VOCATIONAL REHABILITATION AND EMPLOYMENT LONGITUDINAL STUDY

REPORT TO CONGRESS

Annual Report 2013 for FY 2012

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VR&E Longitudinal Study, Annual Report 2013 for FY 2012

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Executive Summary

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

In 2008, Congress passed the Veterans' Benefits Improvement Act to improve and enhance benefits for Veterans. A section of this legislation requires VA to conduct a 20-year longitudinal study of Veterans who begin participation in the VR&E program in fiscal year (FY) 2010, FY 2012, and FY 2014. These three cohorts will be followed annually for 20 years, with survey data collection starting in 2012. The first two reports for the longitudinal study were based on administrative data routinely collected by VBA. This current report combines administrative data and the first wave of survey data from a representative sample of FY 2010 and FY 2012 cohorts.

Highlights of Main Findings

- **The FY 2012 cohort is nearly 50 percent larger than the FY 2010 cohort.**
- **Overall the two cohorts are similar demographically but the FY 2012 is significantly younger.**
- **Veterans who have already rehabilitated or discontinued have different characteristics from each other.**
- **Most participants are very satisfied with the VR&E program.**
- **Veterans who have rehabilitated have substantially better employment and standard of living circumstances than those who discontinued and those who remained active.**
- **The improved financial circumstances of the Veterans who have rehabilitated is due to more individuals working and, when working, having higher salaries.**
- **The most dominant variable driving rehabilitation to date is the individual's program track, while discontinuation is driven by both not having selected a program track (i.e., being in an Extended Evaluation) and the choice of program track when one is selected.**

This report describes the characteristics of the FY 2010 and FY 2012 cohorts of VR&E participants based on VBA administrative data as of the end of FY 2012, and examines the factors associated with exiting the program (e.g., discontinuing or successfully completing the program). In addition, the report includes an assessment of the employment and standard of living outcomes to date of each cohort, based on self-report survey data, and examines the factors associated with these outcomes. The main findings of the study are highlighted in the bulleted list below.

- The FY 2012 cohort is nearly 50 percent larger than the FY 2010 cohort;
- Overall the two cohorts are similar demographically but the FY 2012 is significantly younger;
- Veterans who have already rehabilitated or discontinued have different characteristics from each other;
- Most participants report in the survey that they are very satisfied with the VR&E program;
- Veterans who have rehabilitated have substantially better employment and standard of living circumstances than those who discontinued and those who remained active;
- The improved financial circumstances of the Veterans who have rehabilitated is due to more individuals working and, when working, having higher salaries; and
- The most dominant variable driving rehabilitation to date is the individual's program track, while discontinuation is driven by both not having selected a program track (i.e., being in an Extended Evaluation) and the choice of program track when one is selected.

Cohort Size and Program Participation Status

Number of Veterans in Study Cohorts	
FY 2010	10,792
FY 2012	15,397

In FY 2012, there were a total of 121,236 Veterans who participated in a VR&E rehabilitation plan. However, the focus of this report is on a smaller subset of the total VR&E population – those VR&E participants who applied and began a rehabilitation plan in FY 2010 (i.e., FY 2010 cohort) or FY 2012 (i.e., FY 2012 cohort).

A significant finding is that the FY 2012 cohort, which is comprised of 15,397 Veterans, is much larger than the FY 2010 cohort, which has 10,792 members. There are several factors that have likely contributed to this increase in VR&E participation. First, the number of new Veterans who are eligible for the program increased due to the larger number of troops returning home from Iraq and Afghanistan with service-connected disabilities. Second, the continued sluggish economic climate may encourage Veterans to seek assistance, in the hopes they may be able to get a job or a better job. Finally, changes in program eligibility and policy provisions may have prompted more Veterans to seek services. 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 of Chapter 33.

Almost 84 percent of the FY 2010 cohort of 10,792 VR&E participants was categorized as active in the program as of the end of FY 2011, and 73 percent (7,902) were active at the end of FY 2012. Therefore, nearly three-quarters of the cohort are still actively continuing in their rehabilitation plans after being in the program between 2 and 3 years, especially so for cohort members in the Employment through Long-Term Services track, who represent less than half (43 percent) of the successful rehabilitations by the end of FY 2012 but represent 86 percent of the cohort. This finding is expected since many of these individuals are seeking further education or other training and would not be expected to complete their programs for 3 or 4 years. Not surprisingly, almost 97 percent of the FY 2012 cohort of VR&E participants was categorized as still active at the end of FY 2012.

As we follow the participation status of the cohort members over time, we are seeing a small but increasing number of Veterans with broken periods of participation. Veterans may reenter the VR&E program because of changes in their disability status or life circumstances. The majority of Veterans who applied for and began their plans of services in FY 2010 and exited the program by the end of FY 2012 (e.g., successfully rehabilitated or discontinued) did so without any breaks in their time in the program. However, some Veterans who completed rehabilitation or chose to discontinue reentered at a later date. To date, 101 Veterans who exited the VR&E program reentered at a later date, and 5 Veterans exited the program twice. As the cohorts mature, it will be important to continue to track such individuals who exit and then reenter the VR&E program and

change tracks to determine if their long-term outcomes are different than the participants who enter and exit the program only once.

Demographic and Background Characteristics

The legislation requiring this study seeks information on several demographic and background characteristics of VR&E participants. Overall findings indicate that the demographic characteristics are similar between the two cohorts but there are some differences between active, discontinued, and rehabilitated participants. Participants who successfully rehabilitated served more months on active duty than those who were still active or discontinued their plans, and those who discontinued their plans had higher combined disability ratings than those who were still active or rehabilitated. The latter finding suggests that Veterans with higher disability ratings may be more complex cases to successfully rehabilitate.

The legislation also identifies several education and training measures of interest. It is not surprising that among cohort members enrolled in an institution of higher learning, the majority in both cohorts are still actively pursuing their rehabilitation plans. This finding is consistent with the finding that the majority of active participants are in the Employment through Long-Term Services track and are seeking further education or other training which often takes multiple years. Veterans who were successfully rehabilitated or still active were also most likely to earn credits, degrees, and certificates than those who discontinued. Going forward, it will be important to track cumulative degree attainment as Veterans move closer to completing their programs.

A final set of indicators include visits VR&E participants make to VA and non-VA medical facilities. Discontinued participants made more visits to a VA medical facility than the overall cohort population. This finding may be explained by the fact that a large percentage of Veterans discontinue their services while in an Extended Evaluation. These Veterans typically have more severe disabilities and a greater need for healthcare services, many of which may get delivered through VA medical facilities.

Factors Related to Rehabilitation and Discontinuation

While most FY 2010 and FY 2012 cohort members are still pursuing the steps outlined in their rehabilitation plans, some have successfully rehabilitated, while others discontinued services by the end of FY 2012. The most dominant variable driving rehabilitation to date is the individual's program track, while discontinuation is primarily driven by not having selected a program track (i.e., being in an Extended Evaluation).

Traits Associated with Rehabilitations

- Selection of the Independent Living track (compared to an employment track)
- No serious employment handicap
- Male
- Lower disability rating
- At least some college education prior to program participation
- No subsistence allowance for a college degree
- Higher pre-rehabilitation salary
- Longer period of military service

VR&E Program Track. Results from multivariate regression analyses that isolate the effects of each variable considered reveal that track selection is the strongest driver for length of time spent pursuing a rehabilitation plan. Cohort participants in the Independent Living track, which is typically completed within 2 years, are more likely than those in any other track to successfully rehabilitate by the end of FY 2012. In contrast, cohort members in the Employment through Long-Term services track are the least likely to successfully rehabilitate by the end of FY 2012. This finding is expected as the intent of their program is to assist them in obtaining further education or training which often requires multiple years.

Traits Associated with Discontinuations

- Participation in an Extended Evaluation
- Selection of an employment track (compared to Independent Living)
- Serious employment handicap
- Male
- Higher disability rating
- High school diploma (or less) prior to program participation
- No subsistence allowance for a college degree
- Lower pre-rehabilitation salary
- Mental health diagnosis

There is a strong link between selection of a program track and discontinuation, with participants in an Extended Evaluation who have not yet selected a track by the end of FY 2012 being the most likely to discontinue. Some individuals in the VR&E program have disabilities or situations such that a feasible employment goal cannot be selected at the time of

initial evaluation. These individuals enter an Extended Evaluation phase where the purpose is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible. Individuals in Extended Evaluation 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 reapply to the VR&E program to reopen their case. Some of these individuals may return to the VR&E program and pursue an employment or Independent Living plan. Among cohort members who have selected a track, those pursuing an employment plan are more likely to discontinue services, compared to those pursing an Independent Living plan.

Serious Employment Handicap. Not having a serious employment handicap is another driver of rehabilitation. Conversely, having a serious employment handicap increases the risk of discontinuation. This finding suggests that Veterans with a serious employment handicap are at a higher risk of program discontinuation than Veterans without a serious employment handicap.

Gender. The contribution of gender to rehabilitation is not consistent for the FY 2010 and FY 2012 cohorts. Gender is unrelated to rehabilitation for the FY 2010 cohort. However, males are more likely to successfully rehabilitate by the end of FY 2012 in the FY 2012 cohort. There is also a pattern between gender and discontinuation, with male participants more likely to discontinue than female participants, but only for the FY 2010 cohort. The fact that males are both more likely to rehabilitate and discontinue suggests that relative to their numbers, a large proportion of females are actively pursuing their plans at the end of FY 2012.

Combined Disability Rating. Cohort members with a higher disability rating are more likely to discontinue for both cohorts, and less likely to successfully complete their rehabilitation plans for the FY 2010 cohort. This finding suggests that Veterans with more severe service-connected disabilities are more likely to leave the program and among those who stay, these Veterans are also less likely to complete their rehabilitation within 3 (FY 2010 cohort) years.

Education and Training. Pre-rehabilitation level of education has an independent effect on rehabilitation by the end of FY 2012. FY 2010 cohort members with at least some college experience are more likely to be successfully rehabilitated by the end of FY 2012. One possible

explanation is that Veterans with a college degree are more likely to enter post-graduate training which is typically a 1 to 2 year program, depending upon the educational program or institution. Conversely, Veterans with a high school diploma or less are more likely to discontinue by the end of FY 2012 for both cohorts.

An even stronger driver of both rehabilitation and discontinuation was receiving a subsistence allowance for a degree program. Veterans who are not receiving a subsistence allowance for a degree program are both less likely to be successfully rehabilitated and discontinue their plans by the end of FY 2012. This finding suggests that Veterans receiving a subsistence allowance are more likely to be actively pursuing their rehabilitation plans, whereas Veterans not receiving subsistence may have stopped participating in their training.

Pre-Rehabilitation Salary. Veterans' salary at the start of their VR&E programs is related to both rehabilitation and discontinuation as of FY 2012. Veterans reporting a higher salary are more likely to be rehabilitated as of FY 2012 for the FY 2010 cohort, suggesting that Veterans who are working when they enter the program are more likely to be rehabilitated within the first 2 to 3 years of beginning services. Conversely, Veterans with a lower pre-rehabilitation salary are more likely to discontinue their plans as of FY 2012 for both cohorts.

Primary Diagnosis. Cohort members with a primary mental health diagnosis are more likely to have discontinued their rehabilitation plans as of the end of FY 2012, but this result only held for the FY 2010 cohort. However, a primary mental health diagnosis is not related to successful rehabilitation. This pattern suggests that although those with a primary mental health diagnosis are at great risk for discontinuing, those that do stay are just as likely to complete the program as those with other primary diagnoses.

Length of Military Service and Rank. Cohort members with a longer period of active military duty are more likely to rehabilitate as of the end of FY 2012, but only for the FY 2010 cohort. Another driver of both rehabilitation and discontinuation is military rank. For FY 2010 cohort members, Veterans with an enlisted rank while serving in the military are more likely to discontinue services as of the end of FY 2010. Conversely, for the FY 2012 cohort, those Veterans who served as officers while in the military are more likely to discontinue services within the first year.

Satisfaction with the Program

Satisfaction with the VR&E program was very high for both FY 2010 and FY 2012 cohort members. Regardless of participation status (e.g., active, discontinued, rehabilitated), a plurality of Veterans rated their experience with the VR&E program "high" (7 to 9 on a 9-point scale, where 9 is outstanding). Nevertheless, there are differences in satisfaction by participation status, with Veterans who are still active or rehabilitated rating their experience with the VR&E program as more positive than those who had discontinued. For example, in the FY 2010 cohort, 69 percent of active participants and 65 percent of rehabilitated participants reported high program satisfaction, compared to only 37 percent of discontinued participants.

Factors Associated with Satisfaction. The strongest driver of program satisfaction by far is participation status. Veterans who successfully rehabilitated by the end of FY 2012 are the most satisfied with the VR&E program. In contrast, those who discontinued their plans by the end of FY 2012 have the lowest levels of program satisfaction. Not having selected a program track (i.e, being in an Extended Evaluation) by the end of FY 2010 is associated with decreased satisfaction. For those cohort members who selected a program track, individuals in one of the other employment tracks (Reemployment, Rapid Access to Employment, or Self-Employment tracks) had the lowest levels of satisfaction. Other factors associated with increased satisfaction include earning a degree, a higher pre-rehabilitation salary, a physical or neurological primary diagnosis, and receiving a subsistence allowance for a degree program.

Factors Associated with Program Satisfaction

- Successful rehabilitation
- Selection of a program track (i.e., not participating in an Extended Evaluation)
- Selection of the Re-employment, Rapid Access to Employment, or Self-Employment track
- Higher pre-rehabilitation salary
- Earned degree
- Physical or neurological primary diagnosis
- Receiving a subsistence allowance for a degree program

Employment and Standard of Living Outcomes

VBA administrative data contains limited information on long-term outcomes of Veterans who completed their rehabilitation programs, including employment status, income, and home ownership. This report is the first in the 20-year longitudinal study to present self-reported survey data on the employment and standard of living outcomes of Veterans who establish a plan of services. Although most FY 2010 and FY 2012 cohort members are still pursuing the steps outlined in their rehabilitation plans, some have successfully rehabilitated, while others discontinued services by the end of FY 2012. Generally, Veterans who rehabilitated report more positive employment and standard of living outcomes than those who discontinued. In the FY 2010 cohort, Veterans who were successfully rehabilitated are more likely than those who discontinued to be employed (59 versus 21 percent), to have worked at some point during the past 12 months (66 percent versus 38 percent), have higher salaries and household incomes, and own their homes (62 percent versus 40 percent). Similar patterns were observed for FY 2012 cohort members, even though most are still actively pursuing the steps outlined in their rehabilitation plans.

Factors Associated with Employment and Standard of Living Outcomes

Since very few individuals have exited the FY 2010 cohort within the first year since beginning services, the results of the multivariate regression analysis are far more robust for the FY 2010 cohort. Hence, the key drivers associated with employment and standard of living outcomes are based on the experience of the FY 2010 cohort members who exited the program by the end of FY 2012.

Factors Associated with Employment Outcomes

- Successful rehabilitation
- Not having a serious employment handicap
- Younger age
- Lower disability rating
- Higher pre-rehabilitation salary
- Longer length of military service

Employment. Among Veterans who exited the program, the single most important factor related to employment outcomes (e.g., employment status and number of months employed) is rehabilitation status. Not surprisingly, individuals who are successfully rehabilitated by the end of FY 2012 are more likely to be employed and worked a greater

number of months in the past year than those who are still active or discontinued. Not having a serious employment handicap is also associated with a greater likelihood of employment. Program track is unrelated to employment outcomes, suggesting that participants in the Employment through Long-Term Services and other employment tracks have similar employment outcomes at this early stage. Few factors predict employment outcomes for the FY 2012 cohort, which is likely due to the small number of individuals in this cohort who exited the program as of the end of FY 2012. As this cohort matures, it will be possible to examine the drivers of employment outcomes for this group as well.

Income. Among Veterans who exited the program, the most important program factor related to standard of living outcomes (e.g., individual income and household income) is program participation status. Individuals who are successfully rehabilitated by the end of FY 2012 reported higher individual and household incomes than those who discontinued. Veterans who exited from an employment track (the Employment through Long-Term Services track or other employment track) have higher incomes than those who exited from the Independent Living track. Interestingly, individuals with a higher combined disability rating report higher incomes. Other factors associated with higher income include not having a serious employment handicap, having at least some college education prior to program participation, a higher pre-rehabilitation salary, officer rank, and a longer length of military service. Similar to employment, few factors predict income outcomes for the FY 2012 cohort due to the small numbers of individuals who exited the program in this first year.

Factors Associated with Standard of Living Outcomes

- Successful rehabilitation
- Selection of an employment track (compared to Independent Living)
- Not having a serious employment handicap
- At least some college education prior to program participation
- Higher pre-rehabilitation salary
- Higher disability rating
- Officer rank
- Longer length of military service

Future Reports

In addition to the FY 2010 and FY 2012 cohorts, this study will track one additional cohort for a 20-year period. This cohort will be selected from Veterans who apply and begin a plan of services during FY 2014. This study will collect initial self-report survey data from all sampled members of

the FY 2014 cohort and continue to collect survey data from the FY 2010 and FY 2012 cohorts on key outcomes over the 20-year period. Therefore, over time, as more and more participants end their programs, this study will obtain more complete data on the long-term outcomes of Veterans who establish a plan of services and the key programmatic and demographic factors influencing these outcomes. Moreover, as multiple years of survey data are collected, it will be possible to examine trends in program satisfaction and outcomes over time.

As the cohorts mature, it will become increasingly important to track status changes such as returns after discontinuation or reentering the program after having completed rehabilitation. Early findings indicate that some individuals exit the program more than once, and this number is likely to increase as more Veterans complete their rehabilitation plans. Furthermore, some individuals change program tracks when they reenter the program. It will be important to understand the reasons why individuals reenter the VR&E program and how the long-term outcomes of participants who exit and reenter differ from those who exit the program without an interruption in their services. Multivariate analysis drawing on VBA administrative and self-report survey data can examine the characteristics of participants who exit the program more than once and the implications for long-term employment and standard of living outcomes.

Finally, future reports will also include an analysis of administrative data provided to VA by the Social Security Administration through a data share agreement. This analysis will provide accurate estimates on the number and percentage of cohort members who receive income from various Social Security programs, such as the Social Security Disability Insurance program.

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Section 1:

Overview of the Vocational Rehabilitation and Employment Program

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

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Section 1C: The VR&E Process

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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 Vocational Rehabilitation and Employment (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 to prepare for, find, and maintain suitable careers. The VR&E program provides guidance and advocacy while Veterans complete training and college programs, and also throughout the job-placement process. The 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.

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

VR&E continues to develop and expand methods to assist Servicemembers and Veterans in obtaining and maintaining suitable employment, with a focus on outreach and early entry into VR&E services during transition from active duty. Expanded outreach and early intervention for Servicemembers and Veterans have resulted in increased program emphasis on briefings for active duty Servicemembers and National Guard and Reserve Members. Included in these outreach efforts are the following programs and resources: VetSuccess on Campus, the Integrated Disability Evaluation System (IDES), services provided under the Veterans Opportunity to Work (VOW) to Hire Heroes Act, and VetSuccess.gov.

VR&E expanded the scope of the program to serve Veterans in VA education programs, including those Veterans receiving benefits under the Post-9/11 GI Bill, through the VetSuccess on Campus program, which provides outreach and transition services to the general Veteran population during their transition from military to college life and ultimately entry into suitable employment.

The VetSuccess on Campus program assigns a VA Vocational Rehabilitation Counselor to each participating campus to provide general benefits assistance; career counseling including vocational testing and academic and readjustment counseling services; assistance in overcoming barriers to retention and completion of degree programs; and medical or other referrals. Also co-located on campus is a VA Vet Center Counselor or Outreach Coordinator, whose function is to provide peer-to-peer counseling and referral services. VetSuccess 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 32 college campuses throughout the United States, with plans to expand to additional locations by the end of FY 2013.

The 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 the National Defense Authorization Act (NDAA) of 2008 and Public Law 110-181, which grants entitlement to VR&E services to 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 the provisions of Public Law 112-56, the VOW to Hire Heroes Act of 2011, that extended or expanded eligibility for certain services under Chapter 31. 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 to VR&E services until December 31, 2014. 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. 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/).

The VetSuccess.gov Web site is a Veteran-centric tool, providing comprehensive transition and employment resources for Veterans. Veterans, Servicemembers, and their families can access a variety of interactive tools and information available throughout the Veteran lifecycle from transition to college, career, retirement, and family life. VetSuccess.gov also serves as a virtual employment resource center for Veterans seeking employment. Veterans can access VetSuccess.gov to:

- Browse job listings;
- Post resumes; and
- Apply for positions online.

Employers can search the thousands of resumes available in the Veteran resume database to identify qualified Veterans for hiring. Employers can also post available job openings to the VetSuccess.gov job board to recruit Veterans for available positions. The job board posted over 30,992 available jobs at the end of FY 2012. In FY 2012, VetSuccess.gov had over 170,617 registered Veterans, over 4,706 registered employers, and almost 47 million site hits. The Web site also provides links to millions of jobs on the VetCentral and Veterans Job Bank Web sites and links Veterans to Indeed, Google, Simply Hired, and other job boards. Veterans may also apply for various VA benefits, including VR&E, through the Web site.

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

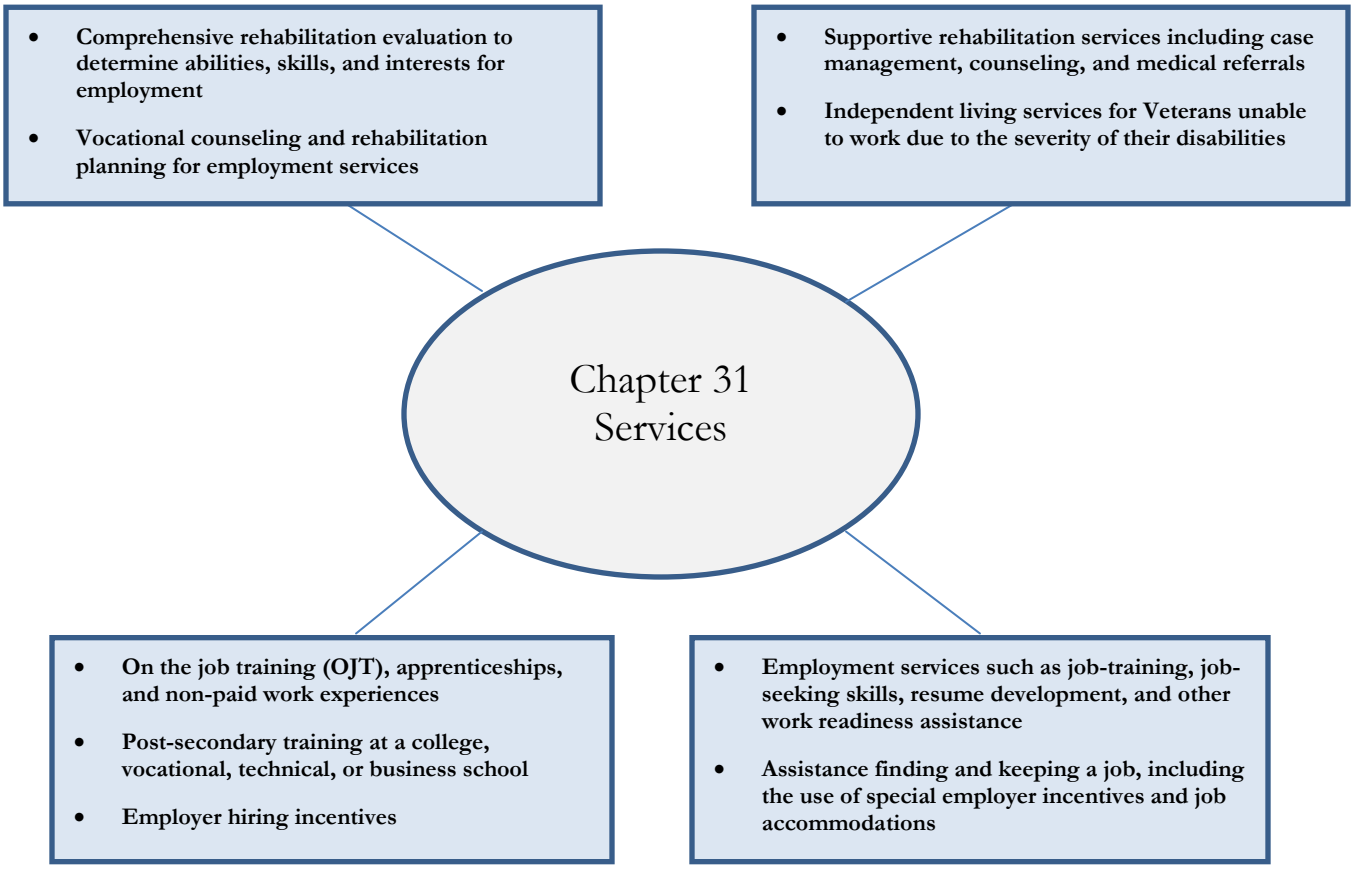
VR&E is one of five business lines within VBA that provides benefits and services to Veterans and Servicemembers. The VR&E program primarily delivers rehabilitation services to assist Veterans with service-connected disabilities to prepare for, obtain and retain careers in the civilian workforce. For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

Chapter 31. The Chapter 31 program (also known as the VR&E program) assists Veterans with service-connected disabilities to prepare for, find, and keep suitable jobs. For Veterans with severe service-connected disabilities who cannot immediately consider work, the Chapter 31 program offers services to improve their ability to live as independently as possible 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.

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

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

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



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

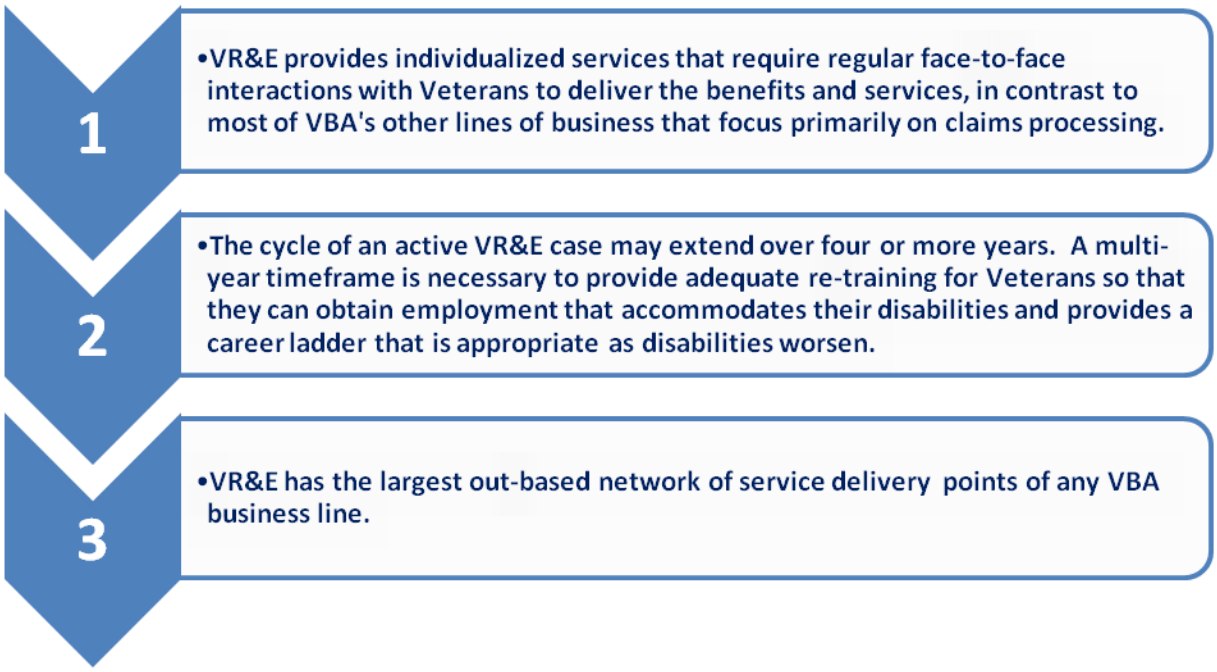
Chapter 18. VA provides monetary allowances, vocational training and rehabilitation and VA-financed health care benefits to certain Korea and Vietnam Veterans' birth children who have been diagnosed with spina bifida. For the purpose of this program, spina bifida is defined as all forms or manifestations of spina bifida (except spina bifida occulta). Effective October 10, 2008, Public Law 110-387, Section 408, made a change to 38 U.S.C. § 1803(a). As a result of this change, medical services and supplies for spina bifida beneficiaries are no longer limited to care for the spina bifida condition. This program now covers comprehensive health care considered medically necessary and appropriate.

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

Chapter 35. Under Chapter 35, VR&E can provide a wide range of educational and vocational counseling services to the spouse, son or daughter of a Veteran who died or is permanently and totally disabled as a result of a service-connected disability, a Veteran who died from any cause while rated permanently and totally disabled as a result of a service-connected disability, a Servicemember missing in action or captured in the line of duty by a hostile force, a Servicemember forcibly detained or interned in line of duty by a foreign government or power, or a Servicemember who is hospitalized or receiving outpatient treatment and has a service-connected permanent and total disability and is likely to be discharged for that disability. These services are designed to help an individual choose a vocational direction and determine the course needed to achieve the chosen goal. Assistance may include interest and aptitude testing and occupational exploration, as well as 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 56 VBA regional offices and 184 out-based offices. This network is staffed with a VR&E workforce of 1,286 staff, including vocational rehabilitation counselors, employment coordinators, support staff, and managers. VR&E also has national counseling contracts which complement the delivery of services provided by VR&E counselors and employment staff. Figure 1A-2 displays the key features that distinguish the VR&E service-delivery strategy from the service-delivery strategy of VBA's other lines of business.

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



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

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

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

will take to achieve their rehabilitation goals. The rehabilitation plan can be re-developed based on new needs or circumstances identified by the Veteran and counselor. The counselor and Veteran continue to meet for supportive services throughout all steps of the rehabilitation plan. Monitoring and support continue as long as the Veteran is a participant of the VR&E program. Some individuals in the VR&E program have disabilities or situations such that a feasible rehabilitation goal cannot be selected at the time. These individuals enter an Extended Evaluation phase where the purpose is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is 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. Some of these individuals may return to the VR&E program and enter an 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 Program (LVER), then assist Veterans with obtaining employment and ensuring that the employment is stable. Once stable employment is reached, they provide follow-up services for at least 60 days before closing Veterans' cases as rehabilitated.

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

Re-employment

For those National Guard and Reserve members with service-connected disabilities who wish to return to work with their previous employers upon returning from active duty

- Services may include accommodating and/or modifying the workplace in order to make it more accessible
- VA counselors and medical staff coordinate with the employer to provide any assistance needed to return to work
- VA provides reemployment rights advice, work adjustment services, adaptive equipment, and specialized consultations necessary for successful return to work

Rapid Access to Employment

For Veterans who are ready to seek employment soon after separation and already have the necessary job skills to be competitive in the job market in an appropriate occupation

- Services may include career-readiness preparation, resume development, career-search assistance, development of employment resources, job accommodations, short-term certificate training, and post-employment follow-up
- VA provides expert career-placement assistance, referrals, and other specialized assistance

Self-Employment

For Veterans who have job skills to start their own business, have limited access to more traditional employment, or need flexible work schedules or a more accommodating work environment due to a disability or other life circumstances

- Services may include help developing a viable business plan, training in the operation of a small business, marketing and financial assistance, and guidance on obtaining adequate resources to implement a viable business plan
- VA provides tuition for training, licensing fees, and some business start-up costs

Employment through Long-Term Services

The Employment through Long-Term Services track helps Veterans get the job skills needed for employment

- Training may include college or certificate programs, non-college vocational training, on-the-job training, apprenticeships, and/or internships
- VA provides the cost of all tuition, books, fees, and equipment and provides a monthly subsistence allowance during training

Independent Living Services

For Veterans who may not be able to go to work immediately due to the severity of their disability and who need assistance to lead a more independent life

- Services may include help obtaining a volunteer position, connecting with community-based support services, providing assistive devices, increased access within the home or community, or help in becoming more independent in activities of daily living
- VA will provide the services or equipment needed to reach independent living goals

Section 1B: Evolution of Vocational Rehabilitation for Veterans

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

Vocational rehabilitation began as a government service to war-injured Veterans and disabled citizens during the World War I era. In 1917, the War Risk Insurance Act of 1914 was amended to provide rehabilitation and vocational training for Veterans with dismemberment injuries, injuries to their sight or hearing, and other injuries resulting in permanent disability. Although the legislative history of VA's vocational rehabilitation program has not been as dynamic as the compensation and pension programs or perhaps VBA's other lines of business, the 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.

