plan of VR&E services.

Section 2D: Interpreting Longitudinal Study Findings

This current report presents findings for the VR&E Longitudinal Study as of FY 2013, the fourth year of the 20-year study period. Summary findings for both the FY 2010 and FY 2012 cohorts are presented in Sections 3 and 4 of the report. More detailed findings for each cohort are provided separately in Appendices E and F. As of the end of FY 2013, FY 2010 cohort members who began their plan of services very early in FY 2010 have been in the VR&E program for at most 4 years, and FY 2012 cohort members who began services very early in FY 2012 have been in the program for at most 2 years. At this early point in the study period, we can describe emerging trends related to outcomes. However, because the majority of cohort members are still pursuing the steps outlined in their rehabilitation plans, it would be premature to draw definite conclusions from these early findings.

It is premature to draw conclusions from the preliminary findings in this report as the majority of cohort members are still persisting in their rehabilitation plans.

Program outcomes. The basic period of eligibility in which Veterans can utilize VR&E services is 12 years. As Veterans work to complete the steps of their rehabilitation plans, one would expect to see the proportion of cohort members who exit the program increase over time. Because most VR&E participants pursue the Employment through Long-Term Services track, which usually takes multiple years to complete, it is expected that the majority of FY 2010 and FY 2012 cohort members are still persisting in their programs as of FY 2013. However, some cohort members have successfully rehabilitated or voluntarily discontinued their plan of services at this point in the study. Hence, this current report describes the characteristics of those cohort members who are still persisting and have successfully rehabilitated, as well as those who have discontinued, by the end of FY 2013.

Long-term employment and standard of living outcomes.

Although the majority of cohort members are still persisting in the program, a sufficient proportion have rehabilitated or discontinued as of FY 2013 to analyze outcome data and describe early trends related to employment and income, particularly for the FY 2010 cohort.

Because the majority of cohort members are still persisting in the program, post-program findings are still preliminary at this point in the longitudinal study.

Because those cohort members have been in the study for up to 4 years, it is expected that a larger proportion of FY 2010 participants have rehabilitated (or discontinued) and achieved more positive outcomes. However, these post-program findings are still preliminary at this point in the 20-year study period.

Future reports. In addition to the FY 2010 and FY 2012 cohorts, next year's report will include early findings from the FY 2014 cohort. As we continue to follow these 3 cohorts over time and as more VR&E participants exit the program, there will be more information on the long-term outcomes and the key programmatic and demographic factors influencing these outcomes. As multiple years of data are collected, it will be possible to examine more salient trends in outcomes. Furthermore, it is reasonable to expect that trends in outcomes across all 3 cohorts will become increasingly similar as the majority of Veterans will have exited their program of service.

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 to examine how entering the program more than once may influence outcomes. Future reports will also include an analysis of administrative data provided to VA by the Social Security Administration, through the use of a data sharing agreement, which will provide more accurate estimates on the number and percentage of cohort members who receive income from various Social Security programs, such as the Disability Insurance program.

It will become increasingly important to track participation status changes such as returns after discontinuation or re-entering the program after having completed rehabilitation to examine how entering the program more than once may influence outcomes.

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Section 3:

Comparison of Cohort Findings

Comparison of Cohort Findings

3

This section provides a discussion of the comparison of findings across cohorts. We compare the cohorts on their demographic and background characteristics, their discontinuation and rehabilitation patterns using administrative data, and their employment and standard of living outcomes using survey data. However, when interpreting the comparison data presented for the outcomes, it is important to recognize that, as of FY 2013, members of the FY 2010 cohort have been in the study for 3 to 4 years while members of the FY 2012 cohort have been in the study only 1 to 2 years. Individual cohort findings can be found in Appendix E and F.

Comparison of Demographic Characteristics

In general, the 2 cohorts appear to be similar when comparing their demographic and background characteristics; however there are a few noteworthy, statistically significant differences between them. These findings are virtually the same as last year's and are expected given that most demographic and background characteristics do not change over time.⁶

As shown in Table 3-1, the FY 2012 cohort is significantly younger and has a larger proportion of Veterans from the Gulf War Era II (OIE/OEF/OND) than the FY 2010 cohort. Almost half (47 percent) of the FY 2012 cohort were under 40 years of age within the first year of beginning VR&E services, compared to 41 percent of the FY 2010 cohort that were under the age of 40 during the same time period. Sixty-one percent of the FY 2012 cohort served during the Gulf War Era II, compared with 45 percent of the FY 2010 cohort. However, this finding is not surprising when taking into consideration the fact that the number of military separations has increased since 2010 (refer back to Table 2C-2), coupled with the fact that there has been a marked increase in the number of Veterans

The FY 2012 cohort is significantly younger and has a larger proportion of Veterans from the Gulf War era II

⁶ Riley, J., Gasper, J., Karakus, M., Sigman, R., Kawata, J., May, L., and Liu, H. (2013). *VR&E Longitudinal Study: Annual Report 2013 for FY 2012* (Prepared under contract to the Veterans Benefits Administration, U.S. Department of Veterans Affairs). Rockville, MD: Westat.

with service-connected disability ratings of 70 percent or higher the start of the Gulf War Era II (OIE/OEF/OND) in 2001 (refer back to Figure 2C-2).

Table 3-1. Comparison of FY 2010 and FY 2012 Cohort of VR&E Participants on Selected Demographic Characteristics as of end of FY 2013

Characteristic at Cohort Entry	FY 2010 Cohort	FY 2012 Cohort
Percentage of Veterans under 40 years of age	41%	47%
Percentage of Veterans from the Gulf War Era II	45%	61%
Percentage of Veterans with at least some college education	54%	62%
Percentage of Veterans diagnosed with PTSD	22%	25%

In addition to the significant characteristics of age and era of service, which are correlated, there were 2 additional characteristics that had statistically significant differences between the 2 cohorts – pre-rehabilitation level of education and primary diagnosis. Generally speaking, the FY 2012 cohort had a higher level of pre-rehabilitation education when they entered into their VR&E plans of services. Sixty-two percent of FY 2012 cohort members had at least some college education compared with 54 percent of FY 2010 cohort members. Lastly, the proportion of Veterans in the FY 2012 cohort with a primary diagnosis of post-traumatic stress disorder (PTSD) is statistically significantly higher, relative to the proportion in the FY 2010 cohort.

No significant differences were observed between the 2 cohorts on pre-rehabilitation salary, branch of service, rank upon exit from military, number of dependents, and number of visits to medical facilities.

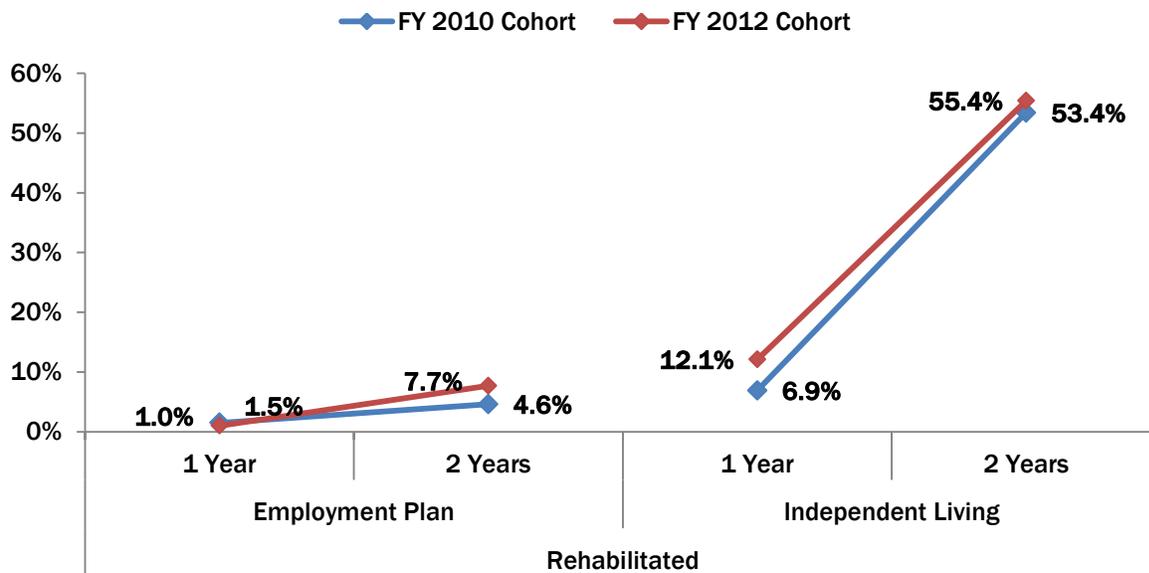
Comparison of Program Outcomes

Rehabilitation and discontinuation outcomes. Because members of the FY 2010 cohort have been in the study between 3 and 4 years, while members of the FY 2012 cohort have been in the study for 1 to 2 years, as of the end of FY 2013, as expected, a larger proportion of the FY 2010 cohort has rehabilitated or discontinued services,

Observing the same length of time, both cohorts are very similar in terms of the percentage of Veterans who exited the program either by successfully completing the program or discontinuing.

compared to the FY 2012 cohort. However, if we compare these proportions for both cohorts based on the same length of time, within 2 years of beginning services, they are similar, as illustrated in Figures 3-1 and 3-2.

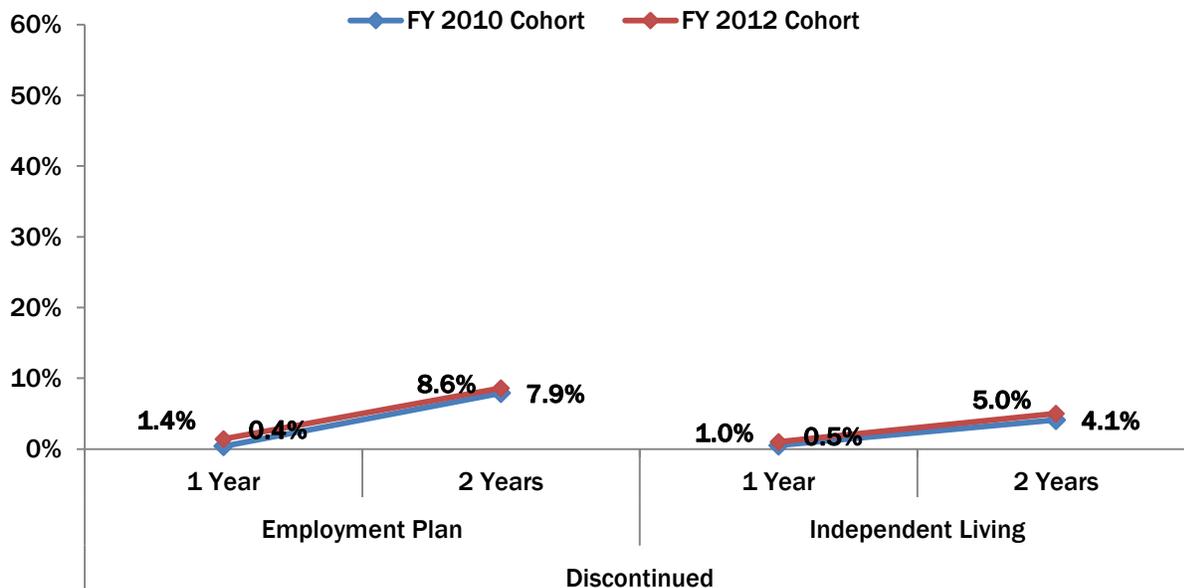
Figure 3-1. Cumulative Percentage of FY 2010 and FY 2012 Cohort of VR&E Participants that Rehabilitated, Within 1 Year and Within 2 Years



Within 2 years of beginning services, or at the end of FY 2011, almost 5 percent of the FY 2010 cohort rehabilitated and another 8 percent discontinued services, when analyzing these rates for employment plans. For the FY 2012 cohort, 8 percent rehabilitated from an employment plan and

another 9 percent discontinued their employment plans, within 2 years of beginning services (i.e., as of FY 2013).

Figure 3-2. Cumulative Percentage of FY 2010 and FY 2012 Cohort of VR&E Participants that Discontinued, Within 1 Year and Within 2 Years



When comparing these proportions for those who pursued an Independent Living plan, we find that 53 percent of the FY 2010 cohort rehabilitated from this program with 2 years, and only 4 percent discontinued services within 2 years. Similarly, for the FY 2012 cohort, 55 percent of those who pursued an Independent Living plan rehabilitated within 2 years of beginning services, and only 5 percent discontinued services within this same time period.

Factors driving rehabilitation and discontinuation. At this early stage during the 12-year period of eligibility for VR&E services, the factors that necessitate provision of an Extended Evaluation (such as the most complex serious employment handicaps: Traumatic Brain Injuries, severe PTSD, and other conditions) are also the biggest drivers for discontinuing services, for both cohorts. Rehabilitations from the Independent Living track represented a large portion of the rehabilitations to date, and at this point in the study, rehabilitation is also the largest indicator associated with

successful completion of the VR&E program. This finding is expected as Independent Living services are generally completed within 2 years and do not require long-term re-training services to complete the program.

Receiving subsistence allowance for a training program.

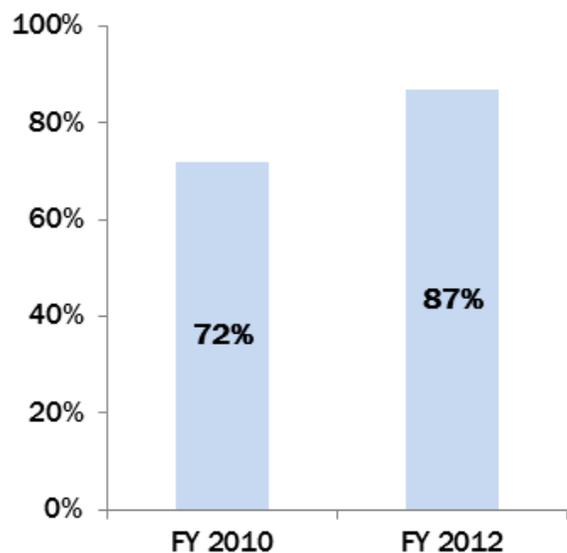
Another significant difference between the 2 cohorts is that a greater percentage of the FY 2012 cohort was receiving substance allowance for training at the end of the first 2 years since beginning services. As depicted in Figure 3-3, 87 percent of FY 2012 cohort members received a subsistence allowance for an education or training program within the first 2 years of receiving

A significant difference between the two cohorts is that a greater percentage of the FY 2012 cohort was receiving a subsistence allowance for training at the end of the first two years since beginning VR&E services.

services, compared with 72 percent of FY 2010 cohort members. This 15 percent increase in the proportion of cohort members receiving a subsistence allowance is statistically significant. While the exact reason for this difference is not known, one possible explanation could be the signing of Public Law 111-337 on January 4, 2011. This legislation modified the VR&E program so that participants who are receiving a subsistence allowance while pursuing education or training can collect a larger housing allowance comparable to that associated with the Post-9/11 GI Bill. Prior to

this change, there was concern that disabled Veterans were foregoing the more comprehensive VR&E services to obtain the higher immediate cash allowance that accompanied Chapter 33 benefits. As the VA expanded their outreach efforts to inform Veterans and Servicemembers of the benefits of the VR&E program, perhaps knowledge of this additional provision attracted some FY 2012 cohort members to the program in order to pursue additional education or training.

Figure 3-3. Percentage of All FY 2010 and FY 2012 Cohorts of VR&E Participants Receiving Subsistence Allowance within First 2 Years of Program Participation



Comparison of Cohort Outcomes to Date

The employment and standard of living outcomes included in the survey do not provide comparative estimates for the 2 groups of VR&E participants at this point in time in the longitudinal study. Members of the FY 2010 cohort have been in the study between 3 and 4 years, while members of the FY 2012 cohort have been in the study for 1 to 2 years, as of the end of FY 2013. Beginning with next year's report, we will be able to present comparative outcomes from the survey data between the 2 cohorts based on the same length of time of receiving services. At the time of next year's survey, FY 2012 cohort members will have received services for 2 to 3 years, the same length of time as FY 2010 cohort members for the initial survey that was fielded last year.

The employment and standard of living outcomes included in the survey do not provide comparative estimates for the two groups of VR&E participants at this point in time in the longitudinal study.

Table 3-2 summarizes the findings related to outcomes based on this year's survey (as of FY 2013); however, one must exercise caution when interpreting these findings. Any observed differences in employment and standard of living outcomes is likely explained by the fact that the FY 2010 cohort has been in the study longer than the FY 2012 cohort, and thus have had more time to obtain positive employment outcomes and increases in their standard of living, suggesting that VR&E participants achieve increasingly more positive employment and standard of living outcomes over time after beginning a plan of services.

Table 3-2. Comparison of FY 2010 and FY 2012 Cohort of VR&E Participants on Outcome Measures as of FY 2013

Characteristic	FY 2010 Cohort	FY 2012 Cohort
Percentage of Veterans currently employed	48%	40%
Percentage of Veterans employed during past 12 months	49%	41%
Average number of months worked during past 12 months (for Veterans who were employed)	9.5	8.6
Unconditional (includes zeroes) median annual earnings from employment for Veterans in an employment plan	\$4,646	\$0
Conditional (excludes zeroes) median annual earnings from employment for Veterans in an employment plan	\$30,720	\$21,600
Unconditional (includes zeroes) median individual income	\$25,188	\$22,000
Unconditional (includes zeroes) median household income	\$38,000	\$32,000
Percentage of Veterans receiving unemployment benefits during past 12 months	5%	8%
Percentage of Veterans owning their principal residence	52%	45%

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Section 4:

Current Observations

Highlights of Main Findings Related to Outcomes

- **Veterans who were rehabilitated are about twice as likely to be employed as those who were discontinued.**
- **Rehabilitated participants reported substantially higher earnings for the past year, relative to discontinued participants, which is largely due to more rehabilitated individuals working and, when working, having higher salaries.**
- **Rehabilitation greatly improves Veterans' economic circumstances and many change from being unemployed to employed. On average, the post-rehabilitation salary of FY 2010 and FY 2012 cohort members was 4.1 times and 5.6 times higher, respectively, than their pre-rehabilitation salary.**
- **On average, the median individual and household income for rehabilitated participants is almost \$20,000 higher than that of discontinued participants.**
- **For both cohorts, a larger percentage of those who rehabilitated reported owning their principal residence, relative to those who discontinued. (63 percent vs. 47 percent for FY 2010 cohort, and 54 percent vs. 36 percent for FY 2012 cohort.)**
- **Rehabilitation is the most dominant variable driving positive financial outcomes (current employment rate, number of months worked, annual earnings, and annual individual and household income) compared to a participation status of discontinued.**

The data collected on the FY 2010 and FY 2012 cohorts of VR&E participants during these early years in the study reveal both some differences and common patterns between the 2 cohorts. These main findings are summarized in the bulleted list below.

- The majority of both cohorts are still persisting in their rehabilitation plans, with most pursuing the Employment through Long-Term Services track (Track 4) to obtain additional education or training. In fact, almost 90 percent of persisting members in both cohorts who received a subsistence allowance in FY 2013 were pursuing an undergraduate or graduate degree program under Track 4.
- As expected, the FY 2010 cohort has experienced a larger number of rehabilitations and discontinuations since its members have been receiving services longer than the FY 2012 cohort members. However, for both cohorts, the largest proportion of rehabilitations and discontinuations are from Track 4.
- Regardless of program tenure, the most dominant variable driving rehabilitation to date is the individual's program track. In contrast, discontinuation is driven by both having factors that require an Extended Evaluation and the choice of program track.

- Overall the 2 cohorts are similar demographically but the FY 2012 is significantly younger, more likely to be from the Gulf War Era II (OIE/OEF/OND), more educated at the start of the program, and more likely to have a primary diagnosis of PTSD.
- For both cohorts, there are differences in certain characteristics between the rehabilitated and discontinued Veterans. Rehabilitated participants tend to be slightly older, have served more months on active duty, and have a larger proportion that obtain a degree or certificate in the past year; discontinued participants have higher combined disability ratings (70 percent or higher), and made more visits to a VA medical facility in the past year.
- For both cohorts, a larger proportion of persisting and rehabilitated participants (~90 percent) reported moderate to high program satisfaction, relative to those who discontinued (~70 percent).
- Regardless of the length of time since beginning VR&E services (i.e., for both cohorts), rehabilitated Veterans have substantially better employment and standard of living circumstances than those who discontinued, as demonstrated by the findings below.
 - ✓ About two-thirds of those who rehabilitated reported being currently employed at the time of the survey, compared to only one-third of those who discontinued. When examining past year employment rates, findings revealed that, again, about two-thirds of rehabilitated participants reported working during the past year versus only one-third of discontinued participants who reported this.
 - ✓ Rehabilitated participants reported substantially higher earnings for the past year, relative to discontinued participants, and consequently higher individual and household income for the past year as well. The improved financial circumstances of the Veterans who have rehabilitated are largely due to more rehabilitated individuals working and, when working, having higher salaries.
 - ✓ Rehabilitation greatly improves Veterans' economic circumstances and many change from being unemployed to employed. In fact, on average, the post-rehabilitation

salary of FY 2010 and FY 2012 cohort members was 4.1 times and 5.6 times higher, respectively, than their reported salary prior to entering VR&E services.

- ✓ On average, the median individual and household income for rehabilitated participants is almost \$20,000 higher than that of discontinued participants.
- ✓ For both cohorts, a larger percentage of those who rehabilitated reported owning their principal residence, relative to that of those who discontinued. As of FY 2013, 63 percent of rehabilitated FY 2010 cohort members owned their home versus only 47 percent of discontinued FY 2010 members. For the FY 2012 cohort, 54 percent of rehabilitated participants reported home ownership compared to 36 percent of discontinued participants.

Rehabilitation is the most dominant variable driving positive financial outcomes (current employment rate, number of months worked, annual earnings, and annual individual and household income) compared to a participation status of discontinued.

Differences in demographic and background characteristics between cohorts. Overall the 2

cohorts are similar demographically but the FY 2012 cohort is significantly younger; more likely to be from the Gulf War era II (OIE/OEF/OND); more educated at the start of the program; and more likely to have a primary diagnosis of PTSD. As noted in last year's report, it is important to recognize that the FY 2012 cohort is nearly 50 percent larger than the FY 2010 cohort. While

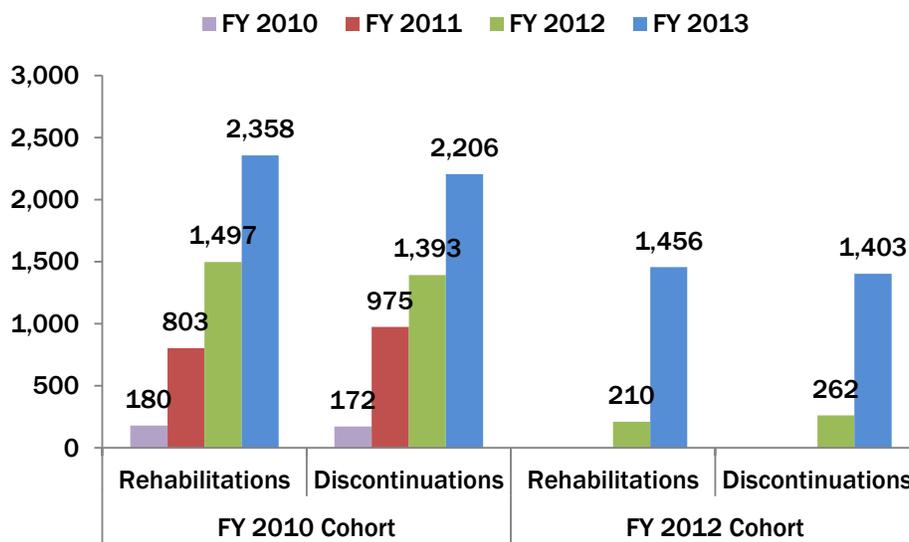
The FY 2012 cohort is significantly younger, more likely to be from the Gulf War era II, more educated at program entry, and more likely to have a primary diagnosis of PTSD than the FY 2010 cohort..

The FY 2012 cohort is nearly 50 percent larger than the FY 2010 cohort.

the exact reason for this increase is difficult to discern, it may be partially explained by the fact that there has been an increase in the number of military separations in recent years, and in the number of Veterans with a service-connected disability. Additionally, when comparing both cohorts within the first 2 years of receiving VR&E services, a larger proportion of the FY 2012 cohort as compared to the FY 2010 cohort received a subsistence allowance while pursuing further education or training under VR&E which may stem from the 2011 change in legislation that allowed VR&E to pay similar monthly allowances as the Post-9/11 GI Bill.

Patterns in rehabilitations and discontinuations among both cohorts. As shown in Figure 4-1, since beginning VR&E services, both cohorts have experienced increases in the number and proportion of Veterans who have successfully completed their program or who have voluntarily discontinued program services. As expected, the FY 2010 cohort has experienced a larger number and proportion of rehabilitations and discontinuations. Additionally, a larger proportion of those pursuing an Employment through Long-Term Services plan (Track 4) or an Independent Living program (Track 5) have rehabilitated and discontinued in the FY 2010 cohort versus the FY 2012 cohort. These findings are not unexpected given the longer tenure of the FY 2010 cohort in the program, and the intent of those particular program tracks. In addition, within the first 2 years of receiving services, the proportions that discontinued and rehabilitated from VR&E are similar for both cohorts.

Figure 4-1. Cumulative Number of Persisting Individuals who have Rehabilitated and Discontinued as of each Fiscal Year



NOTE: Percentages (%) reported in the figure are based on VBA administrative data available for the cohort population.

For both cohorts, the most dominant variable driving rehabilitation to date is the individual’s program track. Compared to Veterans in the Independent Living track, Veterans in one of the employment tracks are less likely to successfully rehabilitate by the end of FY 2013. Again, given that the immediate goal of Independent Living is not employment, rehabilitation can be reached

sooner in the Independent Living track. Discontinuation is driven by both the factors that necessitate providing an Extended Evaluation (such as the most complex serious employment handicaps: Traumatic Brain Injuries, severe PTSD, and other conditions) and the choice of program track. Among Veterans who selected a track, those in the Employment through Long-Term Services track and those who selected 1 of the other 3 employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) are more likely to discontinue their plans than those in the Independent Living track.

As seen in Table 4-1, for both cohorts, those who have already rehabilitated or discontinued have different demographic and background characteristics. Rehabilitated participants tend to have lower disability ratings and longer military service than discontinued participants. An examination of the survey data revealed that, on average, discontinued cohort members made more visits to a VA-medical facility within the past year than rehabilitated cohort members. Not surprisingly, a larger proportion of those who rehabilitated reported obtaining a degree or certificate within the past year, compared to discontinued participants. A higher proportion of rehabilitated participants also have life insurance through VA and have VA-insured mortgage loans. These patterns and trends among those who rehabilitated and discontinued were observed for both the FY 2010 and FY 2012 cohorts, in spite of the tenure difference between the two.

Table 4-1. Mandated Demographic and Background Characteristics by Participation Status as of end of FY 2013, by Cohort

Demographic or Background Characteristic	FY 2010					FY 2012				
	Persisting	Rehabilitated	Subtotal	Discontinued	Total	Persisting	Rehabilitated	Subtotal	Discontinued	Total
Demographic Characteristics										
Average Number of Months Served on Active Duty ¹	73.3	85.3	76.6	67.6	74.8	77.4	86.1	78.3	63.1	76.9
Average Combined Disability Rating ¹	51%	57%	53%	58%	54%	52%	56%	53%	57%	53%
Average Number of Dependents ²	1.9	1.8	1.9	1.7	1.9	1.9	1.6	1.9	1.8	1.9

¹ Averages and percentages are based on VBA administrative data available for the cohort population.

² Averages and percentages are based on survey data that has been weighted up to reflect the cohort population.

³ Enrollment is defined as being enrolled within the last 12 months.

Table 4-1. Mandated Demographic and Background Characteristics by Participation Status as of end of FY 2013, by Cohort (continued)

Demographic or Background Characteristic	FY 2010					FY 2012				
	Persisting	Rehabilitated	Subtotal	Discontinued	Total	Persisting	Rehabilitated	Subtotal	Discontinued	Total
Receipt of Education or Training										
Enrolled in Institution of Higher Learning ^{2,3}	75%	22%	58%	18%	53%	87%	28%	80%	37%	78%
Completed More than 20 Credit Hours ²	43%	11%	33%	9%	30%	58%	13%	53%	8%	51%
Obtained Degree ²	28%	15%	24%	9%	22%	24%	18%	23%	9%	22%
Obtained Certification ²	11%	17%	13%	7%	12%	13%	22%	14%	4%	13%
Receipt of Other Benefits										
Average Visits to VA Medical Facility ²	12.2	9.7	11.4	14.5	11.8	11.9	13.7	12.1	15.7	12.3
Average Visits to non-VA Medical Facility ²	4.4	4.6	4.5	5.3	4.6	4.5	5.0	4.5	3.9	4.5
Have VA Life Insurance ¹	6%	10%	7%	8%	7%	5%	10%	6%	8%	6%
Have VA Home Loan ¹	5%	8%	6%	4%	5%	5%	6%	5%	4%	5%

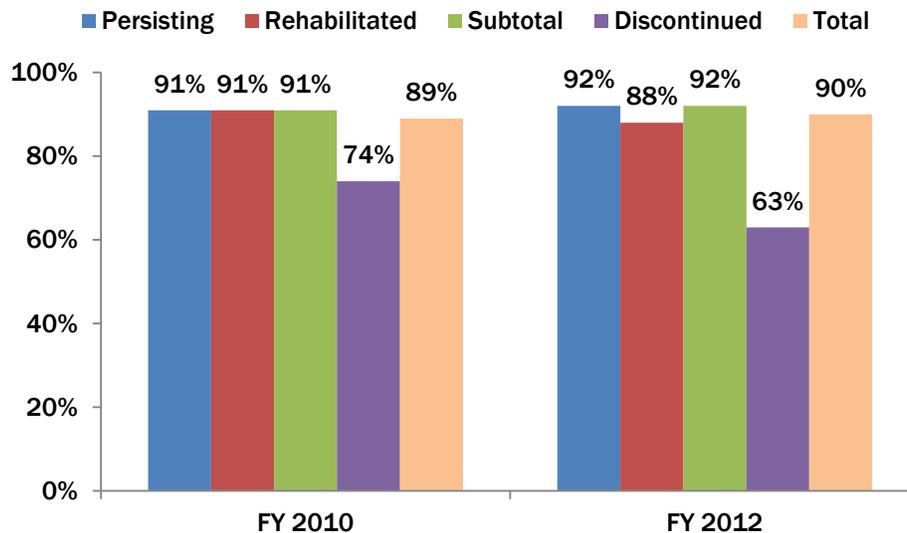
¹ Averages and percentages are based on VBA administrative data available for the cohort population.

² Averages and percentages are based on survey data that has been weighted up to reflect the cohort population.

³ Enrollment is defined as being enrolled within the last 12 months.

Program satisfaction for both cohorts. For both cohorts, most Veterans reported being satisfied with the VR&E program. Similarly, as illustrated in Figure 4-2, the majority of persisting and rehabilitated participants reported moderate to high program satisfaction relative to those who discontinued for both cohorts.

Figure 4-2. Percentage of VR&E Participants Reporting Moderate or High Overall Satisfaction with the Program, by Participation Status and Cohort



NOTE: Percentages (%) reported in the figure are based on weighted survey data.

Employment and standard of living outcomes for both cohorts. Regardless of the length of time since beginning VR&E services (i.e., for both cohorts), those who have rehabilitated have substantially better employment and standard of living circumstances than those who discontinued. As seen in Table 4-2, about two-thirds of those who rehabilitated are currently employed, compared to only one-third of those who discontinued. Largely due to their higher employment rates, rehabilitated participants have substantially higher earnings relative to discontinued participants. In addition to higher earnings levels, rehabilitated participants reported higher individual and household income levels relative to discontinued participants. Rehabilitation greatly improves individuals' economic circumstances and, on average, the post-rehabilitation salary of FY 2010 and FY2012 cohort members was 4.1 times and 5.6 higher, respectively, than their reported salary prior to entering VR&E services. Multivariate regression analyses reveal that successful completion of the program (i.e., rehabilitation) was the most dominant factor driving positive financial outcomes compared to those who discontinued program services. Lastly, a larger percentage of those who rehabilitated reported owning their principal residence, relative to that of those who discontinued.

Table 4-2. Outcome Measures by Participation Status as of end of FY 2013, by Cohort

Demographic or Background Characteristic	FY 2010					FY 2012				
	Persisting	Rehabilitated	Subtotal	Discontinued	Total	Persisting	Rehabilitated	Subtotal	Discontinued	Total
Employment-Related										
Current Employment Rate	40%	71%	50%	33%	48%	37%	65%	40%	34%	40%
Past Year Employment Rate	43%	67%	51%	33%	49%	39%	61%	41%	33%	41%
Annual Earnings										
Unconditional (with zeroes) Median Annual Earnings ¹	\$0	\$35K	\$6K	\$0	\$5K	\$0	\$31K	\$0	\$0	\$0
Conditional (without zeroes) Median Annual Earnings ¹	\$21K	\$37K	\$30K	\$34K	\$31K	\$18K	\$32K	\$22K	\$16K	\$22K
Annual Income										
Unconditional (with zeroes) Median Annual Individual Income	\$20K	\$40K	\$26K	\$23K	\$25K	\$20K	\$35K	\$22K	\$15K	\$22K
Unconditional (with zeroes) Median Annual Household Income	\$33K	\$50K	\$39K	\$31K	\$38K	\$31K	\$45K	\$33K	\$28K	\$32K
Other Standards of Living										
Unemployment Compensation Rate	5%	4%	5%	2%	5%	8%	5%	7%	12%	8%
Home Ownership Rate	48%	63%	53%	47%	52%	45%	54%	46%	36%	45%

NOTE: Averages and percentages are based on survey data that has been weighted up to reflect the cohort population.

¹ Median annual earnings are reported only for Veterans in an employment plan. Veterans in an Independent Living plan or an Extended Evaluation are not included in the average earnings calculations.

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Appendix A

Section 334 of Public Law 110-389

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PUBLIC LAW 110-389—OCT. 10, 2008

SECTION 334. LONGITUDINAL STUDY OF DEPARTMENT OF VETERANS AFFAIRS VOCATIONAL REHABILITATION PROGRAMS

(a) Study Required.— Chapter 31 is amended by adding at the end the following new section:

“§ 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 fiscal year 2010.

“(B) Individuals who begin participating in such a program during fiscal year 2012.

“(C) Individuals who begin participating in such a program during fiscal year 2014.

“(b) Annual Reports.—By not later than July 1 of each year covered by the study required under subsection (a), the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the study during the preceding year.

“(c) Contents of Report.—The Secretary shall include in the report required under subsection (b) any data the Secretary determines is necessary to determine the long-term outcomes of the individuals participating in the vocational rehabilitation programs under this chapter. The Secretary may add data elements from time to time as necessary. In addition, each such report shall contain the following information:

“(1) The number of individuals participating in vocational rehabilitation programs under this chapter who suspended participation in such a program during the year covered by the report.

“(2) The average number of months such individuals served on active duty.

“(3) The distribution of disability ratings of such individuals.

“(4) The types of other benefits administered by the Secretary received by such individuals.

“(5) The types of social security benefits received by such individuals.

“(6) Any unemployment benefits received by such individuals.

“(7) The average number of months such individuals were employed during the year covered by the report.

“(8) The average annual starting and ending salaries of such individuals who were employed during the year covered by the report.

“(9) The number of such individuals enrolled in an institution of higher learning, as that term is defined in section 3452(f) of this title.

“(10) The average number of academic credit hours, degrees, and certificates obtained by such individuals during the year covered by the report.

“(11) The average number of visits such individuals made to Department medical facilities during the year covered by the report.

“(12) The average number of visits such individuals made to non-Department medical facilities during the year covered by the report.

“(13) The average annual income of such individuals.

“(14) The average total household income of such individuals for the year covered by the report.

“(15) The percentage of such individuals who own their principal residences.

“(16) The average number of dependents of each such veteran.”.

(b) Clerical Amendment.— The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“3122. Longitudinal study of vocational rehabilitation programs.”.

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Appendix B

Survey Methodology

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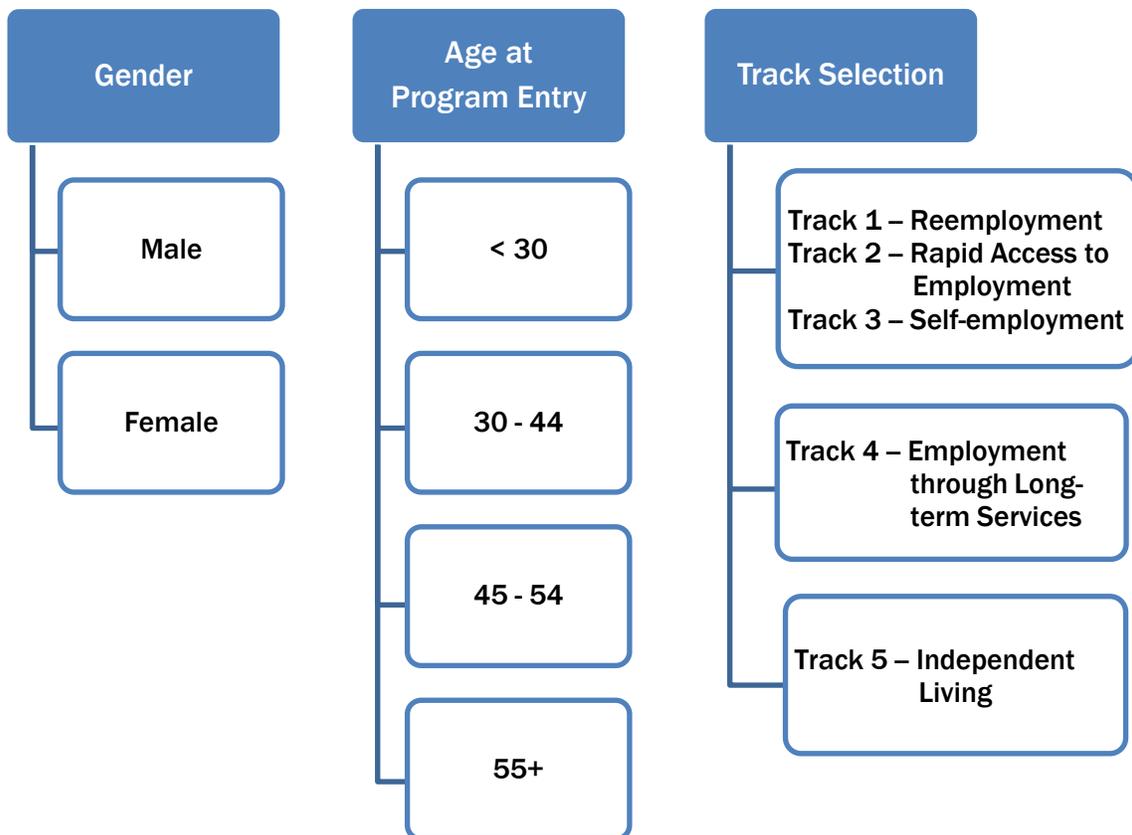
Survey sampling. As required in the mandate, each of the three VR&E cohorts of participants will be followed annually for 20 years. A stratified random sample of cohort members will be invited to complete the annual survey. At the end of the full 20-year study period, each cohort must have a survey sample size that will provide enough statistical power to detect significant changes over time, as well as to detect statistically significant differences between specific subpopulations of interest. A final survey sample of 1,190 Veterans in each cohort that are still participating in the study at the end of the 20 years will yield a statistically valid sample with enough power to conduct meaningful analyses among subpopulations of interest. To ensure a statistically valid survey sample at the end of the 20-year period, the survey design requires that a minimum of 3,500 participants in each cohort complete the survey during the first year of administration. Table B-1 presents the schedule of survey data collections VA has planned beginning in 2012 for all three cohorts.

Table B-1. Schedule of VR&E Longitudinal Study Survey Data Collections

Past Reporting Years			Current Reporting Year	Future Reporting Years		
2010	2011	2012	2013	2014	2015	2016
No survey data available	No survey data available	<u>Initial Survey</u> VR&E Cohort I N=10,792 VR&E Cohort II N=15,397	<u>Annual Survey</u> VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 <u>Annual Report Due to Congress:</u> July 1, 2014	<u>Initial Survey</u> VR&E Cohort III N≈16,000 <u>Annual Survey</u> VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 <u>Annual Report Due to Congress:</u> July 1, 2015	<u>Annual Survey</u> VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 VR&E Cohort III n≈3,500 <u>Annual Report Due to Congress:</u> July 1, 2016	<u>Annual Survey</u> VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 VR&E Cohort III n≈3,500 <u>Annual Report Due to Congress:</u> July 1, 2017

Sampling strata. Survey estimates can be for the entire population or for subpopulations, referred to as domains of interest. As we recruit Veterans into the study to complete the survey, we will need to monitor the recruitment and enrollment process to ensure we have recruited a sufficient number of Veterans with specific characteristics that will allow us to compare subpopulations of interest at the end of the 20-year study period. Figure B-1 lists the domains of interest used to stratify the sample for the VR&E Longitudinal Survey, namely gender, age, and the program track being pursued while in rehabilitation.

Figure B-1. Sampling Strata for VR&E Longitudinal Survey



The survey sample for each cohort is organized into a main group and multiple reserve groups, within each sampling stratum. The reserve sample cases are released for recruitment only if response rates are less than assumed.

Survey response rates for second year of data collection. Results from the first 2 years of the VR&E Longitudinal Study were based solely on VBA administrative data. In the third year of the study (the 2013 Annual Report for FY 2012), data analysis and reporting included self-reported survey data collected from a sample of FY 2010 and FY 2012 cohort members. For the fourth year of the study, all Veterans and Servicemembers who completed the initial survey were encouraged to participate this year for the first annual follow-up.¹ Cohort members with email addresses were first invited to complete an online web survey starting in early October 2013. A letter was also mailed to cohort members (both with and without email addresses) inviting them to complete the web survey. Weekly email reminders were sent to non-respondents with email addresses. Cohort members who did not complete a web survey by week 4 of the data collection field period, including those cohort members without email addresses, were then sent a paper-pencil copy of the survey through the mail. Additionally, in November, non-respondents were called to complete the survey over the phone. Data collection ended in early January 2014.

The sampling plan for the survey was designed to yield 3,500 completed surveys from each cohort during the initial year of administration. This was achieved with 3,710 responding from the FY 2010 cohort and 3,636 responding from the FY 2012 cohort. These respondents were the starting sample for the 2013 survey administration, which yielded 2,007 responding from the FY 2010 cohort and 1,890 responding from the FY 2012 cohort (see Table B-2).

¹ During the first year of data collection, a \$20 incentive was offered to Veterans who completed the initial survey. The incentive was not offered for the first annual follow-up.

Table B-2. VR&E Longitudinal Survey Completions during 2013 Administration

Respondent Type	FY 2010 Cohort	FY 2012 Cohort
Total in survey sample	3,710	3,636
Deceased Cohort Members	16	13
Eligible Potential Respondents ¹	3,694	3,623
Explicit Refusals	33	10
Survey Non-respondents	1,654	1,723
Survey Respondents	2,007	1,890
Response Rate²	54.3%	52.2%

¹ Eligible potential respondents include cohort members who completed the initial survey and were still alive at the start of the field period for the second year of data collection.

² Response rate is calculated by dividing the number of respondents by the total number of eligible potential respondents. The 95% confidence intervals of the response rates are [52.7%, 55.8%] for the FY 2010 cohort and [50.5%, 53.8%] for the FY 2012 cohort.

Non-response weighting of survey data. Although the survey design for the longitudinal study emphasized a specific number of completed surveys, as opposed to reaching a target response rate, non-response bias is still a concern, as with any scientific study that uses survey data. Rigorous, sound research practice dictates that studies based on survey data employ the use of survey weights to adjust for non-response, and thereby reduce the potential for bias. Therefore, we examined response rates by strata and constructed survey weights to account for non-response. When analyzing and reporting on findings from the survey data, survey weights allow us to adjust the survey data to represent the population from which the same was drawn. Hence, although the survey was administered to sample of cohort members, analysis of the survey data using survey weights allow us to generalize the findings to the entire cohort population. See Appendix G for more details on the procedures used for non-response weighting.

Appendix C

VR&E Longitudinal Survey

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The Department of Veterans Affairs VR&E Longitudinal Study

Current Status

1. Are you currently participating in the VR&E program?

MARK ONLY ONE.

- Yes ➔ **SKIP TO ITEM 3**
 No

- 1a. If you answered No to Question #1, why are you no longer participating in the program?

MARK ONLY ONE.

- Successfully completed the program ➔ **SKIP TO ITEM 3**
 Requested to have my case closed
 VR&E requested to have my case closed ➔ **SKIP TO ITEM 3**

2. If you withdrew from the program, what was your reason?

MARK ALL THAT APPLY.

- Medical problems
 Financial problems
 Family responsibilities
 Found a job prior to program completion
 Transportation difficulties
 Program did not meet my needs
 Program requirements were too difficult
 Lost interest
 To pursue another education benefit (Ch33, State Voc Rehab, etc.)
 Other (specify):

Benefits

3. During the past 12 months, did you receive any of the following benefits from Social Security?

MARK ALL THAT APPLY.

- Supplemental Security Income (SSI)
 Social Security Disability Insurance (SSDI)
 Medicare
 Retirement
 Survivor's or Dependent
 Other (specify):

- Did not receive Social Security benefits

PLEASE CONTINUE ON NEXT PAGE

Employment

4. Are you currently working at a job or business?

MARK ONLY ONE.

- Yes ➔ SKIP TO ITEM 5
 No

4a. What is the main reason you are not currently working?

MARK ONLY ONE.

- Ill, or disabled and unable to work
 Retired
 Taking care of home or family
 Going to school
 Could not find work
 Doing something else
 Other:

5. During the past 12 months, how many months were you employed?

MARK ONE AND FILL-IN # OF MONTHS.

- Months employed:
 Was not employed at any time during the past 12 months

5a. During the past 12 months, how many hours per week did you usually work at your main job?

MARK ONE AND FILL-IN # OF HOURS.

- Hours per week:
 Was not employed at any time during the past 12 months

6. During the past 12 months, how much did you earn from all jobs or businesses before taxes and other deductions?

Yearly salary: \$ -

Hourly rate: \$ -

Was not employed at any time during the past 12 months

7. If you were employed during the past 12 months, how much did counseling, training, job search assistance, or other VR&E assistance contribute to your success?

- A lot
 Some
 A little
 None
 Was not employed at any time during the past 12 months

8. What was your gross income during the past 12 months? (Your gross income includes income you received from all sources, before taxes, including earnings from a job, benefits received from government programs, and any retirement, pension, investing, or savings income that you receive regular payments from.)

\$ -

9. During the past 12 months, did you receive unemployment compensation?

- Yes
 No ➔ SKIP TO ITEM 11

PLEASE CONTINUE ON NEXT PAGE

Employment

10. If you answered Yes to Question #9, how many weeks of unemployment did you receive?

Number of weeks:

Education

11. During the past 12 months, have you been enrolled in an Institution of Higher Learning (IHL)? (An Institution of Higher Learning is defined as a college, university, or similar institution, including a technical or business school, offering postsecondary level academic instruction that leads to an associate or higher degree if the school is empowered by the appropriate State education authority under State law to grant an associate or higher degree.)

Yes

No ➔ **SKIP TO ITEM 16**

12. Were you in school part-time, full-time, or both?

Part-time

Full-time

Both part-time and full-time

13. Did you receive any of the following degree levels during the past 12 months?

MARK ALL THAT APPLY.

High school diploma or GED certificate

Associates

Bachelors

Masters

Ph.D.

Other Professional Degree (e.g., M.D., J.D., Pharm.D.)

Did not complete a degree this year

14. How many academic credit hours did you complete during the past 12 months?

1 to 10

11 to 20

21 to 30

31 to 40

41 or more

Credits were not recorded

Did not complete any credits this year

15. How did you pay for this training?

MARK ALL THAT APPLY.

VR&E VetSuccess Program (Chapter 31)

GI Bill (Chapter 30 or Chapter 33)

Financial Aid/Pell Grant

Personal loan

Personal funds

Family support

Other (specify):

16. Did you receive any professional or trade certificates or licenses during the past 12 months?

Yes

No ➔ **SKIP TO ITEM 18**

17. How many certificates or licenses did you receive, and what type were they? (e.g., CDL license, HVAC Certification, etc.)

Number of Certificate(s)
or License(s):

Type of Certificate(s) or License(s):

PLEASE CONTINUE ON NEXT PAGE

Household

23. How many dependents do you currently have? (Dependents include spouses, children under 18, children between ages 18 and 23 who are attending school, children who are permanently incapable of self-support because of disabilities arising before age 18, and dependent parents.)

Number of Dependents:

Please specify what kind of dependents you have (spouse, child under 18, etc.).

Type of Dependent	Yes Or No
a. Spouse:	<input type="checkbox"/> Yes <input type="checkbox"/> No

Type of Dependent	Number (Write in a number.)
b. Children:	<input type="text"/> <input type="text"/>
c. Other:	<input type="text"/> <input type="text"/>

Overall Experience

24. Thinking about ALL aspects of your experience with the VR&E VetSuccess program, please rate it overall, using a 1 to 9 scale where 1 is Unacceptable, 5 is Average, and 9 is Outstanding.

MARK ONLY ONE.

(Unacceptable) (Average) (Outstanding)

1 2 3 4 5 6 7 8 9

PLEASE CONTINUE ON NEXT PAGE

Overall Experience

25. What is the primary reason you applied for the VR&E VetSuccess program?

MARK ONLY ONE.

- Get any job
- Get a better job
- Further my education so I could become employed or qualify for a higher paying job
- Get a job that accommodated my disability
- Start my own business
- Get help to keep my current job
- Improve my job-seeking skills so I could become employed
- Career Counseling so I could best use my benefits to enter the right career
- Independent Living Services
- Other (specify):

26. If you are working, does your current job generally match the training you received while you participated in the VR&E VetSuccess program?

- Yes
- No
- Somewhat
- Not currently working

27. Thinking about your experience with the VR&E VetSuccess program, please rate the following statement, using a 1 to 9 scale where 1 is Strongly Disagree, 5 is Neither Disagree nor Agree, and 9 is Strongly Agree.

MARK ONLY ONE.

The VR&E VetSuccess program assisted in my ability to become employable.

(Strongly Disagree)

(Neither Disagree nor Agree)

(Strongly Agree)

- | | | | | | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |

PLEASE CONTINUE ON NEXT PAGE

Overall Experience

28. Thinking about your experience with the VR&E VetSuccess program, please rate the following statement, using a 1 to 9 scale where 1 is Strongly Disagree, 5 is Neither Disagree nor Agree, and 9 is Strongly Agree.

MARK ONLY ONE.

The VR&E VetSuccess program assisted in my ability to live more independently.

(Strongly
Disagree)

(Neither Disagree
nor Agree)

(Strongly
Agree)

1

2

3

4

5

6

7

8

9

Thank you for taking this survey. Please mail it back to us in the envelope provided.

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Appendix D

Administrative Variables

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Table D-1. VBA Administrative Variables Used for Analysis

Variable	Description
Case status	Persisting, discontinued, or rehabilitated
Program track	<ul style="list-style-type: none"> Track 1 – Re-Employment Track 2 – Rapid Access to Employment Track 3 – Self-Employment Track 4 – Employment through Long-Term Services Track 5 – Independent Living
Extended Evaluation	A plan of evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible. A program track is not selected until a feasible employment goal can be determined - or it is determined that a feasible goal cannot be selected at this time and that the Veteran requires Independent Living services.
Serious employment handicap (SEH) flag	Indicator for presence of an SEH
Gender	Male Female
Age	Age in years
Length of active duty service (in months)	Total length of active duty service (in months)
Combined disability rating percentage	Percentage ranging between 0 percent and 100 percent indicating the severity of disability (a higher percentage indicates a more severe disability)
Pre-rehabilitation level of education	<ul style="list-style-type: none"> Below high school High school Some college Four year degree Graduate training
Pre-rehabilitation annual salary	Continuous variable measuring annual earnings before entering the VR&E program
Primary diagnosis	<ul style="list-style-type: none"> Diseases of the musculoskeletal system including muscle injuries Diseases of the eye, ear, or other sensory organs Other physical health conditions or diseases Neurological conditions and convulsive disorders (excluding mental health conditions or disorders) PTSD Major depression Other mental health conditions Dental and oral conditions

Table D-1. VBA Administrative Variables Used for Analysis (continued)

Variable	Description
Era of service	<ul style="list-style-type: none"> • World War II • Post World War II • Korean Conflict • Post Korean Conflict • Vietnam War • Post Vietnam War era • Gulf War era I • Gulf War era II
Branch of service	<ul style="list-style-type: none"> • Army • Navy • Air Force • Marine Corps • Coast Guard • Reserves/Guard or Other
Rank upon exit from military	<ul style="list-style-type: none"> • E1 – E9 (enlisted) • W1 – W5 (warrant officer) • O1 – O8
Training type for which a subsistence allowance is received	<ul style="list-style-type: none"> • Non-college degree; vocational/technical • College, non-degree • Undergraduate • Graduate school • Farm cooperative • Non-pay work experience in a Federal, state, or local agency • Apprenticeship • Nonvocational Chapter 31 (includes Independent Living and Extended Evaluation) • Non-pay 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 • On-job training (OJT) • Special rehabilitative services; improvement of rehabilitation potential; special evaluation procedures; adult basic education
Date of a case status change	Date of all case status changes is recorded

Appendix E:

Findings for FY 2010 Cohort

Section E1: Description of FY 2010 Cohort by Program Participation Status as of FY 2013

Section E2: Trends in Program Satisfaction

Section E3: Factors that Contribute to Program Satisfaction

Section E4: Trends in Rehabilitation and Discontinuation

Section E5: Factors that Contribute to Rehabilitation and Discontinuation

Section E6: Employment and Standard of Living Outcomes as of FY 2013

Section E7: Trends in Employment and Standard of Living Outcomes

Section E8: Factors that Contribute to Employment and Standard of Living Outcomes

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Appendix E: Findings for FY 2010 Cohort



The FY 2010 cohort is comprised of individuals who applied for VR&E services in FY 2010 and entered a plan of services in FY 2010. As of FY 2013, most of the FY 2010 Longitudinal Study participants were still in the rehabilitation process (i.e., persisting), but some study participants had their rehabilitation services closed after successful completion of their goals (i.e., rehabilitated) or had their rehabilitation services closed without reaching their rehabilitation goals (i.e., discontinued).

The status (persisting, discontinued, or rehabilitated) of all FY 2010 cohort participants in each of the first 4 years of the study (FY 2010 to FY 2013) is presented in Table E-1. A small percentage of the FY 2010 cohort rehabilitated at the end of FY 2010, however, that percentage has steadily increased over the

At the end of FY 2013, 80% of the FY 2010 cohort were either still pursuing or had successfully completed their rehabilitation goal.

course of the study to 22 percent by the end of FY 2013. The number of persisting cohort members has steadily declined from 97 percent at the end of FY 2010 to 58 percent of the cohort by the end of FY 2013. This steady decrease in the number of persisting participants is due to increases over time in not only rehabilitations, but discontinuations as well. Discontinuations rose from almost 2 percent to 20 percent over the same time period.

Table E-1. Status of FY 2010 Cohort of VR&E Participants at end of each Fiscal Year of Study

Status	FY 2010		FY 2011		FY 2012		FY 2013	
	#	%	#	%	#	%	#	%
Persisting	10,440	96.7%	9,014	83.5%	7,902	73.2%	6,228	57.7%
Rehabilitated	180	1.7%	803	7.4%	1,497	13.9%	2,358	21.8%
Subtotal	10,620	98.4%	9,817	91.0%	9,399	87.1%	8,586	79.6%
Discontinued	172	1.6%	975	9.0%	1,393	12.9%	2,206	20.4%
Total	10,792	100.0%	10,792	100.0%	10,792	100.0%	10,792	100.0%

Section E1: Description of FY 2010 Cohort by Program Participation Status as of FY 2012

In this section we examine the demographic and background characteristics of the FY 2010 cohort as of FY 2013, and how these characteristics relate to their current participation status. Cohort members who began their plan of services in FY 2010 have been in the VR&E program for 3 to 4 years as of the end of FY 2013. Descriptive examination of the demographic and background characteristics of participants can provide insight as to if and how these characteristics influence participation status over time.

Table E1-1 lists the background characteristics measured in the VR&E Longitudinal Study. In the remainder of this section we present and discuss only those characteristics that differ by participation status. Appendix H presents more detailed information on how to understand and interpret the data presented in the tables in the remainder of this section. Appendix I includes tables that present descriptive statistics for each of the 22 background characteristics measured by the study by participation status (i.e., persisting, discontinued, or rehabilitated).

Table E1-1. Background Characteristics Measured by the VR&E Longitudinal Study

Domain	Measure	VBA Administrative Data	Survey Data
Program-Related			
	Program track	✓	
	Satisfaction with the VR&E program		✓
Demographic			
	Serious employment handicap status	✓	
	Gender	✓	
	Age	✓	
	Combined disability rating*	✓	
	Pre-rehabilitation level of education	✓	
	Pre-rehabilitation salary	✓	
	Primary diagnosis	✓	
	Number of dependents		✓

Table E1-1. Background Characteristics Measured by the VR&E Longitudinal Study (continued)

Domain	Measure	VBA Administrative Data	Survey Data
Military-Related			
	Number of months of active duty service*	✓	
	Era of service	✓	
	Branch of service	✓	
	Rank	✓	
Education or Training			
	Receipt of subsistence allowance for pursuing an education or training program	✓	
	Enrollment in an institution of higher learning*		✓
	Number of credit hours obtained in past 12 months*		✓
	Number of degrees obtained in past 12 months*		✓
	Number of certifications obtained in past 12 months*		✓
Receipt of Other Benefits			
	Receipt of other VA benefits*	✓	
	Number of visits to VA medical facility*		✓
	Number of visits to non-VA medical facility*		✓

* Specified in Section 334 of Public Law 110-389.

While VBA administrative data that are available on all 10,792 FY 2010 cohort members allow us to examine certain demographic and background characteristics for the entire cohort population, survey data provides additional demographic and background characteristics for a sample of the cohort. The survey data have been weighted to reflect the entire cohort population. By FY 2013, several members of the FY 2010 cohort have passed away. These individuals were removed from the sample (coded as ineligible), and as a result, the survey weights do not sum to the initial cohort population of 10,792, but rather sum to 10,698. Additionally, the weighted data are not calibrated to represent subgroups. Therefore, population counts by subgroups differ between the survey and the administrative data. Finally, survey respondents were allowed to refuse or skip specific questions within the survey, resulting in a small number of missing observations for some survey items, which have been noted in the tables as ‘Survey Item Skipped.’

Program Track

Table E1-2 provides a snapshot of the FY 2010 cohort by their track selection as of the end of FY 2013. Track selection is one of a few characteristics that can change over the course of time, and a small proportion of the cohort changed tracks since beginning VR&E services. Table E1-2 shows, that as of FY 2013, the vast majority of participants – 85 percent (8,942 Veterans) – are in the Employment through Long-Term Services track (Track 4). As such, participants in this track represent the majority within the 3 participation status subgroups as well.

Table E1-2. Track Selection of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Track Selection	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Track 1 Re-Employment	28	0%	16	1%	44	1%	25	1%	69	1%
Track 2 Rapid Access to Employment	218	4%	405	17%	623	7%	163	8%	786	7%
Track 3 Self-Employment	13	0%	12	1%	25	0%	6	0%	31	0%
Track 4 Employment through Long-Term Services	5,789	93%	1,399	59%	7,188	84%	1,754	88%	8,942	85%
Track 5 Independent Living	164	3%	526	22%	690	8%	53	3%	743	7%
Subtotal	6,212	100%	2,358	100%	8,570	100%	2,001	100%	10,571	100%
Extended Evaluation	16	-	0	-	16	-	205	-	221	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population.

The Employment through Long-Term Services track is the largest among persisting participants (comprising 93 percent of the group), comprises 59 percent of rehabilitated participants, and 88

percent of discontinued participants. It is not surprising that the Employment through Long-Term Services track is the largest among persisting participants, as most disabled Veterans in the VR&E program require significant supports and re-training in order to obtain a suitable job. There has

Sixty-five percent of Veterans in the FY 2010 cohort that have chosen the Employment through Long-Term Services track are still persisting in completing their employment goals, which is likely due to the fact that the majority of Veterans in this track have not had enough time to complete additional training or education.

been a marked increase in the percentage of participants rehabilitating from the Employment through Long-Term Services track as well. Comprising 59 percent of the successful rehabilitations as of FY 2013, this is a 16 percentage-point increase over the previous year when cohort members in this track represented less than half (43 percent, not shown) of successful rehabilitations.

This increase in the proportion of rehabilitated participants exiting the program from this track is not

surprising when considering the length of the typical education programs participants in this track pursue. A small proportion of rehabilitations from the Employment through Long-Term Services track only took a few years to complete. Some Veterans may have finished 4-year degree programs they started before leaving the military, while other Veterans may have pursued associate or graduate degree programs that can be completed within 2 years, if attending full-time. Also, some Veterans pursued vocational, apprenticeship, or on-the-job training programs with shorter completion times, especially if pursued full-time. Therefore, within the Employment through Long-Term Services track individuals are beginning to complete their education or training in significant numbers thus making up a greater share of all rehabilitated participants. In fact, of the 1,663 rehabilitated participants who received a subsistence allowance as of FY 2013, 70 percent (1,170) were pursuing an undergraduate or graduate degree program (see Appendix I: Table I-13).

The Rapid Access to Employment track (Track 2) is the second most common track with 7 percent of participants (786 Veterans) and these individuals represent almost one-fifth (17 percent) of the successful rehabilitations as of the end of FY 2013. This group being currently overrepresented among rehabilitations relative to

Rapid Access to Employment represents 7 percent of the cohort and 17 percent of the rehabilitations as of the end of FY 2013.

its size in the overall cohort is not surprising given the nature of that employment track. 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. It is

expected that the majority of Veterans in this group achieve success much earlier than the majority of Veterans in the Employment through Long-Term Services group. In fact, as of the end of FY 2013, only 16 percent (1,399 out of 8,942) of cohort members in Employment through Long-Term Services successfully rehabilitated, compared to 52 percent (405 out of 786) in Rapid Access to Employment.

Another 7 percent of participants (743 Veterans) are in the Independent Living program (Track 5). This group is also overrepresented among rehabilitations relative to their size in the overall cohort comprising a little more than one-fifth (22 percent) of the successful rehabilitations as of the end of FY 2013. Last year, as of the end of FY 2012, individuals in this track represented one-third (not shown) of the successful rehabilitations. The fact that they are comprising a smaller share of all rehabilitations over time is not surprising since the Independent Living track generally lasts 24 months (with an additional 6 month extension if needed), and cohort members had been in the program between 2 and 3 years as of the end of FY 2012. In fact, it is expected that the percentage of rehabilitations from the Independent Living track will continue to decrease over time as the study period continues, just as it decreased between the third and fourth years of the study.

Demographic Characteristics

Table E1-3 provides a snapshot of selected additional demographic characteristics of the FY 2010 cohort, as of the end of FY 2013. In addition to presenting demographic variables that defined the sampling strata for the survey – gender and age range – we also present the distributions for serious employment handicap status and combined disability rating percentage. While age at program entry was used for sampling, Table E1-3 presents the current age distribution of cohort members, as of the end of FY 2013. Findings as of FY 2013 show similar patterns and trends as the findings presented in previous years.^{1,2}

¹ Riley, J., Gasper, J., Karakus, M., Sigman, R., Kawata, J., May, L., and Liu, H. (2013). *VR&E Longitudinal Study: Annual Report 2013 for FY 2012* (Prepared under contract to the Veterans Benefits Administration, U.S. Department of Veterans Affairs). Rockville, MD: Westat.

² Karakus, M., Riley, J., Kawata, J., and May, L. (2012). *VR&E Longitudinal Study: Annual Report 2012 for FY 2011* (Prepared under contract to the Veterans Benefits Administration, U.S. Department of Veterans Affairs). Rockville, MD: Westat.

Table E1-3. Selected Demographic Characteristics of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Demographic Characteristic	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Serious Employment Handicap										
Yes	4,539	73%	1,626	69%	6,165	72%	1,780	81%	7,945	74%
No	1,689	27%	732	31%	2,421	28%	426	19%	2,847	26%
Gender										
Male	5,091	82%	1,983	84%	7,074	82%	1,929	87%	9,003	83%
Female	1,137	18%	375	16%	1,512	18%	277	13%	1,789	17%
Current Age										
Less than 30	421	7%	86	4%	507	6%	163	7%	670	6%
30 - 44	2,696	43%	846	36%	3,542	41%	807	37%	4,349	40%
45 - 54	1,979	32%	668	28%	2,647	31%	616	28%	3,263	30%
55 and above	1,132	18%	758	32%	1,890	22%	620	28%	2,510	23%
Combined Disability Rating Percentage										
0% ¹ - 20%	1,024	16%	295	12%	1,319	15%	298	14%	1,617	15%
30% - 60%	3,332	54%	1,130	48%	4,462	52%	946	43%	5,408	50%
70% - 100%	1,858	30%	931	40%	2,789	32%	953	43%	3,742	35%
Memorandum Rating ²	14	0%	2	0%	16	0%	6	0%	25	0%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population.

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.

Similar to previous years' findings, discontinued participants (81 percent) have a much higher proportion of Veterans with a serious employment handicap, relative to persisting and rehabilitated participants. Determination of a serious employment handicap indicates significant impairment in substantial part from a service-connected disability in a Veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests. Consistent with this finding is the fact that almost half of discontinued participants (43 percent) have a combined

disability rating percentage of 70 percent or higher. These findings suggest that relative to their numbers in the program Veterans with more severe service-connected disabilities are more likely to discontinue in the first 4 years than other participants.

Women make up 17% of the FY 2010 cohort, as compared to 10% of the overall Veteran population.

The overall gender distributions for persisting, rehabilitated, and discontinued cohort members are fairly similar and close to the overall share of women in the cohort of 17 percent. It should be noted that a greater share of the FY 2010 cohort are women as compared to the percentage of Veterans overall (10 percent³). This finding reflects the fact that the percentage of Veterans that are women has been rising over the past 20 years, and in 2013 they represented about 20 percent of the Gulf War II era Veterans⁴.

Examination of age by participation status indicates that, relative to their numbers in the program, a large share of the rehabilitated participants is older Veterans. This finding is not surprising given the fact that almost 71 percent (526 out of 743) of those pursuing an Independent Living program have rehabilitated, and that 75 percent (not shown) of those in an Independent Living program are 55 years of age or more.

The legislation requiring this study specifically seeks information on the number of months served on active duty and the number of dependents for VR&E participants. Summary statistics on these variables are provided in Table E1-4. Examination of the table reveals that rehabilitated participants served the longest, with an average of about 7 years of active duty military service. Persisting participants served on active duty, on average, a little more than 6 years, while the average length of active duty service for discontinued participants was slightly shorter at a little more than 5 ½ years.

The only VBA administrative data source with information on number of dependents 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, and those data are therefore

³ National Center for Veterans Analysis and Statistics. *Department of Veterans Affairs Statistics at a Glance*. National Center for Veterans Analysis and Statistics, Department of Veterans Affairs, Washington, DC. February 2014. Available at: http://www.va.gov/vetdata/docs/Quickfacts/Homepage_slideshow_12_31_13.pdf.

⁴ Based on 2013 Bureau of Labor Statistics data available at <http://www.bls.gov/news.release/vet.t01.htm>.

not available for Veterans with a 20 percent or less service-connected disability rating. Hence, an item was included in the VR&E Longitudinal Survey to collect information on number of dependents from the survey sample. These data were then weighted up to reflect the cohort population. Of those participants responding to the survey item on number of dependents, the weighted average number of dependents for the FY 2010 cohort is 1.9, with persisting, rehabilitated, and discontinued participants having similar numbers of dependents.

Table E1-4. Additional Mandated Demographic Characteristics of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Demographic Characteristic	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)
Average Number of Months Served on Active Duty ¹	6,227 ²	73.3 (76.3)	2,358	85.3 (84.1)	8,585	76.6 (78.7)	2,206	67.6 (71.7)	10,791 ²	74.8 (77.4)
Average Number of Dependents ³	6,273	1.9 (0.05)	2,971	1.8 (0.07)	9,244	1.9 (0.04)	1,175	1.7 (0.12)	10,419	1.9 (0.04)

NOTE: Averages reported in the table display the mean. Standard deviations and standard errors are included in parentheses for administrative and survey data, respectively. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ Average number of months served on active duty is based on VBA administrative data available for the cohort population.

² Administrative data on number of months served on active duty was unavailable for 1 persisting participant.

³ Average number of dependents is based on survey data that has been weighted up to reflect the cohort population.

Receipt of Other Benefits

Two additional background characteristics the Congressional legislation requires to be measured are the number of medical visits VR&E participants make on average during the year – the average number of visits made to VA medical facilities during the year and the average number of visits made to non-VA medical facilities during the year. Survey data are the source of information for medical visits, and Table E1-5 shows the average number of medical visits weighted to represent the cohort population.

Many Veterans utilize the health care benefits offered by the Veterans Health Administration, which manages the largest health care system in the country.⁵ Members of the FY 2010 cohort visited a VA medical facility twice as often as they visited a non-VA medical facility, averaging almost 12 visits to a VA medical facility at some point during the past 12 months versus only 5 visits to a non-VA medical facility during the same time frame. Cohort members appear to use VA-provided health care services a little more frequently than the overall Veteran population, which is not surprising given all cohort members have a service-connected disability. For the Veteran population overall, a total of 8.8 million enrollees made a total of 83.6 million outpatient visits to VHA-managed facilities in FY 2012, yielding an average of about 9.5 visits for the year.⁶

Table E1-5. Number of Medical Visits in Past Year for FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Number of Medical Visits	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	Mean (S.E.)	#	Mean (S.E.)	#	Mean (S.E.)	#	Mean (S.E.)	#	Mean (S.E.)
Visits to VA Medical Facility ¹	6,430	12.2 (0.59)	3,033	9.7 (0.63)	9,463	11.4 (0.45)	1,207	14.5 (1.16)	10,670	11.8 (0.42)
Visits to non-VA Medical Facility ²	6,380	4.4 (0.30)	2,987	4.6 (0.39)	9,367	4.5 (0.24)	1,190	5.3 (0.73)	10,557	4.6 (0.22)

NOTE: Averages reported in the table display the mean followed by the standard error in parentheses. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ Average number of visits to a VA medical facility is based on survey data that has been weighted up to reflect the cohort population.

² Average number of visits to a non-VA medical facility is based on survey data that has been weighted up to reflect the cohort population.

Compared to the overall cohort average, rehabilitated members reported a lower number of visits (~ 10 visits) to a VA medical facility and discontinued cohort members reported a much higher number of visits (~15 visits) to a VA medical facility. The high health care

Compared to the overall cohort average, rehabilitated participants reported a lower number of visits to a VA medical facility.

⁵ <http://www1.va.gov/health/aboutVHA.asp>

⁶ Based on data prepared by the National Center for Veterans Analysis and Statistics available at http://www.va.gov/vetdata/docs/Utilization/AvgCost_FINAL2.xls.

utilization among those who discontinued may be explained in part by the fact that a large percentage of Veterans in an Extended Evaluation discontinue their plans (93 percent, not shown). Individuals who are in an Extended Evaluation typically have more severe disabilities which may generate a need for healthcare services. Additionally, 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 currently feasible. While an individual is in an Extended Evaluation, VR&E counselors collaborate with the Veteran's Health Administration to coordinate needed services which may in itself result in additional healthcare visits while in that status. However, as time passes fewer Veterans remain in an Extended Evaluation in the current year and therefore its potential for driving the visit rate diminishes greatly. No substantial differences are observed in the average number of visits to a non-VA medical facility between persisting, discontinued, and rehabilitated cohort members.

The Congressional legislation asks for information on the types of other VA benefits received by cohort members. Using administrative data collected by VA, Table E1-6 reports the number and percentage of cohort members who have life insurance through VA and have VA-insured mortgage loans. Seven percent of the FY 2010 cohort have life insurance policies that are insured by VA, and 5 percent of cohort members have their mortgage loans insured by VA. A higher proportion of rehabilitated participants (10 percent) have VA life insurance policies, relative to persisting (6 percent) and discontinued (8 percent) participants. Similarly, there is a higher proportion of rehabilitated participants (8 percent) who have VA-insured mortgage loans, compared with persisting (5 percent) and discontinued (4 percent) participants.

Table E1-6. Receipt of Other VA Benefits of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Other VA Benefits	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Life Insurance¹										
Have VA Life Insurance	381	6%	237	10%	618	7%	174	8%	792	7%
Do not Have VA Life Insurance	5,847	94%	2,121	90%	7,968	93%	2,032	92%	10,000	93%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
Home Loan²										
Have VA Home Loan	291	5%	190	8%	481	6%	81	4%	562	5%
Do not Have VA Home Loan	5,937	95%	2,168	92%	8,105	94%	2,125	96%	10,230	95%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population.

¹ Life insurance includes Veterans' Group Life Insurance (VGLI), Service-Disabled Veterans' Life Insurance (S-DVI), and Veterans' Mortgage Life Insurance (VMLI).

² Home loans include both original mortgage loans and refinanced mortgage loans.

Receipt of Education or Training

Table E1-7 presents the proportion of cohort members who are enrolled in an institution of higher learning (IHL) in the past 12 months. It is not surprising that of all cohort members that are still persisting, 75 percent were enrolled in an IHL in the past year, which is consistent with the finding that the majority of persisting participants are in the Employment through Long-Term Services track. Recall that the Employment through Long-Term Services track includes Veterans who are seeking further education or other training which often takes multiple years.

Seventy-five percent of Veterans pursuing a rehabilitation goal were enrolled in an institution of higher learning in the past year.

Table E1-7. Enrollment in an Institution of Higher Learning in Past Year for FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Enrolled in Institution of Higher Learning (IHL) ¹	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Enrolled in IHL	4,792	75%	670	22%	5,462	58%	222	18%	5,684	53%
Not Enrolled in IHL	1,634	25%	2,351	78%	3,985	42%	980	82%	4,965	47%
Subtotal	6,425	100%	3,021	100%	9,447	100%	1,202	100%	10,649	100%
Survey Item Skipped	23	-	22	-	45	-	5	-	50	-
Total	6,448	-	3,043	-	9,491	-	1,207	-	10,698	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ Enrollment is defined as being enrolled within the last 12 months.