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, to respond to the needs of Veterans with service-connected disabilities as they transition back to the civilian labor force. 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 requires VA to conduct a longitudinal study of Veterans who apply for VR&E services and began 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 resulting from 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;
- An extension of services for an additional 12 months for Veterans who have completed VR&E programs and exhausted state unemployment benefits; and
- Additional incentives and tax credits for employers who hire Veterans.

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

1918 – Public Law 65-178 expanded eligibility for other disabilities that were vocationally "handicapping."

1943 – Public Law 78-16 established the vocational rehabilitation program for Veterans of World War II.

1962 – Public Law 87-815 authorized vocational rehabilitation benefits for Veterans who served during peacetime, but created more restrictive eligibility criteria for those who served in peacetime as compared to those who served in World War II or the Korean Conflict. Veterans with 10 percent and 20 percent service-connected disabilities were not eligible for vocational rehabilitation.

1974 – Public Law 93-508 relaxed eligibility and entitlement provisions of the program to allow 10 and 20 percent service-disabled Veterans to receive vocational rehabilitation benefits.

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)

1980 – Public Law 96-466 changed the purpose of the program to include independent living and services necessary to ensure that Veterans with service-connected disabilities not only obtained but maintained suitable employment. This legislation also changed the success criteria for the program to achievement of suitable employment and provided for intensive outreach and comprehensive, individualized plans for rehabilitation services. Until 1980, successful rehabilitation was defined as the completion of training for suitable employment, not actual employment.

1990 – Public Law 101-508 eliminated entitlement for Veterans with a 10 percent service-connected disability.

1993 – Public Law 102-568 changed the law again so that those with a 10 percent service-connected disability were once again entitled to benefits.

1996 – Public Law 104-275 limited participation in Self Employment and Home Bound Training to Veterans with severe service-connected disabilities who require self-employment to achieve vocational rehabilitation.

1999 – The program's name changed from Vocational Rehabilitation and Counseling to Vocational Rehabilitation and Employment (VR&E) to reflect the increased emphasis on employment services.

2008 - Public Law 110-181 allows for automatic eligibility and entitlement to VR&E services for active-duty Servicemembers with severe injuries or illnesses.

2010 - Public Law 111-275 increased the fiscal year limitation on the number of Veterans initiating programs of Independent living services and assistance from 2,600 to 2,700 beginning in 2011.

2011 – Public Law 111-377 allowed the program to pay a monthly allowance similar to the monthly allowance paid under the Post-9/11 GI Bill. This monthly allowance, based on the military Basic Allowance for Housing (BAH) rate for a member with dependents in pay grade E-5, is available for those Veterans who are entitled to a subsistence allowance under the program and would also qualify for educational assistance under the Post-9/11 GI Bill.

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

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

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

Section 1C: The VR&E Process

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

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

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 for VR&E services, a Veteran must have an employment handicap or a serious employment handicap.

Veterans are also entitled if they have a service-connected disability rating of 10 percent and the VR&E counselor determines that they have a serious employment handicap. A serious employment handicap 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 PEB or participating in the IDES are automatically entitled for the program.

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

- **Memorandum or Service-connected disability rating of 20 percent or more AND Employment Handicap**

OR

- **Memorandum or Service-connected disability rating of 10 percent or more AND Serious Employment Handicap**

OR

- **Active military personnel referred to Physical Evaluation Board or participating in the Integrated Disability Evaluation System**

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 rehabilitation plan:

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

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

As Veterans near completion of the training requirements 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, and up to a maximum total of 18 months, in order to ensure that the employment is stable and the Veteran has adjusted well to his or her employment before closing the case as rehabilitated.

Section 1D: VR&E Program Participants as of FY 2012

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 2012, we provide context for the examination of the FY 2012 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 2012, VR&E had 121,236 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 Veterans who participated in the program who have an employment handicap or a serious employment handicap.

Table 1D-1. Veterans who Received Vocational Rehabilitation and Employment (VR&E) Benefits for all or part of FY 2012 (all cohorts)

VR&E Program Participants in FY 2012	#	%
Veterans with a serious employment handicap who participated in the VR&E program	84,891	70.0%
Veterans with an employment handicap who participated in the VR&E program	36,345	30.0%
Total Participants	121,236	100.0%

About 70 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.

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

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 special circumstances, support can be provided for up to 18 months, such as to meet the needs of a severe disability or to monitor stability of a Veteran who has become self-employed or job-ready. The length of time that Veterans remain in a rehabilitation program varies according to the Veteran's individual circumstances. During FY 2012, the average number of days that VR&E participants were in JRS was 207.

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. Table 1D-2 shows the number of Veterans who received subsistence payments as part of a vocational training program in FY 2012. In FY 2012, 61,755 (51 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. Of these individuals, over 90 percent received a subsistence allowance for participating in an educational program at an institution of higher learning (see Table

1D-2). The remaining individuals either participated in technical/apprenticeship or on-the-job training programs (7 percent), or a program of solely independent living services (2 percent).

Table 1D-2. Veterans who Received Subsistence as part of a Vocational Training Program during FY 2012 (all cohorts)

Program	#	%
Subtotal – Educational Program at an Institution of Higher Learning	**56,065**	**90.8%**
Undergraduate School	50,097	81.1%
Graduate School	4,434	7.2%
College, Non-Degree	1,534	2.5%
Subtotal – Vocational/Apprenticeship or On-the-Job Training Program	**4,510**	**7.3%**
Vocational/Technical	3,322	5.4%
Paid On-Job Training	149	0.2%
Non-Pay Work Experience in Federal, State, or Local Agency	614	1.0%
Non-Pay On-Job Training	204	0.3%
Apprenticeship	94	0.2%
Improvement of Rehab Potential	97	0.2%
Farm Co-op	30	0.0%
Extended Evaluation/Independent Living Program	**1180**	**1.9%**
Total[1]	61,755	100.0%

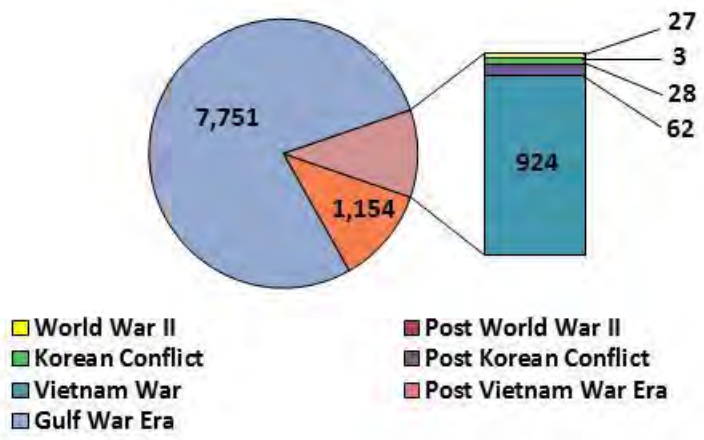
SOURCE: VR&E Program Management Reports – VR&E Participants during FY 2012.
[1] This number only represents participants during FY 2012 in receipt of subsistence allowance, a subset of total participants.

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

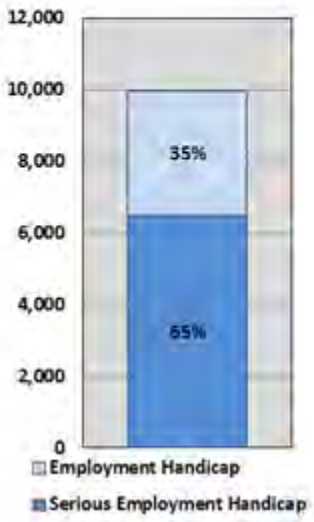
Continuing with all Veterans who participated in the VR&E program in FY 2012, there were 9,949 Veterans who successfully completed their rehabilitation plans at some point during the year. As shown in Figure 1E-1, the majority of Veterans who successfully completed their rehabilitation plans served during the Gulf War 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 2012 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 2012 (N = 9,949)



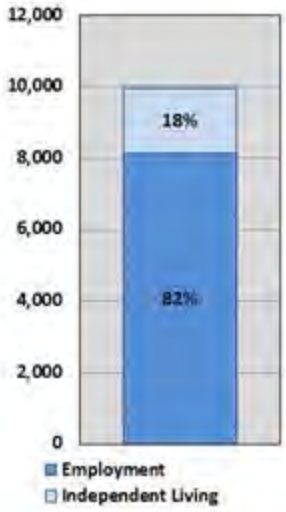
As shown in Figure 1E-2, Veterans who have a serious employment handicap represent 65 percent of the successfully rehabilitated closures in FY 2012. Eighty-two percent (8,113) of the successful rehabilitation closures in FY 2012 included Veterans who obtained and maintained employment (see Figure 1E-3). The balance of successful closures was Veterans who participated in the VR&E Independent Living program, the primary goal of which is not employment. The Independent Living program assists Veterans with disabilities to develop capacity to live as independently as possible in their homes and communities, as well as increase their potential to return to work. Thus, completing the Independent Living program represents a significant step forward for the Veterans with the most serious impairments.

Figure 1E-2. Rehabilitation Outcomes by Employment Handicap in FY 2012 (N = 9,949)



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 extensions may be provided up to 30 months if needed.

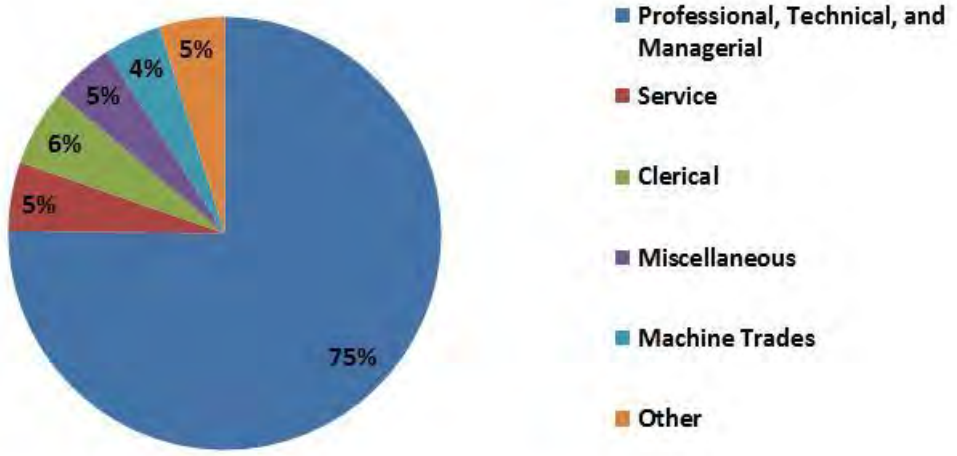
Figure 1E-3. Types of Rehabilitation Outcomes In FY 2012 (N = 9,949)



Additionally, for Post-9/11 Veterans, additional extensions may be approved to ensure the most severely injured Veterans are able to achieve successful rehabilitation outcomes.

Three-quarters of the 8,113 Veterans who successfully completed employment rehabilitation plans started professional, technical, or managerial careers (see Figure 1E-4). Six percent of rehabilitated Veterans obtained clerical jobs and another five percent obtained service jobs.

Figure 1E-4. Career Categories of Rehabilitated Veterans (all cohorts) in FY 2012 (N = 8,113[1])



[1] Excludes 1,836 Veterans rehabilitated in Independent Living program

The average annual wage among Veterans who successfully completed their employment rehabilitation plans in FY 2012 was $37,741 (see Table 1E-1). Of those taking a professional, technical, and managerial position, the average annual wage was $39,862, above the average for the entire group. The remaining 25 percent of Veterans who completed their employment plans in FY 2012 entered into service, clerical, machine trades, or other occupations. Within these career categories, the average annual wages ranged from $27,755 to $35,636.

Table 1E-1. VR&E Employment Outcomes (all cohorts) in FY 2012

FY 2011 Career Categories of Rehabilitated Veterans	Number of Veterans	Average Annual Wages Prior to VR&E Program Entrance	Average Annual Wages at Rehabilitation
Professional, Technical, and Managerial	6,100	$10,463.83	$39,861.99
Service	417	$7,126.38	$27,754.82
Clerical	474	$5,664.78	$29,780.33
Miscellaneous	376	$7,106.37	$35,635.60
Machine Trades	350	$5,895.47	$30,183.73
Other (below 2% each category)	396	–	–
National Average	8,113[1]	$9,483.63	$37,741.49

SOURCE: VR&E Program Management Reports – VR&E Participants during FY 2012.
[1] Excludes 1,836 Veterans rehabilitated in an Independent Living program.

To put these amounts in context, we compare the average annual post-rehabilitation employment wages of rehabilitated Veterans to: (1) the average annual pre-rehabilitation wage of program participants, (2) the average annual wage for all Americans, and (3) the poverty rate. The average annual pre-rehabilitation wage for Veterans who participated in VR&E programs in FY 2012 was $9,484. Thus, the average annual post-rehabilitation wage of $37,741 is almost a 400 percent increase over their average annual pre-rehabilitation wage. In May 2012, the average annual wage of Americans[1] in all occupations was $45,790. 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. Finally, the average post-rehabilitation wages of these Veterans is far (338 percent) above the 2012 poverty guideline for a single person which was $11,170[2]. In contrast, the pre-rehabilitation average annual wage of $9,484 was 15 percent below the 2012 poverty guideline.

[1] http//www.bls.gov/oes/current/oes_nat.htm

[2] http//aspe.hhs.gov/poverty/12poverty.shtml.

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

VR&E Longitudinal Study 2

In 2008, Congress passed the Veterans' Benefits Improvement Act to improve and enhance compensation and pension, housing, labor and education, and insurance benefits for Veterans. Section 334 of this law amended Chapter 31 by adding a 20-year longitudinal study requirement of Veterans who began their vocational rehabilitation program during FY 2010, FY 2012, or FY 2014 (see Figure 2-1).

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, a 20-year longitudinal study assessing 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. Veterans are not included in a cohort if they apply in FY 2010, FY 2012, or FY 2014, but have not yet entered into a plan of

services by the end of FY 2010, FY 2012, or FY 2014, respectively; are found not entitled; or do not complete a comprehensive assessment.

A total of 10,792 Veterans began a plan of services during FY 2010. While all of these FY 2010 cohort members applied for and initially began a plan of services during FY 2010, since that time, some of those cohort members have discontinued their rehabilitation plans, while other members have completed their plans (i.e., were successfully rehabilitated). The remaining cohort members continue working on the steps of their rehabilitation plans. However, over time, a larger cumulative portion of them will discontinue their rehabilitation plans or successfully rehabilitate.

A total of 15,397 Veterans began a plan of services during FY 2012. Similarly, while all of these FY 2012 cohort members applied for and began a plan of services during FY 2012, within this first year of receiving services, some of these cohort members have discontinued their rehabilitation plans, and some have successfully rehabilitated.

This current report describes the characteristics of each cohort by program participation status (i.e., active, discontinued, or rehabilitated) (see Figure 2-2) as of the end of FY 2012, 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 active, discontinued, and rehabilitated 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 2012), 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.

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), unemployment benefits, or other public program benefits. Table 2A-1 lists these outcome and background characteristics along with the data sources that will be 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

We will 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 will be examined and compared for active, discontinued, and rehabilitated cohort members. Differences among subgroups within each cohort, as well as differences across cohorts, will be assessed for statistical significance. In addition to describing the outcomes and discussing observed trends, we will use regression modeling to determine the factors that are associated with improved outcomes.

Section 2B: Data Sources used for the Longitudinal Study

Starting with this current year's report, the data sources used for analysis include (1) self-reported survey data collected from a sample of cohort members, (2) VBA administrative data, and (3) administrative data from other relevant agencies, such as the Social Security Administration. The primary source of information about outcomes is self-report survey data, which is collected from a sample of VR&E participants who established a "plan of services" in FY 2010 (i.e., Cohort I), FY 2012 (i.e., Cohort II), and FY 2014 (i.e., Cohort III). Survey data collection began in the fall of 2012 for Cohorts I and II.

Three Data Sources for the VR&E Longitudinal Study:

- **Survey data**
- **VA administrative data**
- **SSA administrative data**

VBA administrative data contains 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 that concerns the long-term outcomes of interest. After participants end their programs, VBA administrative data only provides 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, wages, income, and home ownership, need to come from survey data. A copy of the survey instrument is included in Appendix A, and Appendix B includes a list of all administrative variables used for the analysis.

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 sub-populations of interest. A final survey sample of 1,190 Veterans in each cohort that are still participating in the study at the

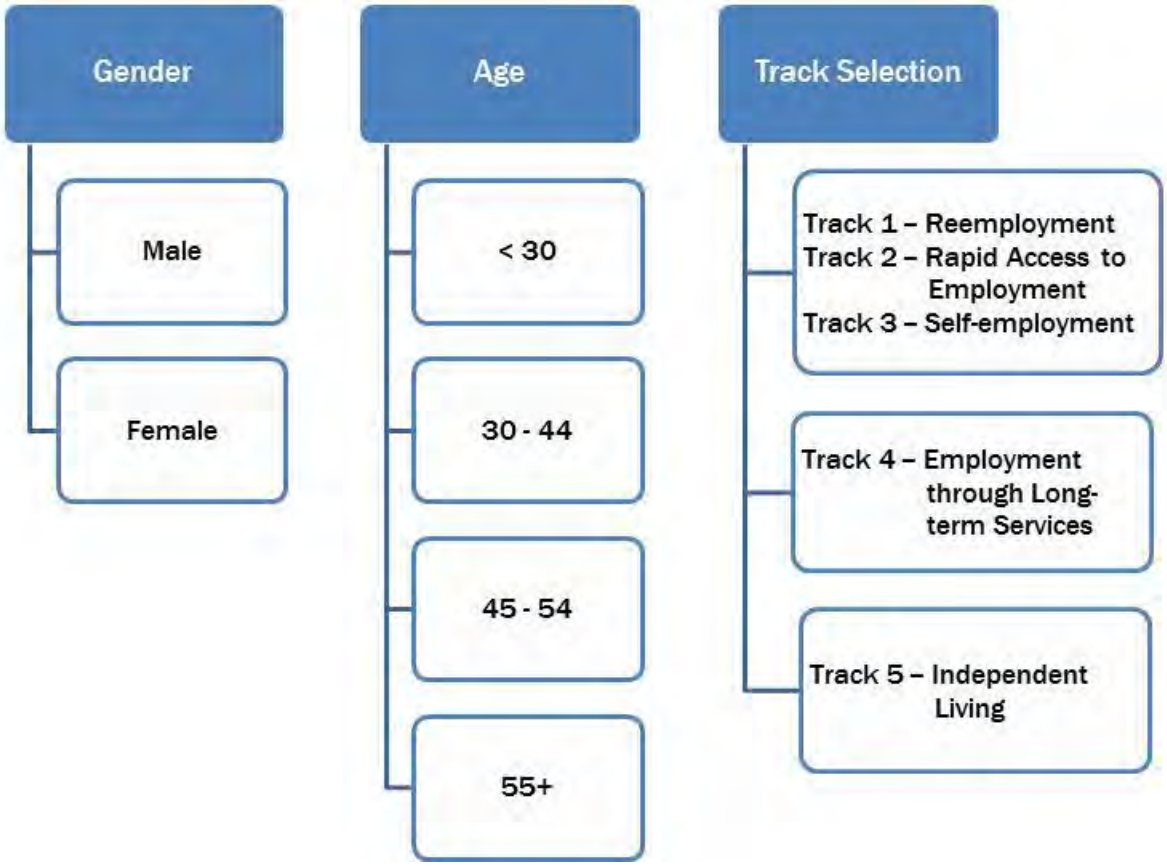
end of the 20 years will yield a statistically valid sample with enough power to conduct meaningful analyses among subpopulations of interest. To ensure a statistically valid survey sample at the end of the 20-year period, the survey design requires that a minimum of 3,500 participants in each cohort complete the survey during the first year of administration. Table 2B-1 presents the schedule of survey data collections for all three cohorts VA has planned beginning in 2012.

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

2012	2013	2014	2015	2016
Initial Survey VR&E Cohort I N=10,792 VR&E Cohort II N=15,397		Initial Survey VR&E Cohort III N≈16,000		
	Annual Survey VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500	Annual Survey VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500	Annual Survey VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 VR&E Cohort III n≈3,500	Annual Survey VR&E Cohort I n≈3,500 VR&E Cohort II n≈3,500 VR&E Cohort III n≈3,500

Sampling strata. Survey estimates can be for the entire population or for sub-populations, 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 sub-populations of interest at the end of the 20-year study period. Figure 2B-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 2B-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 first year of administration. Results from the first two years of the VR&E Longitudinal Study were based solely on VBA administrative data. In this third year of the study, data analysis and reporting include self-reported survey data collected from a sample of FY 2010 and FY 2012 cohort members. Cohort members with email addresses were first invited to complete an online web survey starting in early October 2012. 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 mail survey. Data collection ended in early January 2013.

The sampling plan for the survey was designed to yield 3,500 completed surveys from each cohort during the first year of administration. Given the expected response rates, the entire population of the FY 2010 cohort of VR&E participants (N = 10,792) was contacted and asked to complete the survey when it was initially fielded in early October 2012, with 34.4 percent of the cohort responding, yielding a total of 3,710 completed surveys for Cohort I. About 90 percent of the entire population of the FY 2012 cohort (N=13,895) was invited to complete the survey, with 26.2 percent of the cohort responding (see Table 2B-2), resulting in 3,636 completed surveys for Cohort II.

Table 2B-2. VR&E Longitudinal Survey Completions during First Year of Administration

Respondent Type	FY 2010 Cohort	FY 2012 Cohort
Total in survey sample	10,792	13,895
Survey Non-respondents	7,081	10,257
Survey Respondents	**3,710**	**3,636**
Web Survey	2,639	2,832
Mail Survey	1,071	804
Response Rate[1]	34.3%	26.2%

[1] Response rate is calculated by dividing the number of respondents by the total sample.

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. See Appendix C for more details on the procedures used for 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, including recent trends observed in the overall military and Veteran populations, recent trends in the U.S. economic and employment climate, and recent legislative changes concerning Veterans returning to work.

Recent changes in end strength levels and military separations. 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. This number changes over time due to separations from the military – more separations leads to more eligible Veterans. In combination with a rising number of Veterans with a service-connected disability, these trends lead to more individuals being eligible for VR&E.

Military personnel levels are often 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 end strength numbers, which are dictated by Congress each fiscal year. Table 2C-1 shows the end strength levels authorized in FY 2007 through FY 2013 by the NDAA for each fiscal year. In general, since FY 2007, end strength levels grew, peaking at just over 1.43 million troops in FY 2011. Since then, end strength levels were drawn down, which is likely to continue based on recent Congressional discussions regarding the Federal budget.

Table 2C-1. End Strength Levels Authorized in the National Defense Authorization Act FY 2007 through FY 2013

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

SOURCE: NDAA for FY 2007 through FY 2013.

The declining active duty end strength numbers stems from military policy and budgetary decisions. The military completed the withdrawal of troops from Iraq in 2011, and currently plans to have most of the 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. The post-Iraq and Afghanistan military climate is part of a call for leaner troop levels, resulting in increasing numbers of new Veterans.

Similarly, separation numbers reflect the same trend as end strength levels. Given the large number of troops expected to return home over the next few years, VA is in a unique and timely position to help rehabilitate wounded Servicemembers and Veterans with a service-connected disability. Table 2C-2 shows VA estimates of separations from FY 2007 through FY 2014 for the four branches of service combined. The table shows an increase in separations starting in FY 2010. Decreasing end

Table 2C-2. VA Estimates of Military Separations from FY 2007 through FY 2014

Fiscal Year	Total
2007	200,457
2008	190,545
2009	186,959
2010	190,633
2011	190,967
2012	191,017
2013	191,986
2014	192,871

SOURCE: Department of Veteran Affairs, Office of Policy and Planning. VetPop 2007 National Tables.

strengths and increasing separations are indicative that over the time period of this study's cohort entry dates (FY 2010 through FY 2014), more Servicemembers will transition into Veteran status.

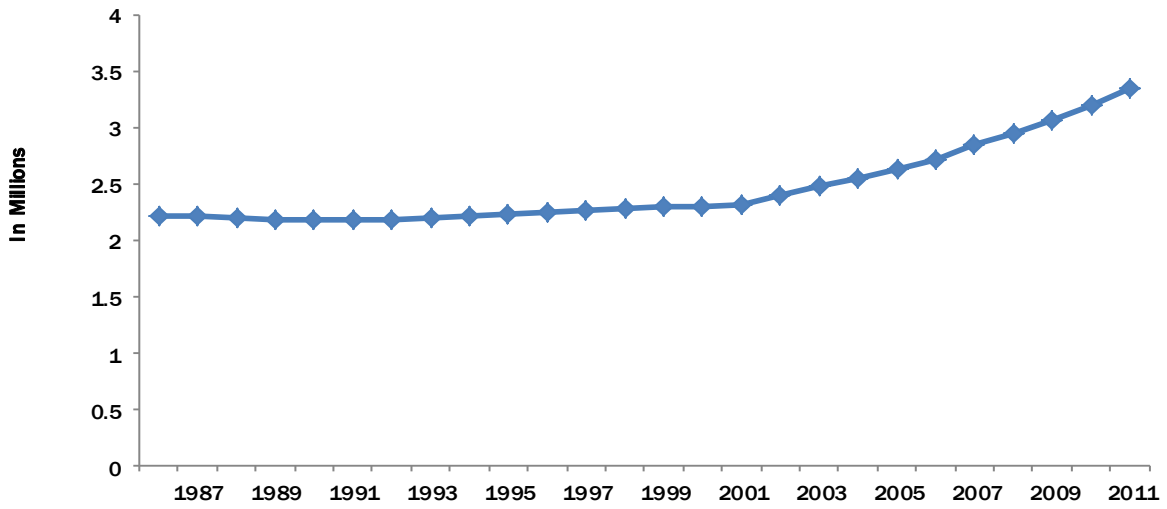
Recent changes in the number of Veterans with a service-connected disability. In parallel to the increases in the number of individuals becoming new Veterans, a greater share of military personnel are separating with a disability rating. Due to the improvements and technological advances in modern military medicine and equipment, more Servicemembers are surviving their service-related illnesses and injuries, compared with previous wars.

One research study[1] 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 recently, during Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF), more than 90 percent of OEF/OIF soldiers survived their injuries. However, as a consequence, some soldiers come home with multiple injuries, many with "invisible wounds" such as hearing impairments, degenerative vision, or post-traumatic stress disorder. These injuries have a pronounced impact on a Veteran's ability to find and keep a job, and thus their likelihood to seek assistance through VR&E.

As Figure 2C-1 shows, the number of Veterans with a service-connected disability has been rising substantially since 2000, likely as a result of the OEF/OIF conflict. Further examination of these 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 is a marked increase in the number of individuals with disability ratings of 70 percent or higher starting in 2001 (see circled area), coinciding with the beginning of combat operations in Afghanistan.

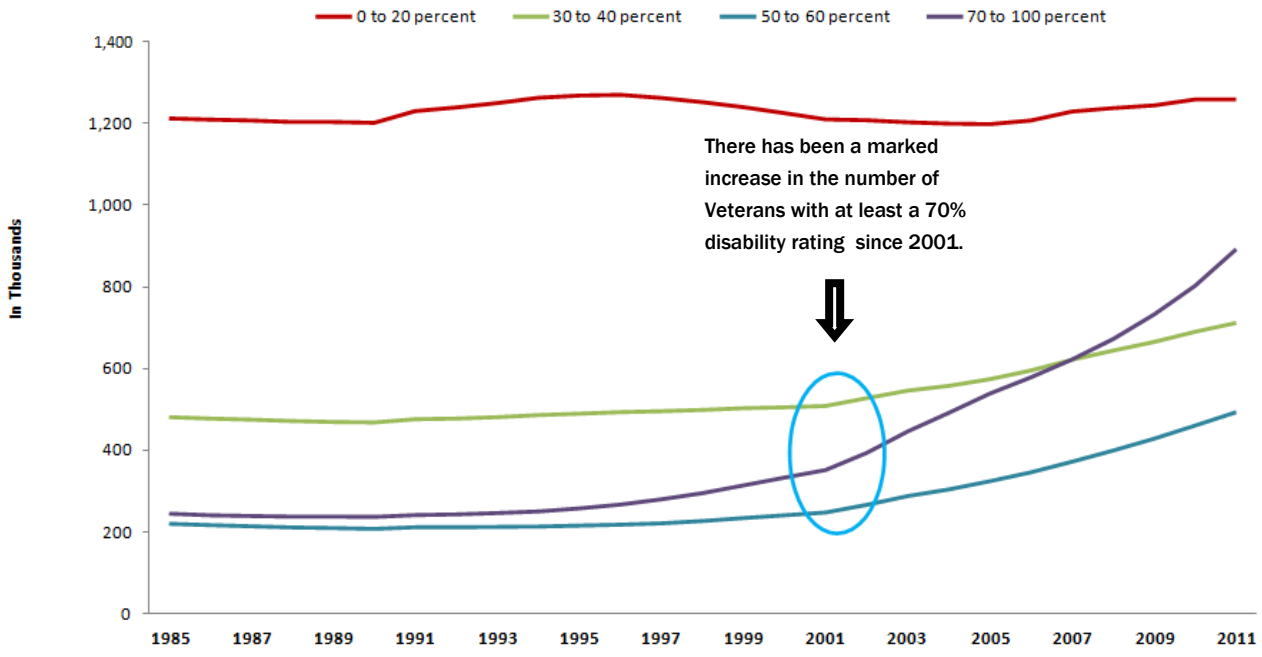
[1] Gawande, Atul, "Casualties of War – Military Care for the Wounded from Iraq and Afghanistan," *New England Journal of Medicine*, Vol. 351, No. 24, December 2004, pp. 2471-2475.

Figure 2C-1. Number of Veterans with a Service-Connected Disability



SOURCE: Department of Veteran Affairs, Veterans Benefits Administration; 1986-1998: COIN CP-127 Reports; 1999-2011: Annual Benefits Reports. Prepared by the National Center for Veterans Analysis and Statistics.

Figure 2C-2. Number of Veterans with a Service-Connected Disability, by Severity



SOURCE: Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Reports, 1985-2011. Prepared by the National Center for Veterans Analysis and Statistics.

The number of Veterans receiving disability compensation has steadily grown in recent years, increasing by a little more than 400,000 (~14 percent) between FY 2008 and FY 2011 (see Table 2C-3). In fact, as shown in Table 2C-4, the number of Veterans who began receiving disability compensation increased by almost 19 percent between FY 2007 and FY 2011, which is largely due to the marked increase in the number of Veterans with a disability rating of 50 percent or higher.

Table 2C-3. Number of Veterans with Service-Connected Disabilities Receiving Compensation from FY 2008 through FY 2011

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

SOURCE: Department of Veteran Affairs, Veterans Benefits Administration Annual Benefits Report 2011.

Table 2C-4. Number of Veterans with Service-Connected Disabilities Who Began Receiving Compensation by Disability Rating by Fiscal Year (FY 2008 through FY 2011)

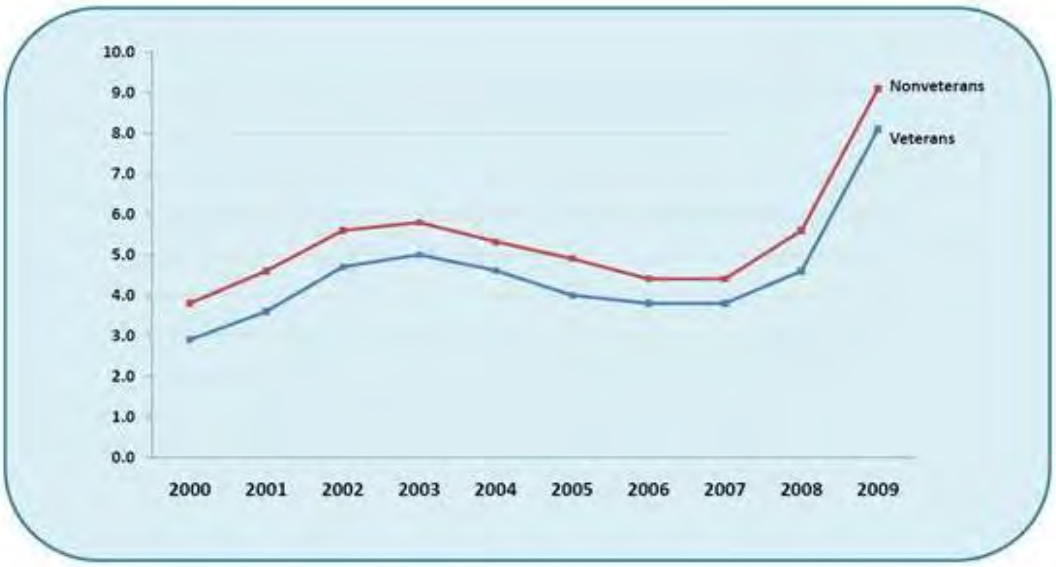
Disability Rating	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Percent Change FY 2007 – FY 2011
0%	521	551	624	635	522	0.2%
10%	52,949	53,374	58,949	70,872	68,834	30.0%
20%	33,702	33,024	34,069	36,763	28,980	-14.0%
30%	25,851	26,368	27,495	29,078	32,089	24.1%
40%	20,748	20,539	21,311	21,145	18,576	-10.5%
< 50%	**133,771**	**133,856**	**142,448**	**158,493**	**149,001**	**11.4%**
50%	14,004	14,513	15,239	16,217	15,989	14.2%
60%	13,009	13,849	14,873	14,903	18,314	40.8%
70%	9,316	10,031	10,729	11,457	12,297	32.0%
80%	5,580	6,233	7,199	7,648	7,808	39.9%
90%	2,384	2,927	3,475	4,010	4,131	73.3%
100%	9,653	9,909	11,103	12,175	15,467	60.2%
50% – 100%	**53,946**	**57,462**	**62,618**	**66,410**	**74,006**	**37.2%**
Total	**187,717**	**191,318**	**205,066**	**224,903**	**223,007**	**18.8%**

SOURCE: Department of Veteran Affairs, Veterans Benefits Administration Annual Benefits Report 2011.