Twenty-two percent of rehabilitated participants reported being enrolled in an IHL in the past year. Although rehabilitated participants no longer receive VR&E services after completing their plans, some of them may decide to further their education and training even more by taking advantage of other VA education benefits. The VA has experienced an increase in the number of Veterans participating in education programs since FY 2010, which is due in part to the Post-9/11 GI Bill Program being fully enacted since that time.⁷

Another measure included in the Congressional legislation that is related to the receipt of education or training is the average number of credit hours, degrees, and certificates obtained during the year. Tables 3A-8 and 3A-9 provide this summary information for persisting, discontinued, and rehabilitated participants. As shown in Table E1-8, while 16 percent (3 percent + 13 percent) of the cohort that responded to the survey question on credit hours reported completing 10 or fewer credits, 83 percent (25 percent + 25 percent + 16 percent + 17 percent) of the cohort reported completing more than 10 academic credits in the past year. More than half (25 percent + 16 percent + 17 percent) of the cohort reported completing more than 20 academic credits in the past year, which likely means these cohort members were in school for at least 2 semesters during the year and pursuing school on a full-time basis.

⁷ http://www.va.gov/vetdata/docs/quickfacts/Education_Beneficiaries.pdf

Table E1-8. Number of Credit Hours Completed in Past Year for FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Number of Credit Hours	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
No credits completed	116	2%	16	3%	133	2%	22	10%	155	3%
1 to 10	569	12%	112	17%	681	13%	37	18%	718	13%
11 to 20	1,179	25%	172	27%	1,351	25%	33	16%	1,384	25%
21 to 30	1,238	26%	121	19%	1,360	25%	45	22%	1,405	25%
31 to 40	747	16%	86	13%	834	16%	32	16%	866	16%
41 or more	803	17%	126	19%	929	17%	30	14%	959	17%
Credits not recorded	61	1%	13	2%	74	1%	9	4%	83	1%
Subtotal	4,714	100%	647	100%	5,361	100%	208	100%	5,569	100%
Survey Item Skipped	1,735	-	2,396	-	4,131	-	999	-	5,130	-
Total	6,448	-	3,043	-	9,491	-	1,207	-	10,698	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

As seen in Table E1-9, 22 percent of the cohort reported completing at least 1 degree in the past 12 months. Those reporting earning a degree, typically, completed 1 degree during the past 12 months (see Appendix I: Table I-18). Twelve percent of the overall cohort reported obtaining at least 1 certificate in the past 12 months. A higher proportion of rehabilitated participants (17 percent) reported obtaining at least 1 certificate relative to persisting (11 percent) and discontinued (7 percent) participants. Moreover, some cohort members reported obtaining more than 1 certificate in the past 12 months. Among those who obtained a certificate, on average, persisting and rehabilitated participants obtained 2 certificates during the past 12 months, whereas discontinued participants obtained 1.5 certificates during the past 12 months (see Appendix I: Table I-18). It is important to note that while Table E1-9 provides estimates on the number and percentage of cohort members who have obtained a degree or

Thirty-two percent of all persisting and rehabilitated participants received a degree or certificate within the past year and within the first 4 years since entering the program. It should be noted that those persisting in their plans are still working towards completing their degrees or certificates.

certificate in the past 12 months, some of those who did not obtain a degree or certificate may still be in school.

Table E1-9. Degrees and Certifications Obtained in Past Year by FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Average Number of Degrees and Certificates	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Degrees										
Obtained Degree	1,789	28%	466	15%	2,256	24%	107	9%	2,363	22%
Did not Obtain Degree	4,659	72%	2,577	85%	7,235	76%	1,100	91%	8,335	78%
Total	6,448	100%	3,043	100%	9,491	100%	1,207	100%	10,698	100%
Certificates										
Obtained Certificate	683	11%	519	17%	1,202	13%	79	7%	1,280	12%
Did not Obtain Certificate	5,765	89%	2,524	83%	8,289	87%	1,128	93%	9,418	88%
Total	6,448	100%	3,043	100%	9,491	100%	1,207	100%	10,698	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

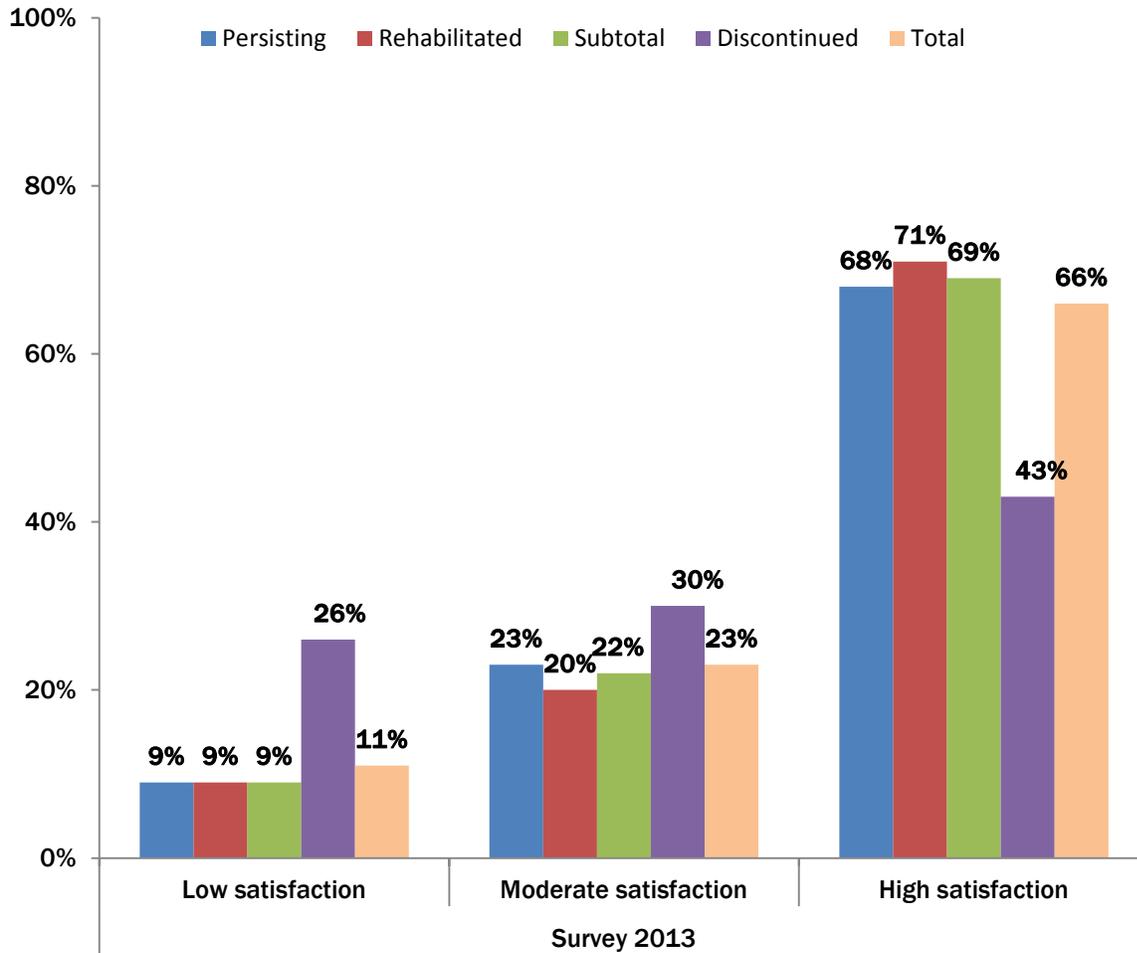
¹ While the table reports on the number and percentage of cohort members who have obtained a degree or certificate in the past 12 months, it should be noted that some who did not yet obtain a degree or certificate may still be in school.

Section E2: Trends in Program Satisfaction

Cohort members who completed the survey were asked to rate their overall experience with the VR&E program, using a 1 to 9 scale, where 1 is unacceptable, 5 is average, and 9 is outstanding. Scale scores between 1 and 3 indicate low satisfaction, whereas scale scores between 7 and 9 indicate high satisfaction. Scale scores near the midpoint of the scale (4 to 6) indicate moderate satisfaction. Figure E2-1 compares the average satisfaction scale score as of FY 2013 separately for persisting, rehabilitated, and discontinued cohort members, based on weighted survey data that sums to the cohort population. As shown in the figure, in all these groups, a plurality of individuals is very satisfied with the program. Rehabilitated cohort members appear to be most satisfied with the program, compared to persisting and discontinued cohort members. In fact, rehabilitated cohort members reported an increase in high program satisfaction of 6 percent (not shown), from 65 percent (not shown) in FY 2012 to 71 percent in FY 2013. Relative to persisting and rehabilitated participants, discontinued participants include a much higher proportion of Veterans with low program satisfaction. However, the proportion of discontinued cohort members reporting high satisfaction increased from 37 percent (not shown) in FY 2012 to 43 percent in FY 2013. Appendix Table I-19 provides the frequencies and percentages for the various satisfaction levels for the following cohort subgroups: persisting, rehabilitated, persisting and rehabilitated (i.e., subtotal), discontinued, and total.

Eighty-nine percent of the FY 2010 cohort reported moderate to high satisfaction with the VR&E program.

Figure E2-1. Overall Program Satisfaction Level for FY 2010 Cohort of VR&E Participants (Percent of Cohort)



NOTE: Percentages (%) reported in the figure are based on weighted survey data. Overall program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction score ranging between 1 and 3 indicates a low satisfaction level; a score ranging between 4 and 6 indicates a moderate satisfaction level; and a score ranging between 7 and 9 indicates a high satisfaction level.

Section E3: Factors that Contribute to Program Satisfaction

Multivariate regression analysis is also used to identify the factors that affect how satisfied Veterans are with the VR&E program. Several factors emerge as being associated with satisfaction. The detailed results of the regression analyses are presented in Appendix J. Table E3-1 provides a summary of the results. Specifically, program participation status, being in an Extended Evaluation, and program track are the most important factors affecting program satisfaction. Not surprisingly, Veterans who successfully completed the program by the end of FY 2013 are more satisfied with the program than those who were still persisting. Several additional factors are associated with higher program satisfaction including having a higher pre-rehabilitation salary, receiving a subsistence allowance for college, and earning a degree in the past 12 months. Discontinuation by the end of FY 2013 is related to decreased satisfaction with the program. Veterans in an Extended Evaluation are less satisfied with the program than those pursuing a program track. Additionally, Veterans who selected 1 of the 3 other employment tracks (Re-Employment, Rapid Access to Employment, or Self-Employment) are less satisfied with the VR&E program than Veterans who selected the Independent Living track. Finally, being male is associated with decreased program satisfaction.

Table E3-1. Factors that Contribute to Overall Program Satisfaction for FY 2010 Cohort as of end of FY 2013

Explanatory Variable	Direction of Effect
Rehabilitated (compared to persisting)	+
Discontinued (compared to persisting)	-
Being in an Extended Evaluation (compared to being in a program track)	-
Other employment track (compared to Independent Living)	-
Male	-
Pre-rehabilitation salary	+
Receiving subsistence allowance for a degree program	+
Earned a degree in past 12 months	+

Note: The effects are based on a linear regression estimation where the dependent variable is a continuous variable based on a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding.

Section E4: Trends in Rehabilitation and Discontinuation

In general, the basic period of eligibility in which Veterans can utilize VR&E services is 12 years. As Veterans work to complete the steps of their rehabilitation plans, one would expect to see the number (and thereby the percentage) of cohort members who successfully rehabilitate increase over time. There is a similar expectation that the number of discontinued participants will increase over time. Figure E4-1 and Table E4-1 presents by year the percentage of cohort members who have rehabilitated and discontinued for those cohort members who exited from 1 of the 4 employment tracks. Because cohort members can switch program tracks, as well as re-enter VR&E services after exiting the program, the annual percentages displayed in the figure were calculated using the program track and participation status as of the end of each fiscal year. As Figure E4-1 reveals, between FY 2010 and FY 2013, the number of rehabilitations from employment plans has been increasing at a slightly increasing pace. The number of discontinuations has been increasing over time as well.

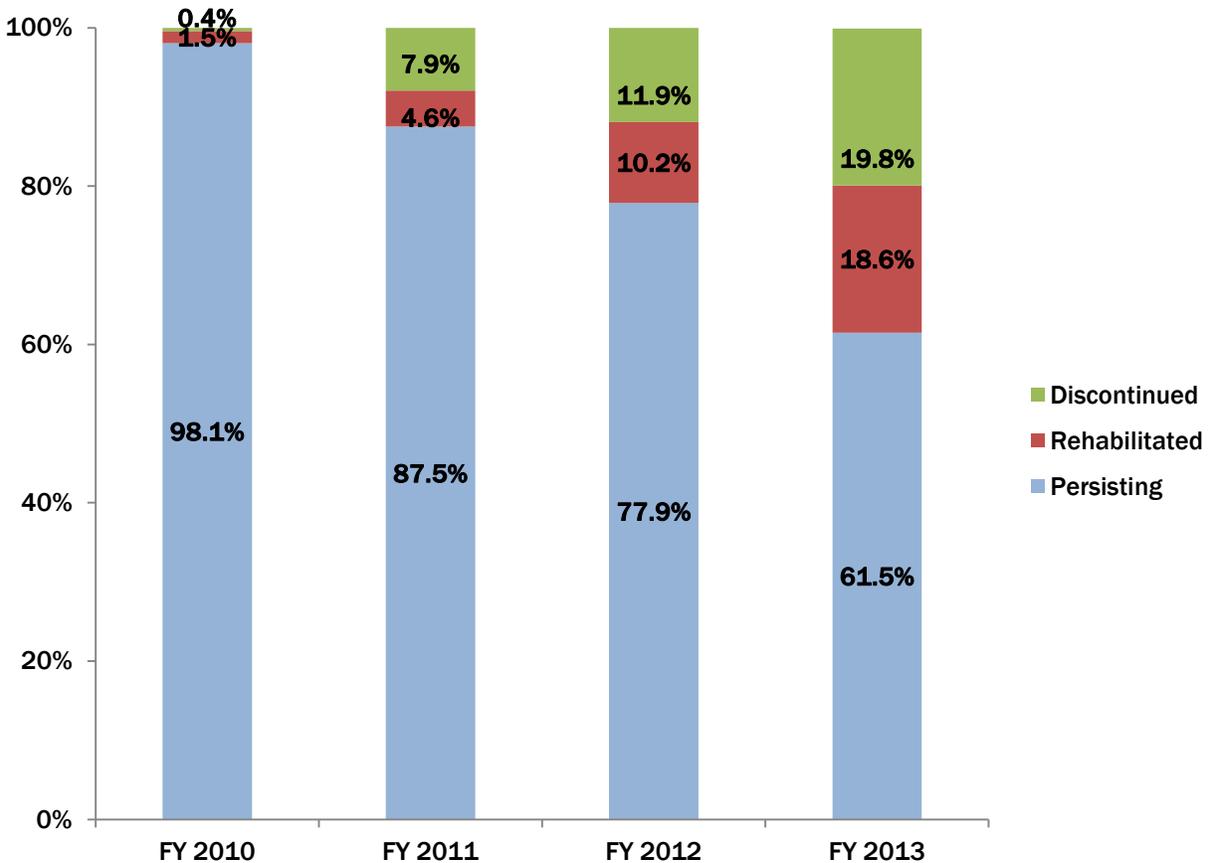
About 80% of Veterans with employment plans are either still pursuing or have successfully reached their rehabilitation goals.

Over 70% of FY 2010 cohort members in the Independent Living program have successfully completed the program as of the end of FY 2013.

Figure E4-2 and Table E4-1 presents the percentage of cohort members who have rehabilitated and discontinued from an Independent Living plan. Among all cohort members in an Independent Living program as of the end of FY 2013, over 70 percent of them rehabilitated as of the end of FY 2013. It is not surprising to see that the percentage rehabilitated among those pursuing an Independent Living plan is so much higher than the percentage rehabilitated among those pursuing an employment plan as this program is typically targeted to be completed within 2 years. In fact, one would expect to see the highest increase in the percentage of rehabilitations from the Independent Living program occurring between Year 1 and Year 2 of the study and this expectation has held true for the FY 2010 cohort. Given the fact that extensions may be provided up to 30 months if needed and even more additional extensions may be approved for Post-9/11 Veterans with severe injuries, it is not surprising to see the second highest increase in the percentage of rehabilitations from the Independent Living program occur between Year 2 and Year 3 of the study. However, as observed in Figure E4-2, it is expected that the percentage of rehabilitations from an Independent Living

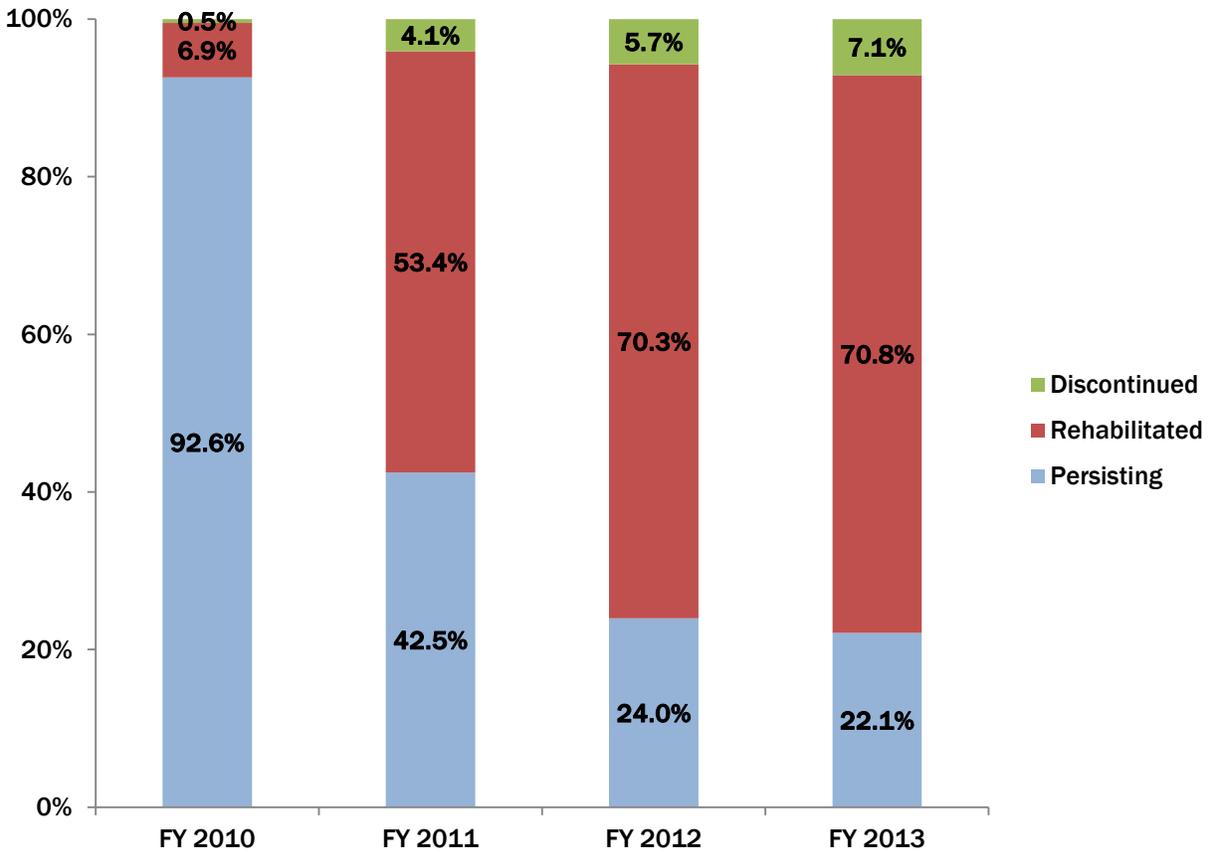
program will continue to increase, but at a much slower pace, with the amount of the increase tapering off, just as it is between FY 2012 and FY 2013.

Figure E4-1. Cumulative Annual Rehabilitation and Discontinuation Outcomes for Employment Plans for FY 2010 Cohort of VR&E Participants as of end of FY 2013 (Percent of Cohort)



NOTE: Percentages (%) reported in the figure are based on VBA administrative data available for the cohort population. Cohort members in an Extended Evaluation as of the end of each fiscal year are not included in the percentages reported in this figure.

Figure E4-2. Cumulative Annual Rehabilitation and Discontinuation Outcomes for Independent Living Plans for FY 2010 Cohort of VR&E Participants as of end of FY 2013 (Percent of Cohort)



NOTE: Percentages (%) reported in the figure are based on VBA administrative data available for the cohort population. Cohort members in an Extended Evaluation as of the end of each fiscal year are not included in the percentages reported in this figure.

Table E4-1. Status of FY 2010 Cohort of VR&E Participants in an Employment Plan or Independent Living Plan at end of each Fiscal Year of Study

Status	FY 2010		FY 2011		FY 2012		FY 2013	
	#	%	#	%	#	%	#	%
Employment Plan								
Persisting	8,309	98.1%	8,654	87.5%	7,679	77.9%	6,048	61.5%
Rehabilitated	130	1.5%	452	4.6%	1,007	10.2%	1,832	18.6%
Subtotal	8,439	99.6%	9,106	92.1%	8,656	88.1%	7,880	80.2%
Discontinued	34	0.4%	783	7.9%	1,173	11.9%	1,948	19.8%
Total	8,473	100.0%	9,889	100.0%	9,859	100.0%	9,828	100.0%
Independent Living Plan								
Persisting	535	92.6%	279	42.5%	167	24.0%	164	22.1%
Rehabilitated	40	6.9%	351	53.4%	490	70.3%	526	70.8%
Subtotal	575	99.5%	630	95.9%	657	94.3%	689	92.9%
Discontinued	3	0.5%	27	4.1%	40	5.7%	53	7.1%
Total	578	100.0%	657	100.0%	697	100.0%	742	100.0%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on VBA administrative data available for the cohort population. Cohort members in an Extended Evaluation as of the end of each fiscal year are not included in the frequencies and percentages reported in this figure.

Section E5: Factors that Contribute to Rehabilitation and Discontinuation

Multivariate regression analysis is used to identify the factors that affect who rehabilitates and who discontinues. Regression analysis identifies how a given background characteristic affects rehabilitation and discontinuation, while holding all other background characteristics fixed. For example, female Veterans tend to be younger than male Veterans. When we examine differences in outcomes by gender alone we may be also picking up an age effect as gender and age are correlated. If we include both gender and age in a regression analysis, we can identify the independent effect each of these variables have on their own on the outcome of interest. The detailed results of the regression analyses are presented in Appendix J. Summary results listing the significant factors that contribute to the outcome of interest are discussed below.

Rehabilitation Outcomes

In reviewing the following information on rehabilitation outcomes, it is important to note that the regression analysis examined factors associated with successful rehabilitation within the first 4 years after beginning a VR&E plan of services. Therefore, the results identify factors related to early rehabilitation, and may not be representative of the full range of factors associated with successful rehabilitation during the full 12-year eligibility period in which Veterans can utilize VR&E services.

Several factors emerge as being associated with rehabilitation by the end of FY 2013. Table E5-1 provides a summary of the results by showing the direction of impact of the variables associated with the probability of rehabilitation, the time it takes to rehabilitate, and the probability of

Being in an employment track, having a serious employment handicap, having a higher disability rating, and receiving a subsistence allowance for a degree program are associated with a decreased likelihood of reaching employment goals within 4 years of program entry.

On the other hand, having at least some college education at program entry, serving a greater number of months on active duty, and being an officer increase the likelihood of reaching employment goals within the same time period.

discontinuation. In this table, a blank entry means the variable was not correlated with the given rehabilitation or discontinuation result. The factors that drive program track are also the strongest drivers of rehabilitation. Compared to Veterans in the Independent Living track, Veterans in one of the employment tracks are less likely to successfully rehabilitate by the end of FY 2013, which may be due to the length of time needed for Veterans to complete the re-training necessary to beginning a new career. Other factors that decrease the probability of successful rehabilitation within the first 4 years of participation include having a serious employment handicap and having a higher disability rating, which indicates that Veterans with more complex disabilities, multiple disabilities, or more significant barriers to employment are not reaching rehabilitation as quickly as those Veterans with fewer barriers. Also associated with not having achieved rehabilitation by the end of FY 2013 is the receipt of a subsistence allowance for a degree program, which may indicate that the Veterans who have not rehabilitated are still engaged in training services.

In contrast, having at least some college education at program entry, a higher pre-rehabilitation salary, serving a greater number of months on active duty, and being an officer are associated with an increased likelihood of successfully completing their employment goals by the end of FY 2013. Gender, age, and era of service are unrelated to rehabilitation by the end of FY 2013.

In identifying factors associated with the timing of rehabilitation, the results suggest that the factors determining program track are also strong drivers of the timing of rehabilitation (second column of Table E5-1). Veterans in the Employment through Long-Term Services track or one of the other employment tracks take longer to successfully rehabilitate than those in the Independent Living track. In addition, having a serious employment handicap, having a higher disability rating, and receiving a subsistence allowance for a degree program are associated with relatively later rehabilitation. In contrast, having at least some college education, a higher pre-rehabilitation salary, and serving a greater number of months on active duty are associated with rehabilitating sooner.

Table E5-1. Factors that Contribute to Rehabilitation and Discontinuation for FY 2010 Cohort as of end of FY 2013

Explanatory Variable	Probability of Rehabilitation ¹	Time to Rehabilitation ²	Probability of Discontinuation ³
Being in an Extended Evaluation (compared to being in a program track)			+
Employment through Long-Term Services track (compared to Independent Living)	-	+	+
Other employment tracks (compared to Independent Living)	-	+	+
Serious employment handicap (SEH)	-	+	+
Male			+
Age			+
Disability rating	-	+	+
Receiving subsistence allowance for a degree program	-	+	-
Some college or higher	+	-	-
Pre-rehabilitation salary	+	-	-
Length of military service	+	-	-
Served in Gulf War era I			-
Officer status	+		-

¹ The effects are based on a logistic regression estimation for cohort members who have *not* discontinued, where the dependent variable is a dichotomous variable where 1 indicates rehabilitation and 0 indicates persisting program participation.

² The effects are based on a survival regression estimation where the dependent variable is number of days between the date of cohort entry and the date of rehabilitation (cohort members are removed from the risk set once they discontinue).

³ The effects are based on a logistic regression estimation where the dependent variable is a dichotomous variable where 1 indicates discontinuation and 0 indicates persisting program participation.

Discontinuation Outcomes

Generally, factors that are associated with successful rehabilitation are also related to discontinuation by the end of FY 2013, but the effect is in the opposite direction, as noted in Table E5-1. The factors that necessitate providing an Extended Evaluation (such as the most complex serious employment handicaps: Traumatic Brain Injuries, severe PTSD, and other conditions) are the strongest drivers of discontinuation. It is not surprising that Veterans who required an Extended

Evaluation of rehabilitative services designed to improve their rehabilitation potential and determine whether a vocational goal is feasible were the most likely to discontinue their rehabilitation plans. Extended Evaluations are utilized by Veterans whose disabilities and circumstances create the most significant employment handicaps and as such are strongly correlated with voluntarily ending the program without reaching employment goals (i.e., discontinuation). Among Veterans pursuing a program track, those in the Employment through Long-Term Services track and those in 1 of the 3 other employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) are more likely to discontinue their plans than those in the Independent Living track. Having a serious employment handicap is also strongly linked to a higher risk of discontinuation by the end of FY 2013.

Several other factors affect the probability of discontinuation, albeit to a lesser extent. Factors that increase the probability of discontinuation include being male, increased age, and having a higher disability rating. The results also suggest that receiving a subsistence allowance for a degree program, having at least some college education at program entry, having a higher pre-rehabilitation salary, having served a greater number of months on active duty, having served during the Gulf War era I, and having been an officer are associated with a lower likelihood of discontinuation.

Section E6: Employment and Standard of Living Outcomes as of FY 2013

In this section we present descriptive information about the employment and standard of living outcomes experienced by FY 2010 cohort members within the first 4 years after starting their plans of services. Because only a limited amount of information on post-program outcomes is available through VBA administrative files, the main source of data used to measure outcomes is the survey. Although the survey was administered to a sample of cohort members, these data have been weighted to reflect the entire cohort population.

The primary purpose of the 20-year longitudinal study is to determine the long-term outcomes associated with community adjustment of Veterans who establish a plan of services. Although most FY 2010 cohort members are still persisting in completing the steps outlined in their rehabilitation plans, some members have successfully rehabilitated, while others discontinued services, within 4 years of beginning their plans. Because the main focus of the longitudinal study is on long-term outcomes experienced by VR&E participants after exiting the program, the analysis and discussion primarily concentrates on the outcomes experienced thus far by rehabilitated and discontinued cohort members.

Employment Outcomes

Table E6-1 presents the current employment status of FY 2010 cohort members, as of the date their FY 2013 survey was completed. Overall, 48 percent of the cohort reported working as of the date of the survey, which is a 5 percentage-point increase over last year's employment rate. This increase is largely due to the increase in the percentage of rehabilitated participants who reported working. As expected, a much higher percentage of rehabilitated participants (71 percent) reported working at the time of survey this year, representing a 12 percentage-point (not shown) increase over the rate they reported last year. In contrast, only 33 percent of discontinued participants reported working

as of the date of this year’s survey. It is worth noting that 40 percent of the persisting VR&E participants report working while continuing to complete the steps of their rehabilitation program.

Table E6-1. Current Employment Status of FY 2010 Cohort of VR&E Participants by Participation Status

Current Employment Status	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Employed	2,540	40%	2,142	71%	4,682	50%	392	33%	5,073	48%
Not Employed	3,881	60%	884	29%	4,765	50%	806	67%	5,571	52%
Subtotal	6,421	100%	3,025	100%	9,447	100%	1,197	100%	10,644	100%
Survey Item Skipped	27	-	18	-	45	-	10	-	54	-
Total	6,448	-	3,043	-	9,491	-	1,207	-	10,698	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ This table reports the current employment status of all cohort members, regardless of the type of plan being pursued. The primary goal of the Independent Living program is not employment, but to assist Veterans with disabilities to develop the capacity to live as independently as possible in their homes and communities.

Table E6-2 shows the extent to which current jobs match VR&E training received. A little more than half (54 percent) of rehabilitated participants who responded to this survey item reported that their current job generally matches the training received through VR&E. Only 10 percent of discontinued participants reported working in a job that matches the training they received. These percentages are similar to last year’s results, where 50 percent (not shown) of rehabilitated participants and 14 percent (not shown) of discontinued participants reported their current job generally matched VR&E training. However, in this year’s survey, of all those who reported their current job matched the VR&E training received, 61 percent (1,079 out of 1,781) were rehabilitated participants, compared to only 33 percent (not shown) being rehabilitated participants in last year’s survey.

About three-quarters of rehabilitated Veterans reported working in a job at least somewhat related to the training received while in the VR&E program.

About 65% of discontinued Veterans reported working in a job that does not match their training.

Table E6-2. Extent to which Current Job Matches VR&E Training for FY 2010 Cohort of VR&E Participants by Participation Status

Training & Job Matching	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Job Matches Training	663	28%	1,079	54%	1,742	40%	40	10%	1,781	37%
Job Matches Training Somewhat	657	28%	416	21%	1,074	24%	96	25%	1,170	25%
Job Does Not Match Training	1,055	44%	513	26%	1,568	36%	248	65%	1,816	38%
Subtotal	2,375	100%	2,008	100%	4,384	100%	383	100%	4,767	100%
Survey Item Skipped	165	-	134	-	298	-	9	-	306	-
Total Currently Working	2,540	-	2,142	-	4,682	-	392	-	5,073	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Table E6-3 shows for those who worked at least part of the year, the number of months they reported working during the past 12 months. Two-thirds (2,041 out of 3,043) of rehabilitated participants reported working at some point during the past 12 months, compared to only one-third (401 out of 1,207) of discontinued participants. Approximately half of the overall cohort reported working at some point during the past 2 years, however this percentage slightly declined from 53 percent (not shown) of the cohort last year to 49 percent (5,235 out of 10,698) of the cohort this year. The percentage of rehabilitated members reporting working at some point remained about the same for both years, but the percentage of both persisting and discontinued members who reported working at some point declined over the past 2 years (persisting: 43 percent worked in FY 2013 versus 52 percent worked in FY 2012; discontinued: 33 percent worked in FY 2013 versus 38 percent worked in FY 2012). It is important to note that the information provided in Table E6-3 includes all cohort members, regardless of the type of plan being pursued. Recall that the primary goal of the Independent Living program is not employment. The Independent Living program assists Veterans with disabilities to develop the capacity to live as independently as possible in their homes and communities, as well as increase their potential to return to work. Thus, one would expect a much smaller proportion of those who rehabilitate from an Independent Living program to

report working, compared to those who rehabilitate from an employment plan. Further analysis of

Eighty-two percent of Veterans who rehabilitated from an employment plan reported working at some point during the past year.

rehabilitated cohort members by plan type reveals that 82 percent (not shown) of those who rehabilitated from an employment plan reported working at some point during the past year. Participants who did not work during the past year may have utilized the GI Bill or other resources to pursue additional higher education, beyond what is necessary to enter their career field. In contrast, only a very small number ($n < 5$)⁸ of those who rehabilitated from an Independent Living

plan reported working at some point during the past year, thus lowering the overall proportion of rehabilitated cohort members reporting working in Table E6-3 which includes all rehabilitated participants, regardless of plan type.

Table E6-3. Number of Months Employed during Past Year (for those who worked) of FY 2010 Cohort of VR&E Participants by Participation Status

Number of Months Employed	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
3 or less	477	17%	96	5%	573	12%	60	15%	634	12%
4 to 6	414	15%	178	9%	592	12%	55	14%	647	12%
7 to 9	246	9%	174	9%	420	9%	18	4%	437	8%
10 to 11	208	7%	133	7%	341	7%	27	7%	368	7%
12	1,448	52%	1,460	72%	2,907	60%	242	60%	3,149	60%
Subtotal	2,793	100%	2,041	100%	4,834	100%	401	100%	5,235	100%
Survey Item Skipped (No Work in Past Year)	3,655	-	1,002	-	4,657	-	806	-	5,463	-
Total	6,448	-	3,043	-	9,491	-	1,207	-	10,698	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

⁸ To protect the confidentiality of survey respondents, we do not report any statistics that are based on less than 5 survey respondents.

As many of the Veterans who exited the VR&E program did so in the past year, they have not necessarily had the opportunity to work a full year yet. However, we find of those cohort members who worked at least part of the year, more than half (60 percent) reported working for the entire year. Almost three-quarters (72 percent) of rehabilitated cohort members reported working for the entire past 12 months, compared to only half of persisting (52 percent) and 60 percent of discontinued participants.

Earnings Outcomes

Table E6-4 provides the distribution of annual earnings from working at a job that participants reported in the survey. These data reported in the table are intended to reflect the amounts individuals actually earned during the year rather than their annual salary, as is affected by the number of months they worked. One noteworthy point is the fact that several survey respondents reported past earnings from a job, but did not indicate that they worked in the past 12 months. Hence, the total number of respondents who reported positive annual earnings in Table E6-4 is slightly higher than the total number of respondents who reported being employed in the past 12 months in Table E6-3.

Because the distribution of annual earnings is so heavily skewed toward zero, and thus, the data are not normally distributed, the table reports both the mean and the median. Medians are better measures of central tendency for data that are not normally distributed. Moreover, the table reports both the unconditional (includes zero values) and conditional mean (excludes zero values), and the standard errors of both means (displayed in parentheses below the mean). The standard errors reported in Table E6-4, which are affected by both the standard deviation and the sample size, indicate the degree of uncertainty around the average estimate provided for the survey sample. The standard error increases as the sample size decreases, and the standard deviation (a measure of how widely scattered or variable the data are) increases. (For more detailed information on standard errors, refer to Appendix H.)

Table E6-4. Annual Earnings from Employment of FY 2010 Cohort of VR&E Participants by Participation Status

Range of Annual Earnings	All Persisting Participants ¹		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Employment Plan										
\$0	3,125	52%	190	8%	3,315	40%	640	61%	3,955	42%
\$1-12,000	1,105	18%	286	12%	1,391	17%	114	11%	1,505	16%
\$12,001-24,000	460	8%	293	12%	754	9%	68	6%	822	9%
\$24,001-36,000	477	8%	482	20%	960	12%	47	4%	1,007	11%
\$36,001-48,000	393	7%	424	18%	817	10%	70	7%	887	9%
\$48,001+	428	7%	681	29%	1,109	13%	114	11%	1,223	13%
Subtotal	5,990	100%	2,355	100%	8,344	100%	1,053	100%	9,397	100%
Unconditional Mean (Includes Zeroes)	\$12,225 S.E.: (\$615)		\$36,435 S.E.: (\$1,265)		\$19,056 S.E.: (\$631)		\$14,627 S.E.: (\$2,040)		\$18,560 S.E.: (\$604)	
Conditional Mean (Excludes Zeroes)	\$25,562 S.E.: (\$998)		\$39,626 S.E.: (\$1,253)		\$31,616 S.E.: (\$815)		\$37,272 S.E.: (\$4,032)		\$32,045 S.E.: (\$812)	
Unconditional Median	\$0		\$34,560		\$6,000		\$0		\$4,646	
Conditional Median	\$21,120		\$37,000		\$30,400		\$34,320		\$30,720	
Independent Living Plan										
\$24,001-36,000	140	93%	541	98%	681	97%	20	100%	701	97%
\$36,001-48,000	11	7%	12	2%	23	3%	0	0%	23	3%
Subtotal	151	100%	553	100%	704	100%	20	100%	724	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data. This table also reports the average annual salary, displaying the mean followed by the standard error, as well as the median. Cohort participants in an Extended Evaluation (weighted n = 107) are not included in the table.

¹ Cohort participants who are still persisting may be working full- or part-time as they complete their employment goals.

As shown in Table E6-4, among participants in an employment plan, only 8 percent of those who rehabilitated from an employment plan reported having no annual earnings, which is similar to last year's result (6 percent, not shown). In contrast, almost two-thirds of those who discontinued reported having no annual earnings, which is also similar to the percentage reported last year for this group (63 percent, not shown). Similarly, about half (52 percent) of those who are still persisting

reported having no annual earnings, which is a slight increase from last year for this group (47 percent, not shown). Because more than half of persisting and discontinued participants reported no annual earnings, the unconditional median annual earnings amount for both of these groups is \$0, as expected. In contrast, as a low proportion of rehabilitated participants reported no annual earnings, the unconditional median annual earnings for this group is positive (\$34,560), as expected.

When comparing the unconditional means of those who have rehabilitated with those who have discontinued, Table E6-4 reveals that on average, the unconditional average annual earnings of rehabilitated cohort members is more than \$20,000 greater than for those who discontinued services. However, when comparing the conditional means, those who rehabilitated, on average, earn only about \$2,000 more than those who discontinued, suggesting that the main difference between these 2 groups is the percentage of individuals who have positive earnings rather than the amount they earn when working. In other words, the substantial increase in earnings for rehabilitated cohort members compared to discontinued cohort members is largely due to the fact that a much larger proportion of those who rehabilitated reported working compared to those who discontinued. These comparisons of the unconditional and conditional averages of both groups also suggests that even those participants who discontinued their services may have benefited from the counseling, re-training, and other rehabilitation services they received. A comparison of the unconditional and conditional medians for the annual earnings

When comparing unconditional (includes zeroes) average annual earnings, findings reveal the earnings of rehabilitated Veterans is 149% greater than those of discontinued Veterans.

When comparing conditional (excludes zeroes) average annual earnings, the earnings of rehabilitated Veterans is only 6% greater than those of discontinued Veterans, suggesting that the main difference between these 2 groups is the percentage of Veterans who have positive earnings rather than the amount they earn when working.

The goal for many in the Independent Living program is to live as independently as possible. Hence, it is reasonable to expect that the majority of participants in this program report no annual earnings (\$0) from employment.

further supports this finding. It should be noted that the standard errors for the average earnings of discontinued members are much larger than the standard errors of the other subgroups, especially so for the conditional average, suggesting that the mean is affected by a few individuals who reported unusually high earnings within this group.

In general, employment is not the immediate goal of the Independent Living program. 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. While some Veterans can complete an Independent Living plan and then resume a vocational goal, for many Veterans pursuing this program track, the goal is to live as independently as possible. Hence, it is reasonable to expect that the majority of participants in this program report no annual earnings (\$0) from employment. As such, we do not report average earnings for those in Independent Living in Table E6-4.

Table E6-5 shows the distribution of the pre-rehabilitation salary and post-rehabilitation salary of participants who rehabilitated from an employment plan. In the previous table, annual earnings reported by survey participants corresponds to actual earnings from a job during the past 12 months, and is affected by the number of months worked. In contrast, post-rehabilitation annual salary is recorded by VR&E counselors in VBA's administrative files after Veterans have successfully completed their plans and at the time of their rehabilitation exit interview and is an indicator of the potential salary earned if a rehabilitated Veteran works in that job for the next 12 months. Therefore, earnings from the past 12 months (collected in the survey) and post-rehabilitation salary (available within VBA administrative files) represent different earnings measures.

Because the pre-and post-rehabilitation annual salary data are not normally distributed and negatively skewed towards zero, Table E6-5 presents the unconditional and conditional mean and median. More than two-thirds of rehabilitated participants had a pre-rehabilitation salary of \$0, so the unconditional median is \$0, as expected. For both the mean and median, as Table E6-5 indicates, on average, individuals who rehabilitated from the program have experienced an increase in salary, much of which is driven by those having no pre-rehabilitation salary, as shown when comparing the change in the unconditional averages versus the change in conditional averages. However, even those who had a positive pre-rehabilitation salary saw a large increase in their post-rehabilitation salary.

For rehabilitated cohort members, the average salary of those who worked before entering the VR&E program was 39% higher after successfully completing the program.

Table E6-5. Pre-Rehabilitation Salary and Post-Rehabilitation Salary for FY 2010 Cohort of VR&E Participants who Rehabilitated from an Employment Plan

Annual Salary Range	Pre-Rehabilitation Salary		Post-Rehabilitation Salary	
	#	%	#	%
\$0	1,225	67%	50	3%
\$1-12,000	123	7%	58	3%
\$12,001-24,000	172	9%	280	16%
\$24,001-36,000	148	8%	601	33%
\$36,001-48,000	93	5%	392	22%
\$48,001+	71	4%	418	23%
Subtotal	1,832	100%	1,799	100%
Independent Living Plans	526		526	
Data Unavailable	0	-	33	-
Total	2,358	-	2,358	-
Unconditional Mean (S.D.) (Includes Zeroes)	\$9,472 S.D.: (\$17,206)		\$38,609 S.D.: (\$22,072)	
Conditional Mean (S.D.) (Excludes Zeroes)	\$28,588 S.D.: (\$18,630)		\$39,713 S.D.: (\$21,383)	
Unconditional Median	\$0		\$34,800	
Conditional Median	\$25,200		\$35,004	

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population. This table also reports the average annual salary, displaying the mean followed by the standard deviation, as well as the median.

Income Outcomes

Table E6-6 presents the average annual individual and household income for the FY 2010 cohort, of those participants who responded to those survey items. Individual income was defined in the survey as the gross income VR&E participants received from all sources, before taxes, including earnings from a job, benefits received from government programs, and retirement, pension, investing, or savings income from which regular payments are received. Household

The median annual individual income of rehabilitated participants is 60% greater than the median for the entire cohort.

The median annual household income of rehabilitated participants is 32% greater than that of the total cohort.

income was defined in the survey as the combined pre-tax income of people who share their income and live in the same house (e.g., Veteran and spouse). Survey respondents were asked to report income amounts from the past 12 months. Because means are substantially affected by outlier values, the table reports both the mean and the median. Medians are better measures of central tendency for data that are not normally distributed or have several outliers. Both the mean and median annual individual and household income for rehabilitated participants are much higher than those who are persisting and those who have discontinued. In contrast, the median annual individual and household incomes for discontinued participants are similar to those still persisting and significantly lower than those who have rehabilitated. The median individual and household annual income increased slightly for rehabilitated participants over the past year, however both measures remained stable for persisting and discontinued participants over the same time period.

Table E6-6. Income of FY 2010 Cohort of VR&E Participants by Participation Status

Average Annual Income	All Persisting Participants	All Rehabilitated Participants	Subtotal	All Discontinued Participants	Total
Individual Income					
#	5,986	2,786	8,772	1,035	9,806
Mean (S.E.)	\$25,600 S.E.: (\$705)	\$45,061 S.E.: (\$1,373)	\$31,780 S.E.: (\$688)	\$30,870 S.E.: (\$2,196)	\$31,684 S.E.: (\$657)
Median	\$20,000	\$40,320	\$26,000	\$22,800	\$25,188
Household Income					
#	6,204	2,898	9,102	1,110	10,212
Mean (S.E.)	\$38,262 S.E.: (\$918)	\$58,245 S.E.: (\$1,732)	\$44,624 S.E.: (\$864)	\$42,190 S.E.: (\$2,728)	\$44,359 S.E.: (\$825)
Median	\$33,000	\$50,000	\$39,000	\$31,434	\$38,000

NOTE: Frequencies (#) and averages reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data. This table also reports the average annual salary, displaying the mean followed by the standard error, as well as the median.

Receipt of Other Public Program Benefits

Table E6-7 presents the number and proportion of cohort members who received unemployment benefits at some point during the past 12 months. Similar to the findings from last year’s survey, a small proportion of both rehabilitated and discontinued participants received unemployment compensation in the past year, which may have included the months prior to being declared rehabilitated.

Table E6-7. Receipt of Unemployment Benefits by FY 2010 Cohort of VR&E Participants by Participation Status

Unemployment Benefits	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Received Unemployment Compensation	344	5%	133	4%	477	5%	29	2%	505	5%
Did Not Receive Unemployment Compensation	6,076	95%	2,893	96%	8,968	95%	1,169	98%	10,137	95%
Subtotal	6,419	100%	3,025	100%	9,445	100%	1,197	100%	10,642	100%
Survey Item Skipped	29	-	18	-	47	-	10	-	56	-
Total	6,448	-	3,043	-	9,491	-	1,207	-	10,698	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Home Ownership

Table E6-8 shows the proportion of cohort members who own their principal residence. The proportion is highest for individuals who have rehabilitated with a majority (63 percent) owning their principal residence, compared to only half of persisting and discontinued members reporting

Rehabilitated (63%) Veterans are more likely to own their home compared to persisting (48%) and discontinued (47%) Veterans.

owning their residence. The rate of home ownership increased slightly for the overall cohort as well as for persisting, rehabilitated, and discontinued cohort members when compared to last year's survey.

Table E6-8. Home Ownership Status of FY 2010 Cohort of VR&E Participants by Participation Status

Home Owner	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Yes	3,021	48%	1,902	63%	4,923	53%	565	47%	5,488	52%
No	3,337	53%	1,108	37%	4,445	47%	632	53%	5,076	48%
Subtotal	6,358	100%	3,011	100%	9,368	100%	1,196	100%	10,565	100%
Survey Item Skipped	91	-	32	-	123	-	11	-	134	-
Total	6,448	-	3,043	-	9,491	-	1,207	-	10,698	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 10,792 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Section E7: Trends in Employment and Standard of Living Outcomes

This section presents employment and income trends observed among cohort members who have exited the VR&E program by either successfully completing their plans or discontinuing services, specifically from an employment track. When assessing employment outcomes for participants who exit the program, it is important to examine these measures separately for those who exit from an employment plan versus an Independent Living program. Recall that the immediate goal for many Veterans in the Independent Living program is not employment. While some Veterans successfully complete an Independent Living plan of service and then resume vocational goals, many cannot. Hence, it is reasonable to expect that a certain proportion of individuals pursuing an Independent Living plan do not have intention on entering the labor force to seek employment. For this reason, it is not surprising to find that only a very small number of survey respondents who rehabilitated or discontinued from an Independent Living program reported working. In fact, the number of survey respondents in those categories with positive employment outcomes is too small to report findings for those subgroups. To protect the confidentiality of survey respondents, we do not report any results that are based on less than 5 survey respondents. Additionally, the number of survey respondents in those categories is too small ($n < 30$) to produce statistically reliable estimates that can be compared for the standard of living outcomes. Consequently, Veterans who exit VR&E from an Independent Living program are not included in the trends on employment and standard of living outcomes.

For similar reasons as those stated above, Veterans who discontinue from an Extended Evaluation are also not included in the findings presented in this section. The purpose of an Extended Evaluation is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible. Additionally, the number of survey respondents in this subgroup with positive employment outcomes is too small to report findings.

On the other hand, individuals who have rehabilitated from an employment plan have completed all the necessary training to be competitively employed in their field. VR&E evaluates each participant

as they near the completion of their rehabilitation goals and determines that their new training and skill development has made them competitive in their chosen field. VR&E also assesses and assists with their job seeking skills such as resume development and interview skills. Once a Veteran has all necessary training and skills, they are declared job ready. In the sections below we compare the employment rates, the average number of months worked in the past year, median yearly earnings (for those reporting positive earnings), and both individual and household income, specifically for Veterans who rehabilitate or discontinue from an employment plan. These findings are based on 2 years of self-reported survey data, and include trends in the outcomes of interest from FY 2012 to FY 2013.

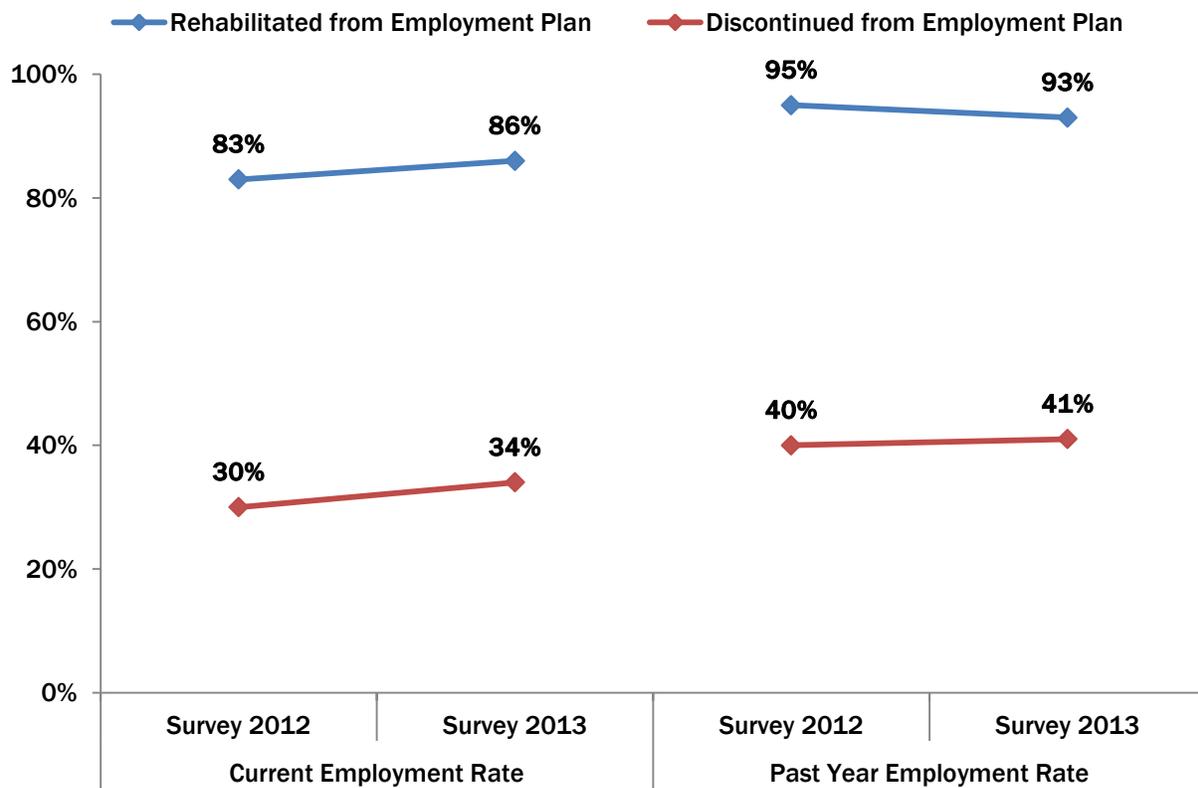
Trends Related to Employment

Employment rates. Figure E7-1 presents the current employment rate (as of the survey date) and the past year employment rate, for participants who rehabilitated or discontinued from an employment plan. The current employment rate is based on a cross-sectional snapshot in time of cohort members employment status at the time of the survey. In contrast, the past year employment rate reflects whether the individual worked at any point in the past 12 months (including as of the survey date). As Figure E7-1 illustrates, cohort members rehabilitating from an employment plan experienced a much higher rate (at least 50 percentage points) of employment compared to cohort members discontinuing from an employment plan.

The current employment rate slightly increased for those who rehabilitated from an employment plan from 83 percent in FY 2012 to 86 percent in FY 2013, as well as for those who discontinued from an employment plan from 30 to 34 percent over the same time period. However, the past year employment rate declined by 2 percentage points from 95 percent in FY 2012 to 93 percent in FY 2013 for those who rehabilitated from an employment plan. This decrease may be partially explained by the fact that some individuals choose to pursue additional education or training before re-entering the workforce. While it is true that individuals who rehabilitated from an employment plan have completed all necessary training to be competitively employed in their field, some of these individuals may not be working because they have chosen to continue in an additional program of

higher education. In fact, further analysis reveals that 31 percent (not shown) of those cohort members who rehabilitated from an employment plan but were not currently employed at the time of the FY 2013 survey were in fact enrolled in an institution of higher learning during the past 12 months, which is a 9 percentage-point increase (not shown) over those reporting similar circumstances in FY 2012. For other rehabilitated cohort members, changes in their family situation or life circumstances may cause them to leave the labor force, such as the birth of a new child, or having to take care of a family member with a disability. For those who discontinued from an employment plan, the past year employment remained stable over the past year at about 40 percent.

Figure E7-1. Annual Employment Rates for FY 2010 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, FY 2012 and FY 2013



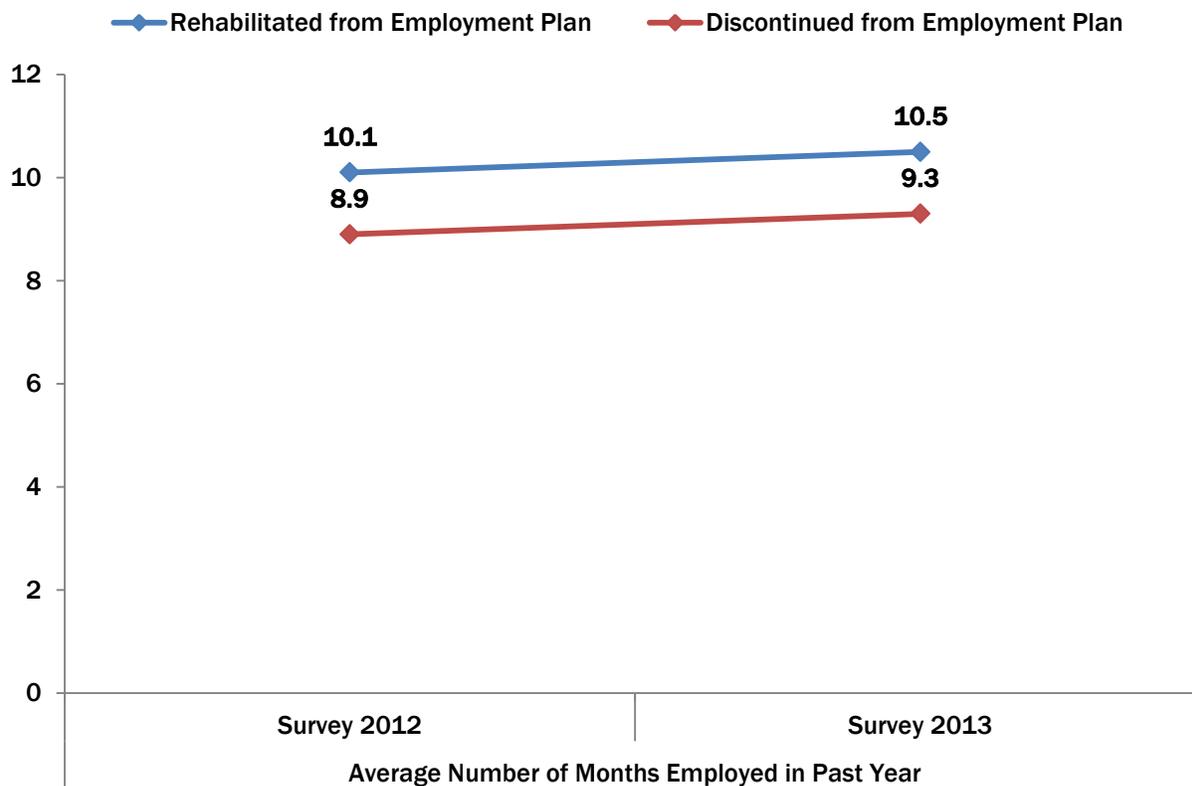
NOTE: Percentages (%) reported in the figure are based on weighted survey data. Current employment rate is defined as the percentage of cohort members who reported being employed as of the survey date. Past year employment rate is defined as the percentage of cohort members who reported working at any point in the past 12 months (including working currently as of the survey date).

Generally speaking, when observing an employment rate, it may seem intuitive to think of the inverse concept – the unemployment rate. The U.S. Department of Labor (DoL) defines unemployed individuals as people who are jobless, looking for jobs, and available for work. Since the VR&E Longitudinal Survey only asks about employment status, and not labor force participation (i.e., whether or not someone without a job is looking for work and available for work), we cannot report an unemployment rate as defined by DoL. Looking at the inverse of the employment rates presented in this report provides an overestimate of the unemployment rate for cohort members as it measures both unemployment and labor force non-participation.

When interpreting the employment rates presented in this report, one must exercise caution against inferring that the inverse of the employment rate (i.e., 100 percent minus the employment rate) is a measure of the unemployment rate. It is not an unemployment measure because it does not account for the fact that some individuals choose not to participate in the labor force.

Number of months employed. Figure E7-2 presents the average number of months worked during the past 12 months, among those who worked, for both those who rehabilitated and discontinued from an employment plan. As shown in Figure E7-2, cohort members who rehabilitated from an employment plan who reported working in the past year, on average, worked about 1 month more than those who discontinued from an employment plan who reported working, for both FY 2012 and FY 2013. Both groups reported an increase in the average number of months worked over the 2 years of about $\frac{1}{2}$ of 1 month.

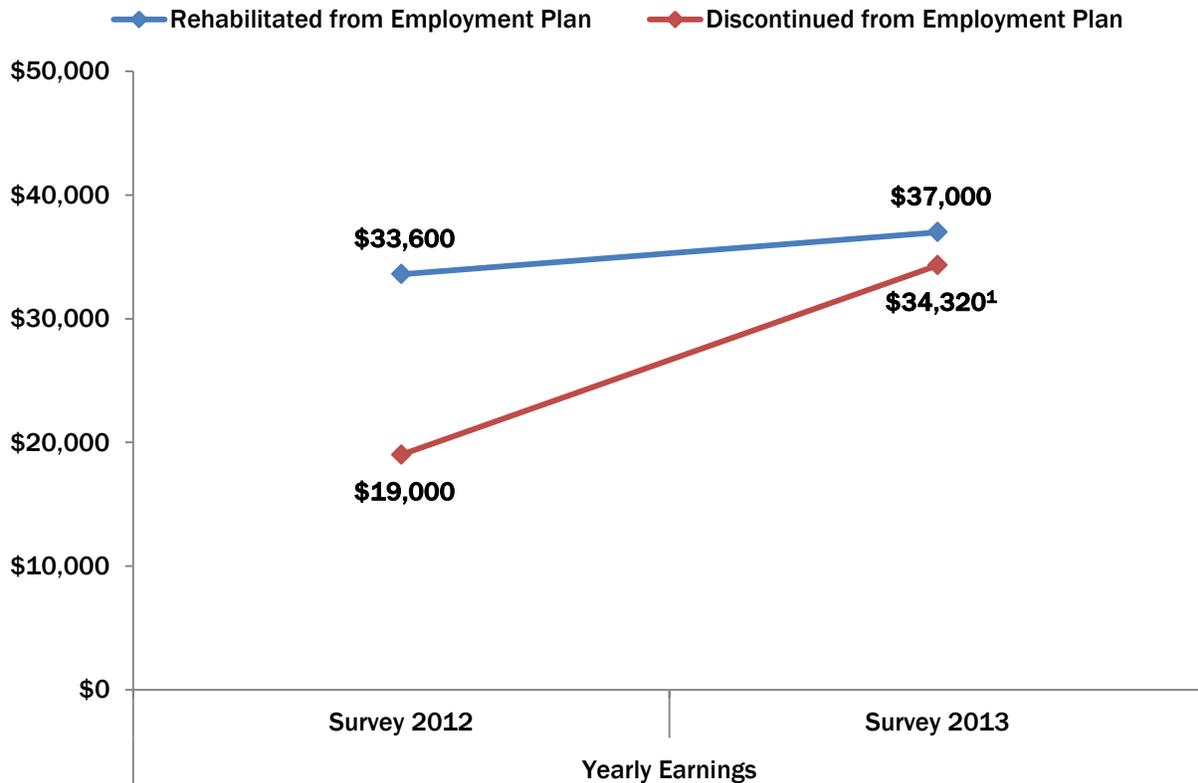
Figure E7-2. Average Number of Months Worked (for those who worked in the past year) for FY 2010 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, FY 2012 and FY 2013



NOTE: Averages reported in the figure are based on weighted survey data.

Annual earnings. Among those reporting positive annual earnings (i.e., the conditional average), the average annual earnings in FY 2012 and FY 2013 are shown in Figure E7-3 for those who exited VR&E from an employment plan. The median is presented instead of the mean because the median is a better measure of central tendency for data that is not normally distributed. As illustrated in the figure, the conditional median earnings for both FY 2012 and FY 2013 for those who rehabilitated from an employment plan are higher than those who discontinued from an employment plan. However this increase was much lower in FY 2013 than in FY 2012. Further examination of these data reveals that those who responded to the 2012 survey but did not respond to the 2013 survey comprise the lower tail of the distribution for annual earnings, which may overstate the average reported for this year, as shown in the figure.

Figure E7-3. Conditional Median Annual Earnings (for those with positive earnings) for FY 2010 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, as reported in Survey 2012 and Survey 2013



NOTE: Averages reported in the figure are based on weighted survey data.

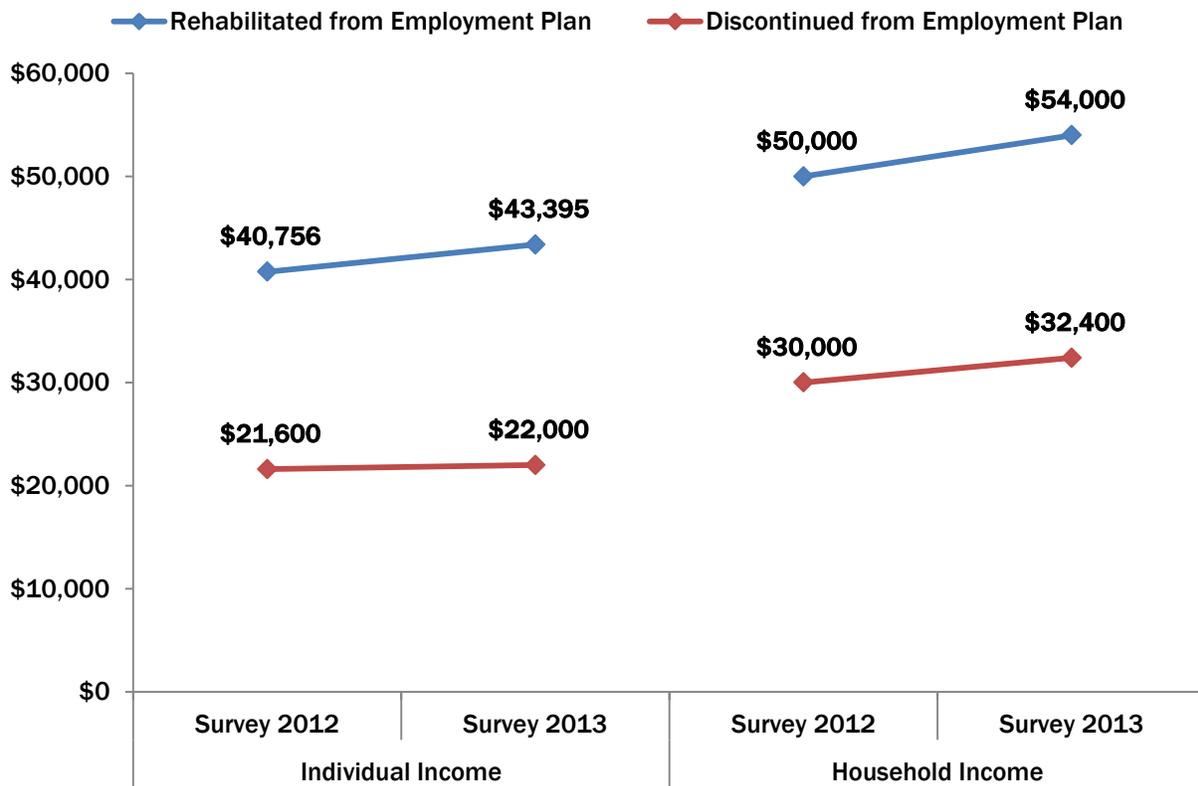
¹ Further examination of data reveals that those who responded to the 2012 survey but did not respond to the 2013 survey comprise the lower tail of the distribution for annual earnings, which may overstate the average reported for 2013.

Trends Related to Income

Income. Figure E7-4 presents the average annual individual and household income (earnings from a job plus other income sources) for those who rehabilitated and discontinued from an employment plan. Because income includes income from all sources, in addition to earnings from a job, and the fact that Veterans with a service-connected disability are likely eligible to receive disability compensation, it is expected that a majority of those who exit will report positive income amounts, in spite of their employment status. Hence, Figure E7-4 presents the unconditional (versus conditional) median income level. As Figure E7-4 illustrates, the unconditional median earnings for

both years for those who rehabilitated from an employment plan are about \$20,000 higher than those who discontinued from an employment plan.

Figure E7-4. Unconditional Median Annual Income for FY 2010 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, as reported in Survey 2012 and Survey 2013



NOTE: Averages reported in the figure are based on weighted survey data.

Section E8: Factors that Contribute to Employment and Standard of Living Outcomes

This section summarizes and discusses the findings from multivariate regression analyses that identify the factors that affect employment and income outcomes for those who have exited the program. The detailed results of the regression analyses are presented in Appendix J. Table E8-1 provides a summary of the explanatory factors for the various outcomes.

Table E8-1. Factors that Contribute to Employment and Standard of Living Outcomes for FY 2010 Cohort Members who have Exited VR&E as of end of FY 2013

Explanatory Variable	Current Employment Rate ¹	Number of Months Worked ²	Annual Earnings ³	Annual Individual Income ³	Annual Household Income ³
Rehabilitation status (compared to discontinued)	+	+	+	+	+
Other employment tracks (compared to Independent Living)			+	+	+
Employment through Long-Term Services track (compared to Independent Living)				+	+
Serious employment handicap				-	-
Age	-	-	-		
Disability rating	-	-	-	+	
Some college or higher					+
Pre-rehabilitation salary	+	+	+	+	+
Number of dependents				+	+
Length of military service	+	+	+	+	+
Officer status	+		+	+	+
Weeks since program exit			+	+	+

¹ The effects are based on a logistic regression estimation where the dependent variable is a numeric variable falling between 0 and 1.

² The effects are based on a negative binomial regression estimation where the dependent variable is a count variable ranging between 0 and 12.

³ The effects are based on a linear regression estimation where the dependent variable is a continuous variable.

Current employment rate. Program status is the single most important driver of current employment. Veterans who are successfully rehabilitated by the end of FY 2013 are more likely to be employed than those who discontinued their plan. Other significant variables that increase the likelihood of employment include having a higher pre-rehabilitation salary, having longer military service, and officer status. Older age and a higher disability rating decrease the probability of employment among those who have exited the program.

In addition to program status, other significant variables that increase the likelihood of employment include having a higher pre-rehabilitation salary, having longer military service, and officer status.

Number of months worked. The number of months worked is an important indicator because it accounts for the potential instability of employment and changing jobs. The factors that are associated with the number of months worked are similar to those that are related to current employment. As was the case for current employment, program status is the single most important factor related to number of months worked. Veterans who were successfully rehabilitated work more months than those who discontinued their plans. Similarly, pre-rehabilitation salary and length of military service are associated with a high number of months worked. Although officer status was significant in the regression for current employment, it was unrelated to the number of months worked. In contrast, being older in age and having a higher disability rating are related to a decreased number of months worked.

Annual earnings. Program status is the single most important factor related to annual earnings. Veterans who were successfully rehabilitated earned more over the past 12 months than those who discontinued their plans. Veterans who exited from the Employed through Long Term Services track and other employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) have higher annual earnings than those who exited from the Independent Living track. A higher pre-rehabilitation salary, having served more months on active duty, and having been an officer were also linked to higher annual earnings among Veterans who exited the program. In addition, the longer a Veteran had been out of the program, the greater his or her annual earnings. This reflects the fact that many Veterans are not employed while they are in the program and that the more time that has elapsed since a Veteran exited the program, the more months of employment (and earnings) he or she likely to have. Finally, older age and a higher disability rating are associated with decreased earnings.

Individual income. Individual income includes gross income from a job, government benefits, and savings. Program participation status, track, and rank are strong drivers of annual individual income. Veterans who were successfully rehabilitated have higher individual incomes than those who discontinued their plans. Veterans in the Long-Term services track and other employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) have higher annual incomes than Veterans in an Independent Living track. Veterans who were officers have higher income amounts than Veterans who were enlisted. Other factors related to higher annual individual incomes include higher pre-rehabilitation salary, a greater number of dependents, a greater number of months on active duty, and a greater number of weeks since exiting the program. Somewhat unexpected is the finding that a higher disability rating is associated with a higher annual income, which may be partially explained by the fact that Veterans with higher disability ratings typically receive higher disability compensation payments in addition to earnings from employment or income from other government assistance programs. These same individuals may also be receiving additional assistance from other government programs as well. Having a serious employment handicap is associated with lower individual income.

Household income. Household income includes gross income from all people who share income in the household, including spouses. The factors associated with household income are similar to those related to individual income. Program status, track, and military rank are the strongest drivers of household income. Veterans who were successfully rehabilitated have higher household incomes than those who discontinued their plans. Veterans who exited from the Employed through Long-Term Services track and other employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) have higher household incomes than those in the Independent Living track. Those who were officers have higher household incomes than enlisted. Other factors related to higher annual household incomes are having at least some college education, having a higher pre-rehabilitation salary, a greater number of dependents, having been on active duty longer, and the number of weeks since exiting the program. Finally, having a serious employment handicap is associated with lower household income.

Program status, program track, and military rank are the strongest drivers of annual household income. Other factors related to higher annual household incomes include having at least some college at program entry, having a higher pre-rehabilitation salary, having more dependents, having been on active duty longer, and the number of weeks since exiting the program.

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Appendix F

Findings for FY 2012 Cohort

Section F1: Description of FY 2012 Cohort by Program Participation Status as of FY 2013

Section F2: Trends in Program Satisfaction

Section F3: Factors that Contribute to Program Satisfaction

Section F4: Trends in Rehabilitation and Discontinuation

Section F5: Factors that Contribute to Rehabilitation and Discontinuation

Section F6: Employment and Standard of Living Outcomes as of FY 2013

Section F7: Trends in Employment and Standard of Living Outcomes

Section F8: Factors that Contribute to Employment and Standard of Living Outcomes

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Appendix F: Findings for FY 2012 Cohort



The FY 2012 cohort is comprised of individuals who applied for VR&E services in FY 2012 and entered a plan of services in FY 2012. As of the end of FY 2013, most of the FY 2012 Longitudinal Study participants were still in the rehabilitation process (i.e., persisting), however there were some cohort members who exited the program within their second year. Some participants successfully completed their plans (i.e., rehabilitated) while others had their rehabilitation services closed without reaching their rehabilitation goals (i.e., discontinued).

The status of all FY 2012 cohort participants in each of the first 2 years of study (FY 2012 and FY 2013) is presented in Table F-1. Only 1 percent of the FY 2012 cohort rehabilitated within the first year of receiving services, however that percentage increased to almost 10 percent within the second year of receiving services. Almost 97 percent of the FY 2012 cohort was still persisting in completing the steps of their rehabilitation plans at the end of FY 2012, however that status dropped by 15 percentage points to 81 percent of the cohort by the end of FY 2013. This decrease in the number of persisting participants is due to increases in both rehabilitations and discontinuations. About 2 percent of the cohort discontinued services as of the end of FY 2012, compared to 9 percent as of the end of FY 2013.

Table F-1. Status of FY 2012 Cohort of VR&E Participants at end of FY 2012 and FY 2013

Status	FY 2012		FY 2013	
	#	%	#	%
Persisting	14,925	96.9%	12,538	81.4%
Rehabilitated	210	1.4%	1,456	9.5%
Subtotal	15,135	98.3%	13,994	90.9%
Discontinued	262	1.7%	1,403	9.1%
Total	15,397	100.0%	15,397	100.0%

Section F1: Description of FY 2012 Cohort by Program Participation Status as of FY 2013

In this section we examine the demographic and background characteristics of the FY 2012 cohort as of FY 2013 and how these characteristics relate to their current participation status. Cohort members who began their plan of services in FY 2012 have been in the VR&E program for up to 2 years as of the end of FY 2013. Descriptive examination of the demographic and background characteristics of persisting, rehabilitated, and discontinued participants as of the end of FY 2013 provides insight as to if and how participation status is influenced by those characteristics.

Table F1-1 lists the background characteristics measured in the VR&E Longitudinal Study. In the remainder of this section we present and discuss only those characteristics that differ by participation status. Appendix H presents more detailed information on how to understand and interpret the data presented in the tables in the remainder of this section. Appendix I includes tables that present descriptive statistics for each of the 22 background characteristics measured by the study by participation status (i.e., persisting, discontinued, or rehabilitated).

Table F1-1. Background Characteristics Measured by the VR&E Longitudinal Study

Domain	Measure	VBA Administrative Data	Survey Data
Program-Related			
	Program track	✓	
	Satisfaction with the VR&E program		✓
Demographic			
	Serious employment handicap status	✓	
	Gender	✓	
	Age	✓	
	Combined disability rating*	✓	
	Pre-rehabilitation level of education	✓	
	Pre-rehabilitation salary	✓	
	Primary diagnosis	✓	
	Number of dependents		✓

Table F1-1. Background Characteristics Measured by the VR&E Longitudinal Study (continued)

Domain	Measure	VBA Administrative Data	Survey Data
Military-Related			
	Number of months of active duty service*	✓	
	Era of service	✓	
	Branch of service	✓	
	Rank	✓	
Education or Training			
	Receipt of subsistence allowance for pursuing an education or training program	✓	
	Enrollment in an institution of higher learning*		✓
	Number of credit hours obtained in past 12 months*		✓
	Number of degrees obtained in past 12 months*		✓
	Number of certifications obtained in past 12 months*		✓
Receipt of Other Benefits			
	Receipt of other VA benefits*	✓	
	Number of visits to VA medical facility*		✓
	Number of visits to non-VA medical facility*		✓

* Specified in Section 434 of Public Law 110-389.