Recent trends in U.S. economic and employment climate. It is likely that the U.S. economic and employment climate has an impact on the number of Veterans seeking assistance from VR&E. With overall U.S. unemployment rates increasing steadily from January 2008 through the peak in February 2010, a greater share of eligible Veterans may be deciding to seek rehabilitation services.

Although unemployment rates have declined slightly starting mid-way through 2010 to the time of this report, the job market remains tight. 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.[2] Together, these unemployment statistics indicate that Veterans with service-connected disabilities are experiencing significant unemployment hurdles similar to those of the general population.

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).

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

Recent 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 111-337 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 provides 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 Public Law 110-181 which entitled severely injured active duty military members to VR&E services until December 31, 2014. Section 233, effective in May 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. Additional provisions in the Act are noted in the bullets below.

- The VOW Act encourages employers to hire Veterans by making changes to the Work Opportunity Tax Credit (WOTC). The changes add two new categories to the Veteran hires that qualify for the tax credit, and also make the WOTC available to certain tax-exempt employers by crediting it to the employers' share of Social Security tax.
- The VOW Act provides up to one year of additional benefits from the Montgomery GI Bill.
- The VOW Act stipulates that the Transition Assistance Program (TAP) is mandatory for most Servicemembers transitioning to civilian life, and that the program be expanded to include better career counseling and job search services that meet the challenges of the 21st Century job market.
- The VOW Act allows Servicemembers to acquire Veterans preference status prior to separation.

- The VOW Act requires the Department of Labor to help make it easier for Veterans to get the licenses and certifications they need to compete in the civilian workforce.

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 legislative changes to the VR&E program, as these mandated changes could affect both program participation and long-term outcomes.

Section 3:

Findings for FY 2010 Cohort

Section 3A: Description of FY 2010 Cohort by Program Participation Status as of FY 2012

Section 3B: Trends in Discontinuation and Rehabilitation

Section 3C: Trends in Program Satisfaction

Section 3D: Factors that Contribute to Discontinuation and Rehabilitation

Section 3E: Factors that Contribute to Program Satisfaction

Section 3F: Employment and Standard of Living Outcomes as of FY 2012

Section 3G: Trends in Employment and Standard of Living Outcomes

Section 3H: Factors that Contribute to Employment and Standard of Living Outcomes

Findings for FY 2010 Cohort 3

The FY 2010 Longitudinal Study cohort is comprised of individuals who applied for VR&E services in FY 2010 and entered a plan of services in FY 2010. As of FY 2012, most of the FY 2010 Longitudinal Study participants were still in the rehabilitation process (i.e., active), but some study participants had their rehabilitation services closed without reaching their rehabilitation goals (i.e., discontinued) or had their rehabilitation services closed after successful rehabilitation (i.e., rehabilitated).

The status (active, discontinued, or rehabilitated) of all FY 2010 cohort participants in each of the first three years of the study is presented in Table 3-1. Almost 97 percent of the FY 2010 cohort was active at the end of FY 2010. However, that status dropped almost 14 percent to 84 percent of the cohort by the end of FY 2011, and then further to 73 percent of the cohort by the end of FY 2012. This decrease in the number of active participants is due to increases in both rehabilitations and discontinuations. Rehabilitations increased from almost 2 percent as of the end of FY 2010 to nearly 14 percent as of the end of FY 2012 while discontinuations rose from almost 2 percent (as of the end of FY 2010) to nearly 13 percent (as of the end of FY 2012).

Table 3-1. Status of FY 2010 Cohort of VR&E Participants at end of each Fiscal Year of Study

Status	FY 2010		FY 2011		FY 2012	
	#	%	#	%	#	%
Active	10,440	96.7%	9,014	83.5%	7,902	73.2%
Discontinued	172	1.6%	975	9.0%	1,393	12.9%
Rehabilitated	180	1.7%	803	7.4%	1,497	13.9%
Total	10,792	100.0%	10,792	100.0%	10,792	100.0%

Figure 3-1 presents the chronological flow of changes in participation status between FY 2010, FY 2011, and FY 2012. As the figure shows, some Veterans who exit the program, either having completed rehabilitation or choosing to discontinue, return at a later date. To date, there have been 101 individuals who have had broken program participation, and five of these individuals have exited the program twice. Of the 10,792 Veterans who applied for and began their plans of services in FY 2010, there were a total of 1,393 Veterans who discontinued services as of the end of FY 2012. Four of these individuals exited the program twice between FY 2010 and FY 2012. Another 1,497 Veterans successfully completed their rehabilitation plans as of the end of FY 2012. One of these individuals previously discontinued services.

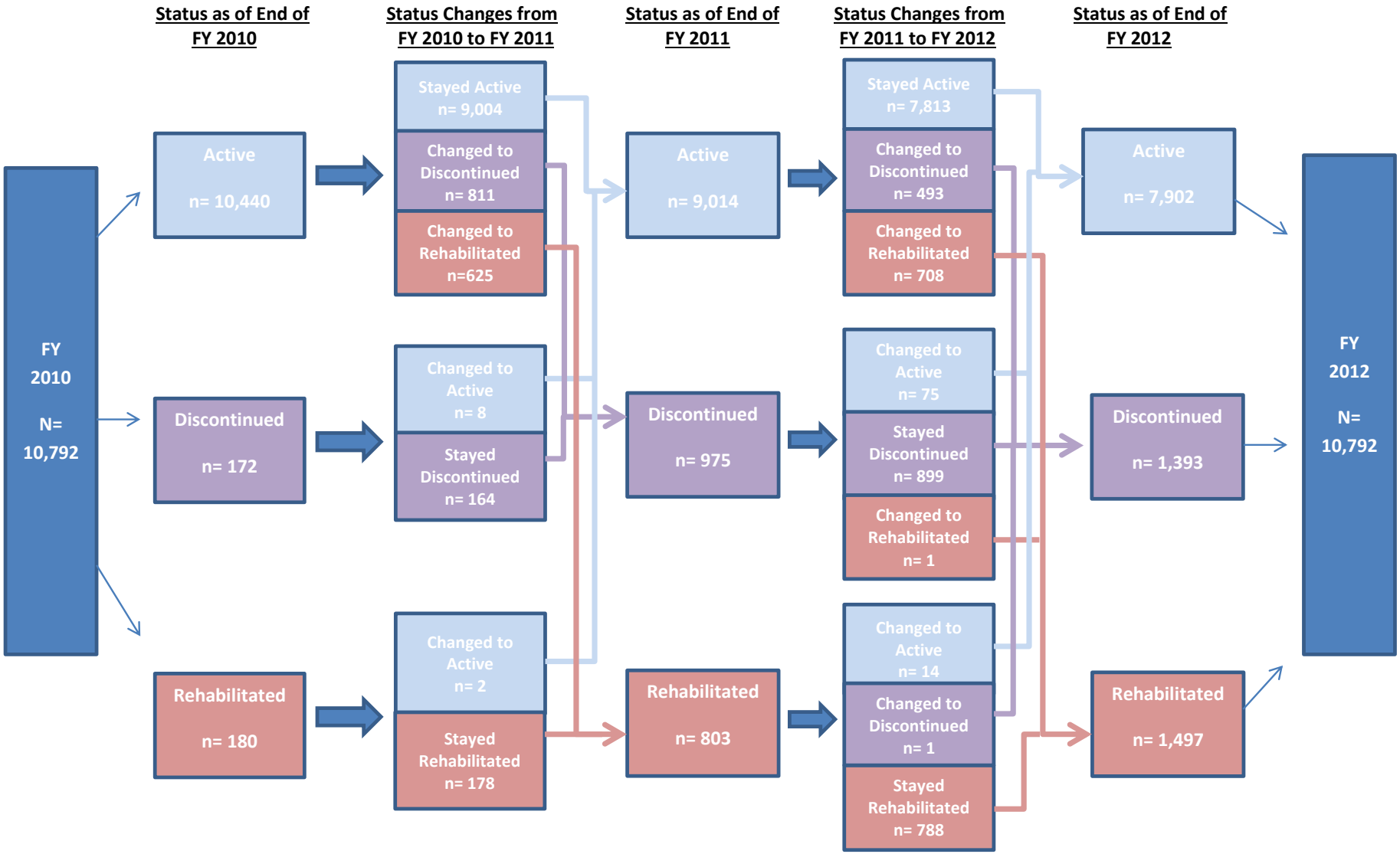
Veterans may reenter the VR&E program after exiting the program by either having completed rehabilitation or having chosen to discontinue, as long as their period of eligibility (generally 12 years) has not expired. Some Veterans may reenter the VR&E program because of changes in their disability status or life circumstances. For instance, some Veterans who successfully complete an Independent Living program may set a subsequent employment goal and reenter VR&E services to get assistance with finding a job. 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 Veterans with the most serious impairments. Once these Veterans have achieved the highest level of independence that is possible with completion of their Independent Living program, it is expected that some percentage of them may try to accomplish the goal of employment through one of the VR&E employment tracks. However, for others, the ultimate goal is to live as independently as possible and not pursue employment.

A small number of Veterans who had rehabilitated previously reentered VR&E services and were active as of the end of FY 2012. Veterans may reenter the VR&E program because of changes in their disability status or life circumstances. The nature of the VR&E program allows Veterans to reapply for VR&E and complete a new evaluation. Based on the results of this evaluation, the Veteran may reenter the VR&E program and develop a plan of service designed to meet their new circumstances. As Figure 3C-1 shows, of the 803 cohort members who successfully rehabilitated as of the end of FY 2011, 14 of them reentered VR&E services at some point during FY 2012 and became active again. Further analysis reveals that these Veterans who rehabilitated within one year

of beginning services, and then returned to get additional VR&E services within the next fiscal year after rehabilitating, typically stay within their initial plan type (Independent Living or employment), although some switch among specific employment tracks. To date, only one cohort member who successfully rehabilitated from an Independent Living program within the first year of beginning services later reentered to pursue an employment program. All other cohort members who rehabilitated and then became active either pursued their same program tracks a second time, or pursued a different employment track a second time (only Rapid Access to Employment and Employment through Long-Term Services as of FY 2012).

As the study continues, it will be important to track individuals who exit the VR&E program and then reenter the program, to determine if their long-term outcomes are different than participants who enter and exit the program only once. In addition to identifying factors associated with successfully rehabilitating, it is equally important to analyze discontinuance data and to follow those Veterans whose plans are discontinued to better understand their circumstances and long-term outcomes.

Figure 3-1. Changes in Participation Status of FY 2010 Cohort of VR&E Participants at end of each Fiscal Year of Study



NOTE: Over the 2 to 3 years since the FY 2010 cohort started VR&E services, 21 cohort members passed away (10 deaths noted in administrative data and 11 deaths identified through the survey process). Most of these individuals had exited the VR&E program before their deaths and those individuals are included in the total cohort counts.

Section 3A: 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 2012. Cohort members who began their plan of services very early in FY 2010 have been in the VR&E program for nearly 3 years as of the end of FY 2012. Almost three-quarters of the cohort are still actively continuing in their rehabilitation plans after being in the program between two and three years. Although many Veterans take multiple years to complete their program, almost 14 percent of the cohort successfully rehabilitated as of the end of FY 2012, and another 13 percent discontinued services as of the end of FY 2012. Descriptive examination of the demographic and background characteristics of active, discontinued, and rehabilitated participants as of the end of FY 2012 provides insight as to if and how these groups differ after the first 3 years since beginning VR&E services.

Table 3A-1 lists all of the background characteristics measured in the VR&E Longitudinal Study. In the remainder of this section we present and discuss only those characteristics that show differences between those still continuing their plans, those who successfully rehabilitated, and those who discontinued services. However, Appendix D includes tables that present descriptive statistics for each of the 22 background characteristics measured by the study, by participation status (i.e., active, discontinued, or rehabilitated).

Table 3A-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	✓	

Table 3A-1. Background Characteristics Measured by the VR&E Longitudinal Study (continued)

Domain	Measure	VBA Administrative Data	Survey Data
	Age	✓	
	Combined disability rating*	✓	
	Pre-rehabilitation level of education	✓	
	Pre-rehabilitation salary	✓	
	Primary diagnosis	✓	
	Number of dependents		✓
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 available on all 10,792 FY 2010 cohort members allow us to examine certain demographic and background characteristics for the entire cohort population, data collected during the first year of survey administration allow us to examine additional demographic and background characteristics for the population that are otherwise unavailable. A few additional points should be noted about the survey data. Although the survey data were collected for a sample of cohort members, these data have been weighted to reflect the entire cohort population. Over the 2 to 3 years since FY 2010 cohort members began their rehabilitation plans, 21 of them passed away. Ten of these deaths were already noted in VBA administrative files, however, while fielding the

survey, we learned that an additional 11 Veterans in the sample had passed away. These individuals were subsequently coded as ineligible, and as a result, the survey weights do not sum to the cohort population (10,753 versus 10,792). The weighted data are intended to represent the whole cohort; therefore, population counts by subgroups may differ slightly 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 3A-2 provides a snapshot of the FY 2010 cohort by their track selection as of the end of FY 2012. Track selection is one of a few profile characteristics that can change over the course of time, and a few individuals did change tracks since they began services. Table 3A-2 shows, that as of FY 2012, the vast majority of active participants – 94 percent – are in the Employment through Long-Term Services track (Track 4).

Compared to active and also discontinued cohort members, cohort members in Employment through Long-Term Services represented less than half (43 percent) of the successful rehabilitations by the end of FY 2012. These findings are entirely consistent with the intention of this employment track. The Employment through Long-Term Services track includes Veterans who are seeking further education or other training which often requires multiple years. The greatest percentage of rehabilitations from this group is not expected until 3 or 4 years after Veterans initiate their rehabilitation plans, thus it is not surprising to find that such a large proportion of active participants are still pursuing this track as of FY 2012.

It is also reasonable to expect that a small proportion of rehabilitations from the Employment through Long-Term Services track will not take 3 or 4 years to complete. Some Veterans may be finishing 4-year degree programs they started before leaving the military, while other Veterans may be pursing associate or graduate degree programs that can typically be completed within 2 years, if

attending full-time. Also, some Veterans pursue vocational, apprenticeship, or on-the-job training programs with shorter completion times, especially if pursued full-time.

Table 3A-2. Track Selection of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Track Selection	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Track 1 Re-Employment	47	1%	15	1%	11	1%	73	1%
Track 2 Rapid Access to Employment	278	4%	100	8%	343	23%	721	7%
Track 3 Self-Employment	16	0%	4	0%	9	1%	29	0%
Track 4 Employment through Long-Term Services	7,338	94%	1,054	87%	644	43%	9,036	86%
Track 5 Independent Living	167	2%	40	3%	490	33%	697	7%
Subtotal	7,846	100%	1,213	100%	1,497	100%	10,556	100%
Extended Evaluation	56	–	180	–	0	–	236	–
Total	7,902	–	1,393	–	1,497	–	10,792	–

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

Individuals in the Rapid Access to Employment track (Track 2) represent almost one-quarter of the successful rehabilitations as of the end of FY 2012. This finding 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 2012, only 7 percent (644) of the 9,036 cohort members in Employment Through Long-Term Services successfully rehabilitated, compared to almost 48 percent (343 out of 721) in Rapid Access to Employment.

Demographic Characteristics

Table 3A-3 provides a snapshot of selected additional demographic characteristics of the FY 2010 cohort, as of the end of FY 2012. 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.

Table 3A-3. Selected Demographic Characteristics of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Demographic Characteristic	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Serious Employment Handicap								
Yes	5,554	70%	1,165	84%	1,064	71%	7,783	72%
No	2,348	30%	228	16%	433	29%	3,009	28%
Gender								
Male	6,479	82%	1,225	88%	1,298	87%	9,002	83%
Female	1,423	18%	168	12%	199	13%	1,790	17%
Age								
Less than 30	771	10%	149	11%	65	4%	985	9%
30 – 44	3,443	44%	514	37%	474	31%	4,431	41%
45 – 54	2,384	30%	365	26%	380	25%	3,129	29%
55 and above	1,304	16%	365	26%	578	39%	2,247	21%
Combined Disability Rating Percentage								
0%[1]-20%	1,292	17%	175	13%	151	10%	1,618	15%
30%-60%	4,187	52%	567	41%	657	43%	5,411	51%
70%-100%	2,416	30%	645	47%	687	45%	3,748	36%
Memorandum Rating[2]	7	0%	6	0%	2	0%	15	0%
Total	7,902	100%	1,393	100%	1,497	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.

Discontinued participants have a much higher proportion of Veterans with a serious employment handicap (84 percent), relative to active 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. Consistent with this finding is the fact that almost half of discontinued participants (47 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 three years than other participants.

Although the overall gender distribution for active, discontinued, and rehabilitated cohort members is similar, it should be noted that a greater share of the FY 2010 cohort are women (17 percent) as compared to the percentage of Veterans overall (8 percent[1]) that are women. This finding reflects the fact that the percentage of Veterans that are women has been rising over that past 20 years, and they represent 18 percent of the Gulf War II era Veterans[2].

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. The proportion of rehabilitated participants 55 years of age or more is almost double the proportion for the total cohort population. However, this finding is not surprising given the fact that one-third of all rehabilitations were from the Independent Living program, which generally lasts 24 months, and that 74 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 information (e.g., mean and standard deviation) on these two demographic variables is provided in Table 3A-4. Examination of the table reveals that active participants served on active duty, on average, a little over 6 years, while the average length of active duty service for discontinued participants was slightly shorter at 5 ½ years. Rehabilitated participants served the longest, with an average of 7 years of

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

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

active duty military service. The average number of dependents among active, discontinued, and rehabilitated participants is similar.

Table 3A-4. Additional Mandated Demographic Characteristics of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Demographic Characteristic	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)
Average Number of Months Served on Active Duty[1]	7,902	74.3 (76.7)	1,393	66.7 (71.8)	1,497	84.1 (84.2)	10,792	74.7 (77.3)
Average Number of Dependents[2]	8,080	1.9 (2.8)	943	1.5 (2.8)	1,609	1.6 (2.4)	10,632	1.8 (3.3)

NOTE: Averages reported in the table display the mean followed by the standard deviation in parentheses.
[1] Average number of months served on active duty is based on VBA administrative data available for the cohort population.
[2] Average number of dependents is based on survey data that has been weighted up to reflect the cohort population.

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 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 1.8, with active, discontinued, and rehabilitated participants having similar numbers of dependents.

Receipt of Other Benefits

Two additional background characteristics the Congressional legislation states 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 is the source of information for these two characteristics related to medical visits, so Table 3A-5 includes weighted data that is representative of the cohort population for those participants who responded to those survey items.

Table 3A-5. Number of Medical Visits in Past Year for FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Number of Medical Visits	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)
Visits to VA Medical Facility[1]	8,109	2.2 (33.8)	957	6.8 (48.2)	1,619	3.9 (39.8)	10,685	2.9 (36.3)
Visits to non-VA Medical Facility[2]	8,045	4.7 (18.4)	933	5.0 (17.6)	1,602	4.7 (21.4)	10,580	4.7 (18.8)

NOTE: Averages reported in the table display the mean followed by the standard deviation in parentheses.
[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.

No substantial differences are observed in the average number of medical visits for active and rehabilitated cohort members. In contrast, discontinued participants made more than twice the number of visits (6.8) to a VA medical facility than the overall cohort population (2.9). This finding may be explained by the fact that a large percentage of Veterans discontinue their plans after starting an Extended Evaluation (67 percent, not shown). First, 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 feasible. In order to help facilitate completion of Extended Evaluation plans,

VR&E counselors collaborate with the Veteran's Health Administration to coordinate needed services for VR&E participants, many of which get delivered through VA medical facilities. So having been in an Extended Evaluation may in itself result in additional healthcare visits while in that status.

The Congressional legislation asks for information on the types of other VA benefits received by cohort members. Using administrative data collected by VA, Table 3A-6 reports the number and percentage of cohort members who have life insurance through VA and the number and percentage of cohort members who have VA-insured mortgage loans. Twelve 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 (17 percent) have VA life insurance policies, relative to active (11 percent) and discontinued (12 percent) participants. Similarly, there is a higher proportion of rehabilitated participants (8 percent) who have VA-insured mortgage loans, compared with active (5 percent) and discontinued (3 percent) participants.

Table 3A-6. Receipt of Other VA Benefits of FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Other VA Benefits	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Life Insurance[1]								
Have VA Life Insurance	855	11%	170	12%	257	17%	1,282	12%
Do not Have VA Life Insurance	7,297	89%	801	82%	1,374	83%	9,471	88%
Total	8,152	100%	971	100%	1,631	100%	10,753	100%
Home Loan[2]								
Have VA Home Loan	399	5%	45	3%	118	8%	562	5%
Do not Have VA Home Loan	7,753	95%	926	97%	1,513	92%	10,191	95%
Total	8,152	100%	971	100%	1,631	100%	10,753	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 3A-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 enrolled in an IHL, a little over 90 percent (6,370 out of 7,021) are still actively pursuing their rehabilitation plans. This finding is consistent with the finding that the majority of active 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.

Table 3A-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 2012

Enrolled in Institution of Higher Learning (IHL)	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Enrolled in IHL	6,370	78%	233	24%	418	26%	7,021	66%
Not Enrolled in IHL	1,759	22%	738	76%	1,198	74%	3,695	34%
Subtotal	8,129	100%	971	100%	1,616	100%	10,717	100%
Survey Item Skipped	22	–	0	–	15	–	37	–
Total	8,152	–	971	–	1,631	–	10,753	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. Enrollment is defined as being enrolled within the last 12 months.

Another background characteristic related to the receipt of education or training the Congressional legislation includes 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 active, discontinued, and rehabilitated participants. Sixty-eight percent (5,712 out of 10,753) of the cohort that responded to the question regarding number of credit hours reported completing more than 10 academic credits in the past year. Twenty-three percent of the cohort reported completing at least one degree in the past 12 months. Those reporting earning a degree, typically, completed one degree during the past

12 months (see Appendix D: Table D-19). Twelve percent of the cohort reported obtaining at least one certificate in the past 12 months. In fact, some reported obtaining more than one certificate in the past 12 months. Among those who obtained a certificate, on average, active and rehabilitated participants obtained 2 certificates during the past 12 months, whereas rehabilitated participants obtained 1.5 certificates during the past 12 months (see Appendix D: Table D-19). It is important to note that while Table 3A-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.

Table 3A-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 2012

Number of Credit Hours	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
No credits completed	187	3%	26	12%	34	8%	247	4%
1 to 10	599	10%	52	24%	66	16%	718	11%
11 to 20	1,326	21%	50	23%	113	28%	1,489	22%
21 to 30	1,643	26%	37	17%	48	12%	1,728	25%
31 to 40	1,206	19%	30	14%	59	14%	1,295	19%
41 or more	1,114	18%	17	8%	68	17%	1,200	18%
Credits not recorded	135	2%	5	2%	23	6%	164	2%
Subtotal	6,210	100%	219	100%	411	100%	6,841	100%
Survey Item Skipped	1,941	–	752	–	1,219	–	3,913	–
Total	8,152	–	971	–	1,631	–	10,753	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data that sum up to the cohort population.

Table 3A-9. Degrees and Certifications Obtained in Past Year by FY 2010 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Average Number of Degrees and Certificates	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Degrees								
Obtained Degree	2,147	26%	53	5%	305	19%	2,504	23%
Did not Obtain Degree	5,982	74%	918	95%	1,326	81%	8,249	77%
Total	8,129	100%	971	100%	1,631	100%	10,753	100%
Certificates								
Obtained Certificate	942	12%	67	7%	249	15%	1,257	12%
Did not Obtain Certificate	7,187	88%	904	93%	1,382	85%	9,496	88%
Total	8,129	100%	971	100%	1,631	100%	10,753	100%

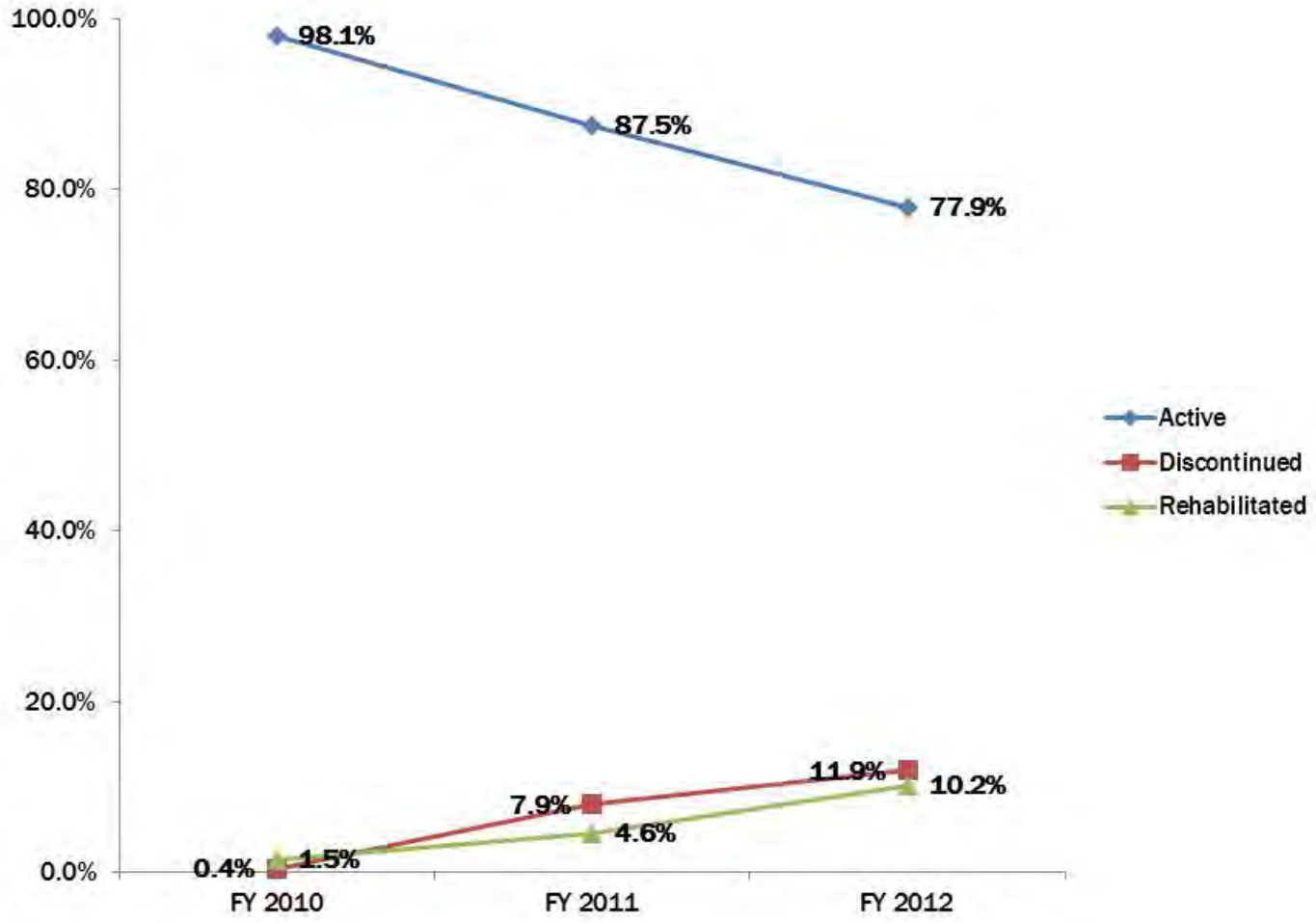
NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data that sum up to the cohort population. While the table reports on the number and percentage of cohort members who have obtained a degree or certificate in the past 12 months, it should be noted that some who did not yet obtain a degree or certificate may still be in school.

Section 3B: Trends in Discontinuation and Rehabilitation

In general, the basic period of eligibility in which Veterans can avail themselves of 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 3B-1 presents the percentage of cohort members who have discontinued and rehabilitated over time for those cohort members who exited from one of the four employment tracks. Because cohort members can switch program tracks, as well as reenter 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 3B-1 reveals, over the first 3 years of the study, the number of rehabilitations from employment plans has been increasing at a slightly increasing pace while the number of discontinuations has been increasing at a slightly decreasing pace.

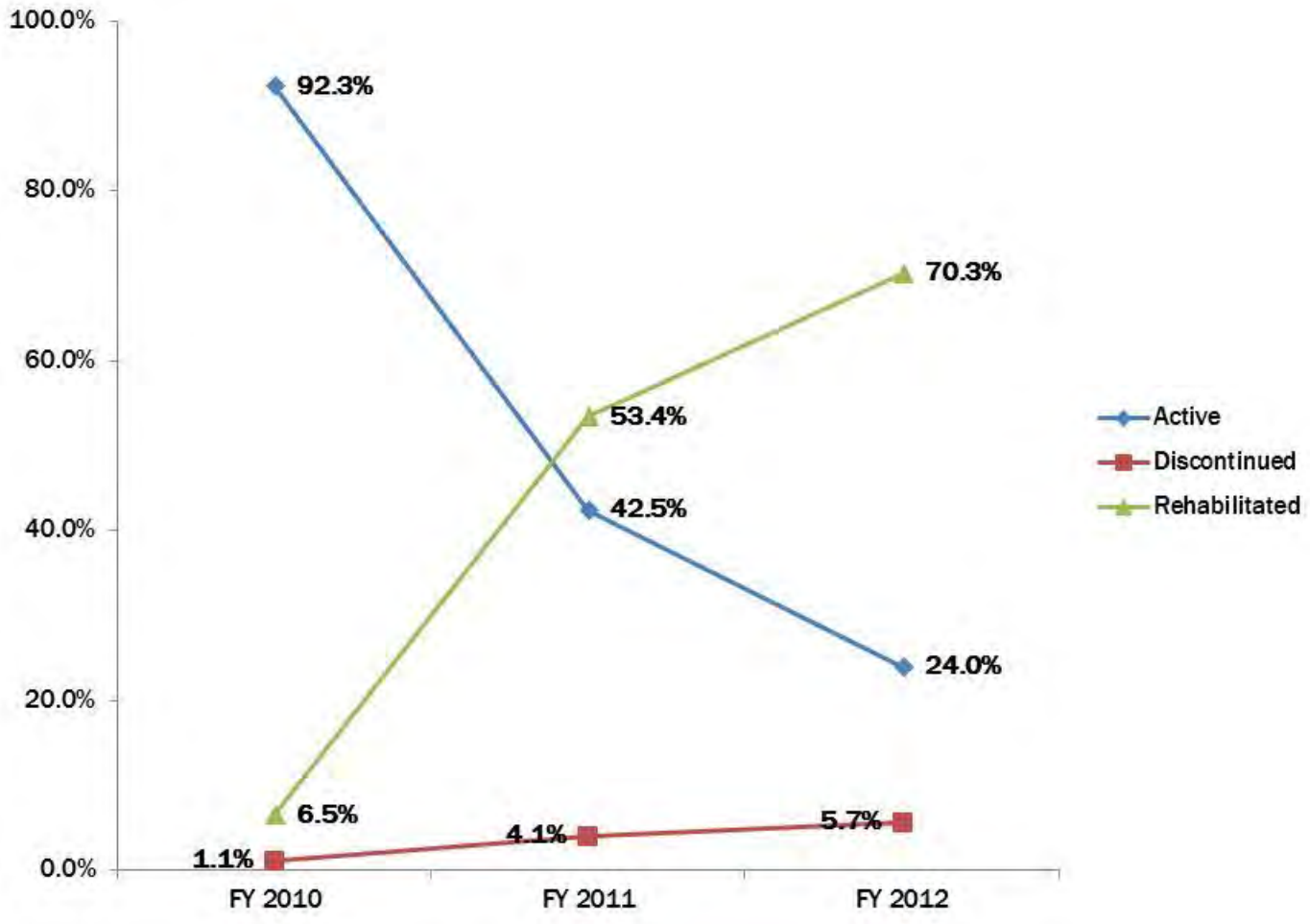
Figure 3B-2 presents the percentage of cohort members who have discontinued and rehabilitated from an Independent Living plan. Among all cohort members in an Independent Living program as of the end of FY 2012, over 70 percent of them rehabilitated as of the end of FY 2012. It is not surprising to see that the percentage rehabilitated among those pursing an Independent Living plan is so much higher than the percentage rehabilitated among those pursing 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 between Year 1 and Year 2 of the study and this expectation has held true thus far for the FY 2010 cohort. However, 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, tapering off such that the slope of the trend line will appear to be flat in future years.