While VBA administrative data that are available on all 15,397 FY 2012 cohort members allow us to examine certain demographic and background characteristics for the entire cohort population, data collected from a survey provides additional demographic and background characteristics for a subset sample of the cohort. Although the survey data were collected for a sample of cohort members, these data have been weighted to reflect the entire cohort population. During the first 2 years since beginning services, several FY 2012 cohort members have passed away. These individuals were subsequently coded as ineligible, and as a result, the survey weights do not sum to the initial cohort population of 15,397, but rather sum to 15,317. As with the FY 2010 cohort, population counts by subgroups differ between the survey and the administrative data, and respondents skipped some questions resulting in some missing data.

Program Track

Table F1-2 provides a snapshot of the FY 2012 cohort by their track selection as of the end of FY 2013. Table F1-2 shows that as of FY 2013, the vast majority of persisting participants – 93 percent – are in the Employment through Long-Term Services track (Track 4). This track includes Veterans who are seeking further education or other training. In fact, of the 11,562 persisting participants who received a subsistence allowance as of FY 2013, 88 percent (10,151) were pursuing an undergraduate or graduate degree program (see Appendix I: Table I-13). Because the majority of all FY 2012 participants have plans in Track 4, it is not surprising that the majority of those who have rehabilitated (54 percent) or discontinued (89 percent) did so from Track 4.

Table F1-2. Track Selection of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Track Selection	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Track 1 Re-Employment	81	1%	5	0%	86	1%	12	1%	98	1%
Track 2 Rapid Access to Employment	466	4%	317	22%	783	6%	85	7%	868	6%
Track 3 Self-Employment	23	0%	1	0%	24	0%	8	1%	32	0%
Track 4 Employment through Long-Term Services	11,681	93%	792	54%	12,473	89%	1,137	89%	13,610	89%
Track 5 Independent Living	247	2%	341	23%	588	4%	31	2%	619	4%
Subtotal	12,498	100%	1,456	100%	13,954	100%	1,273	100%	15,227	100%
Extended Evaluation	40	-	0	-	40	-	130	-	170	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population.

At the end of FY 2012, only 210 of the 2012 cohort had successfully completed the program, while at the end of FY 2013 that number had increased by almost seven times to 1,453.

During FY 2013, there was a marked increase in the number of rehabilitations. At the end of FY 2012, only 210 had rehabilitated (not shown), while at the end of FY 2013 that number had increased by almost seven times to 1,456. This pattern indicates great progress in successful rehabilitations, and we expect to see further progress in FY 2014.

The significant increase in rehabilitations was found in Tracks 2, 4, and 5, with more than half (54 percent) of all rehabilitations completed in the Employment through Long-Term Services track (Track 4). Much smaller increases were generated in Tracks 1 and 3. It is important to note that the large increases in those completing Independent Living (Track 5) is not unexpected because this program is targeted to be 24 months long. The Rapid Access to Employment track (Track 2) 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. It is expected that the majority of Veterans in this group will achieve success earlier than those in other tracks. We expect rehabilitation to take longer for the Employment through Long-Term Services track (Track 4) and hence, Veterans who are persisting in this track are overrepresented relative to their sizes in the overall population (89 percent versus 93 percent). Because further education or training is provided through this track, which often requires multiple years before completing, the greatest percentage of rehabilitations from this group is not expected until 3 or 4 years after Veterans initiate their rehabilitation plans. It is also reasonable to expect that some Veterans in this track who need only a few courses to complete a degree program or who may be pursuing a non-degree program will not take as long to complete their rehabilitation plans.

Demographic Characteristics

Table F1-3 provides a snapshot of selected additional demographic characteristics of the FY 2012 cohort, as of the end of FY 2013. In addition to presenting demographic variables that defined the sampling strata for the survey (gender and age range), we also present the distributions for combined disability rating percentage and presence of a serious employment handicap. While age at program

entry was used for sampling, Table F1-3 presents the current age distribution of cohort members, as of the end of FY 2013.

Table F1-3. Selected Demographic Characteristics of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Demographic Characteristic	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Serious Employment Handicap										
Yes	9,271	74%	1,041	71%	10,312	74%	1,271	91%	11,583	75%
No	3,267	26%	415	29%	3,682	26%	132	9%	3,814	25%
Gender										
Male	10,128	81%	1,248	86%	11,376	81%	1,201	86%	12,577	82%
Female	2,410	19%	208	14%	2,618	19%	202	14%	2,820	18%
Current Age										
Less than 30	1,692	13%	105	7%	1,797	13%	149	11%	1,946	13%
30 - 44	5,896	47%	534	37%	6,430	46%	497	35%	6,927	45%
45 - 54	3,242	26%	362	25%	3,604	26%	378	27%	3,982	26%
55 and above	1,708	14%	455	31%	2,163	15%	379	27%	2,542	17%
Combined Disability Rating Percentage										
0% ¹ - 20%	2,089	17%	215	15%	2,304	16%	209	15%	2,513	16%
30% - 60%	6,245	49%	671	46%	6,916	49%	616	43%	7,532	49%
70% - 100%	4,092	33%	555	38%	4,647	33%	565	41%	5,212	34%
Memorandum Rating ²	112	1%	15	1%	127	1%	13	1%	140	1%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population.

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.

Consistent with patterns that were seen in FY 2012, discontinued participants have a much higher proportion of Veterans with a serious employment handicap (91 percent), relative to persisting and rehabilitated participants. Determination of a serious employment handicap indicates significant

impairment in a Veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests. Additionally, a larger proportion of discontinued participants, relative to the overall cohort population, have a combined disability rating percentage of 70 percent or higher (41 percent compared to 34 percent). These findings suggest that relative to their numbers in the program, Veterans with more severe service-connected disabilities are more likely to discontinue in the first 2 years than other participants.

The percentage of female Veterans has been rising over that past 20 years. While only 10 percent¹ of Veterans overall are women, they represent 20 percent of the Gulf War II era Veterans². Similarly, among this cohort, the share of Veterans that are females is at 18 percent. At the end of FY 2013, a smaller proportion of females had rehabilitated compared to males. However, this is an improvement over what was observed in FY 2012, where women were 18 percent (not shown) of the cohort, but made up only 9 percent (not shown) of those who had successfully rehabilitated. In FY 2013, women made up 14 percent of those who have successfully rehabilitated.

**In FY 2013,
women made
up 14 percent
of those who
have
successfully
rehabilitated.**

Comparison by age shows that the largest percentage of those who have rehabilitated were between the ages of 30 and 44. This finding is in line with the fact that the majority of those who have rehabilitated are in Track 4, where almost half (47 percent, not shown) of the participants are between the ages of 30 and 44. These results differ from what was found at the end of FY 2012, where older Veterans (aged 55 and older) comprised the largest share (36 percent, not shown) of rehabilitated participants.

The legislation requiring this study specifically seeks information on the number of months served on active duty and the number of dependents for VR&E participants. Summary information (e.g., mean and standard deviation or standard error) on these 2 demographic variables is provided in Table F1-4. Examination of the table reveals that rehabilitated participants served the longest, with

¹ National Center for Veterans Analysis and Statistics. *Department of Veterans Affairs Statistics at a Glance*. National Center for Veterans Analysis and Statistics, Department of Veterans Affairs, Washington, DC. February 2014. Available at: http://www.va.gov/vetdata/docs/Quickfacts/Homepage_slideshow_12_31_13.pdf.

² Based on 2013 Bureau of Labor Statistics data available at <http://www.bls.gov/news.release/vet.t01.htm>.

an average of slightly over 7 years of active duty military service. Persisting participants served on active duty, on average, a little over 6 years, while the average length of active duty service for discontinued participants was a little over 5 years.

Table F1-4. Additional Mandated Demographic Characteristics of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Demographic Characteristic	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)	#	Mean (S.D.)/(S.E.)
Average Number of Months Served on Active Duty ¹	12,536 ²	77.4 (76.4)	1,466	86.1 (86.3)	13,994	78.3 (77.6)	1,403	63.1 (66.3)	15,397 ²	76.9 (76.7)
Average Number of Dependents ³	12,473	1.9 (0.04)	1,534	1.6 (0.11)	14,007	1.9 (0.04)	810	1.8 (0.20)	14,817	1.9 (0.04)

NOTE: Averages reported in the table display the mean. Standard deviations and standard errors are included in parentheses for administrative and survey data, respectively. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ Average number of months served on active duty is based on VBA administrative data available for the cohort population.

² Administrative data on number of months served on active duty was unavailable for 2 persisting participants.

³ Average number of dependents is based on survey data that has been weighted up to reflect the cohort population.

As discussed earlier, VBA administrative data does not contain information for all Veterans in VR&E. Hence, an item was included in the VR&E Longitudinal Survey to collect information on number of dependents. These data were then weighted up to reflect the cohort population. Of those participants who responded to the survey item on number of dependents, the weighted average number of dependents for the FY 2012 cohort is 1.9, with persisting, rehabilitated, and discontinued participants having similar numbers of dependents. This finding is almost identical to what was observed in FY 2012 where the weighted average number of dependents was 1.8 (not shown).

Receipt of Other Benefits

Two additional background characteristics the Congressional legislation states are of interest are the number of medical visits VR&E participants make on average during the year – the average number of visits made to VA medical facilities during the year and the average number of visits made to non-VA medical facilities during the year. Survey data is the source of information for medical visits and Table F1-5 shows the average number of medical visits weighted to represent the cohort population.

Table F1-5. Number of Medical Visits in Past Year for FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Number of Medical Visits	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	Mean (S.E.)	#	Mean (S.E.)	#	Mean (S.E.)	#	Mean (S.E.)	#	Mean (S.E.)
Visits to VA Medical Facility ¹	12,825	11.9 (0.52)	1,573	13.7 (1.25)	14,397	12.1 (0.48)	830	15.7 (1.85)	15,228	12.3 (0.47)
Visits to non-VA Medical Facility ²	12,700	4.5 (0.25)	1,555	5.0 (0.62)	14,255	4.5 (0.23)	813	3.9 (0.66)	15,068	4.5 (0.22)

NOTE: Averages reported in the table display the mean followed by the standard error in parentheses. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ Average number of visits to a VA medical facility is based on survey data that has been weighted up to reflect the cohort population.

² Average number of visits to a non-VA medical facility is based on survey data that has been weighted up to reflect the cohort population.

Compared with the average for the overall cohort, rehabilitated and discontinued cohort members reported a slightly higher number of visits to a VA medical facility. Discontinued participants reported the most with an average of 15.7 visits to a VA medical facility during the past year, while rehabilitated participants made an average of 13.7 visits to a VA medical facility. These findings may help explain a reason for their

Discontinued participants visited VA medical facilities on average more than the overall cohort, which may be a reason for their discontinuation of the program.

discontinuation from the program. If their injuries or illnesses require more time receiving medical care, they may have a harder time completing the program.

Additionally, three-quarters (130 out of 170) of FY 2012 participants who were in an Extended Evaluation discontinued services. Individuals who are in an Extended Evaluation typically have more severe disabilities which may generate a need for healthcare services. Additionally, as part of their Extended Evaluation they maybe have additional health care visits to determine if a vocational goal is feasible. More than half (341 out of 619) of FY 2012 participants who were in an Independent Living plan achieved rehabilitation. Having rehabilitated from an Independent Living plan may also result in additional healthcare visits to VA medical facilities because the purpose of the program is to provide comprehensive services, including evaluative and rehabilitative services, designed to improve the individual's level of independence.

Members of the 2012 cohort report using non-VA medical facilities on average 4.5 times per year. This average represents almost 8 less visits to non-VA facilities compared to VA facilities. The biggest difference in facility usage was in the discontinued group who, on average, used non-VA facilities only 3.9 times compared to 15.7 times for VA facilities.

The Congressional legislation also states that the study measure and report the types of other VA benefits received by cohort members. Using administrative data collected by VA, Table F1-6 reports the number and percentage of cohort members who have life insurance through VA and have VA-insured mortgage loans. Six percent of the FY 2012 cohort has life insurance policies that are insured by VA. This percentage is down from 10 percent (not shown) in FY 2012. Five percent of cohort members have their mortgage loans insured by VA, which matches what was found in FY 2012. A higher proportion of rehabilitated participants (10 percent) have VA life insurance policies, relative to persisting (5 percent) and discontinued (8 percent) participants.

Table F1-6. Receipt of Other VA Benefits of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Other VA Benefits	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Life Insurance¹										
Have VA Life Insurance	647	5%	140	10%	787	6%	110	8%	897	6%
Do not Have VA Life Insurance	11,891	95%	1,316	90%	13,207	94%	1,293	92%	14,500	94%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%
Home Loan²										
Have VA Home Loan	657	5%	94	6%	751	5%	58	4%	809	5%
Do not Have VA Home Loan	11,881	95%	1,362	94%	13,243	95%	1,345	96%	14,588	95%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population.

¹ Life insurance includes Veterans' Group Life Insurance (VGLI), Service-Disabled Veterans' Life Insurance (S-DVI), and Veterans' Mortgage Life Insurance (VMLI).

² Home loans include both original mortgage loans and refinanced mortgage loans.

Receipt of Education or Training

Table F1-7 presents the proportion of cohort members who were enrolled in an IHL in the past year. It is not surprising that the majority of all cohort members (78 percent) are enrolled in an IHL, with 94 percent (11,141 out of 11,889) of those enrolled still persisting in pursuing their rehabilitation plans. This finding is consistent with the finding that the majority of persisting participants are in the Employment through Long-Term Services track. Recall that the Employment through Long-Term Services track includes Veterans who are seeking further education or other training which often takes multiple years. However, the data presented in the table suggest that over three-quarters of the FY 2012 cohort (not just those in the Employment through Long-Term Services track) are pursuing some form of education regardless of their plan of service or participation status.

Ninety-four percent of those enrolled in an institution of higher learning are still working on completing the steps in their rehabilitation plans.

Table F1-7. Enrollment in an Institution of Higher Learning in Past Year for FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Enrolled in Institution of Higher Learning (IHL) ¹	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Enrolled in IHL	11,141	87%	437	28%	11,579	80%	310	37%	11,889	78%
Not Enrolled in IHL	1,734	13%	1,150	72%	2,884	20%	520	63%	3,404	22%
Subtotal	12,875	100%	1,588	100%	14,463	100%	830	100%	15,293	100%
Survey Item Skipped	18	-	6	-	24	-	0	-	24	-
Total	12,893	-	1,594	-	14,487	-	830	-	15,317	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ Enrollment is defined as being enrolled within the last 12 months.

Another measure related to the receipt of education or training the Congressional legislation states is of interest is the average number of credit hours, degrees, and certificates obtained during the year. Tables 4A-8 and 4A-9 provide this summary information for persisting, rehabilitated, and discontinued participants. Eighty-seven percent (10,190 out of 11,760) of the cohort that responded to the question regarding number of credit hours reported completing more than 10 academic credits in the past year, which is almost a 20 percentage-point increase to what was observed at the end of FY 2012 when 68 percent (not shown) of the cohort reported this. About 38 percent of those enrolled in an IHL who have successfully rehabilitated earned 31 or more credit hours in FY 2013, suggesting that completing a large amount of credits may have led to successful completion of their plan of service.

About 38 percent of those who have successfully rehabilitated earned 31 or more credit hours in FY 2013, suggesting that completing a large amount of credits may have led to successful completion of their plan of service.

Table F1-8. Number of Credit Hours Completed in Past Year for FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Number of Credit Hours	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
No credits completed	273	2%	7	2%	280	2%	47	15%	327	3%
1 to 10	811	7%	75	17%	886	8%	55	18%	940	8%
11 to 20	2,201	20%	96	22%	2,297	20%	124	41%	2,421	21%
21 to 30	3,069	28%	42	10%	3,111	27%	15	5%	3,126	27%
31 to 40	2,090	19%	21	5%	2,112	18%	0	0%	2,112	18%
41 or more	2,334	21%	144	33%	2,478	22%	53	17%	2,531	22%
Credits not recorded	240	2%	52	12%	293	3%	11	4%	303	3%
Subtotal	11,018	100%	437	100%	11,456	100%	304	100%	11,760	100%
Survey Item Skipped	1,875	-	1,157	-	3,032	-	526	-	3,558	-
Total	12,893	-	1,594	-	14,487	-	830	-	15,317	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Twenty-two percent of the cohort reported completing at least 1 degree in the past 12 months, an increase from FY 2012 when 15 percent (not shown) reported completing at least 1 degree. The increase was seen in all 3 subgroups, but was most pronounced in the persisting group (up from 15 percent last year, not shown) and the rehabilitated group (up from 10 percent last year, not shown).

A similar result was found for the completion of at least 1 certificate.

Thirteen percent of the cohort reported earning a certificate in FY 2013, compared to only 9 percent (not shown) in FY 2012. Again, the increase was seen in all 3 subgroups, but was most pronounced in the persisting group (up from 8 percent last year, not shown). It is important to note that while Table F1-9 provides estimates on the number and percentage of cohort members who have obtained a degree or certificate in the past 12 months, some of those who did not obtain a degree or certificate may still be in school.

Thirty-one percent of the FY 2012 cohort have received a degree or a certificate within the past year.

Drilling down further, we find of those reporting earning a degree, they, on average, completed 1 degree during the past 12 months (see Appendix I: Table I-18). Among those who obtained a certificate, on average, 1.8 certificates were earned, with all subgroups at this level (see Appendix I: Table I-18).

Table F1-9. Degrees and Certifications Obtained in Past Year by FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2013

Average Number of Degrees and Certificates	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	#	%	#	%	#	%	#	%	#	%
Degrees										
Obtained Degree	3,034	24%	284	18%	3,318	23%	77	9%	3,395	22%
Did not Obtain Degree	9,859	76%	1,310	82%	11,169	77%	753	91%	11,922	78%
Total	12,893	100%	1,594	100%	14,487	100%	830	100%	15,317	100%
Certificates										
Obtained Certificate	1,669	13%	355	22%	2,024	14%	33	4%	2,057	13%
Did not Obtain Certificate	11,224	87%	1,239	78%	12,463	86%	797	96%	13,260	87%
Total	12,893	100%	1,594	100%	14,487	100%	830	100%	15,317	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ While the table reports on the number and percentage of cohort members who have obtained a degree or certificate in the past 12 months, it should be noted that some who did not yet obtain a degree or certificate may still be in school.

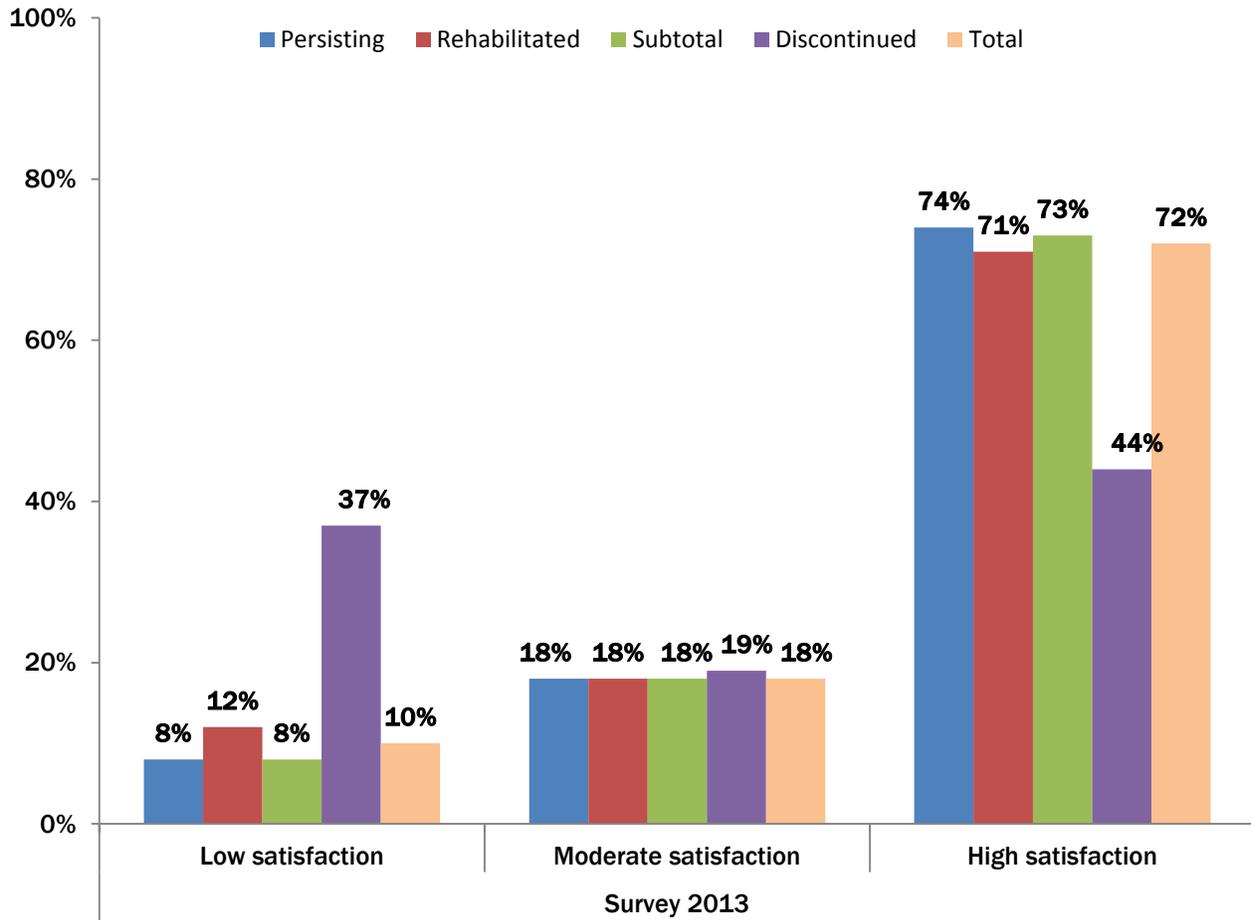
Section F2: Trends in Program Satisfaction

Cohort members who completed the survey were asked to rate their overall experience with the VR&E program, using a 1 to 9 scale, where 1 is unacceptable, 5 is average, and 9 is outstanding. Scale scores between 1 and 3 indicate low satisfaction, whereas scale scores between 7 and 9 indicate high satisfaction. Scale scores near the midpoint of the scale (4 to 6) indicate moderate satisfaction. Figure F2-1 presents the satisfaction score for persisting, rehabilitated, and discontinued cohort members for FY 2013.

Overall, 72 percent of individuals reported high satisfaction with the program in FY 2013, which is an increase of 3 percentage points from FY 2012 (not shown). Persisting and rehabilitated participants reported satisfaction in very similar proportions, with the majority of both groups reporting high satisfaction. As expected, those who discontinued reported low satisfaction in a higher proportion than any of the other groups and high satisfaction in a lower proportion than the other groups.

The majority of persisting and rehabilitated participants reported high satisfaction with the VR&E program.

Figure F2-1. Overall Program Satisfaction Level for FY 2012 Cohort of VR&E Participants (Percent of Cohort)



NOTE: Percentages (%) reported in the figure are based on weighted survey data. Overall program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction score ranging between 1 and 3 indicates a low satisfaction level; a score ranging between 4 and 6 indicates a moderate satisfaction level; and a score ranging between 7 and 9 indicates a high satisfaction level.

Section F3: Factors that Contribute to Program Satisfaction

This section summarizes the findings from multivariate regression analyses that identify the factors that affect how satisfied Veterans are with the program. The detailed results of the regression analyses are presented in Appendix J. As shown in Table F3-1, several factors emerged as being independently associated with satisfaction. Specifically, program participation status is the most important factor affecting program satisfaction. Not surprisingly, Veterans who successfully rehabilitate by the end of FY 2013 are more satisfied with the program than those who are still persisting. Veterans who discontinue their plans by the end of FY 2013 are less satisfied with the program compared to those who are still persisting. Veterans in an Extended Evaluation are also less satisfied than those in a program track. In addition, a higher pre-rehabilitation salary, having served more months on active duty, and receiving a subsistence allowance for a degree program are other factors that are associated with higher levels of program satisfaction. Having some college or higher and a primary mental diagnosis are linked to lower levels of satisfaction.

Table F3-1. Factors that Contribute to Overall Program Satisfaction for FY 2012 Cohort as of end of FY 2013

Explanatory Variable	Direction of Effect
Rehabilitated (compared to persisting)	+
Discontinued (compared to persisting)	-
Being in an Extended Evaluation (compared to being in a program track)	-
Some college or higher	-
Pre-rehabilitation salary	+
Primary mental diagnosis	-
Length of military service	+
Receiving subsistence allowance for a degree program	+

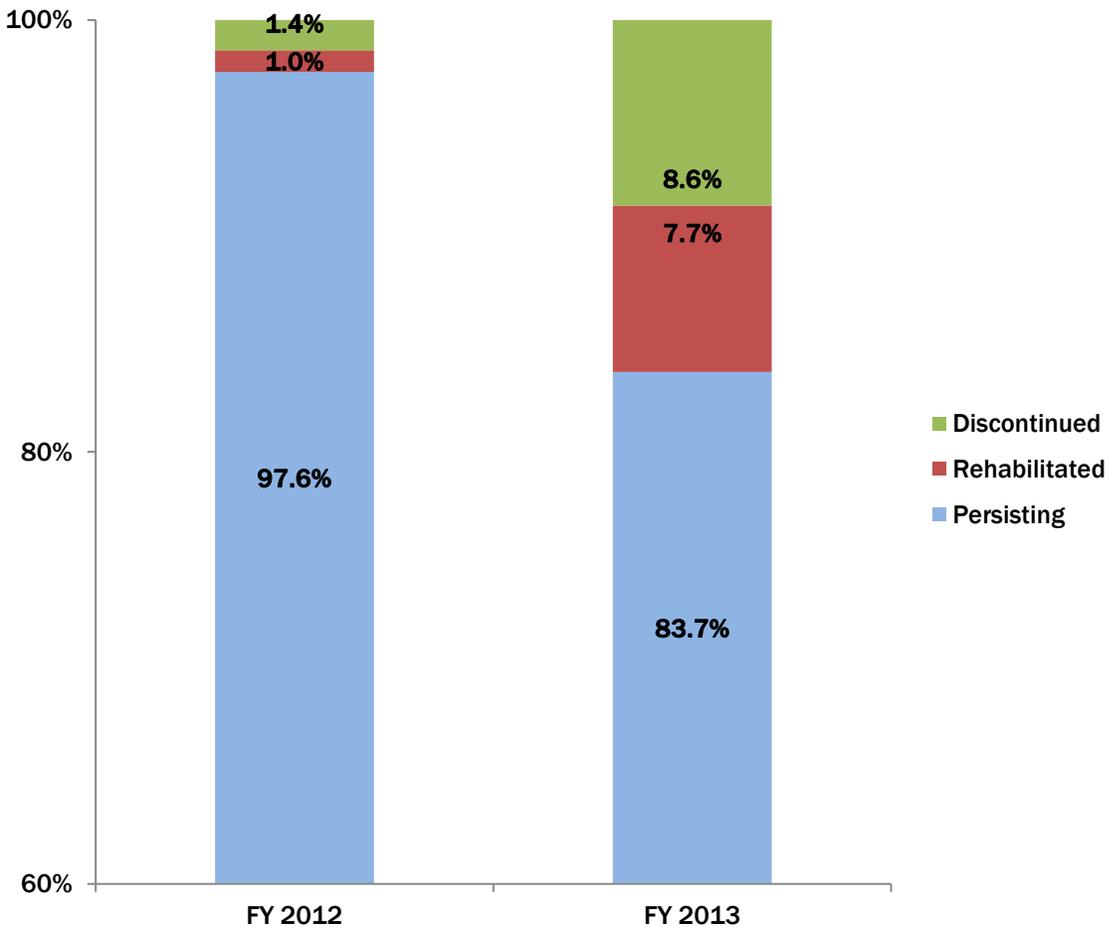
NOTE: The effects are based on a linear regression estimation where the dependent variable is a continuous variable based on a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding.

Section F4: Trends in Rehabilitation and Discontinuation

As Veterans work to complete the steps of their rehabilitation plans, one would expect to see the number (and thereby the percentage) of cohort members who successfully rehabilitate increase over time. There is a similar expectation that the number of discontinued participants will increase over time. Figure F4-1 and Table F4-1 present by year the percentage of cohort members who have rehabilitated and discontinued for those cohort members who exited from 1 of the 4 employment tracks. Because cohort members can switch program tracks, as well as re-enter VR&E services after exiting the program, the annual percentages displayed in the figure were calculated using the program track and participation status as of the end of each fiscal year. As Figure F4-1 and Table F4-1 reveal, over the first 2 years of the study, the number of rehabilitations from employment plans and the number of discontinuations from employment plans have both been increasing at a very similar pace. At the end of FY 2013, the pace of discontinuations was slightly higher than that of rehabilitations. And, as expected, the majority of cohort members are still persisting in working on the steps of their employment rehabilitation plans.

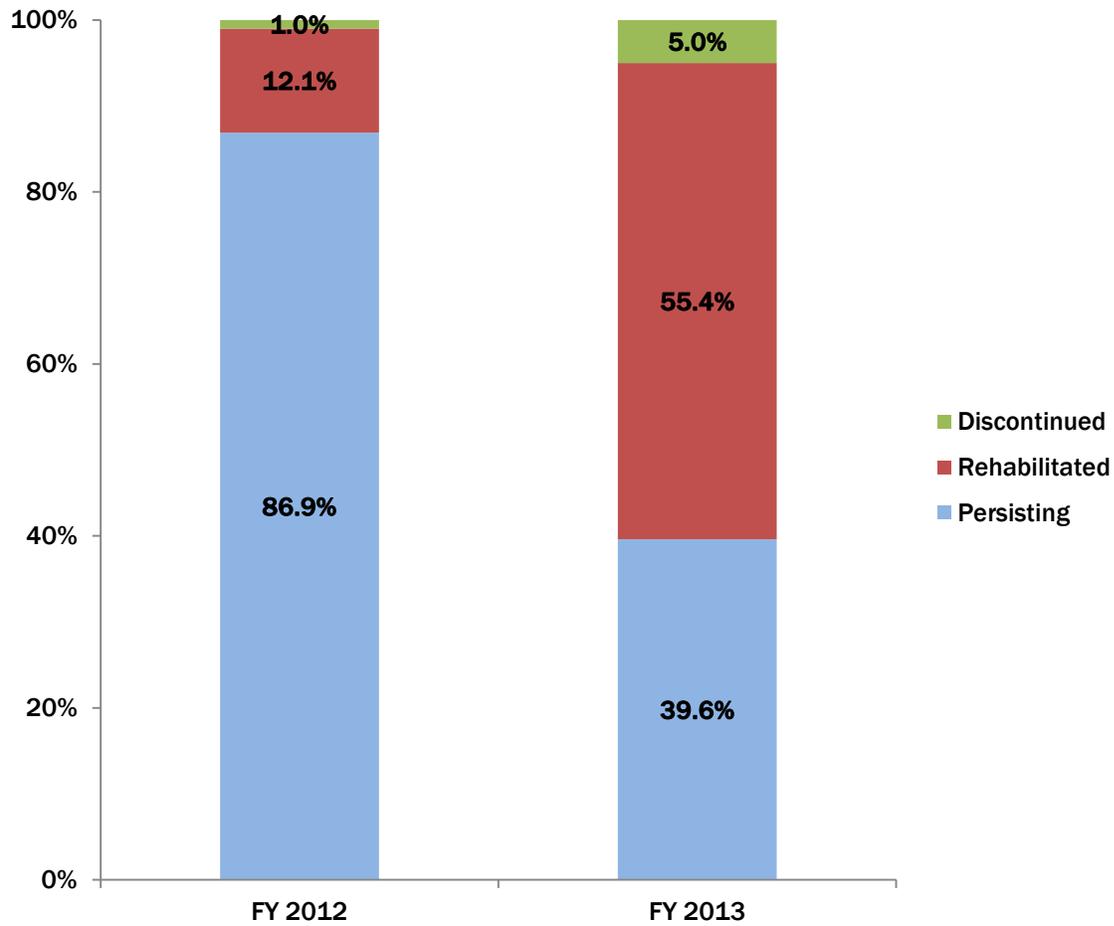
Figure F4-2 and Table F4-1 present the percentage of cohort members who have rehabilitated and discontinued from an Independent Living plan. Among cohort members who were in an Independent Living program, only 40 percent are still persisting in the program and 55 percent have successfully rehabilitated as of the end of FY 2013. It is not surprising to see that the percentage rehabilitated among those pursuing an Independent Living plan is so much higher than the percentage rehabilitated among those pursuing an employment plan, as this program is typically targeted to be completed within 2 years. Thus, one would expect to see the highest increase in the percentage of rehabilitations from the Independent Living program occurring over the first 2 years of the study. The number of rehabilitations increased almost 5 times between Year 1 and Year 2. Extensions may be provided up to 30 months if needed and even more additional extensions may be approved for Post-9/11 Veterans with severe injuries. Thus, we expect the number of rehabilitations to continue to increase, but at a slower pace, eventually tapering off.

Figure F4-1. Cumulative Annual Rehabilitation and Discontinuation Outcomes for Employment Plans for FY 2012 Cohort of VR&E Participants as of end of FY 2013 (Percent of Cohort)



NOTE: Percentages (%) reported in the figure are based on VBA administrative data available for the cohort population. Cohort members in an Extended Evaluation as of the end of each fiscal year are not included in the percentages reported in this figure.

Figure F4-2. Cumulative Annual Rehabilitation and Discontinuation Outcomes for Independent Living Plans for FY 2012 Cohort of VR&E Participants as of end of FY 2013 (Percent of Cohort)



NOTE: Percentages (%) reported in the figure are based on VBA administrative data available for the cohort population. Cohort members in an Extended Evaluation as of the end of each fiscal year are not included in the percentages reported in this figure.

Table F4-1. Status of FY 2012 Cohort of VR&E Participants in an Employment Plan or Independent Living Plan at end of each Fiscal Year of Study

Status	FY 2012		FY 2013	
	#	%	#	%
Employment Plan				
Persisting	14,152	97.6%	12,095	83.7%
Rehabilitated	140	1.0%	1,112	7.7%
Subtotal	14,292	98.6%	13,207	91.4%
Discontinued	207	1.4%	1,240	8.6%
Total	14,499	100.0%	14,447	100.0%
Independent Living Plan				
Persisting	501	86.9%	244	39.6%
Rehabilitated	70	12.1%	341	55.4%
Subtotal	571	99.0%	585	95.0%
Discontinued	6	1.0%	31	5.0%
Total	577	100.0%	616	100.0%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on VBA administrative data available for the cohort population. Cohort members in an Extended Evaluation as of the end of each fiscal year are not included in the frequencies and percentages reported in this figure.

Section F5: Factors that Contribute to Rehabilitation and Discontinuation

Multivariate regression analysis is used to identify the factors that affect who rehabilitates and who discontinues. Regression analysis identifies how a given background characteristic affects rehabilitation and discontinuation, while holding all other background characteristics fixed. For example, female Veterans tend to be younger than male Veterans. When we examine differences in outcomes by gender alone we may be also picking up an age effect as gender and age are correlated. If we include both gender and age in a regression analysis, we can identify the independent effect each of these variables have on their own on the outcome of interest. The detailed results of the regression analyses are presented in Appendix J. Summary results listing the significant factors that contribute to the outcome of interest are discussed below.

Rehabilitation Outcomes

It is important to note that the regression analysis examined factors associated with successful rehabilitation within the first 2 years after beginning a VR&E plan of services. Therefore, the results identify factors related to early rehabilitation, and may not be representative of the full range of factors associated with successful rehabilitation.

Several factors emerge as being independently associated with rehabilitation by the end of FY 2013. Table F5-1 provides a summary of the results, showing the direction of the impact of the variables that proved to have a statistically significant association with the likelihood of rehabilitation. A blank entry within the table means that variable is not associated with the likelihood of rehabilitation. The factors that drive program track are also the strongest drivers of successful rehabilitation. Compared to Veterans in the Independent Living track, Veterans in the Employment through Long-Term Services track or one of the other employment tracks (Re-Employment, Rapid Access to Employment, or Self-Employment) are less likely to successfully rehabilitate by the end of FY 2013, which is to be expected, as most Veterans in this track are still participating in the

rehabilitation process. Having a serious employment handicap, a higher combined disability rating, and receiving a subsistence allowance for a degree program also decrease the likelihood of rehabilitation within the first 2 years of receiving services, indicating that the presence of these factors may require more extensive supports. On the other hand, having some college education, having served more months on active duty, having served in the Gulf War era II, and being an officer increase the probability of successfully rehabilitating within the first 2 years of receiving services.

Table F5-1. Factors that Contribute to Rehabilitation and Discontinuation for FY 2012 Cohort as of end of FY 2013

Explanatory Variable	Probability of Rehabilitation ¹	Time to Rehabilitation ²	Probability of Discontinuation ³
Being in an Extended Evaluation (compared to being in a program track)			+
Employment through Long-Term Services track (compared to Independent Living)	-	+	+
Other employment tracks (compared to Independent Living)	-	+	+
Serious employment handicap (SEH)	-	+	+
Disability rating	-	+	+
Some college or higher	+	-	-
Pre-rehabilitation salary			-
Length of military service	+	-	-
Served in Gulf War era I			-
Served in Gulf War era II	+	-	-
Receiving subsistence allowance for a degree program	-	+	-
Officer status	+		

¹ The effects are based on a logistic regression estimation for cohort members who have *not* discontinued, where the dependent variable is a dichotomous variable where 1 indicates rehabilitation and 0 indicates persisting program participation.

² The effects are based on a survival regression estimation where the dependent variable is number of days between the date of cohort entry and the date of rehabilitation (cohort members are removed from the risk set once they discontinue).

³ The effects are based on a logistic regression estimation where the dependent variable is a dichotomous variable where 1 indicates discontinuation and 0 indicates persisting program participation.