Figure 3B-1. Cumulative Annual Discontinuation and Rehabilitation Outcomes for Employment Plans for FY 2010 Cohort of VR&E Participants as of end of FY 2012 (Percent of Cohort)



NOTE: The percentages reported in this figure do not include 236 cohort members who have not selected a program track (i.e., in an Extended Evaluation) as of the end of FY 2012.

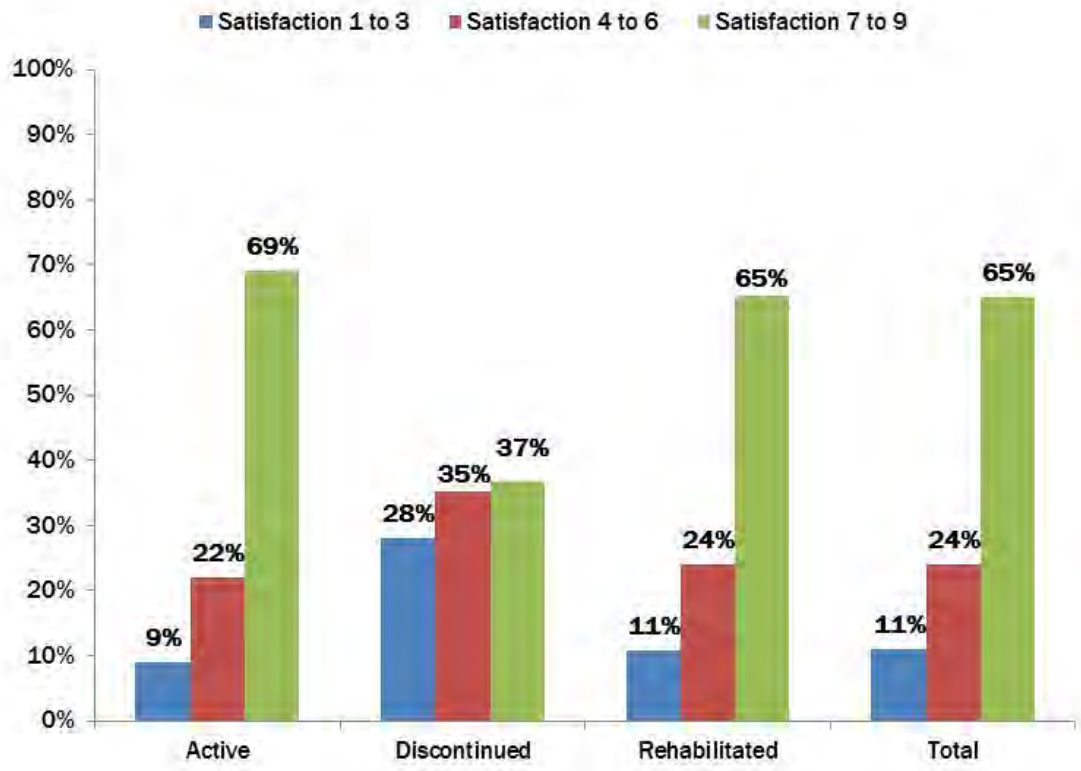
Figure 3B-2. Cumulative Annual Discontinuation and Rehabilitation Outcomes for Independent Living Plans for FY 2010 Cohort of VR&E Participants as of end of FY 2012 (Percent of Cohort)



Section 3C: 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 3C-1 presents the average satisfaction scale score separately for active, discontinued, and rehabilitated cohort members, based on weighted survey data that sums to the cohort population. In all these groups, a plurality of individuals is very satisfied with the program. Relative to active and rehabilitated participants, discontinued participants include a much higher proportion of individuals with low program satisfaction.

Figure 3C-1. Overall Program Satisfaction Level for FY 2010 Cohort of VR&E Participants (Percent of Cohort)



NOTE: Overall program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction scores 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 3D: Factors that Contribute to Discontinuation and Rehabilitation

This section summarizes the findings from multivariate regression analyses that identify the factors that affect who discontinues and who rehabilitates. Regression analysis identifies how a given background characteristic affects discontinuation and rehabilitation, 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 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. The detailed results of the regression analyses are presented in Appendix E. Summary results listing the significant factors that contribute to the outcome of interest are provided in Table 3D-1.

Discontinuation Outcomes

Several factors emerge as being associated with discontinuation by the end of FY 2012. Table 3D-1 provides a summary of the results by showing the direction of impact of the variables associated with the probability of discontinuation, rehabilitation, and the time it takes to rehabilitate. In this table, a blank entry means the variable was not correlated with the given discontinuation or rehabilitation result. Not having selected a program track (i.e., being in an Extended Evaluation) is the strongest driver of discontinuation. Veterans for whom a feasible vocational goal could not be selected and who required an Extended Evaluation of rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible were the most likely to discontinue their rehabilitation plans. Among Veterans who selected a track, those in the Employment through Long-Term Services track and those who selected one of the three 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 2012.

Table 3D-1. Factors that Contribute to Discontinuation and Rehabilitation for FY 2010 Cohort as of end of FY 2012

Explanatory Variable	Probability of Discontinuation[1]	Probability of Rehabilitation[2]	Time to Rehabilitation[3]
Not having selected a program track (i.e., being in an Extended Evaluation) (compared to having selected a track)	+		
Employment through Long-Term Services track (compared to Independent Living)	+	-	+
Other employment tracks (compared to Independent Living)	+	-	+
Serious employment handicap (SEH)	+	-	+
Receiving subsistence allowance for a degree program	-	-	+
Male	+		
Disability rating	+	-	+
Some college or higher	-	+	-
Pre-rehabilitation salary	-	+	
Mental primary diagnosis	+		
Length of military service		+	-
Officer status	-		

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

Several other factors affect the probability of discontinuation, albeit to a lesser extent. Factors that increase the probability of discontinuation include being male, having a higher disability rating, and having a mental diagnosis as the primary diagnosis. The results also suggest that receiving a subsistence allowance for a degree program, having at least some college education, having a higher

pre-rehabilitation salary, and having been an officer is associated with a lower likelihood of discontinuation. Age, length of military service, and era of service are unrelated to discontinuation by the end of FY 2012.

Rehabilitation Outcomes

Generally, factors that are associated with discontinuation are also related to successful rehabilitation by the end of FY 2012, but the effect is in the opposite direction, as noted in Table 3D-1. 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 2012. Other factors that decrease the probability of successful rehabilitation include having a serious employment handicap, receiving a subsistence allowance for a degree program, and having a higher disability rating. In contrast, having at least some college education, a higher pre-rehabilitation salary, and a longer length of military service is associated with a lower likelihood of being in the successful rehabilitation group.

In identifying factors associated with the timing of rehabilitation, the results suggest that program track is a strong driver of the timing of rehabilitation (last column of Table 3D-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, receiving a subsistence allowance for a degree program, and having a higher disability rating are associated with later rehabilitation. In contrast, having at least some college education and a longer length of military service are associated with rehabilitating sooner.

It is important to note that the regression analysis examined factors associated with successful rehabilitation within the first three years after beginning a VR&E plan of services. Therefore, the results identify correlates of early rehabilitation and may not be representative of the full range of predictors of successful rehabilitation. With that caveat in mind, it is relevant to examine the patterns that do emerge at this early point that bear closer study now, and as the results unfold in the future, as additional data are collected and analyzed annually.

Section 3E: Factors that Contribute to Program Satisfaction

This section summarizes and discusses the findings from multivariate regression analyses that identify the factors that affect how satisfied Veterans are with the VR&E program. Several factors emerge as being associated with satisfaction. Table 3E-1 provides a summary of the results. Specifically, program participation status and program track are the most important factors affecting program satisfaction. Not surprisingly, Veterans who successfully rehabilitated by the end of FY 2012 are more satisfied with the program than those who were still active. 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 2012 is related to decreased satisfaction with the program. Additionally, Veterans who selected one of the three 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, having a mental diagnosis as the primary diagnosis is associated with decreased program satisfaction.

Table 3E-1. Factors that Contribute to Overall Program Satisfaction for FY 2010 Cohort as of end of FY 2012

Explanatory Variable	Direction of Effect
Rehabilitated (compared to active)	+
Discontinued (compared to active)	-
Other employment track (compared to Independent Living)	-
Pre-rehabilitation salary	+
Mental primary diagnosis	-
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 3F: Employment and Standard of Living Outcomes as of FY 2012

In this section we present descriptive information about the employment and standard of living outcomes experienced by FY 2010 cohort members within the first three 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 actively working on the steps outlined in their rehabilitation plans, some members have successfully rehabilitated within these first three years, while others discontinued services within three 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 concentrate on the outcomes experienced thus far by rehabilitated and discontinued cohort members.

Employment Outcomes

Table 3F-1 presents the current employment status of FY 2010 cohort members, as of the date their survey was completed. As expected, a much higher percentage of rehabilitated participants (59 percent) reported working at the time of the interview, compared to discontinued participants (28 percent). It is worth noting that 41 percent of the active VR&E participants report working while continuing in their rehabilitation program.

Table 3F-1. Current Employment Status of FY 2010 Cohort of VR&E Participants by Participation Status

Current Employment Status	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Employed	3,354	41%	271	28%	953	59%	4,579	43%
Not Employed	4,779	59%	697	72%	667	41%	6,143	57%
Subtotal	8,133	100%	979	100%	1,621	100%	10,722	100%
Survey Item Skipped	19	–	2	–	10	–	31	–
Total	8,152	–	971	–	1,631	–	10,753	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population. It is also important to note that the information provided in this table includes 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 capacity to live as independently as possible in their homes and communities.

Table 3F-2 shows the extent to which current jobs match VR&E training received. About half of rehabilitated participants who responded to this survey item reported that their current job generally matches the training received through VR&E. Only 14 percent of discontinued participants reported working in a job that matches the training they received.

Table 3F-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 Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Job Matches Training	919	28%	38	14%	469	50%	1,426	31%
Job Matches Training Somewhat	760	23%	61	22%	194	21%	1,015	22%
Job Does Not Match Training	1,595	48%	168	62%	271	29%	2,034	45%
Subtotal	3,274	100%	267	100%	934	100%	4,476	100%
Survey Item Skipped	80	–	4	–	19	–	103	–
Total Currently Working	3,354	–	271	–	953	–	4,579	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Table 3F-3 shows for those who worked at least part of the year, the number of months they reported working during the past 12 months. Only 38 percent (369 out of 971) of discontinued participants reported working at some point during the past 12 months, compared to 66 percent (1,079 out of 1,631) of rehabilitated participants. However, it is important to note that the information provided in Table 3F-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 capacity to live as independently as possible in their homes and communities, as well as increase their potential to return to work. Further analysis of rehabilitated cohort members by plan type reveals that 94 percent (not shown) of those who rehabilitated from an employment plan reported working at some point during the past year. In contrast, only 4 percent (not shown) of those who rehabilitated from an Independent Living plan reported working at some point during the past year.

Table 3F-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 Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
3 or less	666	16%	45	12%	43	4%	754	14%
4 to 6	736	18%	57	16%	137	13%	930	16%
7 to 9	452	11%	40	11%	139	13%	634	12%
10 to 11	263	6%	32	8%	72	7%	367	6%
12	2,058	49%	176	48%	675	63%	2,908	51%
Subtotal	4,219	100%	369	100%	1,079	100%	5,667	100%
Survey Item Skipped (No Work in Past Year)	3,933	–	602	–	552	–	5,086	–
Total	8,152	–	971	–	1,631	–	10,753	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

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. In fact, we find of those cohort members

who worked at least part of the year, 51 percent reported working for the entire year. Almost half of the active and discontinued participants who reported working at some point during the past 12 months worked for the entire year, whereas 63 percent of rehabilitated participants who worked reported working for the entire past 12 months.

Table 3F-4 provides the distribution of annual earnings from working at a job that participants reported in the survey. These data reflect the amounts individuals actually earned during the year rather than their salary. As shown in Table 3F-4, among participants in an employment plan, almost two-thirds of those who discontinued reported having no annual earnings. In contrast, only 6 percent of those who rehabilitated from an employment plan reported having no annual earnings.

Table 3F-4. Annual Earnings from Employment of FY 2010 Cohort of VR&E Participants by Participation Status

Range of Annual Earnings	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Employment Plan								
$0	3,715	47%	593	63%	69	6%	4,377	44%
$1-12,000	1,677	21%	128	14%	150	13%	1,955	19%
$12,001-24,000	748	9%	54	6%	178	16%	981	10%
$24,001-36,000	646	8%	58	6%	254	23%	958	9%
$36,001-48,000	522	6%	41	5%	179	16%	741	7%
$48,001+	528	7%	66	7%	284	26%	878	9%
Subtotal	7,837	100%	940	100%	1,114	100%	9,891	100%
Unconditional Mean (S.D.): (Includes Zeros)	$12,474 ($32,810)		$10,187 ($37,265)		$34,805 ($41,415)		$14,771 ($36,451)	
Conditional Mean (S.D.): (Excludes Zeros)	$23,714 ($36,019)		$27,621 ($50,121)		$37,089 ($39,937)		$26,495 ($38,814)	
Independent Living Plan								
$0	155	96%	17	84%	464	98%	636	97%
> $0	5	3%	3	16%	9	2%	17	4%
Subtotal	161	100%	21	100%	473	100%	654	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Because the distribution of annual earnings is so heavily skewed toward zero, the table displays both the unconditional (includes zero values) and conditional mean (excludes zero values). The table also provides the standard deviations of these means in parentheses below the mean. The standard deviations are very large which indicates that earnings vary greatly among cohort members. Among those reporting positive annual earnings, the conditional average annual earnings of rehabilitated cohort members is almost $10,000 more than the conditional average annual earnings of those who discontinued services. These patterns suggest that those who rehabilitated both work more, and earn more for this work, than those who discontinued. In general, employment is not the primary goal of the Independent Living program. For many Veterans pursing this program track, the ultimate goal is to live as independently as possible. Hence, it is reasonable to expect that a large proportion of participants report no annual earnings ($0) from employment. As such, we do not report mean earnings for those in Independent Living.

Table 3F-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. 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 and are not directly comparable. Starting with next year's report, when we will have multiple waves of survey data, the analysis will include a report on changes in annual earnings from a job.

As Table 3F-5 shows, 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 by the change in the unconditional means. However, even those who had a positive pre-rehabilitation salary saw a large increase in their post-rehabilitation salary. Further analysis indicates that among those rehabilitated cohort members who reported working during the past 12 months, the average increase in annual earnings for those who had no pre-rehabilitation salary (and were

presumably unemployed when beginning VR&E services) was $33,998 (not shown). Similarly, the average annual increase in earnings for those who had a pre-rehabilitation salary (and were presumably employed when beginning VR&E services) was $11,776 (not shown). Overall, Veterans who have rehabilitated from VR&E have higher average annual earnings because a higher percentage of those individuals are working and, when working, they are earning higher salaries.

Table 3F-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	711	71%	26	3%
$1-12,000	64	7%	38	4%
$12,001-24,000	84	8%	174	17%
$24,001-36,000	71	7%	345	34%
$36,001-48,000	43	4%	207	20%
$48,001+	34	3%	217	22%
Subtotal	1,007	100%	1,007	100%
Independent Living Plans	490	–	490	–
Total	1,497	–	1,497	–
Unconditional Mean (S.D.): (Includes Zeros)	$8,282		$37,163	
Conditional Mean (S.D.): (Excludes Zeros)	$28,175		$38,148	

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population. This table also reports the average annual salary, displaying the mean followed by the standard deviation.

Income Outcomes

Table 3F-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 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. The average annual individual and household incomes for discontinued participants are similar to the averages for those still active and significantly lower than those who have rehabilitated. In contrast, the average annual individual and household income amounts for rehabilitated participants are much higher, relative to both those who are active and those who have discontinued. Since the data are negatively skewed towards zero income values ($0), the table reports both the mean and the median. Medians are better measures of central tendency for data that are not normally distributed.

Table 3F-6. Income of FY 2010 Cohort of VR&E Participants by Participation Status

Average Annual Income	All Active Participants	All Discontinued Participants	All Rehabilitated Participants	Total
Individual Income				
#	7,688	878	1,514	10,081
Mean (S.D.)	$25,257 ($40,008)	$25,968 ($44,509)	$40,863 ($53,324)	$27,663 ($43,719)
Median	$20,000	$21,144	$37,642	$22,000
Household Income				
#	7,834	873	1,534	10,241
Mean (S.D.)	$37,374 ($54,035)	$36,356 ($60,232)	$52,488 ($65,020)	$39,552 ($32,764)
Median	$30,000	$28,500	$46,000	$57,112

NOTE: Frequencies (#) and averages reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Receipt of Other Public Program Benefits

Table 3F-7 presents the number and proportion of cohort members who received unemployment benefits at some point during the past 12 months. A small proportion of both discontinued and rehabilitated participants received unemployment compensation.

Table 3F-7. Receipt of Unemployment Benefits by FY 2010 Cohort of VR&E Participants by Participation Status

Unemployment Benefits	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Received Unemployment Compensation	675	8%	57	6%	93	6%	825	8%
Did Not Receive Unemployment Compensation	7,427	92%	911	94%	1,525	94%	9,863	92%
Subtotal	8,103	100%	968	100%	1,618	100%	10,688	100%
Survey Item Skipped	49	–	3	–	13	–	65	–
Total	8,152	–	971	–	1,631	–	10,753	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Home Ownership

Table 3F-8 shows the proportion of cohort members who own their principal residence. The proportion is highest for individuals who have rehabilitated with a majority (62 percent) owning their principal residence. Home ownership is much lower among those who remain in VR&E with 46 percent owning their residence. Not surprisingly, those who have discontinued VR&E have the lowest rate of ownership, with 41 percent owning their principal residence.

Table 3F-8. Home Ownership Status of FY 2010 Cohort of VR&E Participants by Participation Status

Home Owner	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Yes	3,570	44%	376	40%	994	62%	4,940	46%
No	4,520	56%	570	60%	622	38%	5,712	54%
Subtotal	8,090	100%	946	100%	1,616	100%	10,652	100%
Survey Item Skipped	62	–	25	–	15	–	101	–
Total	8,152	–	971	–	1,631	–	10,753	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

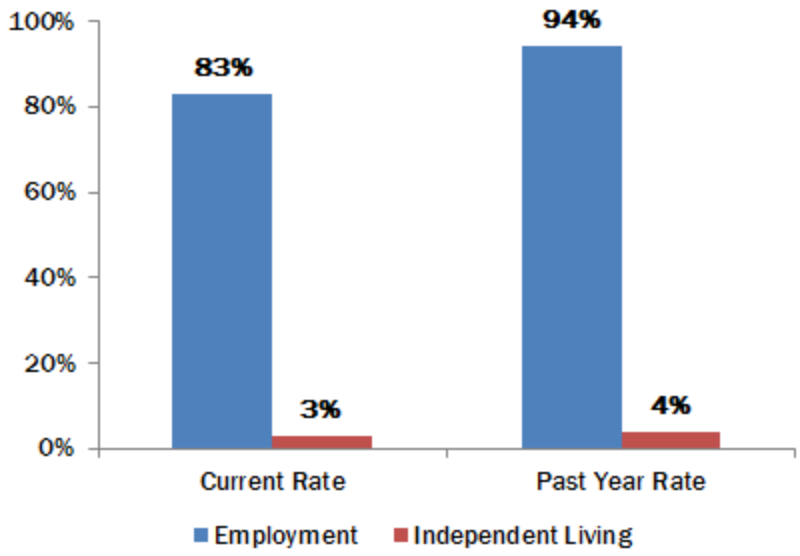
Section 3G: Trends in Employment and Standard of Living Outcomes

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, we look at the current employment rate, the average number of months worked in the past year, and both individual and household income. The data presented in this section are based on survey data. Since this report includes only one year of survey data, we present a cross-sectional snapshot for the observed outcomes. However, future reports will look at these data over time.

Trends among Rehabilitations

Employment. Figure 3G-1 presents the current employment rate (as of fall 2012) and the past year employment rate, by plan type, for rehabilitated participants. The past year employment rate reflects whether the individual worked at any point in the past 12 months. When assessing employment outcomes for rehabilitated participants, it is important to examine these measures separately for those who rehabilitated from an employment plan and those who rehabilitated from an Independent Living program. Recall that the primary goal of the Independent Living program is not employment. The Independent Living program assists Veterans with disabilities to develop capacity to live as independently as possible in their homes and communities, as well as increase their potential to

Figure 3G-1. Current Employment Rate and Past Year Employment Rate by Plan Type for Rehabilitated Members of FY 2010 Cohort



return to work. Hence, it is reasonable to expect that a certain proportion of individuals rehabilitating from an Independent Living plan have no intention of entering the labor force to seek employment. However, for some Veterans who successfully complete their Independent Living plans, a subsequent goal may be to find employment. Therefore, it is not surprising to find that a small proportion of cohort members who rehabilitated from an Independent Living plan reported currently working when completing their survey.

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. Therefore, it is reasonable to expect that a much larger proportion of individuals rehabilitating from an employment plan, compared to those rehabilitating from an Independent Living plan, will enter the labor force to seek employment.

As Figure 3G-1 illustrates, cohort members rehabilitating from an employment plan experienced a much higher rate of employment (current – 83 percent; past year – 94 percent) compared to cohort members rehabilitating from an Independent Living plan (current – 3 percent; past year – 4 percent). It is important to note that the estimated 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, whereas the past year employment rate is based on having worked at some point during the past 12 months. Therefore, by definition the past year employment rate will always be at least as high as the current employment rate and we would expect it to typically be significantly higher.

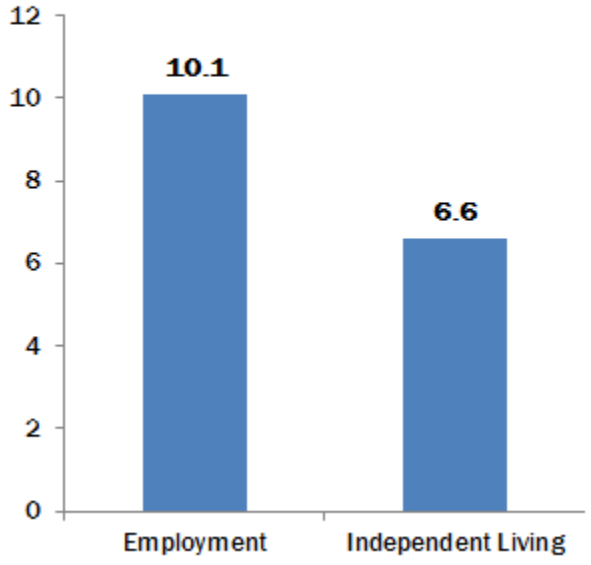
Generally speaking, when observing an employment rate, it may seem intuitive to think of the inverse concept – the unemployment rate. However, when interpreting the employment rates presented in this report, one must exercise caution against inferring that the inverse of the employment rate (i.e., 100 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. 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.

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 22 percent (not shown) of those cohort members who rehabilitated from an employment plan but were not currently employed at the time of the survey were in fact enrolled in an institution of higher learning during the past 12 months. 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.

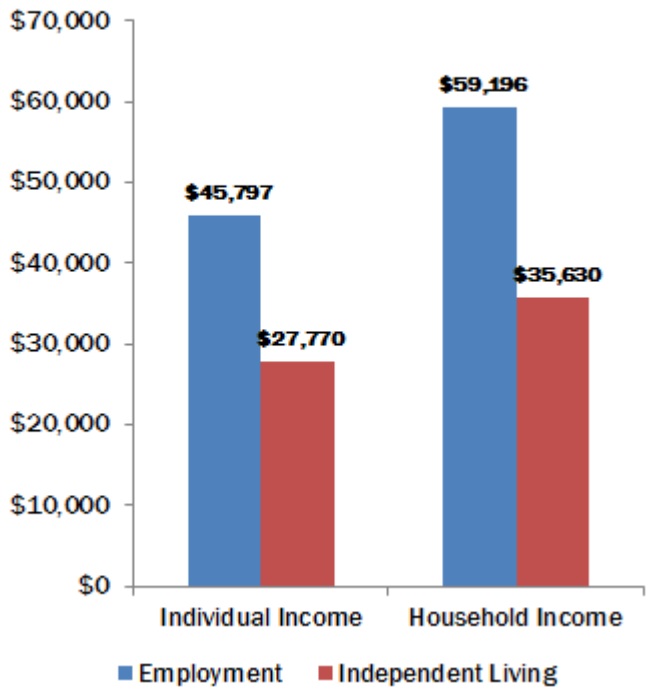
Number of months employed. Figure 3G-2 presents the average number of months worked during the past 12 months by plan type for rehabilitated participants who worked. In addition to having a higher rate of employment, cohort members rehabilitating from an employment plan, on average, worked more months during the past year, compared to those rehabilitating from an Independent Living plan. Those rehabilitated from an employment plan worked approximately 3 ½ more months than cohort members rehabilitated from Independent Living.

Figure 3G-2. Average Number of Months Worked by Plan Type for Rehabilitated Members of FY 2010 Cohort (for those who worked in the past year)



Income. Figure 3G-3 presents the average annual individual and household income (salary plus other sources) by plan type for all rehabilitated participants. The average annual individual income reported by cohort members rehabilitating from an employment plan is 65 percent higher than the average annual individual income reported by cohort members rehabilitating from an Independent Living program. Similarly, the average annual household income for those rehabilitated from an employment program is 68 percent higher than those rehabilitated from Independent Living. As expected, given that those who rehabilitated from employment experienced a much higher employment rate than those who rehabilitated form Independent Living, it is not surprising that they have higher income outcomes.

Figure 3G-3. Average Annual Income by Plan Type for Rehabilitated Members of FY 2010 Cohort

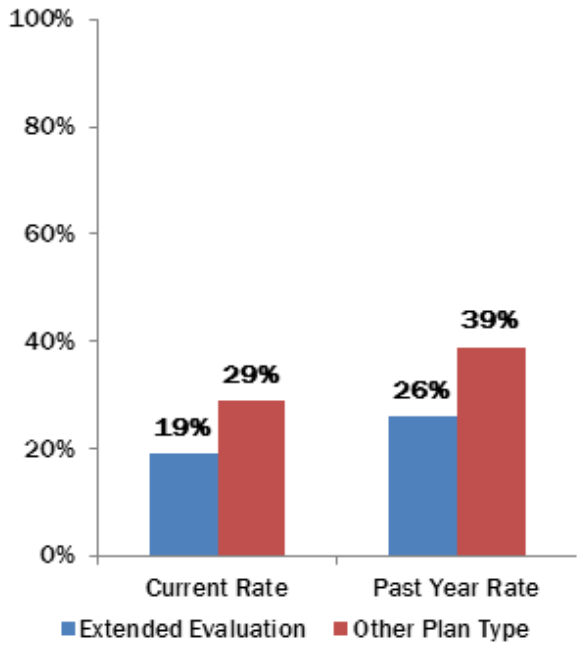


Trends among Discontinuations

Employment. Figure 3G-4 presents the annual employment rate by plan type for everyone who discontinued services. Cohort members discontinuing from an Extended Evaluation experienced a lower rate of employment compared to cohort members who discontinued from some other plan type. However, this finding is expected given the nature of Extended Evaluations. Veterans participate in Extended Evaluation plans when the feasibility of a vocational goal cannot be determined at the time of the initial evaluation. Thus, Veterans participating in Extended Evaluations tend to have the most severe employment handicaps. The purpose of the Extended

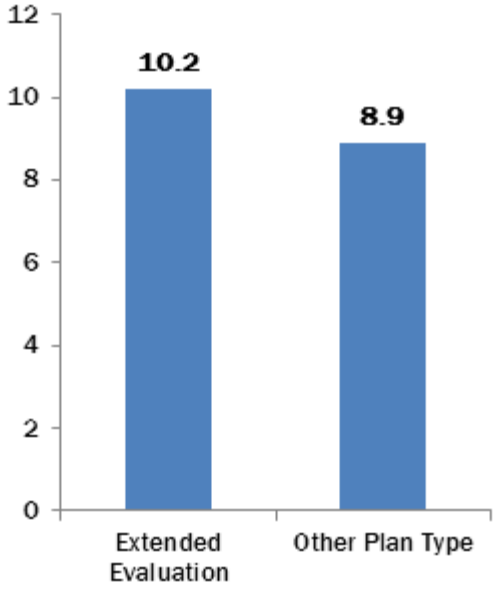
Evaluation plan is to provide evaluative and rehabilitative services to improve their rehabilitation potential and determine if vocation is a feasible goal.

Figure 3G-4. Annual Employment Rate by Plan Type for Discontinued Members of FY 2010 Cohort



Number of months employed. Figure 3G-5 presents the average number of months worked during the past 12 months by plan type for discontinued participants who worked. Although participants who discontinued from an Extended Evaluation experienced a lower rate of employment compared to those who discontinued from some other plan type, those who did work, on average, worked more months during the year than cohort members who discontinued from some other plan type. It will be interesting to see if this early finding holds true as more participants exit the program over time.

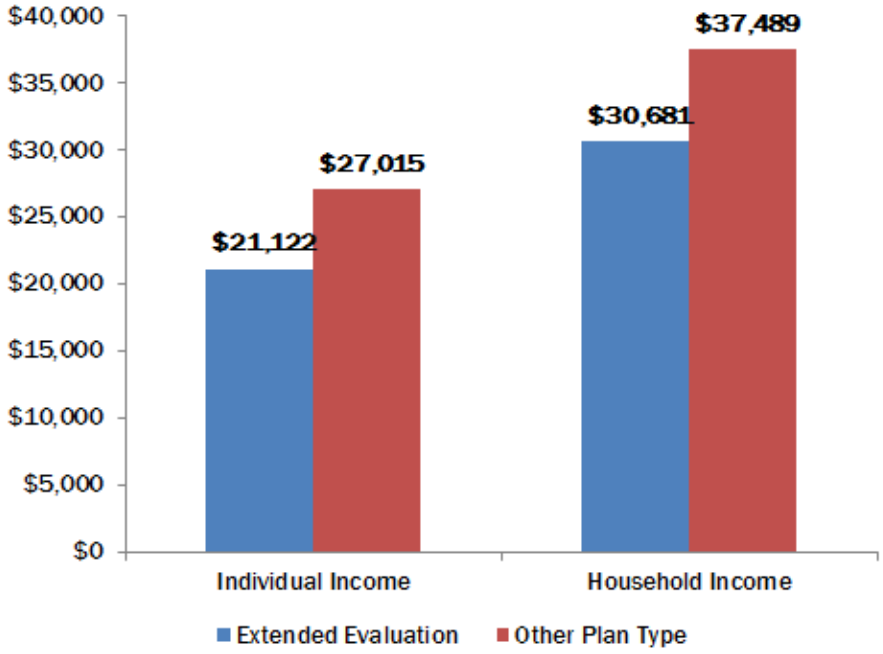
Figure 3G-5. Average Number of Months Worked by Plan Type for Discontinued Members for FY 2010 Cohort (for those who worked in the past year)



Income. Figure 3G-6 presents the average annual individual and household income (earnings from a job plus other sources) by plan type for cohort members who discontinued their rehabilitation plans. The average

annual individual income reported by cohort members discontinuing from an Extended Evaluation plan is nearly 28 percent lower than the average annual individual income reported by cohort members discontinuing from some other plan type. The average annual household income is also lower for those discontinuing Extended Evaluations as compared to discontinuing from some other plan type, but the difference is 22 percent (rather than 28 percent), suggesting that family income helps moderate the income gap seen between those discontinuing from an Extended Evaluation versus those departing from other plans.

Figure 3G-6. Average Annual Income by Plan Type for Discontinued Members of FY 2010 Cohort



Section 3H: 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. Table 3H-1 provides a summary of the explanatory factors for the various outcomes.

Table 3H-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 2012

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

[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 is the single most important driver of current employment. Veterans who are successfully rehabilitated by the end of FY 2012 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 and having longer military service. Having a serious employment handicap, older age, or higher disability rating decrease the probability of employment among those who have exited the program. Finally, program track, gender, pre-rehabilitation level of education, number of dependents, primary diagnosis, era of service, and length of time in the program are unrelated to employment.

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. An additional variable that is not significant in the regression for employment is officer status. Having been an officer is associated with working a higher number of months than enlisted Veterans. In contrast, being older in age and having a higher disability rating are related to a decreased number of months worked.

Individual income. Individual income includes gross income from a job, government benefits, and savings. Program participation status, track, and rank are the strongest drivers of annual individual income. Veterans who were successfully rehabilitated have higher individual incomes than those who discontinued their plans. Veterans in 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 and longer length of military service. 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. These same individuals may also be receiving additional assistance from other government programs as well. Having a serious employment handicap is associated with lower annual individual incomes.

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. Military rank, track, and program status are the strongest drivers of household income. Those who were officers have higher household incomes than enlisted. Veterans in other employment tracks (Re-Employment, Rapid Access to Employment, and Self-Employment tracks) and the Employment through Long-Term Services track have higher household incomes than those in the Independent Living track. In fact, Veterans in other employment tracks have the highest annual incomes, followed by those in the Employment through Long-Term Services track. Veterans who were successfully rehabilitated have higher household incomes than those who discontinued their plans. Other factors related to higher annual household incomes are having a higher disability rating, having at least some college education, having a higher pre-rehabilitation salary; and having been on active duty longer.

Section 4:

Findings for FY 2012 Cohort

Section 4A: Description of FY 2012 Cohort by Program Participation Status as of FY 2012

Section 4B: Trends in Discontinuation and Rehabilitation

Section 4C: Trends in Program Satisfaction

Section 4D: Factors that Contribute to Discontinuation and Rehabilitation

Section 4E: Factors that Contribute to Program Satisfaction

Section 4F: Employment and Standard of Living Outcomes as of FY 2012

Section 4G: Trends in Employment and Standard of Living Outcomes

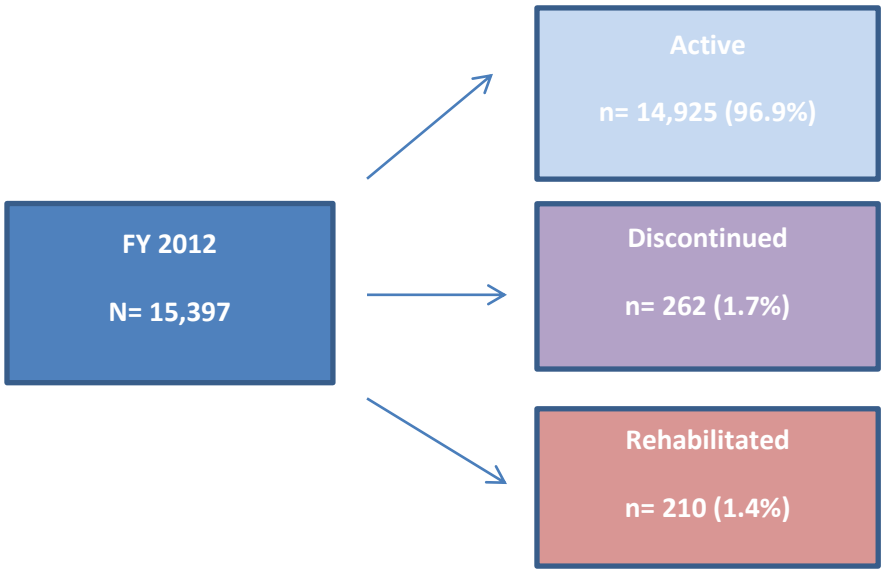
Section 4H: Factors that Contribute to Employment and Standard of Living Outcomes

Findings for FY 2012 Cohort 4

The FY 2012 Longitudinal Study 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 2012, most of the FY 2012 Longitudinal Study participants were still in the rehabilitation process (i.e., active), however there were some cohort members who exited the program within that first year. Some participants had their rehabilitation services closed without reaching their rehabilitation goals (i.e., discontinued), while others successfully completed their plans (i.e., rehabilitated).

The status (active, discontinued, or rehabilitated) of the FY 2012 cohort within their first year of participation is presented in Figure 4-1. Almost 97 percent of the FY 2012 cohort was still active at the end of FY 2012. However, about 2 percent of the cohort discontinued services as of the end of FY 2012 and another 1 percent successfully completed their plans within a year.

Figure 4-1. Participation Status of FY 2012 Cohort of VR&E Participants as of end of FY 2012



NOTE: The total count for the FY 2012 cohort includes 1 discontinued cohort member who was identified as being deceased during the survey data collection period.

Section 4A: Description of FY 2012 Cohort by Program Participation Status as of FY 2012

In this section we examine the demographic and background characteristics of the FY 2012 cohort within the first year of their participation. FY 2012 cohort members began their VR&E plans of services sometime during FY 2012. Those who began their plans earlier in the fiscal year experienced nearly a full year of services before the end of FY 2012 while those who joined later in the year had a much briefer first year experience. Thus, most cohort members were not in VR&E a full year by the end of the fiscal year.

Within this first year of services, a few hundred FY 2012 cohort members exited the VR&E program, by successfully completing their plans or discontinuing services. Because many Veterans take multiple years to complete their program, we expect to see higher absolute numbers of rehabilitations and discontinuations over the next few years. However, descriptive examination of the demographic and background characteristics of active, discontinued, and rehabilitated participants as of the end of FY 2012 provides some insights as to if and how these groups differ within the first year of beginning VR&E services.

Table 4A-1 lists all of the background characteristics measured in the VR&E Longitudinal Study. In the remainder of this section we present and discuss only those characteristics that show differences between those still continuing their plans, those who successfully rehabilitated, and those who discontinued services. However, Appendix D includes tables that present descriptive statistics for each of the 22 background characteristics measured by the study, by participation status (i.e., active, discontinued, or rehabilitated).

Table 4A-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		✓
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 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 during the first year of survey administration allow us to examine additional demographic and background characteristics for the population that are otherwise unavailable. A few additional

points should be noted about the survey data. Although the survey data were collected for a sample of cohort members, these data have been weighted to reflect the entire cohort population. However, while fielding the survey, we learned that one sample member had passed away, and this individual was subsequently coded as ineligible. As a result, the survey weights do not sum to the cohort population (15,385 verses 15,397). The weighted data are intended to represent the whole cohort; therefore, sub population counts differ slightly between the survey and the administrative data. Finally, survey respondents were allowed to refuse or skip 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 4A-2 provides a snapshot of the FY 2012 cohort by their track selection as of the end of FY 2012. Table 4A-2 shows, that as of FY 2012 the vast majority of active participants – 91 percent – are in the Employment through Long-Term Services track (Track 4). The Employment through Long-Term Services track includes Veterans who are seeking further education or other training.

The table also indicates that one-third of the rehabilitations that occurred within the first year were from an Independent Living plan. Because the Independent Living track is targeted to be 24 months long we expect to see a marked increase in the number of rehabilitations from this track over the next year.

Practically all of the remaining employment rehabilitations were from either Rapid Access to Employment (Track 2) or Employment through Long-Term Services (Track 4). 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 (Track 4). Thus, it is not surprising that 28 percent of the successful rehabilitations experienced within the first year were from the Rapid Access to Employment track.

Table 4A-2. Track Selection of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Track Selection	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Track 1 Re-Employment	107	1%	1	0%	2	1%	110	1%
Track 2 Rapid Access to Employment	720	5%	13	6%	58	28%	791	5%
Track 3 Self-Employment	36	0%	2	1%	0	0%	38	0%
Track 4 Employment through Long-Term Services	13,289	91%	191	90%	80	38%	13,560	90%
Track 5 Independent Living	501	3%	6	3%	70	33%	577	4%
Subtotal	14,653	100%	213	100%	210	100%	15,076	100%
Extended Evaluation	272	–	49	–	0	–	321	–
Total	14,925	–	262	–	210	–	15,397	–

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

Because further education or training is provided through the Employment through Long-Term Services 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. However, it is also reasonable to expect that a small proportion of rehabilitations from this track will not take as long to complete. Some Veterans may need only a few courses to complete a degree program, while other Veterans may be pursuing a non-degree program with much shorter completion times. Hence, it is not unreasonable to find that 38 percent of the first year's successful rehabilitations were from Track 4.

Demographic Characteristics

Table 4A-3 provides a snapshot of selected additional demographic characteristics of the FY 2012 cohort, as of the end of FY 2012. 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.

Table 4A-3. Selected Demographic Characteristics of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Demographic Characteristic	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Serious Employment Handicap								
Yes	10,906	73%	249	95%	153	73%	11,308	73%
No	4,019	27%	13	5%	57	27%	4,089	27%
Gender								
Male	12,158	81%	226	86%	192	91%	12,576	82%
Female	2,767	19%	36	14%	18	9%	2,821	18%
Age								
Less than 30	2,610	17%	55	21%	14	7%	2,679	17%
30 – 44	6,576	45%	85	33%	62	29%	6,723	43%
45 – 54	3,642	24%	67	26%	60	29%	3,769	24%
55 and above	2,097	14%	55	21%	74	36%	2,226	15%
Combined Disability Rating Percentage								
0%[1]-20%	2,462	16%	37	14%	28	13%	2,527	16%
30%-60%	7,300	49%	110	41%	93	45%	7,503	49%
70%-100%	4,842	33%	114	43%	89	43%	5,045	34%
Memo Rating[2]	321	2%	1	0%	0	0%	322	2%
Total	14,925	100%	262	100%	210	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.

Discontinued participants have a much higher proportion of Veterans with a serious employment handicap (95 percent), relative to active 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. Consistent with this finding is the fact that a larger proportion of discontinued participants, relative to the overall cohort population, have a combined disability rating percentage of 70 percent or higher (43 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 year than other participants.

A greater share of the FY 2012 cohort are women (18 percent) as compared to the percentage of Veterans overall (8 percent[1]) that are women. This finding reflects the fact that the percentage of Veterans that are women has been rising over that past 20 years, and they represent 18 percent of the Gulf War II era Veterans[2]. However, for the FY 2012 cohort, women comprise only 9 percent of those who rehabilitated within the first year, which can be explained partially by the fact that there appears to be an association between severity of disability, gender, and being in an Independent Living program. This association is not surprising given that women were just recently allowed into military combat positions. One-third of all rehabilitations were from the Independent Living program, and Veterans who are in the Independent Living Program tend to have more severe disabilities. Eighty-five percent (not shown) of those in an Independent Living program have a combined disability rating of 60 percent or higher, and 82 percent of those with a combined disability rating of 60 percent or higher are male. In light of these inter-relationships, it is not surprising that females comprise a much smaller proportion of rehabilitated participants than males, relative to their distribution in the total cohort population, as of the end of FY 2012.

Examination of age by participation status indicates that, relative to their numbers in the program, older Veterans comprise a large share of the rehabilitated participants. The proportion of rehabilitated participants 55 years of age or more (36 percent) is more than double the proportion

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

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

for the total cohort population. However, this finding is not surprising given the fact that one-third of all rehabilitations were from the Independent Living program, and that 74 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 information (e.g., mean and standard deviation) on these two demographic variables is provided in Table 4A-4. Examination of the table reveals that active participants served on active duty, on average, a little over 6 years, while the average length of active duty service for discontinued participants was slightly shorter, just shy of 5 years. Rehabilitated participants served the longest, with an average of 7 ½ years of active duty military service.

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

Demographic Characteristic	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)
Average Number of Months Served on Active Duty[1]	14,653	76.8 (76.6)	262	59.2 (61.8)	210	90.0 (89.2)	15,397	76.7 (76.6)
Average Number of Dependents[2]	14,642	1.8 (3.3)	265	1.5 (3.1)	292	1.5 (2.6)	15,198	1.8 (3.3)

NOTE: Averages reported in the table display the mean followed by the standard deviation in parentheses.
[1] Average number of months served on active duty is based on VBA administrative data available for the cohort population.
[2] Average number of dependents is based on survey data that has been weighted up to reflect the cohort population.

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 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 who responded to the survey item on number of dependents, the

weighted average number of dependents for the FY 2012 cohort is 1.8, with active, discontinued, and rehabilitated participants having similar numbers of dependents.

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 these two characteristics related to medical visits, so Table 4A-5 includes weighted data that is representative of the cohort population for those participants who responded to those survey items.

Table 4A-5. Number of Medical Visits in Past Year for FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Number of Medical Visits	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)	#	Mean (S.D.)
Visits to VA Medical Facility[1]	14,762	3.3 (43.5)	261	9.7 (63.2)	286	7.2 (43.1)	15,309	3.4 (43.9)
Visits to non-VA Medical Facility[2]	14,563	5.5 (34.6)	265	6.1 (31.3)	280	4.8 (14.9)	15,108	5.5 (34.2)

NOTE: Averages reported in the table display the mean followed by the standard deviation in parentheses.
[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, discontinued and rehabilitated cohort members reported more than double the average number of visits to a VA medical facility. Discontinued participants made an average of 9.7 visits to a VA medical facility during the past year, while rehabilitated participants made an average of 7.2 visits to a VA medical facility. These findings may be explained in part by the fact that 19 percent (49 out of 262) of discontinued participants were in

an Extended Evaluation, and one-third of rehabilitated participants were in an Independent Living plan.

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 feasible. To help facilitate completion of Extended Evaluation plans, VR&E counselors collaborate with the Veteran's Health Administration to coordinate needed services, many of which get delivered through VA medical facilities. So having been in an Extended Evaluation may in itself result in additional healthcare visits while in that status. Likewise, 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.

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 4A-6 reports the number and percentage of cohort members who have life insurance through VA and the number and percentage of cohort members who have VA-insured mortgage loans. Ten percent of the FY 2012 cohort has 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 (16 percent) have VA life insurance policies, relative to active (9 percent) and discontinued (11 percent) participants.

Table 4A-6. Receipt of Other VA Benefits of FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2012

Other VA Benefits	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Life Insurance[1]								
Have VA Life Insurance	1,412	9%	29	11%	33	16%	1,474	10%
Do not Have VA Life Insurance	13,413	91%	236	89%	262	84%	13,911	90%
Total	14,825	100%	265	100%	295	100%	15,385	100%
Home Loan[2]								
Have VA Home Loan	792	5%	8	3%	9	4%	809	5%
Do not Have VA Home Loan	14,033	95%	257	97%	286	96%	14,576	95%
Total	14,825	100%	265	100%	295	100%	15,385	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 4A-7 presents the proportion of cohort members who are enrolled in an IHL in the past year. It is not surprising that of all cohort members enrolled in an IHL, 99 percent (12,116 out of 12,275) are still actively pursuing their rehabilitation plans. This finding is consistent with the finding that the majority of active 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.

Table 4A-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 2012

Enrolled in Institution of Higher Learning (IHL)	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Enrolled in IHL	12,116	82%	101	38%	57	20%	12,275	80%
Not Enrolled in IHL	2,673	18%	164	62%	228	80%	3,065	20%
Subtotal	14,790	100%	265	100%	285	100%	15,340	100%
Survey Item Skipped	35	–	0	–	10	–	45	–
Total	14,825	–	265	–	295	–	15,385	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data. Enrollment is defined as being enrolled within the last 12 months.

Another background characteristic 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 active, discontinued, and rehabilitated participants. Sixty-eight percent (8,194 out of 11,997) of the cohort that responded to the question regarding number of credit hours reported completing more than 10 academic credits in the past year. Fifteen percent of the cohort reported completing at least one degree in the past 12 months. It is important to note that while Table 4A-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.

Drilling down further, we find of those reporting earning a degree, they, on average, completed one degree during the past 12 months (see Appendix D: Table D-19). Nine percent of the cohort reported obtaining a certificate in the past 12 months, while a much higher proportion of rehabilitated participants (20 percent) reported obtaining a certificate. Some cohort members reported obtaining more than one certificate in the past 12 months. Among those who obtained a certificate, on average, active and discontinued participants obtained two certificates whereas rehabilitated participants obtained 1.5 (see Appendix D: Table D-19).

Table 4A-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 2012

Number of Credit Hours	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
No credits completed	989	8%	14	15%	0	0%	1,004	8%
1 to 10	2,250	19%	30	31%	20	41%	2,300	19%
11 to 20	3,337	28%	14	15%	11	22%	3,362	28%
21 to 30	2,155	18%	24	25%	6	13%	2,185	18%
31 to 40	1,364	12%	0	0%	0	0%	1,364	11%
41 or more	1,265	11%	6	7%	12	24%	1,283	11%
Credits not recorded	493	4%	6	7%	0	0%	499	4%
Subtotal	11,854	100%	94	100%	50	100%	11,997	100%
Survey Item Skipped	2,971	–	171	–	246	–	3,388	–
Total	14,825	–	265	–	295	–	15,385	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data that sum up to the cohort population.

Table 4A-9. Degrees and Certifications Obtained in Past Year by FY 2012 Cohort of VR&E Participants by Participation Status as of end of FY 2012

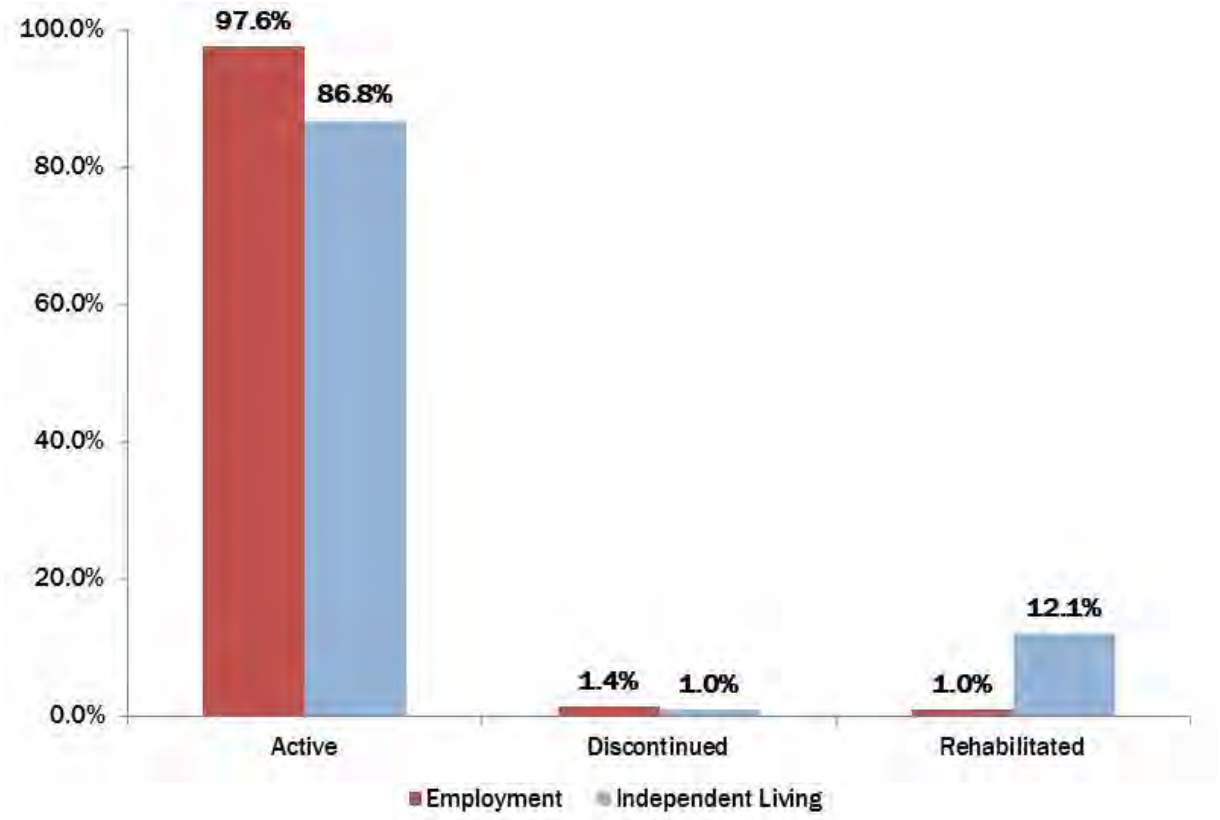
Average Number of Degrees and Certificates	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Degrees								
Obtained Degree	2,188	15%	16	6%	30	10%	2,234	15%
Did not Obtain Degree	12,637	85%	249	94%	265	90%	13,151	85%
Total	14,825	100%	265	100%	295	100%	15,385	100%
Certificates								
Obtained Certificate	1,253	8%	6	2%	60	20%	1,320	9%
Did not Obtain Certificate	13,572	92%	259	98%	235	80%	14,065	91%
Total	14,825	100%	265	100%	295	100%	15,385	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on weighted survey data that sum up to the cohort population. 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 4B: Trends in Discontinuation and Rehabilitation

Figure 4B-1 presents the percentage of cohort members who have discontinued and rehabilitated within the first year of cohort entry by plan type. As expected, the vast majority of cohort members are still actively working on the steps of their rehabilitation plans as of the end of FY 2012, regardless of the type of rehabilitation plan. However, as expected, of those pursuing an Independent Living program, a much larger proportion successfully completed their plans within the first year compared to those pursing an employment program. We expect to see a marked increase in the proportion of cohort members who rehabilitate from an Independent Living plan within the second year since the target timeframe for that track is 24 months.

Figure 4B-1. First Year Discontinuation and Rehabilitation Outcomes by Plan Type for FY 2012 Cohort of VR&E Participants as of end of FY 2012 (Percent of Cohort)

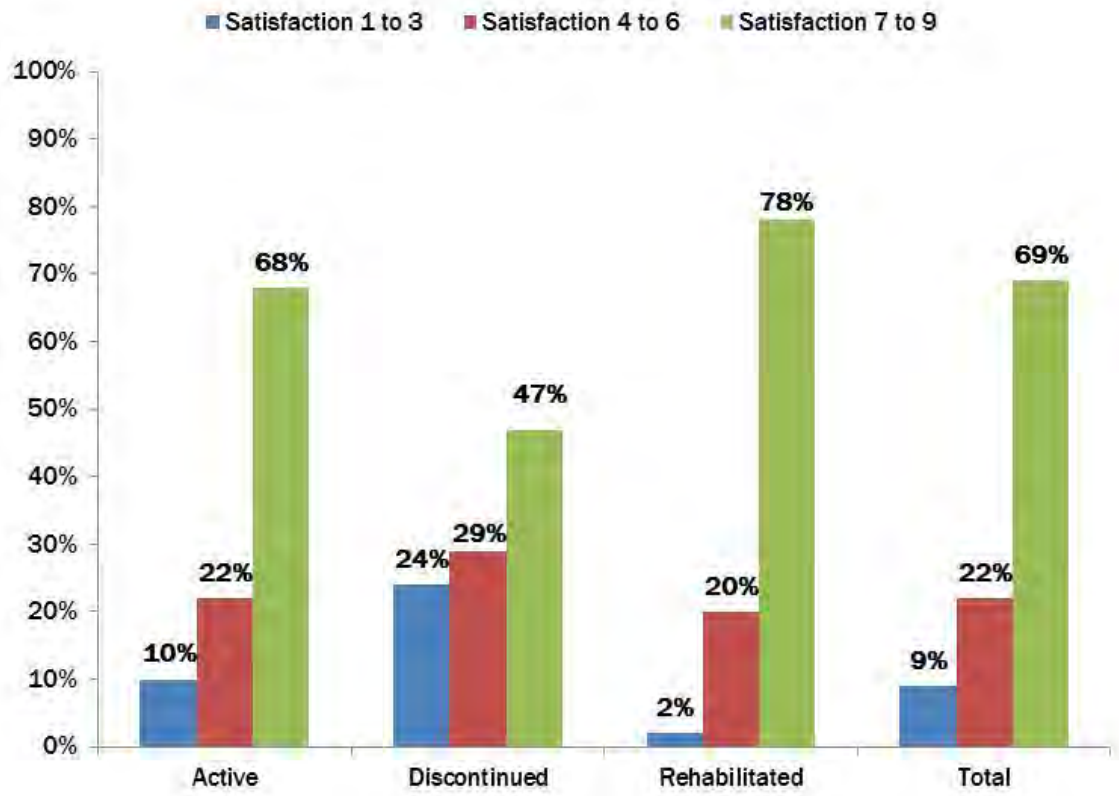


NOTE: The percentages reported in this figure do not include 321 cohort members who have not selected a program track (i.e., in an Extended Evaluation) as of the end of FY 2012.

Section 4C: 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 4C-1 presents the satisfaction score for active, discontinued, and rehabilitated cohort members. In all these groups, a plurality of individuals is very satisfied with the program. Relative to active and discontinued participants, rehabilitated participants include a much lower proportion of individuals with low program satisfaction.

Figure 4C-1. Overall Program Satisfaction Level for FY 2012 Cohort of VR&E Participants (Percent of Cohort)



NOTE: Overall program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction scores 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 4D: Factors that Contribute to Discontinuation and Rehabilitation

This section summarizes the findings from multivariate regression analyses that identify the factors that affect who discontinues and who rehabilitates. The regression analyses examine the independent influence of various factors on discontinuation and rehabilitation. The detailed results of the regression analyses are presented in Appendix E.

Discontinuation Outcomes

Several factors emerge as being independently associated with discontinuation by the end of FY 2012. Table 4D-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 discontinuation. A blank entry within the table means that variable is not associated with the likelihood of discontinuation. Not having selected a program track (i.e., being in an Extended Evaluation) is the strongest driver of discontinuation. Specifically, 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 in an Extended Evaluation often have the most severe employment handicaps and may exit the VR&E program without a suitable employment goal being selected. Among Veterans who selected a 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 than those in the Independent Living track. Having a serious employment handicap, a higher combined disability rating, and being an officer increases the probability of discontinuing. Finally, receiving a subsistence allowance for a degree program, having at least some college education, and having a higher pre-rehabilitation salary lessens the risk of discontinuation.

Table 4D-1. Factors that Contribute to Discontinuation and Rehabilitation for FY 2012 Cohort as of end of FY 2012

Explanatory Variable	Probability of Discontinuation[1]	Probability of Rehabilitation[2]	Time to Rehabilitation[3]
Not having selected a program track (i.e., being in an Extended Evaluation) (compared to having selected a track)	+		
Employment through Long-Term Services track (compared to Independent Living)	+	-	-
Other employment tracks (compared to Independent Living)	+	-	-
Serious employment handicap (SEH)	+		
Receiving subsistence allowance for a degree program	-	-	+
Male		+	-
Disability rating	+		+
Some college or higher	-		
Pre-rehabilitation salary	-		
Served in Gulf War era		+	
Officer status	+		

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

Rehabilitation Outcomes

As shown in Table 4D-1, some of the factors that are associated with discontinuation are also related to successful rehabilitation by the end of FY 2012 but in the opposite direction. Program track is the strongest driver 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 2012. Receiving a subsistence allowance for a degree program also decreases the likelihood of rehabilitation within the first year of receiving services. On the other hand, being male and serving during the Gulf War era increases the probability of successfully rehabilitating within the first year of receiving services.

Table 4D-1 also presents the results of factors associated with the timing of rehabilitation. The results suggest that program track is a strong driver 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. Being male is also associated with rehabilitating sooner. Finally, Veterans receiving a subsistence allowance for a degree program and Veterans with a higher disability rating rehabilitate later than those with a lower disability rating.

It is important to note that the regression analysis examines factors associated with successful rehabilitation within the first year. Therefore, the results identify correlates of early rehabilitation and may not be representative of the full range of predictors of successful rehabilitation. With that caveat in mind, it is relevant that patterns do emerge at this early point that bear closer study now and as the results unfold in the future as additional data are collected and analyzed annually.

Section 4E: 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. As shown in Table 4E-1, several factors emerged as being independently associated with satisfaction. Specifically, program participation status, not having selected a program track, and once selected, the program track itself, are the most important factors in affecting program satisfaction. Not surprisingly, Veterans who successfully rehabilitate by the end of FY 2012 are more satisfied with the program than those who are still active. Veterans who discontinue their plans by the end of FY 2012 are less satisfied with the program compared to those who are still active. Not having selected a track (i.e., being in an Extended Evaluation) is associated with decreased satisfaction with the program. Among Veterans who selected a track, Veterans in one of the other employment tracks (Re-Employment, Rapid Access to Employment, or Self-Employment) are more satisfied with the program than those in the Independent Living track. In addition, pre-rehabilitation salary and receiving a subsistence allowance for a degree program are other factors that are associated with higher levels of program satisfaction.

Table 4E-1. Factors that Contribute to Overall Program Satisfaction for FY 2012 Cohort as of end of FY 2012

Explanatory Variable	Direction of Effect
Rehabilitated (compared to active)	+
Discontinued (compared to active)	-
Not having selected a program track (i.e., being in an Extended Evaluation) (compared to having selected a track)	-
Other employment track (compared to Independent Living)	-
Pre-rehabilitation salary	+
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 4F: Employment and Standard of Living Outcomes as of FY 2012

In this section we present descriptive information about the employment and standard of living outcomes experienced by FY 2012 cohort members, within the first year 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. Although the survey data were collected for 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 2012 cohort members are still actively working on the steps outlined in their rehabilitation plans, some members have successfully rehabilitated, while others discontinued services within the first year 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. However, it should be noted that the proportion of cohort members who have discontinued or rehabilitated services within the first year 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 discontinued or rehabilitated (relative to the cohort population). As such, the findings presented in this section that relate to discontinued and rehabilitated 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 4F-1 presents the current employment status of FY 2012 cohort members, as of the date of their survey. As expected, a much higher percentage of rehabilitated participants (57 percent) reported working at the time of the interview, compared to active (31 percent) and discontinued participants (30 percent).

Table 4F-1. Current Employment Status of FY 2012 Cohort of VR&E Participants by Participation Status

Current Employment Status	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Employed	4,585	31%	78	30%	163	57%	4,826	31%
Not Employed	10,218	69%	187	70%	122	43%	10,527	69%
Subtotal	14,803	100%	265	100%	285	100%	15,353	100%
Survey Item Skipped	22	–	0	–	10	–	32	–
Total	14,825	–	265	–	295	–	15,385	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population. It is also important to note that the information provided in this table includes 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 capacity to live as independently as possible in their homes and communities

Table 4F-2 shows the extent to which current jobs match VR&E training received. Almost three-quarters of rehabilitated participants reported that their current job generally matches the training received through VR&E, whereas only 22 percent and 21 percent of active and discontinued participants (respectively) reported a match between VR&E training and their current job.

Table 4F-3 reveals the number of months worked during the past 12, for cohort members who reported working. About half of active participants (7,887 out of 14,865) reported working at some point during the past 12 months, compared with 63 percent (167 out of 265) of discontinued participants and 42 percent (125 out of 295) of rehabilitated participants.

Table 4F-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 Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Job Matches Training	962	22%	16	21%	112	72%	1,426	32%
Job Matches Training Somewhat	906	21%	15	20%	22	14%	1,015	23%
Job Does Not Match Training	2,490	57%	44	59%	22	14%	2,034	45%
Subtotal	4,358	100%	75	100%	156	100%	4,475	100%
Survey Item Skipped	227	–	3	–	9	–	351	–
Total Currently Working	4,585	–	78	–	163	–	4,826	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

It is important to note that the information provided in Table 4F-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 capacity to live as independently as possible in their homes and communities, as well as increase their potential to return to work. Further analysis of rehabilitated cohort members by plan type reveals that 98 percent (not shown) of those who rehabilitated from an employment plan and only 6 percent (not shown) of those who rehabilitated from an Independent Living plan reported working at some point during the past 12 months.

Of those cohort members who worked at least part of the year, 30 percent reported working for the entire year. However, among those who reported working at all during the past 12 months, the proportion of rehabilitated participants (34 percent) who reported working for the entire past year was more than double that of discontinued participants (16 percent).