Table F5-1 also presents the results of factors associated with the timing of rehabilitation. The results suggest that the factors driving program track are also the strongest drivers of the timing of rehabilitation. Veterans in the Employment through Long-Term Services track or one of the other employment tracks (Re-Employment, Rapid Access to Employment, or Self-Employment) take longer to successfully rehabilitate compared to Veterans in the Independent Living track, which is generally a 2 year program. Veterans with a serious employment handicap, those with a higher combined disability rating, and those who receive a subsistence allowance for college and also take longer to rehabilitate. Factors associated with faster rehabilitation include having some college education or higher, serving more months on active duty, and serving in the Gulf War era II.

Discontinuation Outcomes

As shown in Table F5-1, some of the factors that are associated with rehabilitation are also related to discontinuation by the end of FY 2013 but in the opposite direction. Veterans who were classified in the Extended Evaluation phase were the most likely to discontinue their rehabilitation plans, compared to Veterans who selected a program track. Individuals are placed in an Extended Evaluation if their employment handicap is so severe that a feasible employment goal cannot be selected without extensive evaluative services. Those in an Extended Evaluation may exit the VR&E program without a suitable employment goal being selected. Any Veteran who exits their services can reapply later, as their situation changes.

Among Veterans in a program track, those in the Employment through Long-Term Services track and other employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) were more likely to discontinue their plans within the first 2 years than those in the Independent Living track. Having a serious employment handicap and having a higher combined disability rating increase the probability of discontinuing, indicating that these Veterans may be facing more significant changes. Finally, having at least some college education, having a higher pre-rehabilitation salary, having served more months on active duty, having served in either Gulf War era, and receiving a subsistence allowance for a degree program lessen the risk of discontinuation.

Section F6: Employment and Standard of Living Outcomes as of FY 2013

In this section we present descriptive information about the employment and standard of living outcomes experienced by FY 2012 cohort members, within the first 2 years after entering into their plans of services. Because a limited amount of information on post-program outcomes is available through VBA administrative files, the main source of data used to measure outcomes is the survey data.

The primary purpose of the 20-year longitudinal study is to determine the long-term outcomes associated with community adjustment of Veterans who establish a plan of services. Although most FY 2012 cohort members are still persisting in working on the steps outlined in their rehabilitation plans, some members have successfully rehabilitated, while others discontinued services within the first 2 years of starting their plans. Because the main focus of the longitudinal study is on long-term outcomes experienced by VR&E participants after exiting the program, the analysis and discussion primarily concentrates on the outcomes experienced thus far by rehabilitated and discontinued cohort members. It should be noted that the proportion of cohort members who have rehabilitated or discontinued services within the first 2 years since beginning their plans of services is small. Additionally, the main source of data for the outcomes is the survey, and the survey sample includes an even smaller number of cohort members who rehabilitated or discontinued (relative to the cohort population). As such, the findings presented in this section that relate to rehabilitated and discontinued participants should be interpreted with the understanding that it only reflects the experiences of a small portion of the cohort to date.

Employment Outcomes

Table F6-1 presents the current employment status of FY 2012 cohort members, as of the date of their FY 2013 survey. Forty percent of the 2012 cohort was working in FY 2013, which is an increase from 31 percent (not shown) in FY 2012. As expected, a much higher percentage of

rehabilitated participants (65 percent) reported working at the time of the survey, compared to persisting (37 percent) and discontinued participants (34 percent). It should also be noted that those who rehabilitated from Independent Living may not be seeking to enter the work force at this time. Given the those in an Independent Living plan of service are generally expected to complete the program within 2 years, rehabilitations from Independent Living account for many of the rehabilitations at this point in the cohort progression.

Table F6-1. Current Employment Status of FY 2012 Cohort of VR&E Participants by Participation Status

Current Employment Status	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Employed	4,811	37%	1,028	65%	5,839	40%	286	34%	6,125	40%
Not Employed	8,076	63%	560	35%	8,636	60%	544	66%	9,180	60%
Subtotal	12,887	100%	1,588	100%	14,475	100%	830	100%	15,305	100%
Survey Item Skipped	6	-	6	-	12	-	0	-	12	-
Total	12,893	-	1,594	-	14,487	-	830	-	15,317	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

¹ This table reports the current employment status of all cohort members, regardless of the type of plan being pursued. The primary goal of the Independent Living program is not employment, but to assist Veterans with disabilities to develop the capacity to live as independently as possible in their homes and communities.

Table F6-2 shows the extent to which current jobs match VR&E training received. A little over half (55 percent) of rehabilitated participants reported that their current job generally matches the training received through VR&E, whereas only 28 percent and 2 percent of persisting and discontinued participants (respectively) reported a match between VR&E training and their current job. Veterans who are working during their rehabilitation program may be working in jobs that are not suitable for their disability while they re-train for more suitable jobs.

Table F6-2. Extent to which Current Job Matches VR&E Training for FY 2012 Cohort of VR&E Participants by Participation Status

Training & Job Matching	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Job Matches Training	1,233	28%	537	55%	1,742	40%	6	2%	1,776	32%
Job Matches Training Somewhat	1,000	23%	181	19%	1,074	24%	105	39%	1,286	23%
Job Does Not Match Training	2,120	49%	251	26%	1,568	36%	162	59%	2,534	45%
Subtotal	4,353	100%	969	100%	4,384	100%	273	100%	5,595	100%
Survey Item Skipped	458	-	59	-	1,455	-	13	-	530	-
Total Currently Working	4,811	-	1,028	-	5,839	-	286	-	6,125	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Table F6-3 reveals the number of months worked during the past 12, for cohort members who reported working. Sixty-two percent (980 out of 1,594) of rehabilitated participants reported working at some point during the past 12 months. Those who reported working in other groups are relatively lower with only 39 percent (5,026 out of 12,893) of persisting participants and 33 percent (276 out of 830) of discontinued participants. It is important to note that the information provided in Table F6-3 includes all cohort members by participation status and not by the type of plan being pursued, and that the primary goal of the Independent Living program is not employment. Further analysis of rehabilitated cohort members by plan type reveals that 80 percent (not shown) of those who rehabilitated from an employment plan reported working at some point during the past 12 months, which includes those who may have rehabilitated some time during the year. As expected, only a very small number ($n < 5$)³ of those who rehabilitated from an Independent Living plan reported working at some point during the past 12 months, thus lowering the overall proportion of rehabilitated cohort members reporting working in Table F6-3.

³ To protect the confidentiality of survey respondents, we do not report any statistics that are based on less than 5 survey respondents.

Table F6-3. Number of Months Employed during Past Year (for those who worked) of FY 2012 Cohort of VR&E Participants by Participation Status

Number of Months Employed	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
3 or less	955	19%	91	9%	1,046	17%	46	17%	1,092	17%
4 to 6	842	17%	156	16%	998	17%	56	20%	1,053	17%
7 to 9	510	10%	155	16%	665	11%	30	11%	696	11%
10 to 11	321	6%	53	6%	376	6%	48	17%	424	7%
12	2,396	48%	524	53%	2,921	49%	96	35%	3,017	48%
Subtotal	5,026	100%	980	100%	6,006	100%	276	100%	6,282	100%
Survey Item Skipped (No Work in Past Year)	7,867	-	614	-	8,481	-	554	-	9,035	-
Total	12,893	-	1,594	-	14,487	-	830	-	15,317	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Of those cohort members who worked at least part of the year, 48 percent reported working for the entire year. This percentage represents an 18 percentage-point increase (not shown) over what was observed at the end of FY 2012, which is due in part to an increase in the percentage of rehabilitated participants reporting working for the entire year (53 percent in FY 2013 compared to 34 percent in FY 2012). More than half (53 percent) of rehabilitated participants reported working for the entire year in this year’s survey compared to only 35 percent of those who discontinued reporting working for the entire year in this year’s survey.

More than half (53 percent) of rehabilitated participants reported working for the entire year as compared to only 35 percent of those who were discontinued.

Earnings Outcomes

Table F6-4 provides the distribution of annual earnings from working at a job that participants reported in the longitudinal survey, by plan type. These data are intended to reflect the amounts individuals actually earned based on the months worked during the year rather than their annual salary. One noteworthy point is the fact that several survey respondents reported past earnings from a job, but did not indicate that they worked in the past 12 months. Hence, the total number of respondents who reported positive annual earnings in Table F6-4 is slightly higher than the total number of respondents who reported being employed in the past 12 months in Table F6-3.

Because the distribution of annual earnings is so heavily skewed toward zero, the data are not normally distributed. Therefore, the table reports both the mean and the median. Medians are better measures of central tendency for data that are not normally distributed. Moreover, the table reports both the unconditional (includes zero values) and conditional mean (excludes zero values), and the standard errors of both means (displayed in parentheses below the mean). The standard errors reported in Table 3F-4 indicate the degree of uncertainty around the average estimate provided for the survey sample. (For more detailed information on standard errors, refer to Appendix H.)

Among participants in an employment plan, 92 percent of those who rehabilitated reported a positive earnings amount. In contrast, more than half of persisting (57 percent) and discontinued (63 percent) participants reported having no annual earnings. Because more than half of persisting and discontinued participants reported no annual earnings, the unconditional median annual earnings amount for both of these groups is \$0, as expected. However, because a low proportion of rehabilitated participants reported no annual earnings, the unconditional median annual earnings amount for this group is positive (\$31,000), as expected.

Table F6-4. Annual Earnings from Employment of FY 2012 Cohort of VR&E Participants by Participation Status

Range of Annual Earnings	All Persisting Participants ¹		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Employment Plan										
\$0	6,841	57%	95	8%	6,936	53%	461	63%	7,397	53%
\$1-12,000	2,220	18%	150	13%	2,371	18%	116	16%	2,487	18%
\$12,001-24,000	650	5%	182	16%	832	6%	58	8%	889	6%
\$24,001-36,000	860	7%	286	26%	1,146	9%	5	1%	1,151	8%
\$36,001-48,000	765	6%	156	14%	921	7%	9	1%	929	7%
\$48,001+	729	6%	249	22%	978	7%	82	11%	1,061	8%
Subtotal	12,065	100%	1,118	100%	13,183	100%	731	100%	13,913	100%
Unconditional Mean (Includes Zeroes)	\$10,887 S.E.: (\$547)		\$34,334 S.E.: (\$2,342)		\$12,876 S.E.: (\$563)		\$11,081 S.E.: (\$2,827)		\$12,781 S.E.: (\$549)	
Conditional Mean (Excludes Zeroes)	\$25,145 S.E.: (\$971)		\$37,511 S.E.: (\$2,397)		\$27,171 S.E.: (\$910)		\$29,996 S.E.: (\$6,088)		\$27,288 S.E.: (\$812)	
Unconditional Median	\$0		\$31,000		\$0		\$0		\$0	
Conditional Median	\$18,000		\$32,000		\$22,157		\$15,600		\$21,600	
Independent Living Plan										
\$24,001-36,000	224	98%	367	98%	591	98%	6	100%	597	98%
\$36,001-48,000	5	2%	7	2%	12	2%	0	0%	12	2%
Subtotal	229	100%	374	100%	704	100%	6	100%	610	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data. This table also reports the average annual salary, displaying the mean followed by the standard error, as well as the median. Cohort participants in an Extended Evaluation (weighted n = 45) are not included in the table.

¹ Cohort participants who are still persisting may be working full- or part-time as they complete their employment goals.

Rehabilitated participants both work more, and earn more for this work, than persisting and discontinued participants.

The unconditional average annual earnings of rehabilitated cohort members (\$34,334) is more than triple the average annual earnings of those who are still persisting (\$10,887) or who discontinued services (\$11,081). When comparing the conditional medians, Table F6-4 indicates that those who rehabilitated, on average, earn almost twice as much as those who are still persisting and a little more than twice as much as those who discontinued.

This finding suggests that rehabilitated participants both work more, and earn more for this work, than persisting and discontinued participants. A comparison of the conditional mean for these same subgroups further supports this finding. Additionally, among those reporting positive annual earnings, the conditional average annual earnings of all 3 subgroups (and thus the total overall) increased in FY 2013 compared to FY 2012. In fact, the conditional average annual earnings for rehabilitated participants increased by about \$12,000 (not shown) compared to increases of \$10,000 (not shown) for discontinued participants and only about \$3,000 (not shown) for persisting participants.

In general, employment is not the immediate goal of the Independent Living program. While some Veterans can complete an Independent Living plan and then resume a vocational goal, for many the goal is to live as independently as possible. Hence, it is reasonable to expect that the majority of participants in this program report no annual earnings (\$0) from employment. As such, we do not report average earnings for those in Independent Living.

Table F6-5 shows the distribution of pre-rehabilitation salary and post-rehabilitation salary of participants who rehabilitated from an employment plan. In the previous table, annual earnings reported by survey participants corresponds to actual earnings from a job based on the number of months worked during the past year. In contrast, post-rehabilitation annual salary is recorded by VR&E counselors in VBA's administrative files after Veterans have successfully completed their plans and at the time of their rehabilitation exit interview and is an indicator of the potential salary earned if a rehabilitated Veteran works in that job for the next 12 months. Therefore, earnings from the past 12 months (collected in the survey) and post-rehabilitation salary (available within VBA administrative files) represent different earnings measures.

Because the data are not normally distributed and negatively skewed towards zero, Table F6-5 presents the unconditional and conditional mean and median. More than three-quarters of rehabilitated participants had a pre-rehabilitation salary of \$0, so the unconditional median is \$0, as expected. As Table F6-5 shows, on average (for both the mean and median), individuals who rehabilitated from the program have experienced an increase in salary, much of which is driven by those having no pre-rehabilitation salary, as shown by the change in the unconditional averages. However, even those who had a positive pre-rehabilitation salary saw an average increase of about \$10,000 in their post-rehabilitation salary.

Table F6-5. Pre-Rehabilitation Salary and Post-Rehabilitation Salary for FY 2012 Cohort of VR&E Participants who Rehabilitated from an Employment Plan

Annual Salary Range	Pre-Rehabilitation Salary		Post-Rehabilitation Salary	
	#	%	#	%
\$0	844	76%	20	2%
\$1-12,000	69	6%	35	3%
\$12,001-24,000	77	7%	166	15%
\$24,001-36,000	53	5%	390	36%
\$36,001-48,000	33	3%	262	24%
\$48,001+	39	3%	217	20%
Subtotal	1,115	100%	1,090	100%
Independent Living Plans	341	–	341	–
Data Unavailable	0	–	25	–
Total	1,456	–	1,456	–
Unconditional Mean (S.D.) (Includes Zeroes)	\$6,847 S.D.: (\$15,809)		\$38,475 S.D.: (\$23,913)	
Conditional Mean (S.D.) (Excludes Zeroes)	\$28,171 S.D.: (\$20,694)		\$39,194 S.D.: (\$23,544)	
Unconditional Median	\$0		\$34,560	
Conditional Median	\$24,000		\$34,884	

NOTE: Frequencies (#) and percentages (%) reported in table are based on VBA administrative data available for the cohort population. This table also reports the average annual salary, displaying the mean followed by the standard deviation, as well as the median.

Income Outcomes

Table F6-6 presents the average annual individual and household income for the FY 2012 cohort, of those participants who responded to those survey items. Individual income was defined in the survey as the gross income VR&E participants received from all sources, before taxes, including earnings from a job, benefits received from government programs, and retirement, pension, investing, or savings income from which regular payments are received. Household income was defined in the survey as the combined pre-tax income of people who share their income and live in the same house (e.g., Veteran and spouse).

Survey respondents were asked to report income amounts from the past 12 months. Because means are substantially affected by outlier values, the table reports both the mean and the median. Medians are better measures of central tendency for data that are not normally distributed or have several outliers. The average annual individual and household income amounts for rehabilitated participants are much higher than that of the cohort overall and especially those who discontinued, for both the mean and median. In contrast, the mean annual individual and household income amounts for discontinued participants almost match those of the overall cohort population, but are slightly lower when comparing the median amounts. Those who are still persisting in the program reported slightly lower mean and median individual and household income amounts compared to the overall cohort population. The median individual and household incomes for the overall cohort each increased by about \$4,000 (not shown) in FY 2013 compared to FY 2012. Moreover, the median individual income for those who have rehabilitated increased by about \$10,000 (not shown) in FY 2013 compared to FY 2012.

The average median individual income (35K) amount for rehabilitated participants is much higher than that of the cohort overall (22K) and especially those who discontinued (15K).

Table F6-6. Income of FY 2012 Cohort of VR&E Participants by Participation Status

Average Annual Income	All Persisting Participants	All Rehabilitated Participants	Subtotal	All Discontinued Participants	Total
Individual Income					
#	12,026	1,442	13,468	766	14,234
Mean (S.E.)	\$25,428 S.E.: (\$634)	\$42,278 S.E.: (\$2,472)	\$27,232 S.E.: (\$633)	\$25,541 S.E.: (\$3,027)	\$27,141 S.E.: (\$622)
Median	\$20,000	\$35,000	\$22,000	\$15,000	\$22,000
Household Income					
#	12,410	1,467	13,877	793	14,670
Mean (S.E.)	\$38,542 S.E.: (\$853)	\$54,001 S.E.: (\$3,033)	\$40,176 S.E.: (\$830)	\$39,971 S.E.: (\$4,721)	\$40,165 S.E.: (\$826)
Median	\$31,000	\$45,000	\$33,000	\$28,000	\$32,000

NOTE: Frequencies (#) and averages reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data. This table also reports the average annual salary, displaying the mean followed by the standard error, as well as the median.

Receipt of Other Public Program Benefits

Table F6-7 presents the number and proportion of cohort members who received unemployment benefits at some point during the past 12 months. Eight percent of the FY 2012 cohort reported receiving unemployment compensation during the past year, which is a decrease from FY 2012 when 20 percent (not shown) of the cohort received this compensation. Relative to the overall cohort, slightly more discontinued participants received unemployment compensation compared to those who are persisting or have rehabilitated.

Table F6-7. Receipt of Unemployment Benefits by FY 2012 Cohort of VR&E Participants by Participation Status

Unemployment Benefits	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Received Unemployment Compensation	993	8%	81	5%	1,074	7%	100	12%	1,174	8%
Did Not Receive Unemployment Compensation	11,862	92%	1,507	95%	13,368	93%	731	88%	14,099	92%
Subtotal	12,855	100%	1,588	100%	14,442	100%	830	100%	15,273	100%
Survey Item Skipped	38	-	6	-	45	-	0	-	44	-
Total	12,893	-	1,594	-	14,487	-	830	-	15,317	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Home Ownership

Table F6-8 shows the proportion of cohort members who own their principal residence. Overall, 45 percent of the FY 2012 cohort owned their own home in FY 2013, which is an increase from FY 2012 when only 39 percent (not shown) owned their own home. The proportion of rehabilitated participants who own their principal residence is higher than the home ownership rate of both

Fifty-four percent of rehabilitated participants reported owning their principal residence.

persisting participants and those who have discontinued. In contrast, the proportion of discontinued participants owning their home is lower than that of the other groups. Fifty-four percent of rehabilitated participants reported owning their principal residence, which is down just 2 percentage points from FY 2012 (not shown). The increase in the overall home ownership rate from FY 2012 to FY 2013 is due to increases in ownership by both those persisting and those who have discontinued (data not shown).

Table F6-8. Home Ownership Status of FY 2012 Cohort of VR&E Participants by Participation Status

Home Owner	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total ¹	
	#	%	#	%	#	%	#	%	#	%
Yes	5,686	45%	858	54%	6,544	46%	299	36%	6,843	45%
No	6,975	55%	723	46%	7,698	54%	529	64%	8,227	55%
Subtotal	12,661	100%	1,581	100%	14,242	100%	828	100%	15,070	100%
Survey Item Skipped	232	-	13	-	245	-	3	-	248	-
Total	12,893	-	1,594	-	14,487	-	830	-	15,317	-

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. The total weighted population count does not sum to the initial cohort population of 15,397 due to removal of deceased cohort members from the survey sample. Additionally, the weighted data are not calibrated to represent subgroups; hence, population counts by participation status differ between the survey and administrative data.

Section F7: Trends in Employment and Standard Living Outcomes

This section presents employment and income trends observed among cohort members who have exited the VR&E program by either successfully completing their plans or discontinuing services, specifically from an employment track. When assessing employment outcomes for participants who exit the program, it is important to examine these measures separately for those who exit from an employment plan and those who exit from an Independent Living program, as the immediate goal of the Independent Living program may not be not employment. 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. While some Veterans successfully complete an Independent Living plan of service and then resume vocational goals, many cannot. For this reason, it is not surprising to find that only a very small number of survey respondents who rehabilitated or discontinued from an Independent Living program reported working. In fact, the number of survey respondents in those categories with positive employment outcomes is too small to report findings for those subgroups and Veterans who exit VR&E from this program are not included in the findings presented in this section.

For similar reasons as those stated above, Veterans who discontinue from an Extended Evaluation are not included in the findings presented in this section. An Extended Evaluation is designed to provide the evaluation services necessary to determine if a feasible employment goal can be selected. Individuals who successfully complete an Extended Evaluation and are able to select a feasible, suitable vocational goal would then enter an employment plan. Those who discontinue from an Extended Evaluation are often not able to select a feasible, suitable vocational goal. The number of survey respondents in the Extended Evaluation subgroup with positive employment outcomes is too small to report findings.

Veterans in the Independent Living program and those who discontinue from an Extended Evaluation are not included in the findings for employment and standard of living outcomes.

In contrast, individuals who have rehabilitated from an employment plan have completed all the necessary training to be competitively employed in their field. Therefore, it is reasonable to expect that a large proportion of individuals exiting VR&E from an employment plan will enter the labor

force to seek employment. In the sections below we compare the employment rates, the average number of months worked in the past year, median yearly earnings (for those reporting positive earnings), and both individual and household income, specifically for Veterans who rehabilitate or discontinue from an employment plan. These findings are based on 2 years of self-reported survey data, and include trends in the outcomes of interest from FY 2012 to FY 2013.

Trends Related to Employment

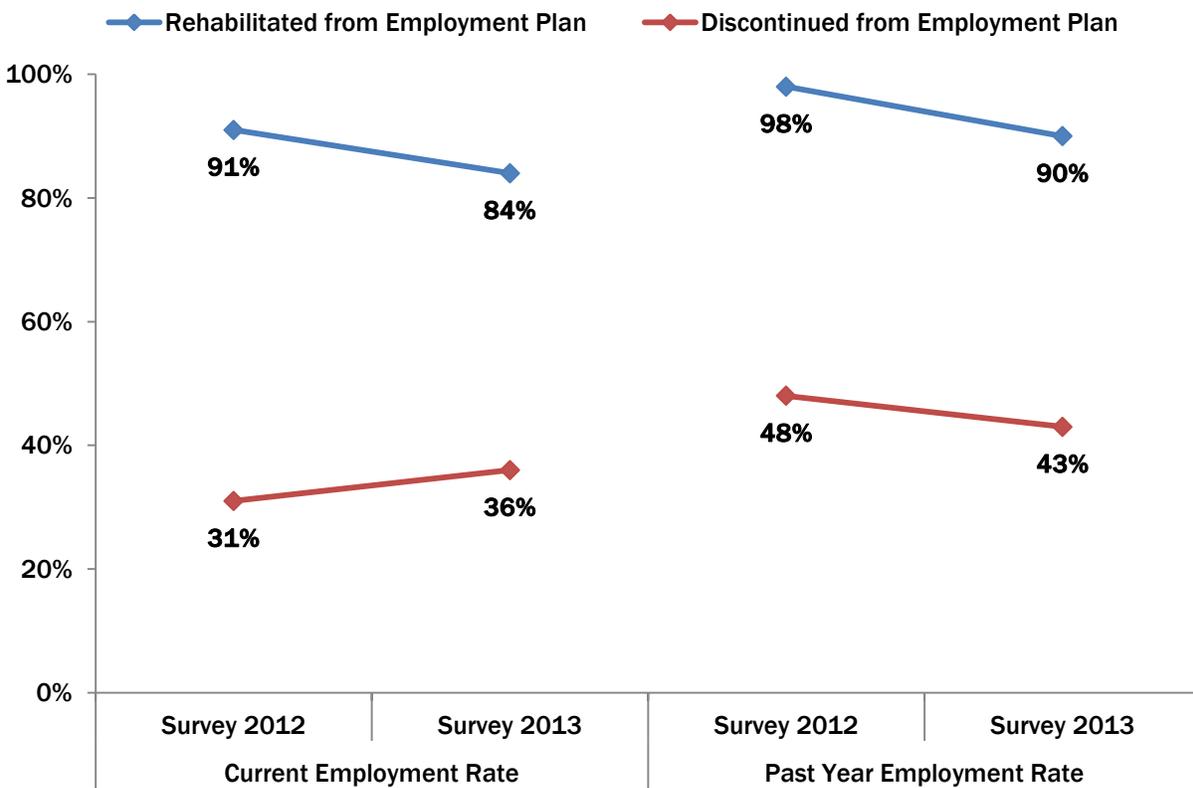
Employment rates. Figure F7-1 presents the current employment rate (as of the survey date) and the past year employment rate, for participants who rehabilitated or discontinued from an employment plan. The current employment rate is based on a cross-sectional snapshot in time of whether or not cohort members were currently employed at the time of the survey, and the past year employment rate reflects whether the individual worked at any point in the past 12 months. As Figure F7-1 illustrates, cohort members rehabilitating from an employment plan experienced a much higher rate (~50 percentage points) of employment compared to cohort members discontinuing from an employment plan.

The current employment rate decreased for those who rehabilitated from an employment plan from 91 percent in FY 2012 to 84 percent in FY 2013, but increased for those who discontinued from an employment plan from 31 to 36 percent over the same time period. However, the past year employment rate declined for both groups from FY 2012 to FY 2013. For those who rehabilitated from an employment plan, the past year employment rate decreased by 8 percentage points across the 2 years, from 98 to 90 percent. For those who discontinued from an employment plan, the past year employment rate decreased by 5 percentage points from FY 2012 to FY 2013, from 48 to 43 percent. These decreases may be partially explained by the fact that some individuals choose to pursue additional education or training before re-entering the workforce. While it is true that individuals who rehabilitated from an employment plan have completed all necessary training to be competitively employed in their field, some of these individuals may not be working because

Thirty-eight percent of the FY 2012 cohort who rehabilitated from an employment plan but were not currently employed at the time of the FY 2013 survey were in fact enrolled in an institution of higher learning during the past 12 months.

they have chosen to continue in an additional program of higher education. In fact, further analysis reveals that 38 percent (not shown) of those cohort members who rehabilitated from an employment plan but were not currently employed at the time of the FY 2013 survey were in fact enrolled in an institution of higher learning during the past 12 months, which is a 3 percentage-point increase (not shown) over those reporting similar circumstances in FY 2012. For other rehabilitated cohort members, changes in their family situation or life circumstances may cause them to leave the labor force, such as the birth of a new child, or having to take care of a family member with a disability.

Figure F7-1. Annual Employment Rates for FY 2012 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, FY 2012 and FY 2013

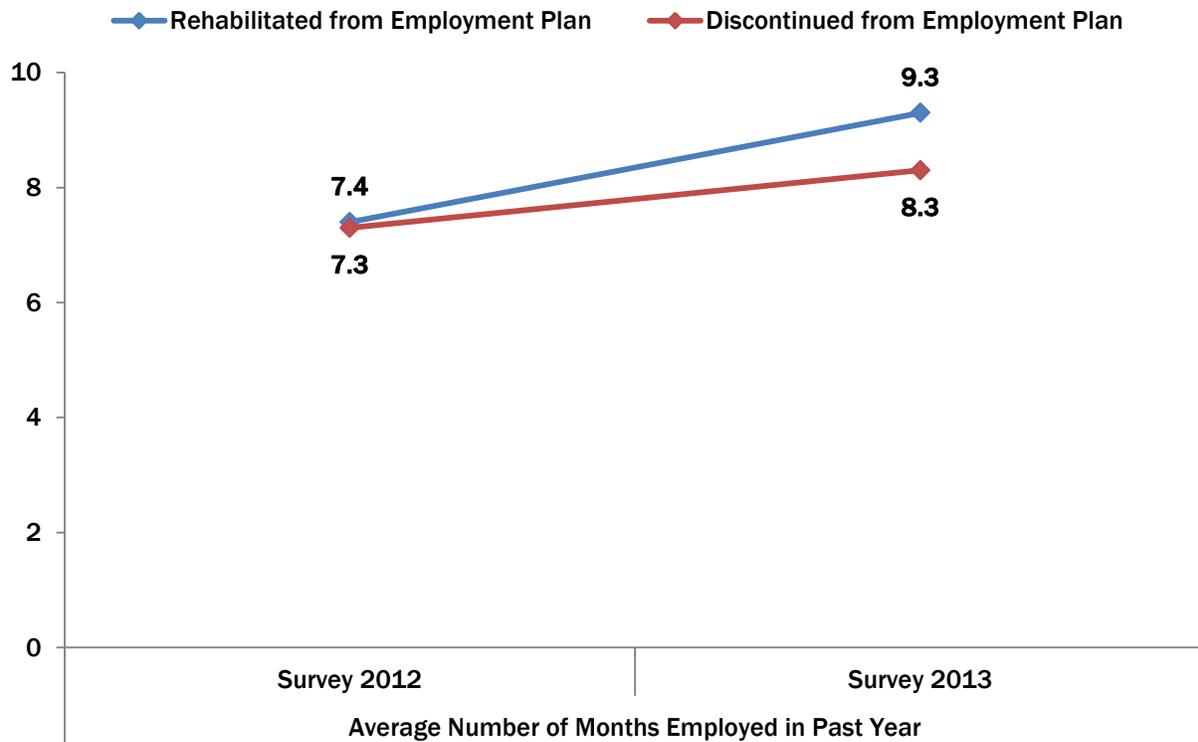


NOTE: Percentages (%) reported in the figure are based on weighted survey data. Current employment rate is defined as the percentage of cohort members who reported being employed as of the survey date. Past year employment rate is defined as the percentage of cohort members who reported working at any point in the past 12 months (including working currently as of the survey date).

As discussed previously, when interpreting the employment rates presented in this report, one must exercise caution against inferring that the inverse of the employment rate is a measure of the unemployment rate. It is not an unemployment measure because it does not account for the fact that some individuals choose not to participate in the labor force. The inverse of the employment rates presented in this report is an overestimate of the unemployment rate for cohort members as it measures both unemployment and labor force non-participation.

Number of months employed. Figure F7-2 presents the average number of months worked during the past 12 months, among those who worked, for both those who rehabilitated and discontinued from an employment plan. As shown in Figure F7-2, in FY 2012, cohort members rehabilitating from an employment plan who reported working in the past year, on average, worked about the same number of months as those who discontinued from an employment plan who reported working. In FY 2013, those rehabilitated participants (from an employment plan) who reported working, on average, worked about 1 month more than discontinued participants (from an employment plan) who reported working. Those who discontinued from an employment plan reported an increase in the average number of months worked over the 2 years of about 1 month and those who rehabilitated from an employment plan reported an increase in the average number of months worked over the same time period of almost 2 months.

Figure F7-2. Average Number of Months Worked (for those who worked in the past year) for FY 2012 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, FY 2012 and FY 2013



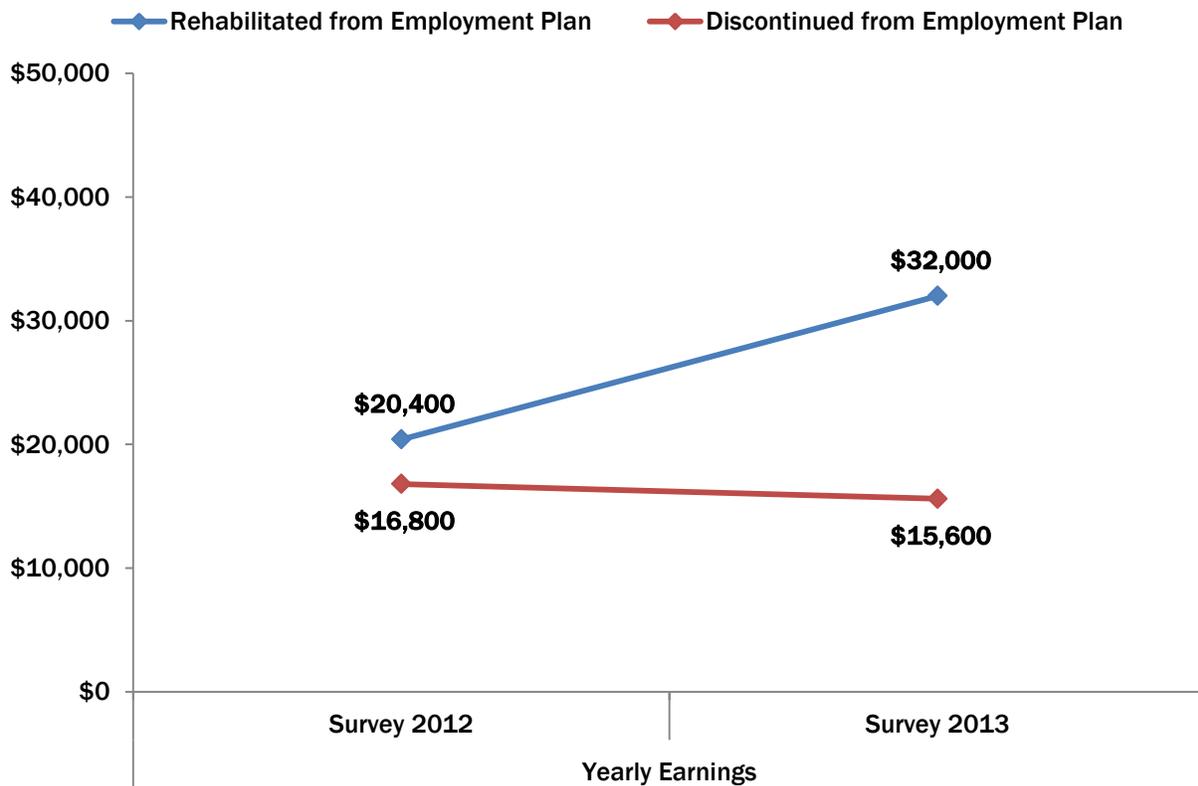
NOTE: Averages reported in the figure are based on weighted survey data

Annual earnings. Among those reporting positive annual earnings (i.e., the conditional average), the average annual earnings in FY 2012 and FY 2013 are shown in Figure F7-3 for those who exited VR&E from an employment plan. The median is presented instead of the mean because the median is a better measure of central tendency for data that is not normally distributed. As illustrated in the figure, the conditional median earnings for both FY 2012 and FY 2013 for those who rehabilitated from an employment plan are higher than those who discontinued from an employment plan, even more so for FY 2013. Those who rehabilitated from an employment plan experienced an increase in average annual earnings of more than \$11,000 from FY 2012

Those who rehabilitated from an employment plan experienced a 57% increase in average annual earnings from FY 2012 to FY 2013, however those who discontinued from an employment plan experienced an 8% decrease in average earnings over the same time period.

to FY 2013, however those who discontinued from an employment plan experienced a decrease in average earnings over the same time period of about \$1,200.

Figure F7-3. Conditional Median Annual Earnings (for those with positive earnings) for FY 2012 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, as reported in Survey 2012 and Survey 2013

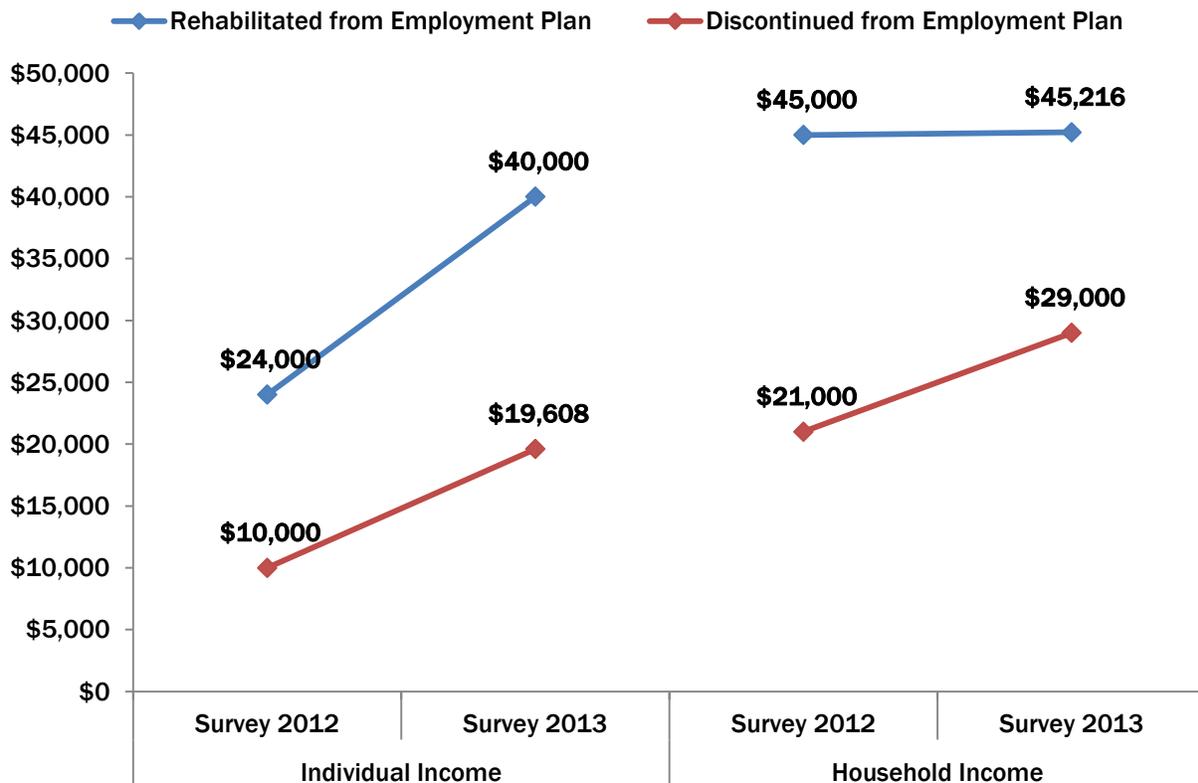


NOTE: Averages reported in the figure are based on weighted survey data.

Trends Related to Income

Income. Figure F7-4 presents the average annual individual and household income (earnings from a job plus other sources) for those who rehabilitated and discontinued from an employment plan. Because income includes income from all sources, in addition to earnings from a job, and the fact that Veterans with a service-connected disability may be eligible to receive disability compensation, it is expected that a certain proportion of those who exit will report positive income amounts, in spite of their employment status. Hence, Figure F7-4 presents the unconditional (versus conditional) median income level.

Figure F7-4. Unconditional Median Annual Income for FY 2012 Cohort of VR&E Participants who Rehabilitated or Discontinued from an Employment Plan, as reported in Survey 2012 and Survey 2013



NOTE: Averages reported in the figure are based on weighted survey data

As Figure F7-4 illustrates, the unconditional median earnings for both years for those who rehabilitated from an employment plan are substantially higher than for those who discontinued from an employment plan. Additionally, all median income amounts substantially increased from FY 2012 to FY 2013, with one exception. Although the median individual income increased over the 2 year period for those who rehabilitated from an employment plan, the median household income remained stable for that same 2 year period. Household income remained stable for the FY 2012 cohort across two survey years; we will continue to monitor this in future years to see if this becomes a trend. Furthermore, again unique to this cohort only, the reported amounts for household income in the 2013 survey were very similar to what was reported for individual income, unlike for the 2012 survey, as shown in the figure.

The unconditional median earnings for the FY 2012 cohort in year 2012 and 2013 for those who rehabilitated from an employment plan are substantially higher than for those who discontinued from an employment plan.

Section F8: Factors that Contribute to Employment and Standard of Living Outcomes

This section summarizes and discusses the findings from multivariate regression analyses that identify the factors that affect employment and income outcomes for those who have exited the program. The detailed results of the regression analyses are presented in Appendix J. Table F8-1 provides a summary of the explanatory factors for the various outcomes.

Table F8-1. Factors that Contribute to Employment and Standard of Living Outcomes for FY 2012 Cohort as of end of FY 2012

Explanatory Variable	Current Employment Rate ¹	Number of Months Worked ²	Annual Earnings ³	Annual Individual Income ³	Annual Household Income ³
Rehabilitation status	+	+	+	+	+
Employment through Long-Term Services track (compared to Independent Living)				+	
Other employment tracks (compared to Independent Living)				+	
Not having selected a program track (compared to Independent Living)				+	
Serious employment handicap	-		-	-	-
Male				+	
Age				+	+
Disability rating				+	
Pre-rehabilitation salary			+	+	+
Mental primary diagnosis					+
Served in Gulf War era II				+	+
Officer			+	+	+

¹ The effects are based on a multiple regression estimation where the dependent variable is a numeric variable falling between 0 and 1.

² The effects are based on a negative binomial regression estimation where the dependent variable is a count variable ranging between 0 and 12.

³ The effects are based on a multiple regression estimation where the dependent variable is a continuous variable.

Current employment rate. Program status and serious employment handicap are the only factors that are related to current employment. Veterans who were successfully rehabilitated by the end of FY 2013 are more likely to be employed than those who discontinued their plans. Having a serious employment handicap is related to a lower likelihood of current employment. One reason why more factors are not related to current employment is that only a small number of cohort members had exited the program by the end of FY 2013. As data collection continues and more of these cohort members exit the program, additional factors will likely emerge as influential for employment.

As the FY 2012 cohort continues to mature and more of these members exit the program, additional factors related to current employment will be identified.

Number of months employed. Table F8-1 also provides a summary of the results for the number of months worked in the past year among those who are no longer in the program. The number of months worked is an important indicator because it accounts for the potential instability of employment and changing jobs. Program status is the only factor related to number of months worked. Veterans who were successfully rehabilitated work more months than those who discontinued their plans.

Annual earnings. Table F8-1 also provides a summary of the results for annual earnings among those who are no longer in the program. Veterans who were successfully rehabilitated by the end of FY 2013 have higher annual earnings than those who discontinued their plans. Having a higher pre-rehabilitation salary and being an officer are also associated with higher annual earnings, whereas having a serious employment handicap was associated with lower earnings.

Individual income. Table F8-1 also provides a summary of the results for annual individual income among those who are no longer in the program. Individual income includes gross income from a job, government benefits, and savings. Program status and track were among the strongest predictors of individual income. Veterans who rehabilitated had higher individual incomes than those who discontinued. Similarly, Veterans who exited from the Employment through Long-Term Services track other employment tracks had higher individual incomes than those who exited from the Independent Living track. Put another way, Veterans who exited from the Independent Living track had the lowest individual incomes of all Veterans who exited the program. Having a higher

combined disability rating, a higher pre-rehabilitation salary, being older, being male, serving during the Gulf War era II, and being an officer were associated with higher individual incomes. Again the finding on disability rating is likely explained by the fact that Veterans with a higher disability rating receive higher disability compensation and additional assistance from other government programs. A serious employment handicap was associated with lower individual earnings.

Household income. Finally, Table F8-1 provides a summary of the results for annual household income among those who are no longer in the program. Household income includes gross income from all people who share income in the household, including spouses. Similar to individual income, Veterans who rehabilitated had higher household incomes than those who discontinued. Other factors associated with higher household income include older age, higher pre-rehabilitation salary, having served in the Gulf War era II, and being an officer. One counterintuitive finding is that having a primary mental diagnosis is associated with higher household income. This finding is possibly due to the fact that the number of Veterans who exited the program at this early date is small and may not be representative of all Veterans. As the study moves forward and more Veterans from the FY 2012 cohort exit the program, it will be important to continue to monitor how Veterans with a primary mental diagnosis fare in terms of their employment and standard of living outcomes. A serious employment handicap was associated with lower household earnings. Program track was unrelated to household income.

Appendix G

Weighting Procedures

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When research studies collect survey data from a set of individuals sampled from a specific population, it is important that the survey respondents are representative of the population being studied. When analyzing data collected from survey respondents, analysis weights are needed to correct for imperfections in the respondent data that might lead to systematic deviations between the respondent data and the reference population. One such imperfection is possible lack of representativeness due to sampling. Another imperfection is possible bias due to different types of respondents having different response rates.

This appendix describes how we computed the weights for respondents to the first annual follow-up survey, referred to herein as Cycle 2 respondents. Because all of the respondents to the initial survey (referred to herein as Cycle 1 respondents) were fielded for data collection in Cycle 2 (i.e., the first annual follow-up survey), the Cycle 2 weights are equal to the Cycle 1 (i.e., initial survey) weights multiplied by an adjustment factor for Cycle 2 nonresponse.

Weighting Procedures

To develop the Cycle 2 weights, we executed the following procedures:

- The final Cycle 1 weights were adjusted for Cycle 2 nonresponse using cell weighting classes defined by the Cycle 1 sampling stratum.
- Finally, the nonresponse-adjusted weights were adjusted to the same population counts as Cycle 1, determined from VA-provided administrative data,

Nonresponse adjustments. Unit nonresponse (i.e., whole questionnaire nonresponse) occurs when a sampled member fails to respond for any reason. For example, nonresponse could result from failure to locate the case because of mobility or invalid/incorrect addresses in the sampling frame, or from the unwillingness of some cases to participate in the survey. Adjusting for unit nonresponse is an important step in attempting to reduce bias.

To compensate for losses due to nonresponse, we adjusted the final Cycle 1 weights of the Cycle 2 respondents to account for the weights of the Cycle 2 non-respondents. Specifically, we made the adjusted weight for Cycle 2 non-respondents equal to zero and adjusted the final Cycle 1 weight of Cycle 2 respondents by multiplying it by an adjustment factor. For most cases, these adjustment factors were the reciprocals of the response rates calculated from all Cycle 2 cases in the same Cycle 1 sampling stratum as the given case. For some however, there were only a few Cycle 2 cases in the associated Cycle 1 sampling stratum. When this occurred, two Cycle 1 strata were collapsed together to calculate the adjustment factor. Cycle 1 strata containing 30 or more Cycle 2 respondents were never collapsed, whereas Cycle 1 strata containing fewer than 25 Cycle 2 respondents were always collapsed. Most Cycle 1 strata containing between 25 and 30 Cycle 2 respondents were collapsed, but some were not if the total number of Cycle 2 responding plus nonresponding cases in the Cycle 1 stratum was large.

Adjustment to control totals. The final step in the weighting process, called *raking*, was to further adjust the Cycle 2 weights so that those for the Cycle 2 respondents summed to control totals that we computed from the administrative data provided by VBA. Four sets of control totals were computed--by gender (male and female), age category (<30, 30-44, 45-54, and 55+), program track (four categories), and serious employment handicap status (yes and no).

Appendix H

Understanding Tables

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Descriptive Univariate Analysis

Most tables throughout the body of the report present descriptive data for those cohort members who are still persisting, have discontinued, and have been rehabilitated (as of the end of the previous fiscal year, unless noted otherwise). Summary data that are based on categorical variables present distributional information (e.g., frequencies and percentages) of all possible values for the specific variable. Averages (e.g., means and medians) are presented for continuous variables, along with the standard deviation or the standard error to describe the variability of the data.

Cohort population versus survey sample. Two sources of data are used for all analyses presented in this report: (1) VBA administrative data available for the entire cohort population, and (2) survey data available for those eligible cohort members who responded to the VR&E Longitudinal Survey. All tables in the report presenting descriptive data indicate if the data are based on VBA administrative data available for the cohort population or survey data that has been weighted up to reflect the cohort population. As discussed in Appendix G, weights were constructed for survey respondents to adjust for possible nonresponse bias so that the survey data are representative of the cohort population, and not just those cohort members who responded to the survey. Hence, all analyses presented in the body of the report that are based on survey data use weighted survey data rather than unweighted survey data. Appendix I presents both weighted and unweighted data for cohort characteristics that are based on survey data.

As of the end of FY 2013, several members of both the FY 2010 and FY 2012 cohort have passed away. These individuals were removed from the survey sample (i.e., coded as ineligible), and as a result, the survey weights do not sum to the initial cohort population total. Another important point to note is that the weighted survey data are not calibrated to represent the subgroups of persisting, discontinued, and rehabilitated, as these statuses can change over time. Therefore, population counts by subgroups differ between the survey and administrative data.

VBA administrative data were not always available for every cohort member for every administrative variable, and are noted in the tables as 'Data Unavailable.' Additionally, survey respondents were

allowed to refuse or skip specific questions within the survey, resulting in a small number of missing observations for some survey items, which have been noted as ‘Survey Item Skipped.’

Mean versus median. Mean and median are statistical terms that are used to describe the central tendency or average of a group of data. A mean is traditionally used to measure the average or midpoint of a sample, however means are subject to being affected by extreme values in the sample (e.g., values that are very high or very low compared to the rest of the sample). In such cases, a median is a better measure of the sample average because it is much more robust and not affected by outliers. A mean is calculated by adding up all values and dividing that sum by the number of values. A median is calculated by listing all values in ascending order and then locating the number in the center (e.g., middle) of that distribution. For an even-numbered list of values, the median is calculated by locating the two middle numbers, summing those two values, and then dividing by two.

Standard deviation versus standard error. The standard deviation is a measure of variability. The standard deviation of a sample provides an estimate of the variability of the population from which the sample was drawn. In contrast, the standard error provides an estimate of how much sample means will vary from sample to sample. When calculating the sample mean, we are usually interested in, not the mean of that particular sample, but instead the mean for the population upon which the sample is based. A sample mean will vary from sample to sample, and the amount of that variation is estimated by the standard error of the estimate of the mean. In other words, the standard error provides a measure of the precision of the sample mean. So if we want to determine how widely scattered or variable some measurements are, we use the standard deviation. If we want to indicate the uncertainty around the estimate of the mean measurement, we calculate the standard error of the mean. The standard error can be used to calculate a confidence interval around the mean estimate. A 95% confidence interval is obtained by multiplying 1.96 by the standard error and then subtracting and adding that product to the mean.

Explanatory Multivariate Analysis

Multivariate analysis is used throughout the report to identify factors that affect or explain a certain outcome. Regression analysis identifies how a given independent variable (or predictor) affects a dependent variable (or outcome), while holding other variables fixed. For example, female Veterans tend to be younger than male Veterans. When we examine differences in outcomes by gender alone we may be also picking up an age affect as gender and age are correlated. If we include both gender and age in a regression analysis, we can identify the independent effect each of these variables have on their own on the outcome of interest. Therefore, regression analysis helps to identify the independent contribution of each factor to the outcome of interest.

All of the tables throughout the body of the report that present the result of regression analysis list the statistically significant factors (e.g., predictors) that affect the outcome variable indicated. Additionally, the tables in the report body indicate if that factor has a positive or negative affect on the specific outcome measure, noted in the table by a (+) or (-). For instance, if the outcome of interest is household income, and the table indicates that age has a positive (+) affect on income, this means that as age increases, income increases. Appendix J presents more detailed results from the multivariate regression analyses summarized in Appendices E and F of the report. This additional detail provides information that describes the extent to which the statistically significant factors affect the outcome. The paragraphs below describe how to understand this additional detail for each type of regression estimation included in the report.

Logistic regression. Logistic regressions are used for dichotomous outcome variables where a 1 indicates one value of interest and a 0 indicates the other value of interest. For example, a logistic regression was used to determine the probability of rehabilitation, where a 1 indicates rehabilitation and 0 indicates persisting. Appendix J presents the odds ratio and associated p-value (or statistical significance level) for each factor included in the regression model. Odds ratios larger than a value of 1 indicate a positive association between a factor and the outcome. Odds ratios smaller than 1 indicate a negative association between a factor and the outcome. Larger odds ratios indicate a stronger association.

Survival regression. Survival regressions are used to determine the association of the amount of time that passes before some event occurs with the factors that may be associated with that quantity of time. Survival regression estimation was used to determine the factors associated with the amount of time it takes cohort members to rehabilitate. Appendix J presents the hazard ratio and associated p-value for each factor included in the regression model. Hazard ratios larger than a value of 1 indicate a negative association between a factor and the outcome. Hazard ratios smaller than 1 indicate a positive association between a factor and the outcome. Larger hazard ratios indicate a stronger association.

Linear regression. Linear regressions are used for continuous outcome variables. Appendix J presents the coefficient and associated p-value for each factor included in the regression model. Positive coefficient values indicate a positive association between a factor and the outcome. Negative coefficient values indicate a negative association between a factor and the outcome. When looking at the absolute value of coefficients, larger absolute values indicate a stronger association.

Negative binomial regression. Negative binomial regressions are used for ordinal count variables, such as the number of months worked during the past year, a count variable ranging from 0 to 12. Appendix J presents the coefficient and associated p-value for each factor included in the regression model. Positive coefficient values indicate a positive association between a factor and the outcome. Negative coefficient values indicate a negative association between a factor and the outcome. When looking at the absolute value of coefficients, larger absolute values indicate a stronger association.

Appendix I

Characteristics of Study Cohorts by Program Participation Status

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This appendix presents the demographic, military-related, and program-related characteristics of each study cohort in tabular format. The characteristics are displayed for those cohort members who are still active, have discontinued, and have been rehabilitated (as of the end of the previous fiscal year).

Tables I-1 through I-13 are based on VBA administrative data that is available for the entire cohort population. Tables I-14a through I-19 are based on self-report survey data that is available for survey respondents only, but has been weighted up to reflect the entire cohort population (see Appendix G for more details on weighting procedures). All tables based on survey data present the unweighted survey data that sums to the survey sample, in addition to weighted data that sums to the cohort population.

Table I-1. Program Track Selection of Study Cohorts by Participation Status as of end of FY 2013

Track Selection	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Track 1 Re-Employment	28	0%	16	1%	44	1%	25	1%	69	1%
Track 2 Rapid Access to Employment	218	4%	405	17%	623	7%	163	8%	786	7%
Track 3 Self-Employment	13	0%	12	1%	25	0%	6	0%	31	0%
Track 4 Employment through Long-Term Services	5,789	93%	1,399	59%	7,188	84%	1,754	88%	8,942	85%
Track 5 Independent Living	164	3%	526	22%	690	8%	53	3%	743	7%
Subtotal	6,212	100%	2,358	100%	8,570	100%	2,001	100%	10,571	100%
Extended Evaluation	16	-	0	-	16	-	205	-	221	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-
FY 2012 Cohort										
Track 1 Re-Employment	81	1%	5	0%	86	1%	12	1%	98	1%
Track 2 Rapid Access to Employment	466	4%	317	22%	783	6%	85	7%	868	6%
Track 3 Self-Employment	23	0%	1	0%	24	0%	8	1%	32	0%
Track 4 Employment through Long-Term Services	11,681	93%	792	54%	12,473	89%	1,137	89%	13,610	89%
Track 5 Independent Living	247	2%	341	23%	588	4%	31	2%	619	4%
Subtotal	12,498	100%	1,456	100%	13,954	100%	1,273	100%	15,227	100%
Extended Evaluation	40	-	0	-	40	-	130	-	170	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

Note: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-2. Serious Employment Handicap Status of Study Cohorts by Participation Status as of end of FY 2013

Serious Employment Handicap	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Yes	4,539	73%	1,626	69%	6,165	72%	1,780	81%	7,945	74%
No	1,689	27%	732	31%	2,421	28%	426	19%	2,847	26%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
Yes	9,271	74%	1,041	71%	10,312	74%	1,271	91%	11,583	75%
No	3,267	26%	415	29%	3,682	26%	132	9%	3,814	25%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-3. Gender of Study Cohorts by Participation Status as of end of FY 2013

Gender	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Male	5,091	82%	1,983	84%	7,074	82%	1,929	87%	9,003	83%
Female	1,137	18%	375	16%	1,512	18%	277	13%	1,789	17%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
Male	10,128	81%	1,248	86%	11,376	81%	1,201	86%	12,577	82%
Female	2,410	19%	208	14%	2,618	19%	202	14%	2,820	18%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-4. Age Ranges of Study Cohorts by Participation Status as of end of FY 2013

Age Range	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
17-21	0	0%	0	0%	0	0%	0	0%	0	0%
22-29	421	7%	86	4%	507	6%	163	7%	670	6%
30-39	1,726	28%	540	23%	2,266	26%	560	25%	2,826	26%
40-44	970	16%	306	13%	1,276	15%	247	11%	1,523	14%
45-49	1,037	17%	322	14%	1,359	16%	313	14%	1,672	15%
50-54	942	15%	346	15%	1,288	15%	303	14%	1,591	15%
55-59	574	9%	229	10%	803	9%	263	12%	1,066	10%
60 and above	558	9%	529	22%	1,087	13%	357	16%	1,444	13%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
17-21	7	0%	0	0%	7	0%	0	0%	7	0%
22-29	1,685	13%	105	7%	1,790	13%	149	11%	1,939	13%
30-39	4,131	33%	387	27%	4,518	32%	336	24%	4,854	32%
40-44	1,765	14%	147	10%	1,912	14%	161	11%	2,073	13%
45-49	1,735	14%	173	12%	1,908	14%	193	14%	2,101	14%
50-54	1,507	12%	189	13%	1,696	12%	185	13%	1,881	12%
55-59	906	7%	139	10%	1,045	7%	170	12%	1,215	8%
60 and above	802	6%	316	22%	1,118	8%	209	15%	1,327	9%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-5. Length of Service in Military of Study Cohorts by Participation Status as of end of FY 2013

Length of Service in Military	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
< 3 Months	97	2%	29	1%	126	1%	34	2%	160	1%
3-5 Months	170	3%	65	3%	235	3%	53	2%	288	3%
6 Months - 2 Years	1,459	23%	464	20%	1,923	22%	544	25%	2,467	23%
> 2 Years - 4 Years	1,837	30%	666	28%	2,503	29%	733	33%	3,236	30%
> 4 Years - 10 Years	1,541	25%	585	25%	2,126	25%	487	22%	2,613	24%
> 10 Years - 15 Years	309	5%	142	6%	451	5%	115	5%	566	5%
> 15 Years - 20 Years	421	7%	197	8%	618	7%	134	6%	752	7%
> 20 Years - 30 Years	391	6%	205	9%	596	7%	106	5%	702	7%
> 30 Years	2	0%	5	0%	7	0%	0	0%	7	0%
Subtotal	6,227	100%	2,358	100%	8,585	100%	2,206	100%	10,791	100%
Data Unavailable	1	-	0	-	1	-	0	-	1	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-
FY 2012 Cohort										
< 3 Months	141	1%	16	1%	157	1%	28	2%	185	1%
3-5 Months	282	2%	27	2%	309	2%	37	3%	346	2%
6 Months - 2 Years	2,326	19%	297	20%	2,623	19%	326	23%	2,949	19%
> 2 Years - 4 Years	3,898	31%	424	29%	4,322	31%	512	36%	4,834	31%
> 4 Years - 10 Years	3,524	28%	368	25%	3,892	28%	308	22%	4,200	27%
> 10 Years - 15 Years	739	6%	69	5%	808	6%	70	5%	878	6%
> 15 Years - 20 Years	754	6%	122	8%	876	6%	69	5%	945	6%
> 20 Years - 30 Years	862	7%	130	9%	992	7%	53	4%	1,045	7%
> 30 Years	10	0%	3	0%	13	0%	0	0%	13	0%
Subtotal	12,536	100%	1,456	100%	13,992	100%	1,403	100%	15,395	100%
Data Unavailable	2	-	0	-	2	-	0	-	2	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-6. Combined Disability Rating of Study Cohorts by Participation Status as of end of FY 2013

Combined Disability Rating Percentage	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
0% ¹	1	0%	0	0%	1	0%	2	0%	3	0%
10%	348	6%	92	4%	440	5%	115	5%	555	5%
20%	675	11%	203	9%	878	10%	181	8%	1,059	10%
30%	884	14%	296	13%	1180	14%	246	11%	1,426	13%
40%	920	15%	321	14%	1241	14%	227	10%	1,468	14%
50%	713	11%	228	10%	941	11%	209	9%	1,150	11%
60%	815	13%	285	12%	1100	13%	264	12%	1,364	13%
70%	625	10%	266	11%	891	10%	271	12%	1,162	11%
80%	540	9%	256	11%	796	9%	235	11%	1,031	10%
90%	314	5%	146	6%	460	5%	157	7%	617	6%
100%	379	6%	263	11%	642	7%	290	13%	932	9%
Memo Rating ²	14	0%	2	0%	16	0%	9	0%	25	0%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
0% ¹	4	0%	0	0%	4	0%	3	0%	7	0%
10%	747	6%	65	4%	812	6%	95	7%	907	6%
20%	1,338	11%	150	10%	1,488	11%	111	8%	1,599	10%
30%	1,663	13%	184	13%	1,847	13%	170	12%	2,017	13%
40%	1,676	13%	157	11%	1,833	13%	145	10%	1,978	13%
50%	1,302	10%	149	10%	1,451	10%	140	10%	1,591	10%
60%	1,604	13%	181	12%	1,785	13%	161	11%	1,946	13%
70%	1,366	11%	161	11%	1,527	11%	170	12%	1,697	11%
80%	1,259	10%	148	10%	1,407	10%	124	9%	1,531	10%
90%	722	6%	102	7%	824	6%	94	7%	918	6%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

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.

Table I-6. Combined Disability Rating of Study Cohorts by Participation Status as of end of FY 2013 (continued)

Combined Disability Rating Percentage	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2012 Cohort										
100%	745	6%	144	10%	889	6%	177	13%	1,066	7%
Memo Rating ²	112	1%	15	1%	127	1%	13	1%	140	1%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

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.

Table I-7. Pre-Rehabilitation Level of Education of Study Cohorts by Participation Status as of end of FY 2013

Prior Level of Education	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Below High School	98	2%	47	2%	145	2%	51	2%	196	2%
High School	2,744	44%	887	38%	3,631	42%	1,113	50%	4,744	44%
Some College	2,678	43%	870	37%	3,548	41%	777	35%	4,325	40%
Four Year Degree	531	9%	450	19%	981	11%	201	9%	1,182	11%
Graduate Training	177	3%	104	4%	281	3%	64	3%	345	3%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
Below High School	138	1%	37	3%	175	1%	29	2%	204	1%
High School	4,482	36%	497	34%	4,979	36%	663	47%	5,642	37%
Some College	5,888	47%	505	35%	6,393	46%	526	38%	6,919	45%
Four Year Degree	1,691	14%	341	24%	2,032	15%	152	11%	2,184	14%
Graduate Training	304	2%	69	5%	373	3%	30	2%	403	3%
Subtotal	12,503	100%	1,449	100%	13,952	100%	1,400	100%	15,352	100%
Data Unavailable	35	-	7	-	42	-	3	-	45	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-8. Pre-Rehabilitation Annual Salary of Study Cohorts by Participation Status as of end of FY 2013

Pre-Rehabilitation Annual Salary	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
\$0	4,608	74%	1,735	74%	6,343	74%	1,807	82%	8,150	76%
\$1-6,000	120	2%	49	2%	169	2%	37	2%	206	2%
\$6,001-12,000	232	4%	77	3%	309	4%	70	3%	379	4%
\$12,001-18,000	248	4%	79	3%	327	4%	60	3%	387	4%
\$18,001-24,000	250	4%	102	4%	352	4%	60	3%	412	4%
\$24,001-30,000	215	3%	84	4%	299	3%	49	2%	348	3%
\$30,001-36,000	193	3%	65	3%	258	3%	42	2%	300	3%
\$36,001-42,000	102	2%	48	2%	150	2%	21	1%	171	2%
\$42,001-48,000	106	2%	48	2%	154	2%	18	1%	172	2%
\$48,001+	154	2%	71	3%	225	3%	42	2%	267	2%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
\$0	9,593	77%	1,174	81%	10,767	77%	1,228	88%	11,995	78%
\$1-6,000	240	2%	25	2%	265	2%	14	1%	279	2%
\$6,001-12,000	490	4%	50	3%	540	4%	31	2%	571	4%
\$12,001-18,000	399	3%	29	2%	428	3%	30	2%	458	3%
\$18,001-24,000	468	4%	48	3%	516	4%	24	2%	540	4%
\$24,001-30,000	322	3%	34	2%	356	3%	19	1%	375	2%
\$30,001-36,000	315	3%	22	2%	337	2%	21	1%	358	2%
\$36,001-42,000	196	2%	19	1%	215	2%	7	0%	222	1%
\$42,001-48,000	171	1%	14	1%	185	1%	10	1%	195	1%
\$48,001+	344	3%	41	3%	385	3%	19	1%	404	3%
Total	12,538	100%	1,456	100%	13,994	100%	1,403	100%	15,397	100%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-9. Primary Diagnosis of Study Cohorts by Participation Status as of end of FY 2013

Primary Diagnosis	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Diseases of the Musculoskeletal System including Muscle Injuries	954	15%	245	10%	1,199	14%	255	12%	1,454	13%
Diseases of the Eye, Ear, or other Sensory Organs	279	4%	121	5%	400	5%	89	4%	489	5%
Other Physical Health Conditions or Diseases	1,496	24%	518	22%	2,014	23%	429	19%	2,443	23%
Neurological Conditions and Convulsive Disorders (excluding Mental Health Conditions or Disorders)	973	16%	410	17%	1,383	16%	315	14%	1,698	16%
PTSD	1,242	20%	573	24%	1,815	21%	549	25%	2,364	22%
Major Depression	487	8%	166	7%	653	8%	190	9%	843	8%
Other Mental Health Conditions	646	10%	266	11%	912	11%	325	15%	1,237	11%
Dental and Oral Conditions	147	2%	58	2%	205	2%	54	2%	259	2%
Unknown	0	0%	1	0%	1	0%	0	0%	1	0%
Subtotal	6,224	100%	2,358	100%	8,582	100%	2,206	100%	10,788	100%
Data Unavailable	4	-	0	-	4	-	0	-	4	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-
FY 2012 Cohort										
Diseases of the Musculoskeletal System including Muscle Injuries	1,507	12%	127	9%	1,634	12%	175	13%	1,809	12%
Diseases of the Eye, Ear, or other Sensory Organs	583	5%	68	5%	651	5%	75	5%	726	5%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-9. Primary Diagnosis of Study Cohorts by Participation Status as of end of FY 2013 (continued)

FY 2012 Cohort										
Other Physical Health Conditions or Diseases	2,769	22%	352	24%	3,121	22%	250	18%	3,371	22%
Neurological Conditions and Convulsive Disorders (excluding Mental Health Conditions or Disorders)	1,868	15%	220	15%	2,088	15%	170	12%	2,258	15%
PTSD	3,037	24%	392	27%	3,429	25%	402	29%	3,831	25%
Major Depression	836	7%	96	7%	932	7%	110	8%	1,042	7%
Other Mental Health Conditions	1,487	12%	155	11%	1,642	12%	190	14%	1,832	12%
Dental and Oral Conditions	344	3%	41	3%	385	3%	28	2%	413	3%
Unknown	0	0%	0	0%	0	0%	0	0%	0	0%
Subtotal	12,431	100%	1,451	100%	13,882	100%	1,400	100%	15,282	100%
Data Unavailable	107	-	5	-	112	-	3	-	115	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-10. Era of Service in Military of Study Cohorts by Participation Status as of end of FY 2013

Era of Service in Military	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
World War II	7	0%	10	0%	17	0%	3	0%	20	0%
Post World War II	0	0%	0	0%	0	0%	0	0%	0	0%
Korean Conflict	12	0%	18	1%	30	0%	3	0%	33	0%
Post Korean Conflict	5	0%	17	1%	22	0%	3	0%	25	0%
Vietnam War	423	7%	376	16%	799	9%	294	13%	1,093	10%
Post Vietnam War Era	845	14%	248	11%	1,093	13%	328	15%	1,421	13%
Gulf War Era I	2,102	34%	677	29%	2,779	32%	553	25%	3,332	31%
Gulf War Era II	2,831	45%	1,012	43%	3,843	45%	1,021	46%	4,864	45%
Subtotal	6,225	100%	2,358	100%	8,583	100%	2,205	100%	10,788	100%
Data Unavailable	3	-	0	-	3	-	1	-	4	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-
FY 2012 Cohort										
World War II	3	0%	5	0%	8	0%	0	0%	8	0%
Post World War II	0	0%	0	0%	0	0%	0	0%	0	0%
Korean Conflict	12	0%	13	1%	25	0%	1	0%	26	0%
Post Korean Conflict	12	0%	11	1%	23	0%	10	1%	33	0%
Vietnam War	603	5%	242	17%	845	6%	172	12%	1,017	7%
Post Vietnam War Era	1,241	10%	132	9%	1,373	10%	263	19%	1,636	11%
Gulf War Era I	2,737	22%	225	15%	2,962	21%	288	21%	3,250	21%
Gulf War Era II	7,926	63%	827	57%	8,753	63%	668	48%	9,421	61%
Subtotal	12,534	100%	1,455	100%	13,989	100%	1,402	100%	15,391	100%
Data Unavailable	4	-	1	-	5	-	1	-	6	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-11. Branch of Service in Military of Study Cohorts by Participation Status as of end of FY 2013

Branch of Service in Military	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Army	3,337	54%	1,236	52%	4,573	53%	1,288	58%	5,861	54%
Navy	1,117	18%	424	18%	1,541	18%	356	16%	1,897	18%
Air Force	859	14%	356	15%	1,215	14%	268	12%	1,483	14%
Marine Corps	824	13%	308	13%	1,132	13%	261	12%	1,393	13%
Coast Guard	58	1%	25	1%	83	1%	16	1%	99	1%
Reserves/Guard or Other	33	1%	9	0%	42	0%	17	1%	59	1%
Total	6,228	100%	2,358	100%	8,586	100%	2,206	100%	10,792	100%
FY 2012 Cohort										
Army	6,796	54%	780	54%	7,576	54%	816	58%	8,392	55%
Navy	2,165	17%	225	15%	2,390	17%	228	16%	2,618	17%
Air Force	1,674	13%	220	15%	1,894	14%	163	12%	2,057	13%
Marine Corps	1,737	14%	210	14%	1,947	14%	173	12%	2,120	14%
Coast Guard	110	1%	11	1%	121	1%	16	1%	137	1%
Reserves/Guard or Other	54	0%	10	1%	64	0%	7	0%	71	0%
Subtotal	12,536	100%	1,456	100%	13,992	100%	1,403	100%	15,395	100%
Data Unavailable	2	-	0	-	2	-	0	-	2	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-12. Rank Upon Exit from Military of Study Cohorts by Participation Status as of end of FY 2013

Rank	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
E1	451	7%	96	4%	547	6%	192	9%	739	7%
E2	489	8%	117	5%	606	7%	179	8%	785	7%
E3	1,002	16%	258	11%	1,260	15%	347	16%	1,607	15%
E4	1,933	31%	706	30%	2,639	31%	681	31%	3,320	31%
E5	1,052	17%	459	20%	1,511	18%	353	16%	1,864	17%
E6	555	9%	254	11%	809	9%	196	9%	1,005	9%
E7	411	7%	229	10%	640	7%	136	6%	776	7%
E8	156	3%	83	4%	239	3%	46	2%	285	3%
E9	35	1%	23	1%	58	1%	14	1%	72	1%
O(1-8)	117	2%	101	4%	218	3%	44	2%	262	2%
W(1-5)	25	0%	24	1%	49	1%	16	1%	65	1%
Subtotal	6,226	100%	2,350	100%	8,576	100%	2,204	100%	10,780	100%
Data Unavailable	2	-	8	-	10	-	2	-	12	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-
FY 2012 Cohort										
E1	758	6%	54	4%	812	6%	136	10%	948	6%
E2	659	5%	52	4%	711	5%	135	10%	846	6%
E3	1,646	13%	150	11%	1,796	13%	209	15%	2,005	13%
E4	3,944	32%	433	30%	4,377	32%	435	31%	4,812	32%
E5	2,501	20%	276	19%	2,777	20%	217	16%	2,994	20%
E6	1,272	10%	158	11%	1,430	10%	113	8%	1,543	10%
E7	889	7%	131	9%	1,020	7%	71	5%	1,091	7%
E8	294	2%	47	3%	341	2%	16	1%	357	2%
E9	67	1%	24	2%	91	1%	7	1%	98	1%
O(1-8)	356	3%	83	6%	439	3%	38	3%	477	3%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-12. Rank Upon Exit from Military of Study Cohorts by Participation Status as of end of FY 2013 (continued)

Rank	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2012 Cohort										
W(1-5)	63	1%	18	1%	81	1%	5	0%	86	1%
Subtotal	12,449	100%	1,426	100%	13,875	100%	1,382	100%	15,257	100%
Data Unavailable	89	-	30	-	119	-	21	-	140	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-13. Receipt of Subsistence Allowance by Training Type of Study Cohorts by Participation Status as of end of FY 2013

Training Type	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Non-College Degree; Vocational/Technical	302	5%	289	17%	591	8%	177	12%	768	8%
College, Non Degree	161	3%	74	4%	235	3%	65	4%	300	3%
Undergraduate	4,861	83%	992	60%	5,853	78%	1,111	72%	6,964	77%
Graduate School	406	7%	178	11%	584	8%	49	3%	633	7%
Farm Cooperative	5	0%	1	0%	6	0%	0	0%	6	0%
Non Pay Work Experience in a Federal, State, or Local Agency	23	0%	45	3%	68	1%	24	2%	92	1%
Apprenticeship	11	0%	6	0%	17	0%	2	0%	19	0%
Nonvocational Chapter 31 (includes Independent Living and Extended Evaluation)	74	1%	56	3%	130	2%	98	6%	228	3%
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	19	0%	7	0%	26	0%	1	0%	27	0%
OJT (On-Job Training)	9	0%	8	0%	17	0%	2	0%	19	0%
Special Rehabilitation Services; Improvement of Rehabilitation Potential; Special Evaluation Procedures; Adult Basic Education	5	0%	7	0%	12	0%	10	1%	22	0%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-13. Receipt of Subsistence Allowance by Training Type of Study Cohorts by Participation Status as of end of FY 2013 (continued)

Training Type	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2010 Cohort										
Subtotal	5,876	100%	1,663	100%	7,539	100%	1,539	100%	9,078	100%
Not Receiving Assistance	352	-	695	-	1,047	-	667	-	1,714	-
Total	6,228	-	2,358	-	8,586	-	2,206	-	10,792	-
FY 2012 Cohort										
Non-College Degree; Vocational/Technical	703	6%	259	29%	962	8%	114	13%	1,076	8%
College, Non Degree	319	3%	61	7%	380	3%	31	4%	411	3%
Undergraduate	9,184	79%	338	37%	9,522	76%	533	61%	10,055	75%
Graduate School	967	8%	62	7%	1,029	8%	15	2%	1,044	8%
Farm Cooperative	4	0%	0	0%	4	0%	0	0%	4	0%
Non Pay Work Experience in a Federal, State, or Local Agency	84	1%	76	8%	160	1%	20	2%	180	1%
Apprenticeship	23	0%	2	0%	25	0%	0	0%	25	0%
Nonvocational Chapter 31 (includes Independent Living and Extended Evaluation)	193	2%	69	8%	262	2%	146	17%	408	3%
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	39	0%	21	2%	60	0%	8	1%	68	1%
OJT (On-Job Training)	29	0%	6	1%	35	0%	0	0%	35	0%

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-13. Receipt of Subsistence Allowance by Training Type of Study Cohorts by Participation Status as of end of FY 2013 (continued)

Training Type	All Persisting Participants		All Rehabilitated Participants		Subtotal		All Discontinued Participants		Total	
	N	%	N	%	N	%	N	%	N	%
FY 2012 Cohort										
Special Rehabilitation Services; Improvement of Rehabilitation Potential; Special Evaluation Procedures; Adult Basic Education	17	0%	8	1%	25	0%	9	1%	34	0%
Subtotal	11,562	100%	902	100%	12,464	100%	876	100%	13,340	100%
Not Receiving Assistance	976	-	554	-	1,530	-	527	-	2,057	-
Total	12,538	-	1,456	-	13,994	-	1,403	-	15,397	-

NOTE: Frequencies (N) and percentages (%) reported in table are based on VBA administrative data available for cohort population.