Table 4F-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 Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
3 or less	1,978	25%	3	2%	23	18%	2,004	24%
4 to 6	1,952	25%	79	47%	42	34%	2,074	25%
7 to 9	1,081	14%	42	25%	18	14%	1,141	14%
10 to 11	504	6%	16	10%	0	0%	521	6%
12	2,372	30%	27	16%	42	34%	2,442	30%
Subtotal	7,887	100%	167	100%	125	100%	8,182	100%
Survey Item Skipped (No Work in Past Year)	6,938	–	98	–	170	–	7,203	–
Total	14,825	–	265	–	295	–	15,385	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Table 4F-4 provides the distribution of annual earnings from working at a job that participants reported in the longitudinal survey, by plan type. Among participants in an employment plan, those who rehabilitated reported a positive earnings amount – none of them reported having no earnings. In contrast, approximately half of active (46 percent) and discontinued (57 percent) participants reported having no annual earnings. Because the distribution of yearly earnings is so heavily skewed toward zero, the table displays both the unconditional (includes zero values) and conditional mean (excludes zero values). The table also provides the standard deviations of these means in parentheses below. The standard deviations are very large which indicates that earnings vary greatly among cohort members. The unconditional average annual earnings of rehabilitated cohort members ($25,347) is almost triple the average annual earnings of those who discontinued services ($8,657). Among those reporting positive annual earnings, the conditional average annual earnings of rehabilitated cohort members (which is equal to the unconditional average since no rehabilitated participants reported $0 earnings) is about $5,000 more than the conditional average annual salary of those who discontinued services.

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

Range of Annual Earnings	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Employment Plan								
$0	6,362	46%	146	57%	0	0%	6,508	44%
$1-12,000	3,608	26%	40	16%	56	34%	3702	19%
$12,001-24,000	1,319	9%	28	11%	49	29%	1396	10%
$24,001-36,000	1,086	7%	36	14%	24	15%	1146	9%
$36,001-48,000	791	5%	0	0%	8	5%	798	7%
$48,001+	930	7%	7	3%	29	17%	966	9%
Subtotal	14,095	100%	256	100%	165	100%	14,515	100%
Unconditional Mean (S.D.): (Includes Zeros)	$12,018 ($40,209)		$8,657 ($29,116)		$25,347 ($37,973)		$12,110 ($40,118)	
Conditional Mean (S.D.): (Excludes Zeros)	$21,906 ($45,226)		$20,086 ($31,950)		$25,347 ($37,973)		$21,952 ($44,907)	
Independent Living Plan								
$0	430	98%	0	0%	107	96%	538	97%
> $0	10	2%	3	100%	4	4%	18	3%
Subtotal	431	100%	3	100%	111	100%	556	100%

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Employment is not the primary goal of the Independent Living program. For many Veterans pursing this program track, the ultimate goal is to live as independently as possible and not pursue employment. Hence, it is reasonable to expect that a large proportion of participants in this track report no annual earnings ($0) from employment. As such, we do not report mean earnings for those in Independent Living.

Table 4F-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 during the past 12 months. 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 and are not directly comparable. Starting with next year's report, when we will have multiple waves of survey data, the analysis will include a report on changes in annual earnings from a job.

As Table 4F-5 shows, 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 by the change in the unconditional means. However, even those who had a positive pre-rehabilitation salary saw a large increase in their post-rehabilitation salary. Furthermore, this finding also holds true for rehabilitated cohort members when comparing annual earnings for the past year from a job to their pre-rehabilitation salary.

Table 4F-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	108	77%	1	1%
$1-12,000	8	5%	5	4%
$12,001-24,000	9	6%	14	10%
$24,001-36,000	5	3%	57	40%
$36,001-48,000	5	3%	36	26%
$48,001+	5	4%	27	19%
Subtotal	140	100%	140	100%
Independent Living Plans	70	–	70	–
Total	210	–	210	–
Unconditional Mean (S.D.): (Includes Zeros)	$6,678 ($14,966)		$39,110 ($18,548)	
Conditional Mean (S.D.): (Excludes Zeros)	$29,218 ($18,013)		$39,391 ($18,312)	

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population. This table also reports the average annual salary, displaying the mean followed by the standard deviation.

Further analysis indicates that among those rehabilitated cohort members who reported working during the past 12 months, the average increase in annual earnings for those who had no pre-rehabilitation salary (and were presumably unemployed when beginning VR&E services) was $23,268 (not shown), and the average annual increase in earnings for those who had a pre-rehabilitation salary (and were presumably employed when beginning VR&E services) was $7,125 (not shown). Overall, Veterans who have rehabilitated from VR&E have higher average annual earnings because a higher percentage of those individuals are working and, when working, earning higher salaries.

Income Outcomes

Table 4F-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 income 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. The average annual individual and household income amounts for discontinued participants are lower than that of the overall cohort population. In contrast, 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. Since the data are negatively skewed towards zero income values ($0), the table reports both the mean and the median. Medians are better measures of central tendency for data that are not normally distributed.

Table 4F-6. Income of FY 2012 Cohort of VR&E Participants by Participation Status

Average Annual Income	All Active Participants	All Discontinued Participants	All Rehabilitated Participants	Total
Individual Income				
#	14,123	259	262	14,643
Mean (S.D.)	$23,322 ($48,285)	$18,846 ($40,307)	$31,934 ($49,063)	$23,397 ($48,233)
Median	$18,000	$13,000	$25,000	$18,000
Household Income				
#	14,242	255	271	14,768
Mean (S.D.)	$34,414 ($63,446)	$27,859 ($72,689)	$47,007 ($68,819)	$34,532 ($63,834)
Median	$28,000	$20,000	$42,000	$28,000

NOTE: Frequencies (#) and averages reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Receipt of Other Public Program Benefits

Table 4F-7 presents the number and proportion of cohort members who received unemployment benefits at some point during the past 12 months. Twenty percent of the FY 2012 cohort reported receiving unemployment compensation during the past year. Relative to the overall cohort, a similar proportion of active, discontinued, and rehabilitated participants received unemployment compensation.

Table 4F-7. Receipt of Unemployment Benefits by FY 2012 Cohort of VR&E Participants by Participation Status

Unemployment Benefits	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Received Unemployment Compensation	2,946	20%	50	19%	52	18%	3,048	20%
Did Not Receive Unemployment Compensation	11,835	80%	215	81%	233	82%	12,283	80%
Subtotal	14,781	100%	265	100%	285	100%	15,331	100%
Survey Item Skipped	44	–	0	–	10	–	54	–
Total	14,825	–	265	–	295	–	15,385	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Home Ownership

Table 4F-8 shows the proportion of cohort members who own their principal residence. The proportion of discontinued participants who own their principal residence is lower than the home ownership rate of both active participants and those who have rehabilitated. In contrast, the proportion of rehabilitated participants owning their home is higher than that of the other groups. Fifty-six percent of rehabilitated participants reported owning their principal residence.

Table 4F-8. Home Ownership Status of FY 2012 Cohort of VR&E Participants by Participation Status

Home Owner	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	#	%	#	%	#	%	#	%
Yes	5,644	39%	85	32%	163	56%	5,892	39%
No	9,003	61%	180	68%	129	44%	9,312	61%
Subtotal	14,647	100%	265	100%	292	100%	15,204	100%
Survey Item Skipped	178	–	0	–	3	–	181	–
Total	14,825	–	265	–	295	–	15,385	–

NOTE: Frequencies (#) and percentages (%) reported in the table are based on survey data that has been weighted up to reflect the cohort population.

Section 4G: 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. As these are post-program outcomes, they should reveal the impact completing rehabilitation has compared to discontinuing. Because the employment and Independent Living tracks have different objectives and involve different types of training, we expect the economic outcomes of these two groups of participants to differ. Specifically, we look at the current and past year employment rates, average number of months worked in the past year, and individual and household income.

The data presented in this section are based on weighted survey data. Because this report includes only one year of survey data, we present a cross-sectional snapshot for the observed outcomes. However, future reports will look at these data over time. It should be noted that the number of cohort members who have discontinued or rehabilitated services within the first year since beginning their plans of services is relatively small. Furthermore, an even smaller proportion of these participants (144 Veterans weighted to represent 560 individuals) completed the survey. Hence, the findings presented in this section should be interpreted with the understanding that they are based on the experiences of a small percentage of cohort members.

Trends among Rehabilitations

Employment. Using the weighted data, we find of the 171 cohort members who rehabilitated from an employment plan within one year, 156 of them reported working at the time they completed the survey, yielding an employment rate of 91 percent. About 98 percent of those who rehabilitated from an employment plan reported working at some point during the past 12 months. Only seven cohort members who rehabilitated from an Independent Living plan and completed the survey indicated they were currently working, therefore no employment rate was calculated for Independent Living since there are not enough observations to produce a reliable estimate. Similarly, there were not enough observations from the survey to reliably produce a past year employment rate or

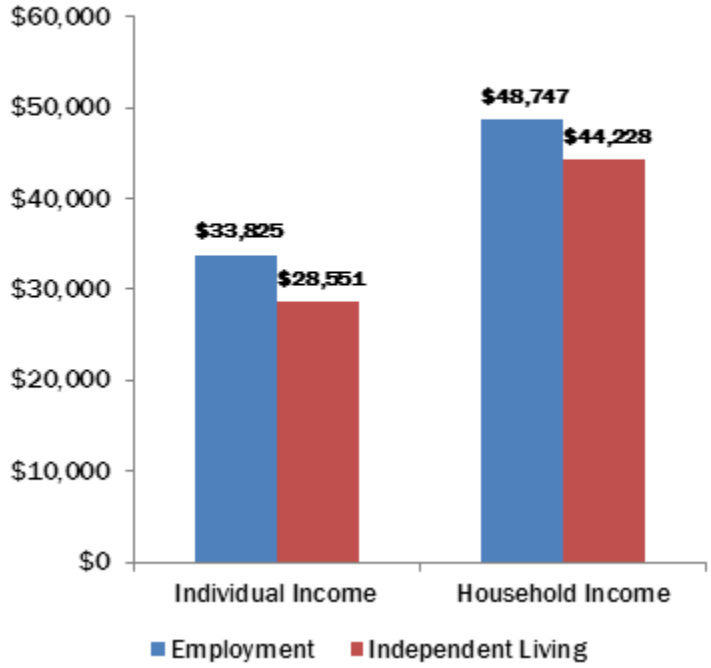
calculate the average number of months employed among those who rehabilitated from an Independent Living plan within the first year of beginning services. As the study continues and more participants exit the program over time, we expect the number of Veterans who rehabilitated from an Independent Living plan to get larger. Therefore, future reports will include an analysis of employment trends for those who rehabilitate from employment compared with those who rehabilitate from Independent Living.

Generally speaking, when observing an employment rate, it may seem intuitive to think of the inverse concept – the unemployment rate. However, 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 an unemployment rate comparable to the rate reported by the U.S. Department of Labor (DoL). 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 true unemployment rate for cohort members as it includes individuals who have chosen to not participate in the labor force.

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 35 percent (not shown) of those cohort members who rehabilitated from an employment plan within one year, but were not currently employed at the time of the survey, were in fact enrolled in an institution of higher learning during the past 12 months. 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.

Income. Figure 4G-1 presents the average annual individual and household incomes by plan type for rehabilitated participants. The average annual individual income reported by cohort members rehabilitating from an employment plan is 17 percent higher than the average annual individual income reported by cohort members rehabilitating from an Independent Living program. The average annual household income for those rehabilitated from an employment program is only 12 percent higher than those rehabilitated from Independent Living.

Figure 4G-1. Average Annual Income by Plan Type for Rehabilitated Members of FY 2012 Cohort



Trends among Discontinuations

Individuals who are in an Extended Evaluation typically have disabilities or situations such that a feasible employment goal cannot be selected at the time. The purpose of the Extended Evaluation plan is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible. Many of these Veterans eventually discontinue their VR&E services. Therefore, when examining trends among participants who have discontinued, it is important to analyze participants who have discontinued form an Extended Evaluation separately from those who have discontinued from some other plan type. Similar to the number of survey respondents who rehabilitated from Independent Living, the number of survey respondents who discontinued from an Extended Evaluation is too small at this point in time to provide reliable estimates. As the study continues and more participants exit the program over time, the number of Veterans who discontinue from an Extended Evaluation may get larger. Therefore, we expect future reports will include an analysis of employment and income

trends for those who discontinue an Extended Evaluation compared to those who discontinue some other plan type.

Section 4H: Factors that Contribute to Employment and Standard of Living Outcomes

This section summarizes the findings from multivariate regression analyses that identify the factors that are associated with the employment and income outcomes for those who are no longer in the program. Table 4H-1 provides a summary of the explanatory factors for the various employment and standard of living outcomes.

Table 4H-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 Individual Income[3]	Annual Household Income[3]
Rehabilitation status	+	+		
Mental primary diagnosis		+		
Pre-rehabilitation salary		+		
Age		+	+	+
Disability rating		+	+	+
Served in Gulf War era			+	
Employment through Long-Term Services track (compared to Independent Living)				+
Male				+

[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 is the only factor that is related to current employment. Veterans who were successfully rehabilitated by the end of FY 2012 are more likely to be employed than those who discontinued their plans. 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 2012. As data collection continues and more of these cohort members exit the program, additional factors will likely emerge as influential for employment.

Number of months employed. Table 4H-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. 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. Another important factor is having a mental health diagnosis as the primary diagnosis. Somewhat surprisingly, we find that in the year Veterans exited the program, those with a mental diagnosis as the primary diagnosis worked more months than those with a physical or neurological primary diagnosis. This finding may be an anomaly stemming from the small sample size so far, as it has been well documented that those with mental health disabilities typically have more difficulties obtaining and retaining a job than individuals with physical disabilities. In addition, a higher pre-rehabilitation salary was associated with a higher number of months worked.

Individual income. Table 4H-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. Few factors are strongly related to individual income. Older participants, those with higher combined disability ratings, and those who served during the Gulf War era have higher annual individual incomes. Again the finding on disability rating is somewhat surprising and may be a result of the small current sample.

Household income. Finally, Table 4H-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, older participants and those with higher disability ratings have higher annual household incomes. Veterans in the Employment through Long-Term Services track have higher annual household incomes than Veterans in the Independent Living track. In contrast, being male is associated with having a lower annual household income.

Section 5:

Comparison of Cohort Findings

Comparison of Cohort Findings 5

The previous sections of the report present findings separately for each cohort. This section provides a discussion of the comparison of these findings across cohorts. We compare the cohorts on their demographic and background characteristics, and on their discontinuation and rehabilitation patterns using administrative data. At this point in the longitudinal study, the survey data does not allow for a comparison of the employment and standard of living outcomes included in the survey for the two cohorts of VR&E participants because the two groups are at very different status points. Members of the FY 2010 cohort have been in the study for no more than 3 years while members of the FY 2012 cohort have been in the study for no more than 1 year. To compare the employment and standard of living outcomes of the two cohorts, we need to align the amount of time they have been in the program. In two more years, when the FY 2012 cohort will have been in the study as long as the 2010 cohort has been currently, we will be able to begin comparing these outcomes for the two cohorts.

Comparison of Cohort Characteristics

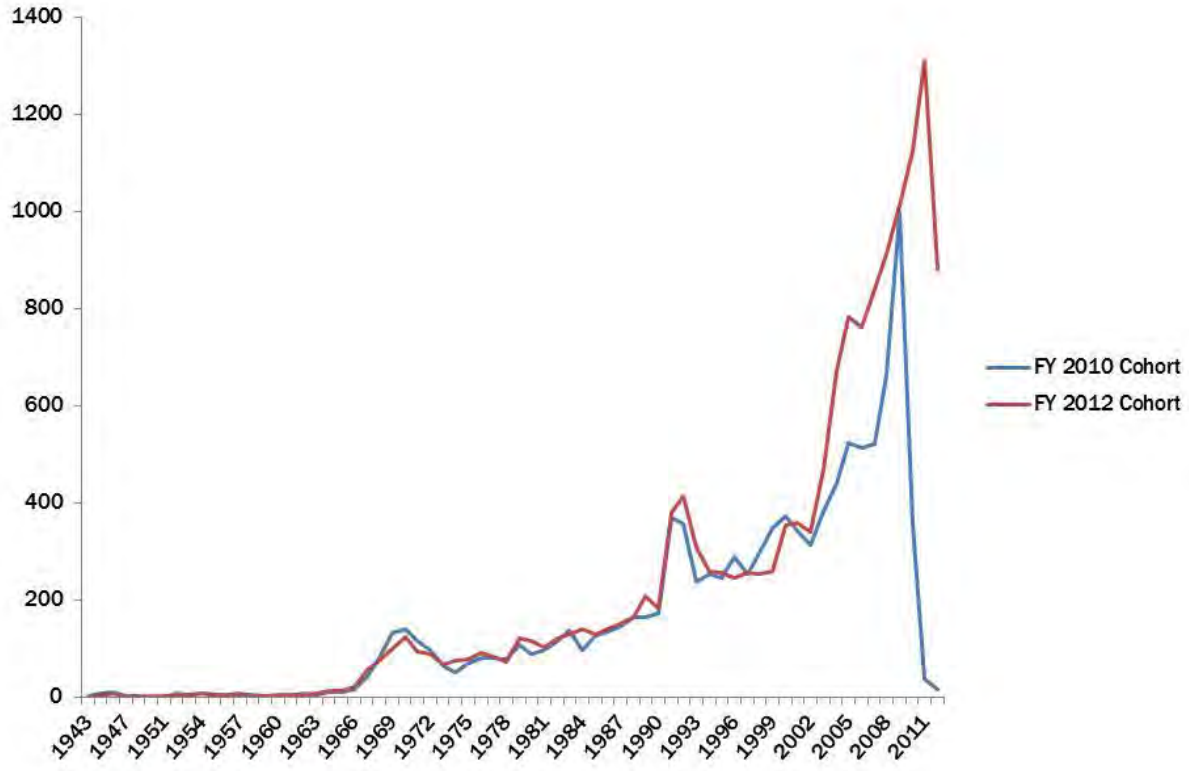
In general, the two cohorts appear to be similar when comparing their demographic and background characteristics, however there are a few noteworthy, statistically significant differences between the two cohorts. First, we discuss the main finding related to cohort size and then focus on comparing other differences. 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.

Cohort size. 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 to be considered that may contribute to this observed increase over time in the number of Veterans

and Servicemembers who apply for and begin a plan of VR&E services. These factors include recent trends observed in the overall Veteran population, recent trends in the U.S. economic and employment climate, and recent legislative changes concerning Veterans returning to work.

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. Evidence shows that while the end strength levels have drawn down in recent years, (refer back to Table 2C-1) and the number of military separations have increased in recent years (refer back to Table 2C-2), there has been a substantial increase in the number of Veterans with a service-connected disability since 2000 (Figure 2C-1). Furthermore, there has been a marked increase in the number of Veterans with a combined disability rating of 70 percent or more starting in 2001, coinciding with the beginning of combat operations in Afghanistan (Figure 2C-2). Similarly, Figure 5-1 reveals that since 2001, the FY 2012 cohort has a larger proportion of members with more recent military separations.

Figure 5-1. Distribution of the Year of Military Separation for FY 2010 and FY 2012 Cohorts of VR&E Participants



Compounding this increase in the number of recent Veterans separating with a service-connected disability is the fact that the injuries received by Servicemembers during Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF) differ from those of previous wars. One source reports that nearly 25 percent of all who served in OEF/OIF will be diagnosed with "invisible wounds," such as post-traumatic stress and brain injuries.[1] Additionally, although the U.S. economic and employment climate is improving, the job market remains tight, which may be encouraging more individuals to seek VR&E services. According to the Bureau of Labor Statistics, the unemployment rate for Veterans with a service-connected disability are typically higher than those for the U.S. population and non-military personnel with disabilities.[2]

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.

Cohort characteristics. Overall the two cohorts are similar demographically, however, there are a few noteworthy, statistically significant differences between them. The FY 2012 cohort is significantly younger and has a larger proportion of Veterans from the Gulf War era than the FY 2010 cohort. Eighty-two percent of the FY 2012 cohort served during the Gulf War era, compared with 76 percent of the FY 2010 cohort. While period of service is a stable demographic characteristic that does not change over time, we generally expect the cohort to age every year. Thus, when comparing the age of the two cohorts, we analyzed the age of FY 2010 cohort members

[1] Tanielian, T., Jaycox, L., Schell, T., Marshall, G., Burnam, M., Eibner, C., Karney, B., Meredith, L., Ringel, J. and Vaiana, M. Invisible Wounds: Mental Health and Cognitive Care Needs of Ameriac's Returning Veterans, Santan Monica, Calif.: RAND Corporation, RB-9336-CCF, 2008.

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

as of the end of FY 2010, that is, within one year of their beginning services. The average age of the FY 2010 cohort during their first year of receiving VR&E services was 42.8, while the average age of the FY 2012 cohort after one year of services was 41.5. In fact, among FY 2012 cohort members, 46 percent of the population is under 39 years of age (46 percent) while 40 percent of the FY 2010 cohort population is within this age range.

Percentage of Veterans Under 39 Years of Age	
FY 2010 Cohort	35%
FY 2012 Cohort	46%

Percentage of Veterans from the Gulf War Era	
FY 2010 Cohort	76%
FY 2012 Cohort	82%

In addition to the significant characteristics of age and era of service, which are correlated, there were two additional characteristics that had striking differences between the two cohorts – pre-rehabilitation level of education and primary diagnosis. Generally speaking, the FY 2012 cohort had a higher level of pre-rehabilitation education when entering 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 significantly higher, relative to the proportion in the FY 2010 cohort.

Percentage of Veterans with at least some college education	
FY 2010 Cohort	54%
FY 2012 Cohort	62%

Percentage of Veterans with PTSD	
FY 2010 Cohort	22%
FY 2012 Cohort	25%

We do not observe any significant differences between the two cohorts on pre-rehabilitation salary, branch of service, rank upon exit from military, number of dependents, and number of visits to medical facilities.

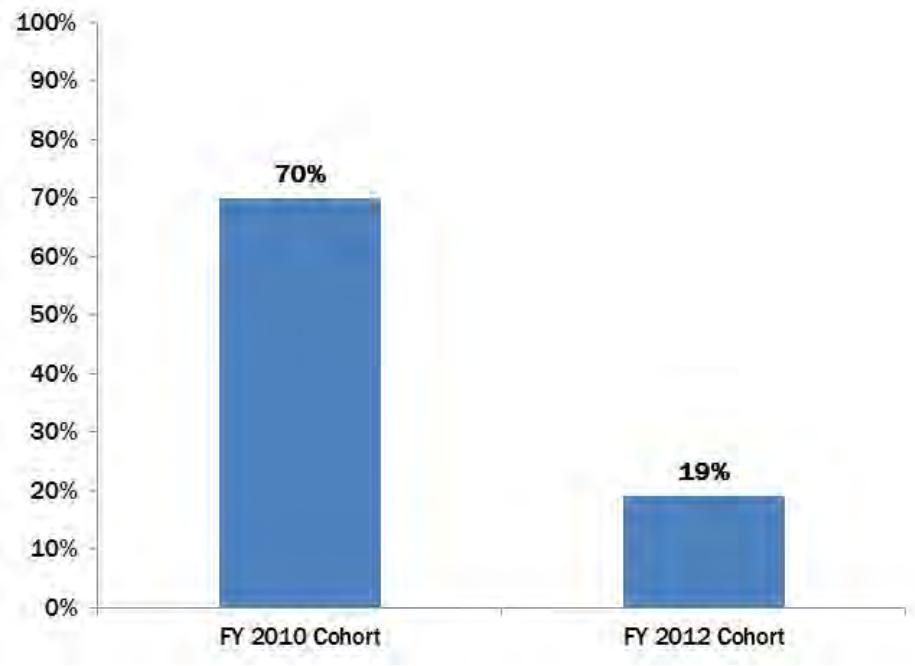
Comparison of Cohort Outcomes to Date

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. Members of the FY 2010 cohort have been in the study between 2 and 3 years, while members of the FY 2012 cohort have been in the study for no more than one year, as of the end of FY 2012. At this early stage during the 12-year period of eligibility for VR&E services, not having selected a program track (i.e., being in an Extended Evaluation) is the biggest driver for discontinuing services, for both cohorts. The biggest driver for successful rehabilitation for both cohorts is selection of the Independent Living track. Because such a small proportion of the FY 2012 cohort has exited the program after one year of services, and an even smaller subset of those individuals responded to the survey, the sample size for those who exited VR&E within one year of services is too small to make reliable comparisons between the two cohorts. We can, however, compare the first year rehabilitation and discontinuation levels for the two cohorts. The percentage of cohort members who successfully rehabilitated in the first year was similar for the two cohorts. However, further examination of their first year discontinuations reveals an interesting difference.

Discontinuation from an Extended Evaluation. Generally, we find the discontinuation pattern at the same elapse time (no more than one year after beginning a plan of services) to be very similar between cohorts. However, examination of the one year discontinuation levels for those in an Extended Evaluation reveals some difference between the two cohorts. The purpose of the Extended Evaluation plan is to provide evaluative and rehabilitative services designed to improve the individual's rehabilitation potential and determine whether a vocational goal is feasible. Many of these Veterans eventually discontinue their VR&E services. Therefore, when examining trends among participants who have discontinued, it is important to analyze participants who have discontinued form an Extended Evaluation separately from those who have discontinued from some other plan type. Figure 5-2 compares the percentage of cohort members who discontinued services in the first year for those in an Extended Evaluation between the two cohorts. As shown in the figure, at the end of the first year, the percentage of cohort members who discontinued from an

Extended Evaluation was almost 50 percent higher for the FY 2010 cohort (121 out of 172) than for the FY 2012 cohort (49 out of 262). This finding is statistically significant.

Figure 5-2. Percentage of FY2010 and FY 2012 Cohorts of VR&E Participants who Discontinued from an Extended Evaluation within First Year of Program Participation

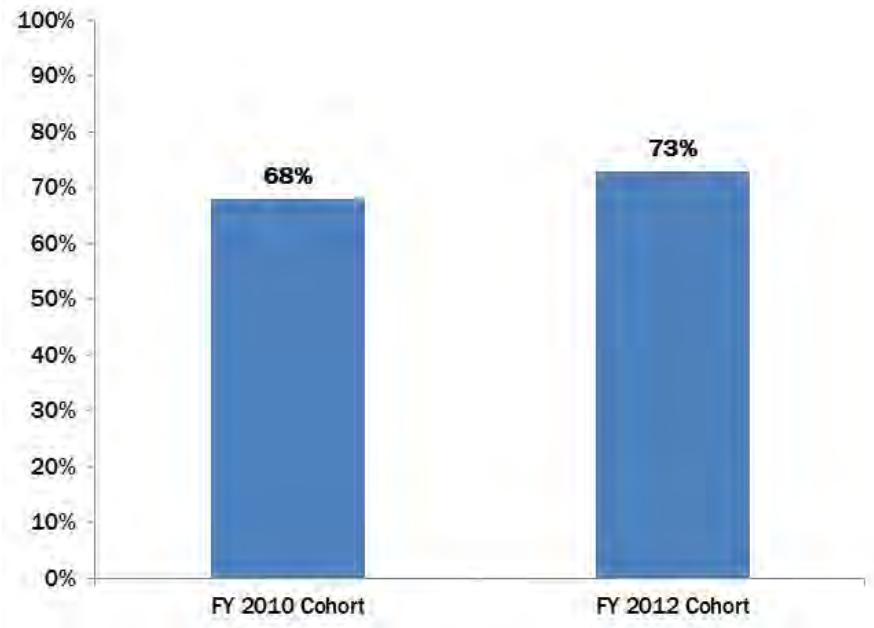


Receiving subsistence allowance for a training program. Another significant difference between the two cohorts is that a greater percentage of the FY 2012 cohort was receiving substance allowance for training at the end of the first year. As depicted in Figure 5-3, 73 percent of FY 2012 cohort members received a subsistence allowance for an education or training program within the first year of receiving services, compared with 68 percent of FY 2010 cohort members. This 5 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 in the Employment through Long-Term services track who are receiving a subsistence allowance while pursuing education or training 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.

Similarly, we find that 94 percent of the FY2012 cohort was in Employment through Long Term Services track at the end of year one while only 81 percent of the FY 2010 cohort was in this track in the first year. These results dovetail as individuals in the Employment through Long Term Services track are the participants eligible to receive a subsistence allowance.

Figure 5-3. Percentage of FY 2010 and FY 2012 Cohorts of VR&E Participants Receiving Subsistence Allowance within First Year of Program Participation



Section 6:

Conclusions

Section 6A: Cohort Size and Program Participation Status

Section 6B: Demographic and Background Characteristics

Section 6C: Program Satisfaction

Section 6D: Employment and Standard of Living Outcomes

Section 6E: Key Drivers of Program Participation Status, Satisfaction, and Employment and Standard of Living Outcomes

Section 6F: Future Reports

Conclusions 6

The early data on the FY 2010 and FY 2012 cohorts of VR&E participants reveals some common patterns between the two cohorts and over time. This chapter synthesizes the findings from the two cohorts on the 16 background characteristics and outcomes that VA is mandated to report to Congress. The main findings discussed in this chapter are listed below.

1. The FY 2012 cohort is nearly 50 percent larger than the FY 2010 cohort.
2. Overall the two cohorts are similar demographically but the FY 2012 cohort is significantly younger; more likely to be from the Gulf War era; more educated at the start; more likely to have a primary diagnosis of PTSD; more likely to be receiving subsistence allowance; and more likely to be in the Employment through Long-Term Services track relative to the FY 2010 cohort.
3. Those who have already rehabilitated or discontinued have different characteristics.
4. Most participants are very satisfied with the program.
5. Those who have rehabilitated have substantially better employment and standard of living circumstances than those who discontinued and those who remained active.
6. The improved financial circumstances of those who have rehabilitated is due to more individuals working and, when working, having higher salaries.
7. The most dominant variable driving rehabilitation to date is the individual's program track, while discontinuation is driven by both not having selected a program track (i.e., being in an Extended Evaluation) and the choice of program track when one is selected.

Section 6A: Cohort Size and Program Participation Status

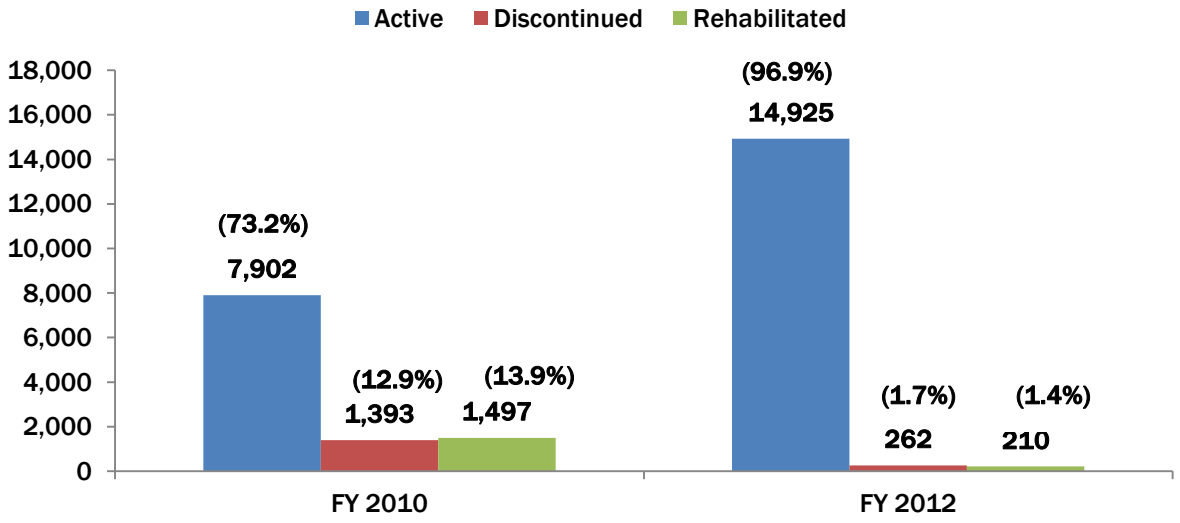
An obvious finding is that the FY 2012 cohort, which is comprised of 15,397 Veterans, is much larger than the FY 2010 cohort, which has 10,792 members. There are several factors that have likely contributed to this increase in VR&E participation. One factor is the number of new Veterans who are eligible for the program increasing in the past few years owing to the larger number of troops returning home from Iraq and Afghanistan and an increase in the number of Veterans with service-connected disabilities. Additionally, changes in program eligibility and policy provisions may have made the program more attractive to eligible Veterans.

As we follow the cohorts over time, there are larger numbers of participants exiting the program. For the older FY 2010 cohort, we are starting to see substantial numbers of individuals exit the program which allows us to examine their post-program outcomes. As Figure 6A-1 shows, 73.2 percent of the FY 2010 cohort was actively working on their rehabilitation plans as of the end of FY 2012, while 13.9 percent had successfully completed their rehabilitation plans, and 12.9 percent had discontinued their participation. In contrast, almost all (96.9 percent) of the FY 2012 cohort was still active at the end of FY 2012. As the FY 2012 cohort has just started the VR&E program, only 1.4 percent of its members have successfully completed their rehabilitation plans and 1.7 percent of Veterans discontinued their participation, within the first year.

As we follow the participation status of the cohort members over time, we are seeing a small but increasing number of Veterans who having broken periods of participation. Veterans may reenter the VR&E program because of changes in their disability status or life circumstances. The majority of Veterans who applied for and began their plans of services in FY 2010 and exited the program by the end of FY 2012 (e.g., successfully rehabilitated or discontinued) did so without any breaks in their time in the program. However, some Veterans who completed rehabilitation or chose to discontinue reentered at a later date. To date, 101 Veterans who exited the VR&E program reentered at a later date, and 5 Veterans exited the program twice. As the cohorts mature, it will be important to continue to track such individuals who exit and then reenter the VR&E program and

change tracks to determine if their long-term outcomes are different than the participants who enter and exit the program only once.

Figure 6A-1. Status of VR&E Participants as of end of FY 2012, by Cohort



Section 6B: Demographic and Background Characteristics

The legislation requiring this study seeks information on several demographic and background characteristics of VR&E participants. Overall, the demographic characteristics are similar between the two cohorts but the FY 2012 cohort is significantly younger; more likely to be from the Gulf War era; more educated at the start of the program; more likely to have a primary diagnosis of post-traumatic stress disorder; more likely to be receiving subsistence allowance; and more likely to be in the Employment through Long-Term Services track relative to the FY 2010 cohort.

As Table 6B-1 shows, there are some differences between active, discontinued, and rehabilitated participants. Participants who successfully rehabilitated served more months on active duty than those who were still active or discontinued their plans, and those who discontinued their plans had higher combined disability ratings than those who were still active or rehabilitated. The latter finding suggests that Veterans with higher disability ratings may be more complex cases to successfully rehabilitate.

The legislation also identifies several education and training measures of interest. It is not surprising that among cohort members enrolled in an institution of higher learning, the majority in both cohorts are still actively pursuing their rehabilitation plans. This finding is consistent with the finding that the majority of active participants are in the Employment through Long-Term Services track and are seeking further education or other training which often takes multiple years. Veterans who were successfully rehabilitated or still active were also most likely to earn credits, degrees, and certificates than those who discontinued. Going forward, it will be important to track cumulative degree attainment as Veterans move closer toward completing their programs.

Another set of indicators include medical visits VR&E participants make to VA and non-VA medical facilities. Discontinued participants made more visits to a VA medical facility than the overall cohort population. This finding may be explained by the fact that a large percentage of Veterans discontinue their plans from an Extended Evaluation. These Veterans typically have more severe disabilities and a greater need for healthcare services, many of which may get delivered through VA medical facilities.

A final set of indicators include receipt of other VA benefits, such as life insurance and VA-insured mortgage loans. A higher proportion of rehabilitated cohort members have VA life insurance, compared with active and discontinued cohort members. A small proportion of cohort members have VA insured mortgage loans at this time, which may increase over time as more Veterans exit the program, find employment, and subsequently improve their economic situation.

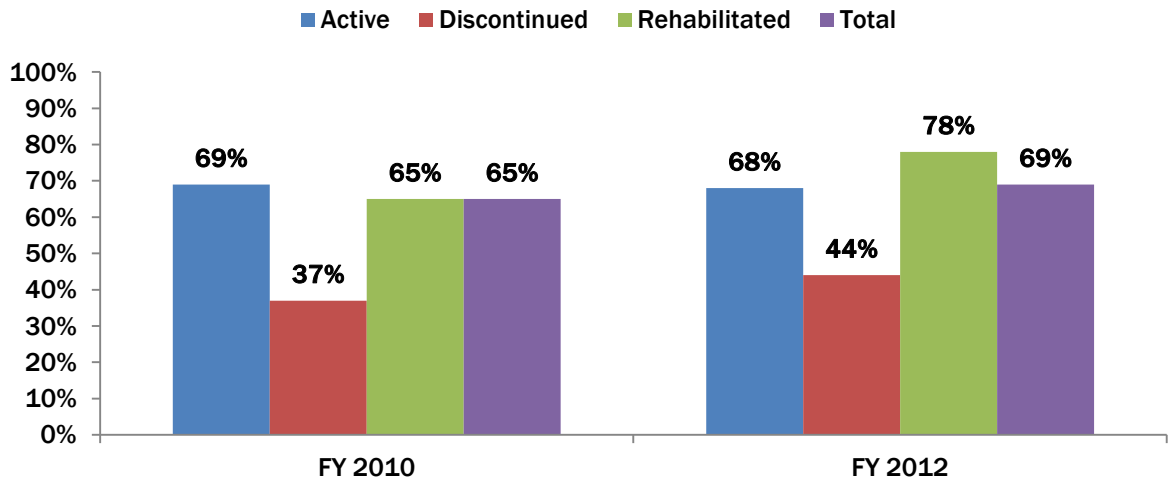
Table 6B-1. Mandated Demographic and Background Characteristics by Participation Status as of end of FY 2012, by Cohort

Demographic or Background Characteristic	FY 2010				FY 2012			
	Active	Discontinued	Rehabilitated	Total	Active	Discontinued	Rehabilitated	Total
Demographic Characteristics								
Average Number of Months Served on Active Duty	74.3	66.7	84.1	74.7	76.8	59.2	90.0	76.7
Average Combined Disability Rating	51%	61%	51%	54%	52%	57%	58%	53%
Average Number of Dependents	1.9	1.5	1.6	1.8	1.8	1.5	1.5	1.8
Receipt of Education or Training								
Enrolled in Institution of Higher Learning	78%	24%	26%	66%	82%	38%	20%	80%
Completed More than 30 Credit Hours	37%	22%	31%	37%	23%	7%	24%	22%
Obtained Degree	27%	4%	20%	23%	15%	6%	10%	15%
Obtained Certification	12%	5%	17%	12%	8%	2%	20%	9%
Receipt of Other Benefits								
Average Visits to VA Medical Facility	2.2	6.8	3.9	2.9	3.3	9.7	7.2	3.4
Average Visits to non-VA Medical Facility	4.7	5.0	4.7	4.7	5.5	6.1	4.8	5.5
Have VA Life Insurance	11%	12%	17%	12%	9%	11%	16%	10%
Have VA Home Loan	5%	3%	8%	5%	5%	3%	4%	5%

Section 6C: Program Satisfaction

As Figure 6C-1 shows, satisfaction with the VR&E program is very high for members of both cohorts. Regardless of status (e.g., active, discontinued, rehabilitated), a plurality of Veterans rated their satisfaction with the VR&E program as "high". However, there are large differences in satisfaction by program status, with Veterans who are still active or successfully rehabilitated being more satisfied than those who have discontinued. As additional waves of data are collected, it will be possible to examine trends in satisfaction over time.

Figure 6C-1. Percentage of VR&E Participants Highly Satisfied Overall with the Program, by Participation Status and Cohort



Section 6D: Employment and Standard of Living Outcomes

While most FY 2010 and FY 2012 cohort members are still pursuing the steps outlined in their rehabilitation plans, some have successfully rehabilitated, while others discontinued services by the end of FY 2012. Further examination of these participants as of the end of FY 2012 provides an opportunity to compare the post-program outcomes of those who rehabilitated, albeit at an early stage, to those who remained active or discontinued. Generally, Veterans who rehabilitated reported more positive circumstances than those who discontinued or are still active. This pattern is observed more often for the older FY 2010 cohort than for the FY 2012 cohort, which is expected given only a few members of the FY 2012 cohort have rehabilitated and most of the early rehabilitations are from the Independent Living track.

As Figure 6D-1 shows, Veterans who rehabilitated are more likely to be employed than those who were active or discontinued. Moreover, as Figure 6D-2 shows, in the FY 2010 cohort, among Veterans who worked in the past year, Veterans in the FY 2010 cohort who were successfully rehabilitated worked a greater number of months than those who were discontinued.

To determine how VR&E affects individuals' salary, we examine the pre- and post-program salaries of Veterans who rehabilitated from an employment plan. As the objective of these individuals' rehabilitation is to obtain employment, VBA records both their pre- and post-rehabilitation salaries in their administrative records. As shown in Figure 6D-3, Veterans who rehabilitate from an employment track have average post-rehabilitation salaries that are nearly $30,000 higher than their pre-rehabilitation salaries. Much of this increase is due to individuals transitioning from having no salary to paid employment.

Figure 6D-1. Percentage of VR&E Participants Currently Employed, by Participation Status and Cohort

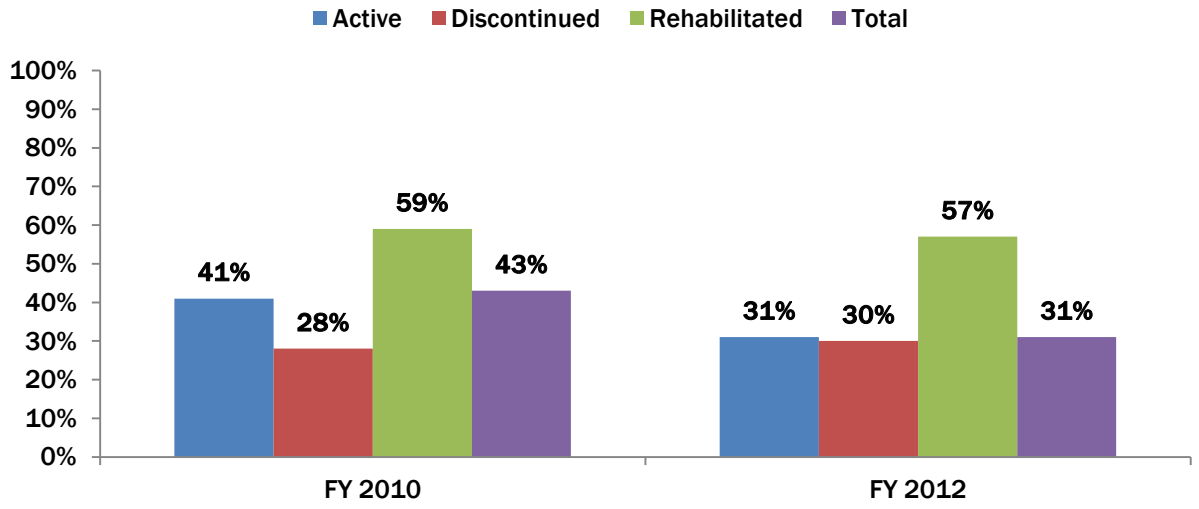


Figure 6D-2. Average Number of Months Employed (for those who worked) by VR&E Participants, by Participation Status and Cohort

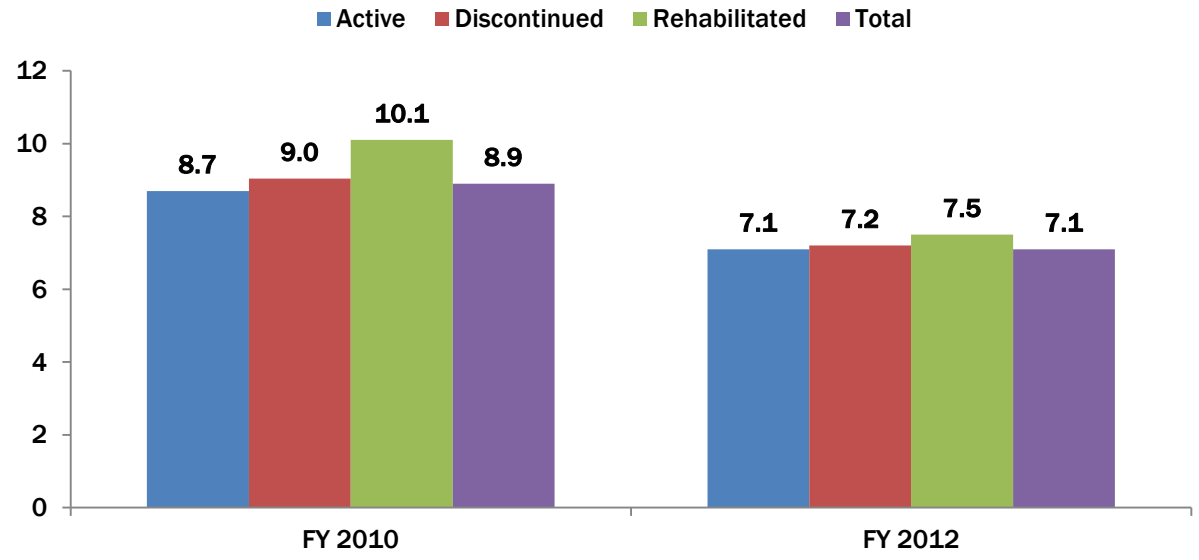
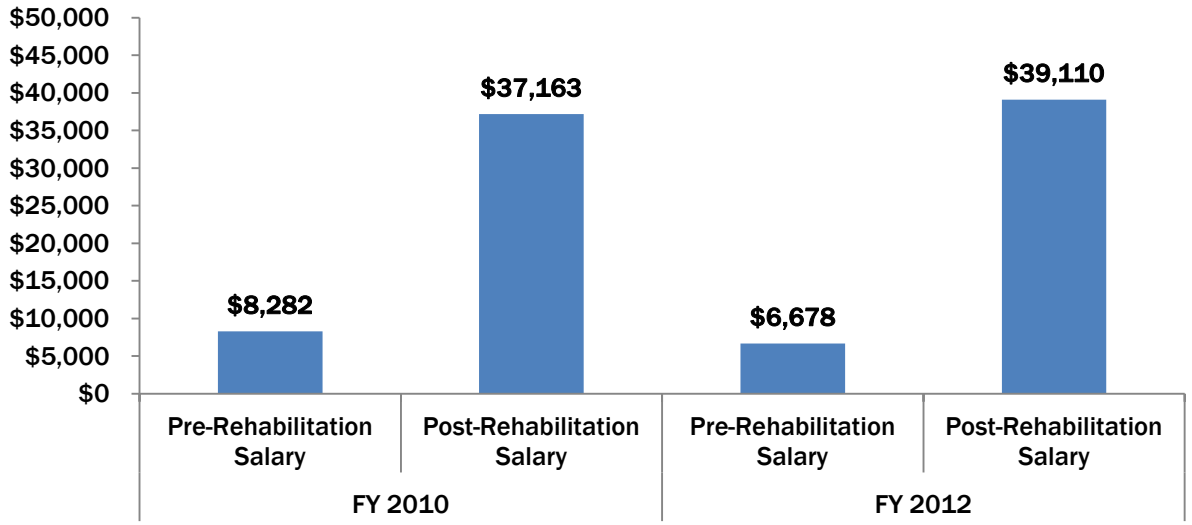


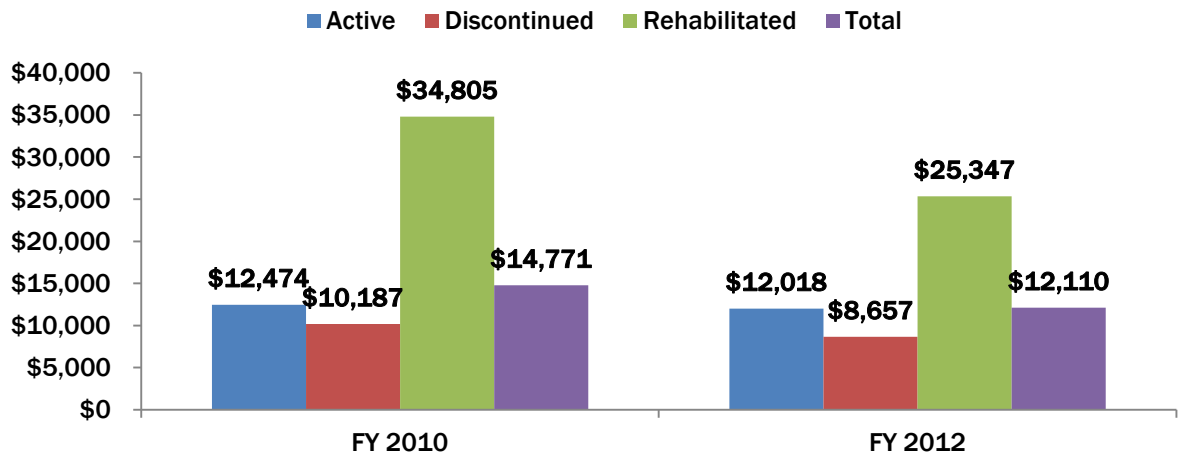
Figure 6D-3. Pre-Rehabilitation and Post-Rehabilitation Salary among Veterans who were Rehabilitated from an Employment Track, by Participation Status and Cohort



NOTE: Analysis is restricted to Veterans who rehabilitated from an employment track. Average salary is reported as an unconditional mean including Veterans who earned $0.

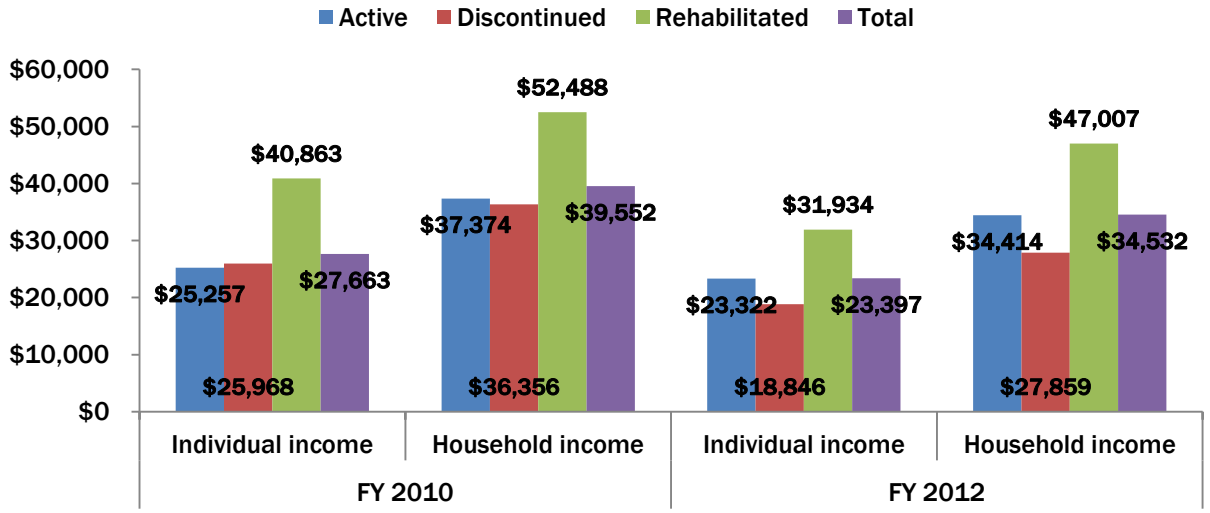
Figures 6D-4 and 6D-5 show that Veterans who were rehabilitated reported higher average earnings and income than those who were still active or discontinued. Self-reported earnings are from the survey and represent actual earnings over the past year. Alternatively, average annual individual and household incomes include earnings from a job as well as benefits received from government programs, and retirement, pension, investing, or savings income. All three measures of financial status show individuals who rehabilitated are better off than those who remained active. In turn, those who remained active are generally better off than those who discontinued.

Figure 6D-4. Self-Reported Annual Earnings of VR&E Participants, by Participation Status and Cohort



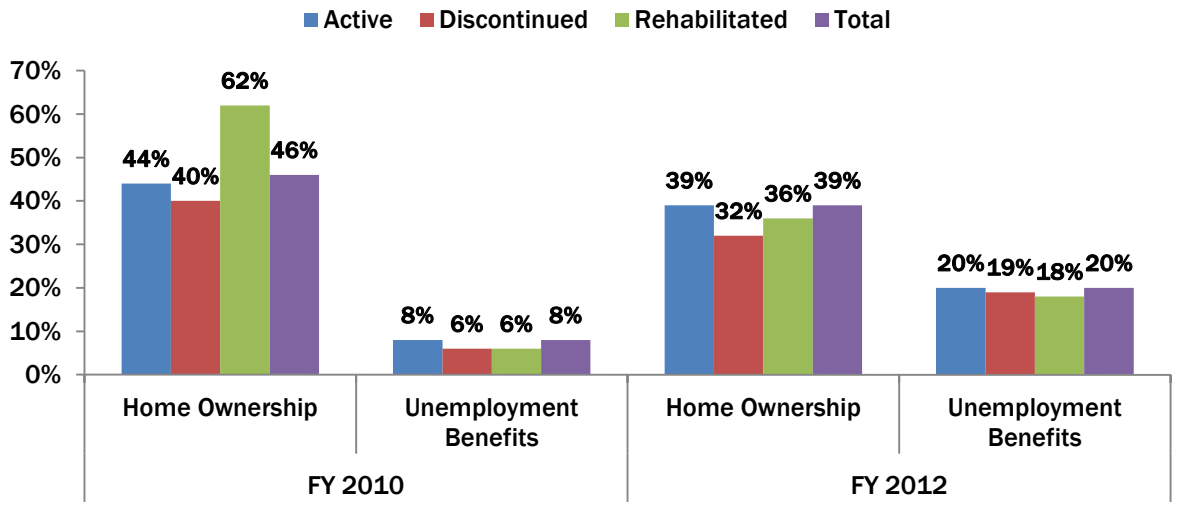
Note: Average salary is reported as an unconditional mean including Veterans who earned $0.

Figure 6D-5. Annual Individual and Household Income of VR&E Participants, by Participation Status and Cohort



Finally, individuals who successfully rehabilitated are more likely to own their home compared to those who discontinued as Figure 6D-6 shows. Additionally, use of unemployment benefits, another variable of Congressional interest, does not differ greatly by participations status. However, we find a greater percentage of the FY 2012 cohort is receiving unemployment benefits than the FY 2010 cohort. This suggests an increase in the number of Veterans who are entering the VR&E program after being laid off or leaving active duty.

Figure 6D-6. Home Ownership and Receipt of Unemployment Benefits by VR&E Participants, by Participation Status and Cohort



Section 6E: Key Drivers of Program Participation Status, Satisfaction, and Standard of Living Outcomes

Lastly, we used multivariate regression analysis to identify the key drivers of program participation status (e.g., discontinuation and rehabilitation), satisfaction, and standard of living outcomes. As very few individuals have exited the FY 2012 cohort yet, the regression findings are far more robust for the FY 2010 cohort. The regression analyses for this cohort reveal the following:

- **Probability of rehabilitation** by the end of FY 2012 is driven by: being in the Independent Living track (compared to being in an employment track), not having a serious employment handicap, a lower disability rating, having a pre-rehabilitation level of education of some college or higher, a higher pre-rehabilitation salary, a greater number of months on active duty, and not receiving a subsistence allowance for a college degree;
- **Probability of discontinuation** by the end of FY 2012 is driven by: not having selected a program track (i.e., being in an Extended Evaluation), selection of the Employment through Long-Term Services track, selection of one of the other employment tracks (Reemployment, Rapid Access to Employment, Self-Employment), having a serious employment handicap, being male, a higher disability rating, having a high school diploma or less pre-rehabilitation, a lower pre-rehabilitation salary, having a mental diagnosis as the primary diagnosis, being enlisted rank, and not receiving a subsistence allowance for a college degree;
- **Program satisfaction** is driven by: Having rehabilitated, a higher pre-rehabilitation salary, being in an Independent Living track; having a primary physical or neurological diagnosis, receiving a subsistence allowance for a college degree, and receiving a degree in the past year;
- **Standard-of-living outcomes** are driven by: Having rehabilitated, being in an employment track, not having a serious employment handicap, younger age, a lower disability rating, a higher pre-rehabilitation salary, a greater number of months on active duty, officer rank, and having at least some college education pre-rehabilitation. While a lower disability rating increases the likelihood of employment and the number of months worked, it is also associated with higher individual and household incomes.

Section 6F: Future Reports

In addition to the FY 2010 and FY 2012 cohorts, this study will track the FY 2014 cohort. These three cohorts will be followed for a 20-year period. Over time, 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. Moreover, as multiple years of data are collected, it will be possible to examine trends in outcomes over time. Additionally, 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. Finally, future reports will also include an analysis of administrative data provided to VA by SSA, through the use of a data sharing agreement. This analysis will provide accurate estimates on the number and percentage of cohort members who receive income from various Social Security programs, such as the Disability Insurance program.

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Appendix A

VR&E Longitudinal Survey

VR&E Longitudinal Study Survey

As part of Public Law 110-389, Vocational Rehabilitation & Employment (VR&E) VetSuccess Program is conducting a Longitudinal Study of veterans participating in VR&E. This study will take place over the next 20 years.

You have been randomly selected to participate in this study. We are requesting that you complete a survey each year, for the next 20 years. Information gathered will be used to help understand the long term benefits of our program and help us improve services for other Veterans.

Please take a few moments to complete this yearly survey. Your feedback is very important to us. Data reported to outside sources will be reported in aggregate form and not be specific to you. Your responses will also be kept private to the extent of the law and will not be used for any purposes other than for this study.

If you have any questions about the survey, please call 1-800-XXX-XXXX or email info@xxxxxxxx.com. Your participation is very much appreciated.

Please mail the survey in the envelope provided to:

DEPARTMENT OF VETERANS AFFAIRS
VR&E
1800 G Street, NW
Washington, DC 20006

Current Status

1. Are you currently participating in the VR&E program? (Check 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? (Check 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? (Check 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: _____

Benefits

3. During the past 12 months, did you receive any of the following benefits from Social Security? (Check all that apply)

- ❑ Supplemental Security Income (SSI)
- ❑ Social Security Disability Insurance (SSDI)
- ❑ Medicare
- ❑ Retirement
- ❑ Survivor's or Dependent
- ❑ Other: _____
- ❑ Did not receive SS benefits

Employment

4. Are you currently working at a job or business? (Check only one)

- ❑ Yes ⟶ (Skip to item 5)
- ❑ No

4a. If you answered No to Question #4, what is the main reason you are not currently working? (Check 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? (Check one and please 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? (Check one and please fill in # of months)

- ❑ 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)

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 institute 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. If you answered Yes to Question #11, 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? (Please check all that apply)

- ❑ High school diploma or GED
- ❑ Certificate
- ❑ Associates
- ❑ Bachelors
- ❑ Masters
- ❑ PhD
- ❑ Other Professional Degree (e.g., MD, JD, PharmD): _____
- ❑ 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? (Please check all that apply)

- ❑ VR&E VetSuccess Program (Chapter 31)
- ❑ GI Bill (Chapter 30 or Chapter 33)
- ❑ Financial Aid/Pell Grant
- ❑ Personal Loan
- ❑ Personal funds
- ❑ Other: _____

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

- ❑ Yes
- ❑ No ⟶ (Skip to item 18)

17. If you answered Yes to Question #16, how many certificates or licenses did you receive and what type of certificate(s) or license was it? (e.g., CDL license, HVAC Certification, etc.)

1. Number of Certificate(s) or License(s): _____
2. Type of Certificate(s) or License(s): _____

18. Were you enrolled in any other education or training programs during the past 12 months? (Please check all that apply)

- ❑ Non-College degree program (NCD)
- ❑ On-the-job training (OJT)
- ❑ Volunteer
- ❑ Non-paid work experience (NPWE)
- ❑ Apprenticeship
- ❑ Special Employer Incentive (SEI)
- ❑ Compensated Work Therapy (CWT)
- ❑ Other: _____

Medical

19. During the past 12 months, how many visits have you made to a VA Medical facility? (Please fill-in each one with a number. Put zero if you did not make a visit)

a. Emergency visits: _____
b. Routine and scheduled visits (checkups, screenings, etc): _____
c. Treatment visits (PT, OT, Psychology, etc): _____

20. During the past 12 months, how many visits have you made to a <u>Non-VA</u> medical facility? (Please fill-in each one with a number. Put zero if you did not make a visit)

a. Emergency visits _____
b. Routine and scheduled visits (checkups, screenings, etc) _____
c. Treatment visits (PT, OT, Psychology, etc) _____

Household

21. During the past 12 months, what was your gross household income? (Your household income is the combined before-tax income of people who share their income and live in the same home. Typically, this would be you and your spouse).

$_____

22. Do you own your principal residence? (Your principal residence is the home where you live for at least half of the year).

- ❑ Yes
- ❑ No

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

# of dependents _____
Type of dependent(s) _____

Overall Experience

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

1	2	3	4	5	6	7	8	9
Unacceptable				Average				Outstanding

25. What is the primary reason you applied for the VR&E VetSuccess program? (Check 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 Agree, and 9 is Strongly Agree. (Mark only one)

The VR&E VetSuccess program assisted in my ability to <u>become employable</u>.

1	2	3	4	5	6	7	8	9
Strongly Disagree				Agree				Strongly Agree

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 Agree, and 9 is Strongly Agree. (Mark only one)

The VR&E VetSuccess program assisted in my ability to <u>live more independently</u>.

1	2	3	4	5	6	7	8	9
Strongly Disagree				Agree				Strongly Agree

Appendix B

Administrative Variables

Table B-1. VBA Administrative Variables Used for Analysis

Variable	Description
Case status	Active, discontinued, or rehabilitated
Program track	• 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	Ranges between 0 percent and 100 percent
Pre-rehabilitation level of education	• Below high school • High school • Some college • Four year degree • Graduate training
Pre-rehabilitation annual salary	Continuous variable measuring annual earnings before entering VR&E
Primary diagnosis	• 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 B-1. VBA Administrative Variables Used for Analysis (continued)

Variable	Description
Era of service	• World War II • Post World War II • Korean Conflict • Post Korean Conflict • Vietnam War • Post Vietnam War era • Gulf War era
Branch of service	• Army • Navy • Air Force • Marine Corps • Coast Guard • Reserves/Guard • Other
Rank upon exit from military	• E1 – E9 (enlisted) • W1 – W5 (warrant officer) • O1 – O8
Training type for which a subsistence allowance is received	• 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 C

Weighting Procedures

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 weight 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 rerspondents having different response rates.

1. Weighting Procedures

To develop the analysis weights, we executed the following procedures:

- First, base weights equal to the reciprocal of the probability of selection were calculated for each sampled Veteran.
- Next, the base weights were adjusted for nonresponse using weighting classes defined by the sampling stratum.
- Finally, the nonresponse-adjusted weights were adjusted to population counts determined from VA-provided administrative data

Details of this weighting methodology are described in this appendix.

1.1. Calculation of Base Weights

Veterans in both the FY 2010 and FY 2012 cohorts were assigned to sampling strata based on age, gender, and program track. Then the Veterans assigned to each stratum were randomly assigned into groups, called *release groups*. The purpose of the release groups was to permit the fielding of a random sample of Veterans if it was not necessary to field the entire cohort to obtain at least 3,500 completes per cohort.