Table I-14a. Number of Dependents of Study Cohorts by Participation Status as of end of FY 2013

Number of Dependents	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																				
0	246	21%	1,312	21%	117	21%	632	21%	363	21%	1,944	21%	66	27%	302	26%	429	22%	2,246	22%
1	351	31%	1,778	28%	183	33%	901	30%	534	31%	2,679	29%	83	34%	379	32%	617	32%	3,058	29%
2 or more	551	48%	3,183	51%	260	46%	1,437	48%	811	47%	4,620	50%	93	38%	494	42%	904	46%	5,114	49%
Subtotal	1,148	100%	6,273	100%	560	100%	2,971	100%	1,708	100%	9,244	100%	242	100%	1,175	100%	1,950	100%	10,419	100%
Data Unavailable	35	-	175	-	14	-	73	-	49	-	248	-	8	-	32	-	57	-	280	-
Total	1,183	-	6,448	-	574	-	3,043	-	1,757	-	9,491	-	250	-	1,207	-	2,007	-	10,698	-
FY 2012 Cohort																				
0	327	22%	2,792	22%	51	23%	339	22%	378	22%	3,131	22%	39	36%	262	32%	417	23%	3,393	23%
1	400	27%	3,131	25%	84	38%	547	36%	484	28%	3,678	26%	28	26%	174	21%	512	28%	3,852	26%
2 or more	758	51%	6,550	53%	89	40%	648	42%	847	50%	7,198	51%	42	39%	375	46%	889	49%	7,573	51%
Subtotal	1,485	100%	12,473	100%	224	100%	1,534	100%	1,709	100%	14,007	100%	109	100%	810	100%	1,818	100%	14,817	100%
Data Unavailable	59	-	420	-	9	-	60	-	68	-	480	-	4	-	20	-	72	-	500	-
Total	1,544	-	12,893	-	233	-	1,594	-	1,777	-	14,487	-	113	-	830	-	1,890	-	15,317	-

¹ Unweighted frequencies (n) and percentages (%) reported in table are based on raw survey responses and sum up to the survey sample. These data have *not* been weighted up to reflect the population.

² Weighted frequencies (N) and percentages (%) reported in table are based on weighted survey responses (to adjust for non-response bias) and sum up to the cohort population. These data have been weighted up to reflect the population.

Table I-14b. Average Number of Dependents of Study Cohorts by Participation Status as of end of FY 2013

Number of Dependents	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)
FY 2010 Cohort																				
Number of Dependents	1,148	1.8 (0.05)	6,273	1.9 (0.05)	560	1.7 (0.06)	2,971	1.8 (0.07)	1,708	1.8 (0.04)	9,244	1.9 (0.04)	242	1.6 (0.10)	1,175	1.7 (0.12)	1,950	1.8 (0.04)	10,419	1.9 (0.04)
FY 2012 Cohort																				
Number of Dependents	1,485	1.9 (0.04)	12,473	1.9 (0.05)	224	1.6 (0.09)	1,534	1.6 (0.11)	1,709	1.8 (0.04)	14,007	1.9 (0.04)	109	1.5 (0.15)	810	1.8 (0.20)	1,818	1.8 (0.04)	14,817	1.9 (0.04)

¹ Unweighted frequencies (n) and averages reported in table are based on raw survey responses and sum or average up to the survey sample. These data have *not* been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

² Weighted frequencies (N) and averages reported in table are based on weighted survey responses (to adjust for non-response bias) and sum or average up to the cohort population. These data have been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

Table I-15. Average Number of Visits to Medical Facilities of Study Cohorts by Participation Status as of end of FY 2013

Number of Medical Visits	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)
FY 2010 Cohort																				
Visits to VA Medical Facilities	1,179	12.2 (0.55)	6,430	12.2 (0.59)	572	9.4 (0.60)	3,033	9.7 (0.63)	1,751	11.3 (0.42)	9,463	11.4 (0.45)	250	15.3 (1.23)	1,207	14.5 (1.16)	2,001	11.8 (0.40)	10,670	11.8 (0.42)
Emergency Room Visits	979	0.9 (0.06)	5,374	1.0 (0.07)	451	0.8 (0.10)	2,399	0.8 (0.09)	1,430	0.9 (0.05)	7,773	0.9 (0.06)	204	1.3 (0.16)	998	1.3 (0.16)	1,634	0.9 (0.05)	8,771	0.9 (0.06)
Routine and Scheduled Visits	1,159	6.5 (0.35)	6,332	6.4 (0.33)	557	5.0 (0.29)	2,942	5.0 (0.29)	1,716	6.0 (0.26)	9,274	5.9 (0.24)	241	7.5 (0.62)	1,166	7.0 (0.57)	1,957	6.2 (0.24)	10,439	6.1 (0.22)
Treatment Visits	1,032	5.8 (0.36)	5,678	5.8 (0.39)	471	4.9 (0.53)	2,498	5.1 (0.59)	1,503	5.5 (0.30)	8,176	5.6 (0.32)	217	8.1 (1.03)	1,055	7.6 (0.96)	1,720	5.8 (0.29)	9,230	5.8 (0.31)
Visits to non-VA Medical Facilities	1,170	4.5 (0.29)	6,380	4.4 (0.30)	562	4.4 (0.35)	2,987	4.6 (0.39)	1,732	4.5 (0.23)	9,367	4.5 (0.24)	246	5.8 (0.84)	1,190	5.3 (0.73)	1,978	4.7 (0.22)	10,557	4.6 (0.22)
Emergency Room Visits	1,034	0.6 (0.05)	5,659	0.6 (0.05)	482	0.5 (0.05)	2,568	0.5 (0.05)	1,516	0.6 (0.04)	8,227	0.6 (0.04)	218	0.7 (0.10)	1,063	0.6 (0.09)	1,734	0.6 (0.03)	9,290	0.6 (0.03)
Routine and Scheduled Visits	1,074	2.0 (0.12)	5,872	1.9 (0.12)	525	2.5 (0.20)	2,786	2.6 (0.21)	1,599	2.2 (0.11)	8,658	2.1 (0.11)	223	3.0 (0.41)	1,092	2.7 (0.36)	1,822	2.3 (0.11)	9,750	2.2 (0.10)
Treatment Visits	997	2.6 (0.26)	5,481	2.5 (0.26)	448	2.0 (0.26)	2,383	2.1 (0.30)	1,445	2.4 (0.20)	7,864	2.4 (0.20)	211	3.0 (0.66)	1,023	2.6 (0.58)	1,656	2.5 (0.19)	8,887	2.4 (0.19)

¹ Unweighted frequencies (n) and averages reported in table are based on raw survey responses and sum or average up to the survey sample. These data have not been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

² Weighted frequencies (N) and averages reported in table are based on weighted survey responses (to adjust for non-response bias) and sum or average up to the cohort population. These data have been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

Table I-15. Average Number of Visits to Medical Facilities of Study Cohorts by Participation Status as of end of FY 2013 (continued)

Number of Medical Visits	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)
FY 2012 Cohort																				
Visits to VA Medical Facilities	1,535	12.1 (0.52)	12,825	11.9 (0.52)	230	13.9 (1.36)	1,573	13.7 (1.25)	1,765	12.3 (0.49)	14,397	12.1 (0.48)	113	15.2 (1.67)	830	15.7 (1.85)	1,878	12.5 (0.47)	15,228	12.3 (0.47)
Emergency Room Visits	1,246	0.8 (0.06)	10,577	0.8 (0.05)	182	1.4 (0.38)	1,262	1.3 (0.33)	1,428	0.9 (0.07)	11,839	0.8 (0.06)	102	1.2 (0.17)	756	1.2 (0.17)	1,530	0.9 (0.07)	12,595	0.8 (0.06)
Routine and Scheduled Visits	1,498	5.9 (0.25)	12,515	5.7 (0.25)	226	6.6 (0.60)	1,552	6.5 (0.59)	1,724	6.0 (0.23)	14,067	5.8 (0.23)	111	6.8 (0.77)	824	6.4 (0.72)	1,835	6.0 (0.22)	14,891	5.8 (0.22)
Treatment Visits	1,321	6.6 (0.39)	11,194	6.5 (0.38)	192	7.6 (0.97)	1,349	7.3 (0.87)	1,513	6.8 (0.36)	12,543	6.6 (0.35)	100	8.3 (1.31)	750	9.1 (1.53)	1,613	6.9 (0.35)	13,294	6.8 (0.35)
Visits to non-VA Medical Facilities	1,521	4.8 (0.27)	12,700	4.5 (0.25)	227	5.3 (0.63)	1,555	5.0 (0.62)	1,748	4.9 (0.24)	14,255	4.5 (0.23)	111	4.5 (0.74)	813	3.9 (0.66)	1,859	4.8 (0.23)	15,068	4.5 (0.22)
Emergency Room Visits	1,352	0.5 (0.03)	11,382	0.5 (0.03)	195	0.4 (0.07)	1,358	0.4 (0.09)	1,547	0.5 (0.03)	12,740	0.5 (0.03)	103	0.8 (0.17)	749	0.8 (0.15)	1,650	0.5 (0.03)	13,489	0.5 (0.03)
Routine and Scheduled Visits	1,416	2.5 (0.13)	11,856	2.3 (0.12)	210	2.6 (0.29)	1,440	2.5 (0.28)	1,626	2.5 (0.12)	13,296	2.3 (0.11)	106	2.3 (0.46)	771	2.0 (0.45)	1,732	2.5 (0.12)	14,067	2.3 (0.11)
Treatment Visits	1,296	2.4 (0.22)	10,997	2.2 (0.20)	193	3.0 (0.57)	1,342	2.7 (0.56)	1,489	2.5 (0.21)	12,339	2.3 (0.19)	99	1.8 (0.43)	734	1.4 (0.35)	1,588	2.4 (0.20)	13,073	2.2 (0.18)

¹ Unweighted frequencies (n) and averages reported in table are based on raw survey responses and sum or average up to the survey sample. These data have *not* been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

² Weighted frequencies (N) and averages reported in table are based on weighted survey responses (to adjust for non-response bias) and sum or average up to the cohort population. These data have been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

Table I-16. IHL Enrollment Status of Study Cohorts by Participation Status as of end of FY 2013

Enrolled in Institution of Higher Learning (IHL)	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																				
Enrolled in IHL	862	73%	4,792	75%	121	21%	670	22%	983	56%	5,462	58%	42	17%	222	18%	1,025	51%	5,684	53%
Not Enrolled in IHL	316	27%	1,634	25%	449	79%	2,351	78%	765	44%	3,985	42%	207	83%	980	82%	972	49%	4,965	47%
Subtotal	1,178	100%	6,425	100%	570	100%	3,021	100%	1,748	100%	9,447	100%	249	100%	1,202	100%	1,997	100%	10,649	100%
Data Unavailable	5	-	23	-	4	-	22	-	9	-	45	-	1	-	5	-	10	-	50	-
Total	1,183	-	6,448	-	574	-	3,043	-	1,757	-	9,491	-	250	-	1,207	-	2,007	-	10,698	-
FY 2012 Cohort																				
Enrolled in IHL	1,301	84%	11,141	87%	52	22%	437	28%	1,353	76%	11,579	80%	39	35%	310	37%	1,392	74%	11,889	78%
Not Enrolled in IHL	241	16%	1,734	13%	180	78%	1,150	72%	421	24%	2,884	20%	74	65%	520	63%	495	26%	3,404	22%
Subtotal	1,542	100%	12,875	100%	232	100%	1,588	100%	1,774	100%	14,463	100%	113	100%	830	100%	1,887	100%	15,293	100%
Data Unavailable	2	-	18	-	1	-	6	-	3	-	24	-	0	-	0	-	3	-	24	-
Total	1,544	-	12,893	-	233	-	1,594	-	1,777	-	14,487	-	113	-	830	-	1,890	-	15,317	-

¹ Unweighted frequencies (n) and percentages (%) reported in table are based on raw survey responses and sum up to the survey sample. These data have not been weighted up to reflect the population.

² Weighted frequencies (N) and percentages (%) reported in table are based on weighted survey responses (to adjust for non-response bias) and sum up to the cohort population. These data have been weighted up to reflect the population.

Table I-17. Number of Credit Hours Obtained by Study Cohorts by Participation Status as of end of FY 2013

Number of Credit Hours	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																				
1 to 10	108	13%	569	12%	23	20%	112	17%	131	14%	681	13%	8	21%	37	18%	139	14%	718	13%
11 to 20	213	25%	1,179	25%	31	27%	172	27%	244	25%	1,351	25%	7	18%	33	16%	251	25%	1,384	25%
21 to 30	218	26%	1,238	26%	20	17%	121	19%	238	25%	1,360	25%	8	21%	45	22%	246	25%	1,405	25%
31 to 40	132	16%	747	16%	14	12%	86	13%	146	15%	834	16%	5	13%	32	16%	151	15%	866	16%
41 or more	144	17%	803	17%	23	20%	126	19%	167	17%	929	17%	5	13%	30	14%	172	17%	959	17%
Credits Not Recorded	13	2%	61	1%	3	3%	13	2%	16	2%	74	1%	2	5%	9	4%	18	2%	83	1%
No Credits Completed	20	2%	116	2%	2	2%	16	3%	22	2%	133	2%	4	10%	22	10%	26	3%	155	3%
Subtotal	848	100%	4,714	100%	116	100%	647	100%	964	100%	5,361	100%	39	100%	208	100%	1,003	100%	5,569	100%
Data Unavailable	335	-	1,735	-	458	-	2,396	-	793	-	4,131	-	211	-	999	-	1,004	-	5,130	-
Total	1,183	-	6,448	-	574	-	3,043	-	1,757	-	9,491	-	250	-	1,207	-	2,007	-	10,698	-

¹ Unweighted frequencies (n) and percentages (%) reported in table are based on raw survey responses and sum up to the survey sample. These data have not been weighted up to reflect the population.

² Weighted frequencies (N) and percentages (%) reported in table are based on weighted survey responses (to adjust for non-response bias) and sum up to the cohort population. These data have been weighted up to reflect the population.

Table I-17. Number of Credit Hours Obtained by Study Cohorts by Participation Status as of end of FY 2013 (continued)

Number of Credit Hours	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2012 Cohort																				
1 to 10	109	8%	811	7%	9	17%	75	17%	118	9%	886	8%	9	24%	55	18%	127	9%	940	8%
11 to 20	270	21%	2,201	20%	11	21%	96	22%	281	21%	2,297	20%	14	37%	124	41%	295	21%	2,421	21%
21 to 30	343	27%	3,069	28%	4	8%	42	10%	347	26%	3,111	27%	3	8%	15	5%	350	25%	3,126	27%
31 to 40	241	19%	2,090	19%	3	6%	21	5%	244	18%	2,112	18%	0	0%	0	0%	244	18%	2,112	18%
41 or more	255	20%	2,334	21%	16	31%	144	33%	271	20%	2,478	22%	4	11%	53	17%	275	20%	2,531	22%
Credits Not Recorded	30	2%	240	2%	8	15%	52	12%	38	3%	293	3%	2	5%	11	4%	40	3%	303	3%
No Credits Completed	37	3%	273	2%	1	2%	7	2%	38	3%	280	2%	6	16%	47	15%	44	3%	327	3%
Subtotal	1,285	100%	11,018	100%	52	100%	437	100%	1,337	100%	11,456	100%	38	100%	304	100%	1,375	100%	11,760	100%
Data Unavailable	259	-	1,875	-	181	-	1,157	-	440	-	3,032	-	75	-	526	-	515	-	3,558	-
Total	1,544	-	12,893	-	233	-	1,594	-	1,777	-	14,487	-	113	-	830	-	1,890	-	15,317	-

¹ Unweighted frequencies (n) and percentages (%) reported in table are based on raw survey responses and sum up to the survey sample. These data have *not* been weighted up to reflect the population.

² Weighted frequencies (N) and percentages (%) reported in table are based on weighted survey responses (to adjust for non-response bias) and sum up to the cohort population. These data have been weighted up to reflect the population.

Table I-18. Average Number of Degrees and Certificates Obtained by Study Cohorts by Participation Status as of end of FY 2013

Degrees/ Certificates	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)	n	Mean (S.E.)	N	Mean (S.E.)
FY 2010 Cohort																				
Degrees	333	1.0 (0.00)	1,789	1.0 (0.01)	83	1.0 (0.01)	466	1.0 (0.01)	416	1.0 (0.00)	2,256	1.0 (0.01)	20	1.0 (0.00)	107	1.0 (0.00)	436	1.0 (0.00)	2,363	1.0 (0.01)
Certificates	122	2.0 (0.17)	683	2.0 (0.16)	94	1.9 (0.18)	519	1.9 (0.18)	216	2.0 (0.12)	1,202	1.9 (0.12)	15	1.6 (0.34)	79	1.5 (0.27)	231	1.9 (0.12)	1,280	1.9 (0.11)
FY 2012 Cohort																				
Degrees	345	1.0 (0.01)	3,034	1.0 (0.01)	32	1.0 (0.00)	284	1.0 (0.00)	377	1.0 (0.01)	3,318	1.0 (0.01)	9	1.0 (0.00)	77	1.0 (0.00)	386	1.0 (0.01)	3,395	1.0 (0.01)
Certificates	193	1.8 (0.12)	1,669	1.8 (0.13)	48	1.8 (0.18)	355	1.9 (0.20)	241	1.8 (0.10)	2,024	1.8 (0.11)	5	1.6 (0.36)	33	1.8 (0.40)	246	1.8 (0.10)	2,057	1.8 (0.11)

¹ Unweighted frequencies (n) and averages reported in table are based on raw survey responses and sum or average up to the survey sample. These data have *not* been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

² Weighted frequencies (N) and averages reported in table are based on weighted survey responses (to adjust for non-response bias) and sum or average up to the cohort population. These data have been weighted up to reflect the population. The standard error (S.E.) is displayed in addition to the mean.

Table I-19. Overall Satisfaction Level with VR&E Program of Study Cohorts by Participation Status as of end of FY 2013

Satisfaction Level	All Persisting Participants				All Rehabilitated Participants				Subtotal				All Discontinued Participants				Total			
	Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²		Unwgted ¹		Wgted ²	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																				
Low	108	9%	589	9%	50	9%	263	9%	158	9%	852	9%	64	26%	308	26%	222	11%	1,160	11%
Moderate	259	23%	1,421	23%	112	20%	614	20%	371	22%	2,036	22%	79	33%	356	30%	450	23%	2,391	23%
High	783	68%	4,276	68%	404	71%	2,129	71%	1,187	69%	6,406	69%	99	41%	509	43%	1,286	66%	6,914	66%
Subtotal	1,150	100%	6,286	100%	566	100%	3,007	100%	1,716	100%	9,293	100%	242	100%	1,173	100%	1,958	100%	10,466	100%
Data Unavailable	33	-	162	-	8	-	36	-	41	-	198	-	8	-	34	-	49	-	233	-
Total	1,183	-	6,448	-	574	-	3,043	-	1,757	-	9,491	-	250	-	1,207	-	2,007	-	10,698	-
FY 2012 Cohort																				
Low	124	8%	971	8%	26	11%	182	12%	150	9%	1,153	8%	38	34%	305	37%	188	10%	1,458	10%
Moderate	277	19%	2,306	18%	45	20%	277	18%	322	19%	2,583	18%	26	23%	152	19%	348	19%	2,735	18%
High	1,094	73%	9,227	74%	158	69%	1,111	71%	1,252	73%	10,338	73%	47	42%	361	44%	1,299	71%	10,699	72%
Subtotal	1,495	100%	12,504	100%	229	100%	1,570	100%	1,724	100%	14,074	100%	111	100%	819	100%	1,835	100%	14,893	100%
Data Unavailable	49	-	389	-	4	-	24	-	53	-	413	-	2	-	11	-	55	-	424	-
Total	1,544	-	12,893	-	233	-	1,594	-	1,777	-	14,487	-	113	-	830	-	1,890	-	15,317	-

¹ Overall program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction score ranging between 1 and 3 indicates a low satisfaction level; a score ranging between 4 and 6 indicates a moderate satisfaction level; and a score ranging between 7 and 9 indicates a high satisfaction level.

² Unweighted frequencies (n) and percentages (%) reported in table are based on raw survey responses and sum up to the survey sample. These data have *not* been weighted up to reflect the population.

³ Weighted frequencies (N) and percentages (%) reported in table are based on weighted survey responses (to adjust for non-response bias) and sum up to the cohort population. These data have been weighted up to reflect the population.

Appendix J

Regression Output

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This appendix presents detailed results from the multivariate regression analyses summarized in Appendices E and F. Regression analysis identifies how a given independent variable (or predictor) affects a dependent variable (or outcome), while holding other variables fixed. For example, female Veterans tend to be younger than male Veterans. When we examine differences in outcomes by gender alone we may be also picking up an age affect as gender and age are correlated. If we include both gender and age in a regression analysis, we can identify the independent effect each of these variables have on their own on the outcome of interest. Therefore, regression analysis helps to identify the independent contribution of each factor to the outcome of interest.

Table J-1. Odds Ratios from Logistic Regressions Predicting Discontinuation and Rehabilitation for FY 2010 and FY 2012 Cohorts

Predictor	FY 2010 Cohort				FY 2012 Cohort			
	Discontinuation		Rehabilitation		Discontinuation		Rehabilitation	
	Odds Ratio	p-value	Odds Ratio	p-value	Odds Ratio	p-value	Odds Ratio	p-value
Being in an Extended Evaluation ^a	+∞				+∞			
Program track selection ^b								
Long-term track ¹	11.788	<.0001	0.092	<.0001	10.303	<.0001	0.083	<.0001
Other employment track ²	8.519	<.0001	0.398	<.0001	6.895	<.0001	0.291	<.0001
Serious employment handicap	1.364	<.0001	0.663	<.0001	2.454	<.0001	0.779	0.0011
Male	1.305	0.0005	1.005	0.943	1.101	0.2708	1.169	0.0864
Age	1.011	0.0031	0.998	0.6999	1.008	0.0587	1.002	0.6115
Disability rating	1.009	<.0001	0.996	0.0092	1.008	<.0001	0.993	<.0001
Some college or higher	0.738	<.0001	1.316	<.0001	0.788	0.0002	1.229	0.0031
Pre-rehabilitation salary (\$1,000s)	0.990	<.0001	1.008	<.0001	0.987	<.0001	1.003	0.1696
Mental primary diagnosis	1.085	0.1903	1.001	0.9866	1.149	0.0566	1.062	0.4304
Length of service	0.998	<.0001	1.002	<.0001	0.998	<.0001	1.001	0.0711
Gulf War era I	0.838	0.0465	1.204	0.0658	0.707	0.001	1.106	0.4238
Gulf War era II	1.108	0.3308	1.240	0.0744	0.620	0.0001	1.744	<.0001
Officer status	0.636	0.015	1.701	0.0011	0.878	0.5059	1.408	0.0292
Subsistence allowance for college degree	0.344	<.0001	0.301	<.0001	0.217	<.0001	0.137	<.0001
Observations	10,752		8,542		14,991		13,597	

NOTE: Models are unweighted. Discontinuation models include all Veterans. Rehabilitation models include Veterans who had not discontinued as of end of FY 2013. Extended Evaluation was not included in models of rehabilitation since Veterans cannot rehabilitate from the Extended Evaluation phase.

^a Nearly all Veterans in an Extended Evaluation discontinued (i.e., Extended Evaluation nearly perfectly predicts discontinuation). The odds ratio for Extended Evaluation approaches positive infinity and cannot be estimated.

^b Odds ratios for program track are compared to Independent Living (Track 5).

¹ Long-term track is Employment through Long-Term Services track (Track 4).

² Other employment track includes Re-Employment (Track 1), Rapid Access to Employment (Track 2), and Self-Employment (Track 3).

Table J-2. Hazard Ratios from Cox Proportional Hazards Models Predicting Time to Rehabilitation for FY 2010 and FY 2012 Cohorts

Predictor	FY 2010 Cohort		FY 2012 Cohort	
	Hazard ratio	p-value	Hazard ratio	p-value
Program track selection ^a				
Long-term track ¹	0.148	<.0001	0.147	<.0001
Other employment track ²	0.495	<.0001	0.461	<.0001
Serious employment handicap	0.683	<.0001	0.762	<.0001
Male	1.029	0.6231	1.094	0.2474
Age	1.003	0.3268	1.003	0.4333
Disability rating	0.998	0.0233	0.994	<.0001
Some college or higher	1.211	<.0001	1.170	0.0062
Pre-rehabilitation salary (\$1,000s)	1.004	0.0018	1.002	0.2624
Mental primary diagnosis	1.034	0.4964	1.027	0.6677
Length of service	1.001	0.0003	1.001	0.0388
Gulf War era I	1.123	0.1044	1.098	0.3609
Gulf War era II	1.140	0.1168	1.669	<.0001
Officer status	1.192	0.0932	1.228	0.0857
Subsistence allowance for college degree	0.370	<.0001	0.177	<.0001
Observations	10,429		14,733	

NOTE: Models are unweighted. Extended Evaluation was not included since Veterans cannot rehabilitate from the Extended Evaluation phase.

^a Hazard ratios for program track are compared to Independent Living (Track 5).

¹ Long-term track is Employment through Long-Term Services track (Track 4).

² Other employment track includes Re-Employment (Track 1), Rapid Access to Employment (Track 2), and Self-Employment (Track 3).

Table J-3. Ordinary Least Squares (OLS) Regression Analyses Predicting Overall Satisfaction with the VR&E Program for FY 2010 and FY 2012 Cohorts

Predictor	FY 2010 Cohort		FY 2012 Cohort	
	Coefficient	p-value	Coefficient	p-value
Program status ^a				
Rehabilitated	0.544	<.0001	0.563	0.0024
Discontinued	-0.948	<.0001	-1.170	<.0001
Being in an Extended Evaluation	-1.047	0.0303	-1.611	0.0057
Program track selection ^b				
Long-term track ¹	0.141	0.5669	0.501	0.0814
Other employment track ²	-0.734	0.0067	-0.513	0.1027
Serious employment handicap	-0.083	0.4853	0.086	0.4839
Male	-0.384	0.0039	-0.146	0.2540
Age	0.006	0.402	0.007	0.3920
Disability rating	0.001	0.6571	0.002	0.4553
Some college or higher	-0.117	0.2605	-0.303	0.0080
Pre-rehabilitation salary (\$1,000s)	0.009	0.0048	0.009	0.0051
Number of dependents	0.057	0.0820	0.028	0.4084
Mental primary diagnosis	-0.189	0.1149	-0.267	0.0271
Length of service	0.000	0.7792	0.002	0.0136
Gulf War era I	-0.009	0.9574	0.026	0.8890
Gulf War era II	-0.126	0.5213	-0.069	0.7572
Officer status	0.328	0.1995	-0.031	0.8994
Subsistence allowance for college degree	0.526	0.0001	0.964	<.0001
Earned a degree	0.434	0.0005	0.186	0.1533
Observations	1,905		1,735	

NOTE: Models are unweighted.

^a Coefficients for program status are compared to still active.

^b Coefficients for program track selection are compared to Independent Living (Track 5).

¹ Long-term track is Employment through Long-Term Services track (Track 4).

² Other employment track includes Re-Employment (Track 1), Rapid Access to Employment (Track 2), and Self-Employment (Track 3).

Table J-4. Regression Analyses Predicting Employment and Earnings Outcomes of FY 2010 and FY 2012 Cohorts, Veterans who Exited from an Employment Track

Predictor	FY 2010 Cohort						FY 2012 Cohort					
	Currently Employed		Months Employed		Annual Earnings (\$1,000s)		Currently Employed		Months Employed		Annual Earnings (\$1,000s)	
	Odds Ratio	p-value	Coefficient	p-value	Coefficient	p-value	Odds Ratio	p-value	Coefficient	p-value	Coefficient	p-value
Rehabilitated	11.035	<.0001	1.018	<.0001	15.875	<.0001	12.484	<.0001	1.017	<.0001	17.935	<.0001
Other employment track ^a	1.276	0.3693	0.163	0.0847	8.482	0.0009	1.306	0.5323	0.129	0.4133	7.544	0.0610
Serious employment handicap	1.227	0.4141	-0.058	0.4829	-4.205	0.0623	0.334	0.0161	-0.199	0.1942	-13.124	0.0011
Male	1.031	0.9214	0.061	0.5604	1.380	0.6241	1.062	0.8882	-0.070	0.6621	5.389	0.1829
Age	0.965	0.0234	-0.019	0.0006	-0.380	0.0126	0.966	0.1745	-0.013	0.1849	0.075	0.7582
Disability rating	0.977	<.0001	-0.006	0.0009	-0.121	0.0125	0.992	0.2955	-0.003	0.4077	0.079	0.2968
Some college or higher	1.198	0.4265	0.013	0.8777	4.239	0.0522	1.217	0.6225	-0.031	0.8573	-4.412	0.2755
Pre-rehabilitation salary (\$1,000s)	1.023	0.0054	0.007	0.0009	0.487	<.0001	1.007	0.4377	0.003	0.3737	0.431	<.0001
Number of dependents	1.060	0.4292	0.028	0.2696	1.147	0.0942	1.058	0.6598	-0.022	0.6814	-0.156	0.8968
Mental primary diagnosis	0.881	0.6152	-0.095	0.2911	-2.186	0.3597	2.340	0.0636	0.291	0.0763	1.143	0.7743
Length of service	1.003	0.0272	0.001	0.0145	0.042	0.0029	1.001	0.6285	0.001	0.1503	-0.004	0.8453
Gulf War era I	1.251	0.5093	-0.071	0.5910	2.529	0.4603	2.101	0.1702	0.325	0.1789	3.057	0.6104
Gulf War era II	1.425	0.3805	-0.060	0.6899	-1.372	0.7333	2.323	0.5337	0.215	0.4475	8.086	0.2504
Officer status	2.777	0.0285	0.228	0.1505	11.924	0.0052	2.808	0.2281	0.139	0.5922	23.533	0.0003
Subsistence allowance for college degree	1.017	0.9441	0.082	0.3785	1.259	0.6030	1.371	0.4332	-0.008	0.9591	-1.591	0.6814
Earned a degree	1.939	0.0627	-0.137	0.2159	-3.737	0.2067	0.611	0.3424	-0.117	0.5690	-1.967	0.6926
Weeks since exit	1.000	0.8255	0.001	0.442	0.043	0.0452	0.994	0.4427	0.005	0.1147	-0.008	0.9125
Observations	676		606		644		258		227		235	

NOTE: Models are unweighted. Currently employed model is a logit model; estimates are odds ratios. Months employed model is a negative binomial model. Annual earnings is a linear regression and includes Veterans with \$0 earnings. Models include only Veterans who exited the program by FY 2013 from an employment track. Veterans who exited from the Independent Living track or from Extended Evaluation were excluded because few were employed.

^a Other employment track includes Re-Employment (Track 1), Rapid Access to Employment (Track 2), and Self-Employment (Track 3). Odds ratios and coefficients are compared to Employment through Long-Term Services track (Track 4).

Table J-5. Ordinary Least Squares (OLS) Regression Analyses Predicting Income Outcomes of FY 2010 and FY 2012 Cohorts, Veterans who Exited the Program

Predictor	FY 2010 Cohort				FY 2012 Cohort			
	Individual Income (\$1,000s)		Household Income (\$1,000s)		Individual Income (\$1,000s)		Household Income (\$1,000s)	
	Coefficient	p-value	Coefficient	p-value	Coefficient	p-value	Coefficient	p-value
Rehabilitated	12.052	<.0001	14.036	<.0001	15.455	0.0002	12.860	0.0261
Being in an Extended Evaluation	14.011	0.0958	16.934	0.0927	20.314	0.0484	9.898	0.4897
Program status ^a								
Other employment track	18.144	0.0002	28.875	<.0001	15.419	0.0229	12.194	0.1943
Long-term track ¹	9.661	0.0361	17.979	0.0013	13.328	0.0401	13.281	0.1343
Serious employment handicap	-6.760	0.0083	-8.340	0.0121	-8.885	0.0326	-14.753	0.0173
Male	2.720	0.1116	-2.540	0.5084	9.149	0.0272	8.601	0.1576
Age	0.246	0.1357	0.257	0.2171	0.526	0.0302	0.983	0.0038
Disability rating	0.144	0.0063	0.119	0.0782	0.305	<.0001	0.159	0.1520
Some college or higher	3.774	0.1140	9.275	0.0023	-4.699	0.2297	2.176	0.6949
Pre-rehabilitation salary (\$1,000s)	0.409	<.0001	0.496	<.0001	0.412	<.0001	0.485	0.0001
Number of dependents	1.663	0.0283	3.677	0.0001	0.242	0.8418	1.423	0.4190
Mental primary diagnosis	-2.634	0.3101	0.033	0.9927	5.064	0.2059	16.937	0.0082
Length of service	0.043	0.0050	0.068	0.0004	0.030	0.1845	0.045	0.1553
Gulf War era I	4.611	0.2142	3.759	0.4213	8.532	0.1484	12.936	0.1189
Gulf War era II	7.003	0.1104	3.773	0.4948	18.705	0.0073	23.810	0.0138
Officer status	17.916	0.0001	24.434	<.0001	23.727	0.0002	21.600	0.0214
Subsistence allowance for college degree	2.028	0.4485	0.388	0.9092	0.596	0.8822	3.841	0.5071
Earned a degree	-4.311	0.1835	0.232	0.9561	-5.083	0.3461	-14.614	0.0563
Weeks since exit	0.079	0.0011	0.090	0.0034	0.007	0.9274	0.081	0.4641
Observations	681		730		273		293	

NOTE: Models are unweighted. Models include only Veterans who exited the program by FY 2013.

^a Coefficients for program track selection are compared to Independent Living track (Track 5).

¹ Long-term track is Employment through Long-Term Services track (Track 4).

² Other employment track includes Re-Employment (Track 1), Rapid Access to Employment (Track 2), and Self-Employment (Track 3).

Appendix K

Index of Data Points

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The number of individuals participating in vocational rehabilitation programs who suspended participation in such a program during the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(1))..... E-1, F-1

The average number of months such individuals served in the military. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(2))..... E-9, F-8

The distribution of disability ratings of such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(3)) I-7

Any unemployment benefits received by such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(6)) E-38, F-34

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)) E-31, F-28

The average annual starting and ending salaries¹ of such individuals who were employed during the year covered by the report. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(8)) E-36, F-32

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)) E-13, F-12

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)) E-14, E-15, F-13, F-14

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)) E-10, F-9

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)) E-10, F-9

¹ Pre-Rehabilitation salary data is reported for all participants. Pre- and Post-Rehabilitation Salary Data is provided for Rehabilitated cases only.

The average annual income of such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(13)) E-37, F-33

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)) E-37, F-33

The percentage of such individuals who own their principal residences. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(15))..... E-39, F-35

The average number of dependents of each such Veteran. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(16))..... E-9, F-8

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))..... E-12, F-11

The following data elements will be added at a later date:

The types of Social Security benefits received by such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(5))

Appendix L

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.

Eligible: A term applied to a Veteran who qualifies for or is entitled to Vocational Rehabilitation and Employment benefits based on a service-connected disability rating but whose employment handicap has yet to be determined.

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 if the impairment results in substantial part from a service-connected disability. For Veterans within the 12-year basic period of eligibility and rated at 20 percent or more, a finding of employment handicap results in entitlement to Vocational Rehabilitation and Employment services.

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: An individualized plan of rehabilitative and evaluative services designed to improve the individual's rehabilitation potential and determine whether the selection of a vocational goal is feasible at this time. Extended Evaluation plans of services are utilized with those Veterans whose disabilities and circumstances create the most significant employment handicaps.

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

Gulf War era I: The period in which Veterans served in the Armed Forces sometime between August 2, 1990 and August 31, 2001.

Gulf War era II: The period in which Veterans served in the Armed Forces sometime since September 2001 and the present day (OIF/OEF/OND Veterans).

Independent Living (IL) Services Track: Individuals who 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.

Out-based VR&E Office: A VR&E office where Veterans and dependents can receive VR&E services and benefits in addition to the 57 Regional Benefit Offices located across the nation. These out-based offices allow VR&E to provide services near where Veterans are located.

Persisting Status: An open case status used to identify participants who are still pursuing the steps of their rehabilitation plans.

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 his or her abilities, aptitudes, and interests. The SEH must result in substantial part from a service-connected disability. For Veterans rated at 10 percent and Veterans beyond their 12-year basic period of eligibility, the finding of an SEH is necessary to establish entitlement to Vocational Rehabilitation and Employment services.

Service-Connected Disability (SCD): A disability that resulted from or was aggravated by an injury or illness while the Veteran was serving on active duty in the military.

Suitable Employment: Employment that does not aggravate the Veteran's disabilities, is stable, and is consistent with his or her pattern of abilities, aptitudes, and interests.

Work Hardening Programs: A program that helps workers restore function so that they can successfully return to work. They are made up of real or simulated work tasks, conditioning exercises, and education used to restore physical, behavioral, and vocational functions. Work hardening programs are highly structured, multidisciplinary, and individualized for each worker.