A base weight is the reciprocal of the probability that an individual is selected to participate in a sample-based survey. For the FY 2010 cohort, all release groups were fielded. Hence, the base weight for all Veterans in the 2010 cohort was equal to 1.0. However, because the FY 2012 cohort was larger than the 2010 cohort, we did not need to field all of the release groups for this cohort to

obtain the target number of completes. Hence, the base weights for the FY 2012 cohort were slightly larger than 1.0

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

1.3. Adjustment to control totals

The final step in the weighting process, called *raking*, was to further adjust the weights so that the weights of the 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 D

Characteristics of Study Cohorts by Program Participation Status

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 D-1 through D-13 are based on VBA administrative data that is available for the entire cohort population. Tables D-14a through D-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 C 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 D-1. Program Track Selection of Study Cohorts by Participation Status as of end of FY 2012

Track Selection	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Track 1 Re-Employment	47	1%	15	1%	11	1%	73	1%
Track 2 Rapid Access to Employment	278	4%	100	8%	343	23%	721	7%
Track 3 Self-Employment	16	0%	4	0%	9	1%	29	0%
Track 4 Employment - Long Term Services	7,338	94%	1,054	87%	644	43%	9,036	86%
Track 5 Independent Living	167	2%	40	3%	490	33%	697	7%
Subtotal	7,846	100%	1,213	100%	1,497	100%	10,556	100%
Extended Evaluation	56	–	180	–	0	–	236	–
Total	7,902	–	1,393	–	1,497	–	10,792	–
FY 2012 Cohort								
Track 1 Re-Employment	107	1%	1	0%	2	1%	110	1%
Track 2 Rapid Access to Employment	720	5%	13	6%	58	28%	791	5%
Track 3 Self-Employment	36	0%	2	1%	0	0%	38	0%
Track 4 Employment - Long Term Services	13,289	91%	191	90%	80	38%	13,560	90%
Track 5 Independent Living	501	3%	6	3%	70	33%	577	4%
Subtotal	14,653	100%	213	100%	210	100%	15,076	100%
Extended Evaluation	272	–	49	–	0	–	321	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-2. Serious Employment Handicap Status of Study Cohorts by Participation Status as of end of FY 2012

Serious Employment Handicap	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Yes	5,554	70%	1,165	84%	1,064	71%	7,783	72%
No	2,348	30%	228	16%	433	29%	3,009	28%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
Yes	10,906	73%	249	95%	153	73%	11,308	73%
No	4,019	27%	13	5%	57	27%	4,089	27%
Total	14,925	100%	262	100%	210	100%	15,397	100%

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

Table D-3. Gender of Study Cohorts by Participation Status as of end of FY 2012

Gender	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Male	6,479	82%	1,225	88%	1,298	87%	9,002	83%
Female	1,423	18%	168	12%	199	13%	1,790	17%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
Male	12,158	81%	226	86%	192	91%	12,576	82%
Female	2,767	19%	36	14%	18	9%	2,821	18%
Total	14,925	100%	262	100%	210	100%	15,397	100%

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

Table D-4. Age Ranges of Study Cohorts by Participation Status as of end of FY 2012

Age Range	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
<17	0	0%	0	0%	0	0%	0	0%
17-21	2	0%	0	0%	0	0%	2	0%
22-29	769	10%	149	11%	65	4%	983	9%
30-39	2,177	28%	336	24%	289	19%	2,802	26%
40-44	1,266	16%	178	13%	185	12%	1,629	15%
45-49	1,259	16%	187	13%	187	12%	1,633	15%
50-54	1,125	14%	178	13%	193	13%	1,496	14%
55-59	661	8%	144	10%	151	10%	956	9%
60 and above	643	8%	221	16%	427	29%	1,291	12%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
<17	0	0%	0	0%	0	0%	0	0%
17-21	34	0%	1	0%	0	0%	35	0%
22-29	2,576	17%	54	21%	14	7%	2,644	17%
30-39	4,411	30%	57	22%	45	21%	4,513	29%
40-44	2,165	15%	28	11%	17	8%	2,210	14%
45-49	1,977	13%	29	11%	35	17%	2,041	13%
50-54	1,665	11%	38	15%	25	12%	1,728	11%
55-59	1,010	7%	29	11%	20	10%	1,059	7%
60 and above	1,087	7%	26	10%	54	26%	1,167	8%
Total	14,925	100%	262	100%	210	100%	15,397	100%

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

Table D-5. Length of Service in Military of Study Cohorts by Participation Status as of end of FY 2012

Length of Service in Military	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
< 3 Months	123	2%	20	1%	12	1%	155	1%
3-5 Months	214	3%	37	3%	35	2%	286	3%
6 Months - 2 Years	1,794	23%	368	26%	307	21%	2,469	23%
> 2 Years - 4 Years	2,339	30%	441	32%	461	31%	3,241	30%
> 4 Years - 10 Years	1,973	25%	305	22%	339	23%	2,617	24%
> 10 Years - 15 Years	403	5%	72	5%	92	6%	567	5%
> 15 Years - 20 Years	550	7%	82	6%	116	8%	748	7%
> 20 Years - 30 Years	503	6%	68	5%	131	9%	702	7%
> 30 Years	3	0%	0	0%	4	0%	7	0%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
< 3 Months	173	1%	6	2%	2	1%	181	1%
3-5 Months	336	2%	8	3%	4	2%	348	2%
6 Months - 2 Years	2,873	19%	60	23%	47	22%	2,980	19%
> 2 Years - 4 Years	4,677	31%	98	37%	56	27%	4,831	31%
> 4 Years - 10 Years	4,083	27%	58	22%	46	22%	4,187	27%
> 10 Years - 15 Years	849	6%	15	6%	14	7%	878	6%
> 15 Years - 20 Years	912	6%	9	3%	19	9%	940	6%
> 20 Years - 30 Years	1,008	7%	8	3%	22	10%	1,038	7%
> 30 Years	12	0%	0	0%	0	0%	12	0%
Subtotal	14,923	100%	262	100%	210	100%	15,395	100%
Data Unavailable	2	–	0	–	0	–	2	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-6. Combined Disability Rating of Study Cohorts by Participation Status as of end of FY 2012

Combined Disability Rating Percentage	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
0%[1]	2	0%	2	0%	0	0%	4	0%
10%	438	6%	66	5%	51	3%	555	5%
20%	852	11%	107	8%	100	7%	1,059	10%
30%	1,123	14%	133	10%	172	11%	1,428	13%
40%	1,143	14%	141	10%	183	12%	1,467	14%
50%	887	11%	129	9%	134	9%	1,150	11%
60%	1,034	13%	164	12%	168	11%	1,366	13%
70%	819	10%	164	12%	183	12%	1,166	11%
80%	694	9%	167	12%	169	11%	1,030	10%
90%	416	5%	93	7%	109	7%	618	6%
100%	487	6%	221	16%	226	15%	934	9%
Memo Rating[2]	7	0%	6	0%	2	0%	15	0%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
0%[1]	16	0%	0	0%	0	0%	16	0%
10%	880	6%	19	7%	9	4%	908	6%
20%	1,566	10%	18	7%	19	9%	1,603	10%
30%	1,953	13%	35	13%	25	12%	2,013	13%
40%	1,919	13%	29	11%	20	10%	1,968	13%
50%	1,542	10%	14	5%	27	13%	1,583	10%
60%	1,886	13%	32	12%	21	10%	1,939	13%

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 D-6. Combined Disability Rating of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Combined Disability Rating Percentage	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2012 Cohort								
70%	1,612	11%	39	15%	20	10%	1,671	11%
80%	1,436	10%	21	8%	31	15%	1,488	10%
90%	830	6%	24	9%	15	7%	869	6%
100%	964	6%	30	11%	23	11%	1,017	7%
Memo Rating[2]	321	2%	1	0%	0	0%	322	2%
Total	14,925	100%	262	100%	210	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 D-7. Pre-Rehabilitation Level of Education of Study Cohorts by Participation Status as of end of FY 2012

Prior Level of Education	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Below High School	128	2%	33	2%	33	2%	194	2%
High School	3,441	44%	715	51%	599	40%	4,755	44%
Some College	3,357	42%	472	34%	494	33%	4,323	40%
Four Year Degree	751	10%	125	9%	302	20%	1,178	11%
Graduate Training	225	3%	48	3%	69	5%	342	3%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
Below High School	190	1%	8	3%	8	4%	206	1%
High School	5,428	36%	141	54%	81	39%	5,650	37%
Some College	6,765	45%	81	31%	61	29%	6,907	45%
Four Year Degree	2,107	14%	25	10%	50	24%	2,182	14%
Graduate Training	386	3%	6	2%	9	4%	401	3%
Subtotal	14,876	100%	261	100%	209	100%	15,346	100%
Data Unavailable	49	–	1	–	1	–	51	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-8. Pre-Rehabilitation Annual Salary of Study Cohorts by Participation Status as of end of FY 2012

Pre-Rehabilitation Annual Salary	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
$0	5,872	74%	1,150	83%	1,192	80%	8,214	76%
$1-6,000	150	2%	27	2%	28	2%	205	2%
$6,001-12,000	296	4%	44	3%	36	2%	376	3%
$12,001-18,000	294	4%	42	3%	41	3%	377	3%
$18,001-24,000	317	4%	37	3%	50	3%	404	4%
$24,001-30,000	273	3%	28	2%	40	3%	341	3%
$30,001-36,000	237	3%	25	2%	31	2%	293	3%
$36,001-42,000	133	2%	7	1%	21	1%	161	1%
$42,001-48,000	137	2%	8	1%	24	2%	169	2%
$48,001+	193	2%	25	2%	34	2%	252	2%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
$0	11,680	78%	239	91%	173	82%	12,092	79%
$1-6,000	273	2%	2	1%	2	1%	277	2%
$6,001-12,000	534	4%	6	2%	8	4%	548	4%
$12,001-18,000	439	3%	7	3%	2	1%	448	3%
$18,001-24,000	513	3%	3	1%	7	3%	523	3%
$24,001-30,000	354	2%	2	1%	3	1%	359	2%
$30,001-36,000	332	2%	1	0%	3	1%	336	2%
$36,001-42,000	215	1%	0	0%	2	1%	217	1%
$42,001-48,000	191	1%	0	0%	3	1%	194	1%
$48,001+	394	3%	2	1%	7	3%	403	3%
Total	14,925	100%	262	100%	210	100%	15,397	100%

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

Table D-9. Primary Diagnosis of Study Cohorts by Participation Status as of end of FY 2012

Primary Diagnosis	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Diseases of the Musculoskeletal System including Muscle Injuries	1,171	15%	151	11%	132	9%	1,454	13%
Diseases of the Eye, Ear, or other Sensory Organs	363	5%	45	3%	81	5%	489	5%
Other Physical Health Conditions or Diseases	1,903	24%	245	18%	295	20%	2,443	23%
Neurological Conditions and Convulsive Disorders (excluding Mental Health Conditions or Disorders)	1,265	16%	188	14%	245	16%	1,698	16%
PTSD	1,569	20%	376	27%	419	28%	2,364	22%
Major Depression	609	8%	125	9%	109	7%	843	8%
Other Mental Health Conditions	836	11%	220	16%	181	12%	1,237	11%
Dental and Oral Conditions	183	2%	42	3%	34	2%	259	2%
Unknown	0	0%	0	0%	1	0%	1	0%
Subtotal	7,899	100%	1,392	100%	1,497	100%	10,788	100%
Data Unavailable	3	–	1	–	0	–	4	–
Total	7,902	–	1,393	–	1,497	–	10,792	–

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

Table D-9. Primary Diagnosis of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Primary Diagnosis	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2012 Cohort								
Diseases of the Musculoskeletal System including Muscle Injuries	1,751	12%	35	13%	23	11%	1,809	12%
Diseases of the Eye, Ear, or other Sensory Organs	705	5%	13	5%	8	4%	726	5%
Other Physical Health Conditions or Diseases	3,274	22%	50	19%	47	22%	3,371	22%
Neurological Conditions and Convulsive Disorders (excluding Mental Health Conditions or Disorders)	2,208	15%	21	8%	29	14%	2,258	15%
PTSD	3,700	25%	74	28%	57	27%	3,831	25%
Major Depression	1,006	7%	20	8%	16	8%	1,042	7%
Other Mental Health Conditions	1,771	12%	40	15%	21	10%	1,832	12%
Dental and Oral Conditions	396	3%	9	3%	8	4%	413	3%
Unknown	0	0%	0	0%	0	0%	0	0%
Subtotal	14,811	100%	262	100%	209	100%	15,282	100%
Data Unavailable	114	–	0	–	1	–	115	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-10. Era of Service in Military of Study Cohorts by Participation Status as of end of FY 2012

Era of Service in Military	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
World War II	1	0%	4	0%	15	1%	20	0%
Post World War II	0	0%	0	0%	0	0%	0	0%
Korean Conflict	10	0%	4	0%	19	1%	33	0%
Post Korean Conflict	10	0%	1	0%	14	1%	25	0%
Vietnam War	562	7%	208	15%	325	22%	1,095	10%
Post Vietnam War Era	1,042	13%	204	15%	175	12%	1,421	13%
Gulf War Era	6,277	79%	972	70%	948	63%	8,197	76%
Subtotal	7,902	100%	1,393	100%	1,496	100%	10,791	100%
Data Unavailable	0	–	0	–	1	–	1	–
Total	7,902	–	1,393	–	1,497	–	10,792	–
FY 2012 Cohort								
World War II	6	0%	0	0%	2	1%	8	0%
Post World War II	0	0%	0	0%	0	0%	0	0%
Korean Conflict	21	0%	1	0%	4	2%	26	0%
Post Korean Conflict	30	0%	0	0%	3	1%	33	0%
Vietnam War	957	6%	26	10%	36	17%	1,019	7%
Post Vietnam War Era	1,565	10%	49	19%	23	11%	1,637	11%
Gulf War Era	12,343	83%	186	71%	142	68%	12,671	82%
Subtotal	14,922	100%	262	100%	210	100%	15,394	100%
Data Unavailable	3	–	0	–	0	–	3	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-11. Branch of Service in Military of Study Cohorts by Participation Status as of end of FY 2012

Branch of Service in Military	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Army	4,240	54%	818	59%	802	54%	5,860	54%
Navy	1,413	18%	215	15%	268	18%	1,896	18%
Air Force	1,114	14%	157	11%	215	14%	1,486	14%
Marine Corps	1,022	13%	181	13%	188	13%	1,391	13%
Coast Guard	72	1%	10	1%	17	1%	99	1%
Reserves/Guard or Other	41	0%	12	1%	7	0%	60	1%
Total	7,902	100%	1,393	100%	1,497	100%	10,792	100%
FY 2012 Cohort								
Army	8,111	54%	152	58%	120	57%	8,383	54%
Navy	2,545	17%	41	16%	34	16%	2,620	17%
Air Force	2,002	13%	30	11%	25	12%	2,057	13%
Marine Corps	2,062	14%	35	13%	28	13%	2,125	14%
Coast Guard	134	1%	1	0%	2	1%	137	1%
Reserves/Guard	66	0%	2	1%	1	0%	69	0%
Other	1	0%	1	0%	0	0%	2	0%
Subtotal	14,921	100%	262	100%	210	100%	15,393	100%
Data Unavailable	4	–	0	–	0	–	4	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-12. Rank Upon Exit from Military of Study Cohorts by Participation Status as of end of FY 2012

Rank	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
E1	559	7%	121	9%	63	4%	743	7%
E2	590	7%	121	9%	76	5%	787	7%
E3	1,224	16%	213	15%	172	12%	1,609	15%
E4	2,435	31%	434	31%	456	31%	3,325	31%
E5	1,347	17%	227	16%	281	19%	1,855	17%
E6	742	9%	117	8%	145	10%	1,004	9%
E7	543	7%	89	6%	143	10%	775	7%
E8	195	2%	28	2%	60	4%	283	3%
E9	47	1%	9	1%	15	1%	71	1%
O(1-8)	175	2%	23	2%	64	4%	262	2%
W(1-5)	36	0%	10	1%	19	1%	65	1%
Subtotal	7,893	100%	1,392	100%	1,494	100%	10,779	100%
Data Unavailable	9	–	1	–	3	–	13	–
Total	7,902	–	1,393	–	1,497	–	10,792	–
FY 2012 Cohort								
E1	920	6%	25	10%	8	4%	953	6%
E2	810	5%	32	13%	6	3%	848	6%
E3	1,942	13%	41	16%	27	13%	2,010	13%
E4	4,685	32%	76	30%	66	32%	4,827	32%
E5	2,929	20%	39	15%	31	15%	2,999	20%
E6	1,465	10%	20	8%	15	7%	1,500	10%
E7	1,055	7%	7	3%	23	11%	1,085	7%
E8	344	2%	4	2%	9	4%	357	2%

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

Table D-12. Rank Upon Exit from Military of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Rank	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2012 Cohort								
E9	89	1%	1	0%	6	3%	96	1%
O(1-8)	447	3%	11	4%	11	5%	469	3%
W(1-5)	81	1%	0	0%	3	1%	84	1%
Subtotal	14,767	100%	256	100%	205	100%	15,228	100%
Data Unavailable	158	–	6	–	5	–	169	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-13. Receipt of Subsistence Allowance by Training Type of Study Cohorts by Participation Status as of end of FY 2012

Training Type	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Non-College Degree; Vocational/Technical	404	5%	100	12%	227	28%	731	8%
College, Non Degree	207	3%	35	4%	40	5%	282	3%
Undergraduate	6,100	83%	607	71%	407	49%	7,114	79%
Graduate School	453	6%	19	2%	62	8%	534	6%
Farm Cooperative	5	0%	0	0%	1	0%	6	0%
Non Pay Work Experience in a Federal, State, or Local Agency	36	0%	15	2%	26	3%	77	1%
Apprenticeship	8	0%	2	0%	4	0%	14	0%
Nonvocational Chapter 31 (includes Independent Living and Extended Evaluation)	98	1%	70	8%	42	5%	210	2%
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	20	0%	0	0%	4	0%	24	0%
OJT (On-Job Training)	8	0%	2	0%	6	1%	16	0%

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

Table D-13. Receipt of Subsistence Allowance by Training Type of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Training Type	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2010 Cohort								
Special Rehabilitation Services; Improvement of Rehabilitation Potential; Special Evaluation Procedures; Adult Basic Education	7	0%	8	1%	5	1%	20	0%
Subtotal	7,346	100%	858	100%	824	100%	9,028	100%
Not Receiving Assistance	556	–	535	–	673	–	1,764	–
Total	7,902	–	1,393	–	1,497	–	10,792	–
FY 2012 Cohort								
Non-College Degree; Vocational/Technical	888	8%	17	12%	51	53%	956	9%
College, Non Degree	341	3%	6	4%	6	6%	353	3%
Undergraduate	8,478	78%	80	57%	22	23%	8,580	77%
Graduate School	642	6%	1	1%	4	4%	647	6%
Farm Cooperative	4	0%	0	0%	0	0%	4	0%
Non Pay Work Experience in a Federal, State, or Local Agency	125	1%	4	3%	8	8%	137	1%
Apprenticeship	24	0%	0	0%	0	0%	24	0%
Nonvocational Chapter 31 (includes Independent Living and Extended Evaluation)	341	3%	28	20%	3	3%	372	3%

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

Table D-13. Receipt of Subsistence Allowance by Training Type of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Training Type	All Active Participants		All Discontinued Participants		All Rehabilitated Participants		Total	
	N	%	N	%	N	%	N	%
FY 2012 Cohort								
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	42	0%	1	1%	1	1%	44	0%
OJT (On-Job Training)	23	0%	0	0%	1	1%	24	0%
Special Rehabilitation Services; Improvement of Rehabilitation Potential; Special Evaluation Procedures; Adult Basic Education	23	0%	4	3%	1	1%	28	0%
Subtotal	10,931	100%	141	100%	97	100%	11,169	100%
Not Receiving Assistance	3,994	–	121	–	113	–	4,228	–
Total	14,925	–	262	–	210	–	15,397	–

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

Table D-14a. Number of Dependents of Study Cohorts by Participation Status as of end of FY 2012

Number of Dependents	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																
0	667	24%	1,901	24%	104	32%	302	32%	142	25%	407	25%	913	25%	2,610	25%
1	765	27%	2,122	26%	99	31%	275	29%	192	34%	541	34%	1,056	29%	2,938	28%
2 or more	1,352	49%	4,057	50%	120	37%	366	39%	227	40%	662	41%	1,699	46%	5,085	48%
Subtotal	2,784	100%	8,080	100%	323	100%	943	100%	561	100%	1,609	100%	3,668	100%	10,632	100%
Data Unavailable	25	–	72	–	9	–	28	–	8	–	21	–	42	–	121	–
Total	2,809	–	8,152	–	332	–	971	–	569	–	1,631	–	3,710	–	10,753	–
FY 2012 Cohort																
0	942	27%	3,959	27%	18	29%	78	30%	22	28%	80	27%	982	27%	4,117	27%
1	852	25%	3,393	23%	23	37%	95	36%	23	29%	80	27%	898	25%	3,567	23%
2 or more	1,650	48%	7,290	50%	22	35%	92	35%	35	44%	132	45%	1,707	48%	7,513	49%
Subtotal	3,444	100%	14,642	100%	63	100%	265	100%	80	100%	292	100%	3,587	100%	15,198	100%
Data Unavailable	48	–	183	–	0	–	0	–	1	–	3	–	49	–	187	–
Total	3,492	–	14,825	–	63	–	265	–	81	–	295	–	3,636	–	15,385	–

[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 D-14b. Average Number of Dependents of Study Cohorts by Participation Status as of end of FY 2012

Number of Dependents	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)
FY 2010 Cohort																
Number of Dependents	2,784	1.8 (1.6)	8,080	1.9 (2.8)	323	1.5 (1.6)	943	1.5 (2.8)	561	1.5 (1.4)	1,609	1.6 (2.4)	3,668	1.7 (1.6)	10,632	1.8 (2.7)
FY 2012 Cohort																
Number of Dependents	3,444	1.7 (1.6)	14,642	1.8 (3.3)	63	1.5 (1.5)	265	1.5 (3.1)	80	1.5 (1.4)	292	1.5 (2.6)	3,587	1.7 (1.6)	15,198	1.8 (3.3)

[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 deviation (S.D.) 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.

Table D-15. Average Number of Visits to Medical Facilities of Study Cohorts by Participation Status as of end of FY 2012

Number of Medical Visits	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)
FY 2010 Cohort																
Visits to VA Medical Facilities	2,794	2.1 (9.4)	8,109	2.2 (3.8)	327	6.9 (9.3)	957	6.8 (8.2)	565	3.3 (2.6)	1,619	3.9 (9.8)	3,686	2.7 (1.0)	10,685	2.9 (6.3)
Emergency Room Visits	2,456	1.0 (2.3)	7,157	1.0 (4.0)	294	1.5 (6.2)	860	1.4 (9.6)	485	1.0 (2.6)	1,397	1.0 (4.3)	3,235	1.0 (2.9)	9,413	1.0 (4.8)
Routine and Scheduled Visits	2,740	6.3 (1.1)	7,950	6.3 (9.6)	321	8.4 (5.8)	939	8.1 (5.7)	553	6.9 (1.6)	1,583	7.1 (0.4)	3,614	6.6 (1.7)	10,472	6.6 (0.3)
Treatment Visits	2,499	5.7 (2.9)	7,281	5.7 (2.4)	305	7.9 (5.4)	897	8.0 (6.8)	499	6.5 (5.1)	1,432	6.9 (6.8)	3,303	6.0 (3.5)	9,610	6.1 (3.6)

[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 deviation (S.D.) 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.

Table D-15. Average Number of Visits to Medical Facilities of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Number of Medical Visits	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)
FY 2010 Cohort																
Visits to non-VA Medical Facilities	2,771	4.7 (0.7)	8,045	4.7 (8.4)	319	5.2 (0.5)	933	5.0 (7.6)	560	4.8 (3.8)	1,602	4.7 (1.4)	3,650	4.7 (1.2)	10,580	4.7 (8.8)
Emergency Room Visits	2,553	0.7 (1.6)	7,435	0.7 (2.7)	305	0.7 (1.5)	894	0.7 (2.5)	513	0.6 (1.6)	1,473	0.6 (2.6)	3,371	0.7 (1.5)	9,802	0.7 (2.6)
Routine and Scheduled Visits	2,585	2.1 (4.4)	7,500	2.0 (7.4)	304	2.3 (5.8)	889	2.2 (9.9)	527	2.4 (4.2)	1,509	2.4 (7.2)	3,416	2.2 (4.5)	9,898	2.1 (7.6)
Treatment Visits	2,429	2.4 (8.7)	7,083	2.4 (5.1)	298	2.5 (6.7)	874	2.4 (1.3)	485	2.3 (2.4)	1,390	2.2 (9.0)	3,212	2.4 (9.2)	9,347	2.4 (5.4)

[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 deviation (S.D.) 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.

Table D-15. Average Number of Visits to Medical Facilities of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Number of Medical Visits	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)
FY 2012 Cohort																
Visits to VA Medical Facilities	3,475	3.4 (1.3)	14,762	3.3 (3.5)	62	8.9 (0.0)	261	9.7 (3.2)	78	6.8 (1.6)	286	7.2 (3.1)	3,615	3.6 (1.5)	15,309	3.4 (3.9)
Emergency Room Visits	2,989	1.0 (6.2)	12,766	0.9 (2.2)	52	1.8 (4.6)	215	1.8 (9.5)	70	1.1 (1.8)	258	1.1 (3.7)	3,111	1.0 (6.1)	13,239	1.0 (2.1)
Routine and Scheduled Visits	3,413	6.6 (0.2)	14,503	6.5 (1.1)	60	9.2 (4.8)	251	9.7 (1.3)	78	9.1 (4.2)	286	9.4 (8.4)	3,551	6.7 (0.4)	15,039	6.6 (1.5)
Treatment Visits	3,091	6.9 (4.3)	13,191	6.8 (8.9)	57	9.3 (4.3)	236	9.8 (9.9)	69	7.6 (0.2)	254	7.6 (9.8)	3,217	6.9 (4.2)	13,681	6.9 (8.8)

[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 deviation (S.D.) 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.

Table D-15. Average Number of Visits to Medical Facilities of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Number of Medical Visits	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)
FY 2012 Cohort																
Visits to non-VA Medical Facilities	3,428	5.6 (6.2)	14,563	5.5 (4.6)	63	5.9 (4.7)	265	6.1 (1.3)	77	4.8 (7.7)	280	4.8 (4.9)	3,568	5.6 (6.0)	15,108	5.5 (4.2)
Emergency Room Visits	3,113	0.6 (1.6)	13,295	0.6 (3.5)	59	1.0 (2.5)	248	1.0 (5.3)	71	0.5 (1.2)	260	0.5 (2.2)	3,243	0.6 (1.6)	13,803	0.6 (3.5)
Routine and Scheduled Visits	3,226	2.5 (8.2)	13,682	2.4 (6.5)	56	3.1 (6.9)	233	3.2 (4.7)	71	2.7 (3.8)	257	2.7 (7.2)	3,353	2.5 (8.2)	14,171	2.5 (6.3)
Treatment Visits	3,010	3.0 (2.2)	12,855	3.1 (6.9)	56	2.5 (8.7)	232	2.7 (8.5)	68	2.1 (4.8)	248	2.1 (9.3)	3,134	3.0 (2.0)	13,335	3.0 (6.5)

[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 deviation (S.D.) 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.

Table D-17. IHL Enrollment Status of Study Cohorts by Participation Status as of end of FY 2012

Enrolled in Institution of Higher Learning (IHL)	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																
Enrolled in IHL	2,179	78%	6,370	78%	75	23%	233	24%	146	26%	418	26%	2,400	65%	7,021	66%
Not Enrolled in IHL	622	22%	1,759	22%	257	77%	738	76%	418	74%	1,198	74%	1,297	35%	3,695	34%
Subtotal	2,801	100%	8,129	100%	332	100%	971	100%	564	100%	1,616	100%	3,697	100%	10,717	100%
Data Unavailable	8	–	22	–	0	–	0	–	5	–	15	–	13	–	37	–
Total	2,809	–	8,152	–	332	–	971	–	569	–	1,631	–	3,710	–	10,753	–

Table D-17. IHL Enrollment Status of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Enrolled in Institution of Higher Learning (IHL)	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2012 Cohort																
Enrolled in IHL	2,767	79%	12,116	82%	25	40%	101	38%	14	18%	57	20%	2,806	77%	12,275	80%
Not Enrolled in IHL	716	21%	2,673	18%	38	60%	164	62%	64	82%	228	80%	818	23%	3,065	20%
Subtotal	3,483	100%	14,790	100%	63	100%	265	100%	78	100%	285	100%	3,624	100%	15,340	100%
Data Unavailable	9	–	35	–	0	–	0	–	3	–	10	–	12	–	45	–
Total	3,492	–	14,825	–	63	–	265	–	81	–	295	–	3,636	–	15,385	–

[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 D-18. Number of Credit Hours Obtained by Study Cohorts by Participation Status as of end of FY 2012

	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	%	N	%	N	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																
1 to 10	206	10%	599	10%	17	24%	52	24%	23	16%	66	16%	246	11%	718	11%
11 to 20	458	22%	1,326	21%	16	23%	50	23%	39	27%	113	28%	513	22%	1,489	22%
21 to 30	558	26%	1,643	26%	11	15%	37	17%	16	11%	48	12%	585	25%	1,728	25%
31 to 40	411	19%	1,206	19%	10	14%	30	14%	22	15%	59	14%	443	19%	1,295	19%
41 or more	377	18%	1,114	18%	6	8%	17	8%	25	17%	68	17%	408	17%	1,200	18%
Credits not recorded	48	2%	135	2%	2	3%	5	2%	8	6%	23	6%	58	2%	164	2%
No Credits Completed	65	3%	187	3%	9	13%	26	12%	11	8%	34	8%	85	4%	247	4%
Subtotal	2,123	100%	6,210	100%	71	100%	219	100%	144	100%	411	100%	2,338	100%	6,841	100%
Data Unavailable	686	–	1,941	–	261	–	752	–	425	–	1,219	–	1,372	–	3,913	–
Total	2,809	–	8,152	–	332	–	971	–	569	–	1,631	–	3,710	–	10,753	–

[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 D-18. Number of Credit Hours Obtained by Study Cohorts by Participation Status as of end of FY 2012 (continued)

	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	%	N	%	N	%	N	%	n	%	N	%	n	%	N	%
FY 2012 Cohort																
1 to 10	531	20%	2,250	19%	7	30%	30	31%	5	42%	20	41%	543	20%	2,300	19%
11 to 20	769	28%	3,337	28%	3	13%	14	15%	2	17%	11	22%	774	28%	3,362	28%
21 to 30	471	17%	2,155	18%	5	22%	24	25%	2	17%	6	13%	478	17%	2,185	18%
31 to 40	296	11%	1,364	12%	0	0%	0	0%	0	0%	0	0%	296	11%	1,364	11%
41 or more	275	10%	1,265	11%	2	9%	6	7%	3	25%	12	24%	280	10%	1,283	11%
Credits not recorded	121	4%	493	4%	2	9%	6	7%	0	0%	0	0%	123	4%	499	4%
No Credits Completed	240	9%	989	8%	4	17%	14	15%	0	0%	0	0%	244	9%	1,004	8%
Subtotal	2,703	100%	11,854	100%	23	100%	94	100%	12	100%	50	100%	2,738	100%	11,997	100%
Data Unavailable	789	–	2,971	–	40	–	171	–	69	–	246	–	898	–	3,388	–
Total	3,492	–	14,825	–	63	–	265	–	81	–	295	–	3,636	–	15,385	–

[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 D-19. Average Number of Degrees and Certificates Obtained by Study Cohorts by Participation Status as of end of FY 2012

	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)	n	Mean (S.D.)	N	Mean (S.D.)
FY 2010 Cohort																
Degrees	741	1.1 (0.2)	2,147	1.1 (0.4)	17	1.0 (0.0)	53	1.0 (0.0)	108	1.0 (0.2)	305	1.0 (0.3)	866	1.1 (0.2)	2,504	1.0 (0.4)
Certifications	328	1.9 (2.2)	942	1.9 (3.9)	23	1.9 (1.1)	67	1.9 (1.9)	89	1.6 (1.4)	249	1.5 (2.2)	440	1.8 (2.0)	1,257	1.8 (3.6)
FY 2012 Cohort																
Degrees	503	1.0 (0.3)	2,188	1.0 (0.6)	4	1.0 (0.0)	16	1.0 (0.0)	7	1.0 (0.0)	30	1.0 (0.0)	514	1.0 (0.3)	2,234	1.0 (0.6)
Certifications	298	1.8 (1.7)	1,253	1.8 (3.5)	2	1.0 (0.0)	6	1.0 (0.0)	16	1.9 (3.5)	60	1.9 (6.5)	316	1.8 (1.8)	1,320	1.8 (3.7)

[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 deviation (S.D.) 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.

Table D-20. Overall Satisfaction Level with VR&E Program of Study Cohorts by Participation Status as of end of FY 2012

Satisfaction Level	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]		Unweighted[1]		Weighted[2]	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2010 Cohort																
Low	248	9%	729	9%	91	28%	269	28%	60	11%	170	11%	399	11%	1,168	11%
Moderate	614	22%	1,800	22%	114	35%	326	34%	135	24%	392	24%	863	24%	2,518	24%
High	1,917	69%	5,539	69%	119	37%	355	37%	366	65%	1,045	65%	2,402	66%	6,939	65%
Subtotal	2,779	100%	8,068	100%	324	100%	950	100%	561	100%	1,607	100%	3,664	100%	10,624	100%
Data Unavailable	30	–	84	–	8	–	22	–	8	–	24	–	46	–	129	–
Total	2,809	–	8,152	–	332	–	971	–	569	–	1,631	–	3,710	–	10,753	–

[1] Overalll program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction scores 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.

Table D-20. Overall Satisfaction Level with VR&E Program of Study Cohorts by Participation Status as of end of FY 2012 (continued)

Satisfaction Level[1]	All Active Participants				All Discontinued Participants				All Rehabilitated Participants				Total			
	Unweighted[2]		Weighted[3]		Unweighted[2]		Weighted[3]		Unweighted[2]		Weighted[3]		Unweighted[2]		Weighted[3]	
	n	%	N	%	n	%	N	%	n	%	N	%	n	%	N	%
FY 2012 Cohort																
Low	330	10%	1,340	9%	15	24%	64	24%	2	3%	6	2%	347	10%	1,410	9%
Moderate	755	22%	3,197	22%	20	32%	76	29%	16	20%	59	20%	791	22%	3,332	22%
High	2,358	68%	10,096	69%	28	44%	124	47%	62	78%	227	78%	2,448	68%	10,448	69%
Subtotal	3,443	100%	14,633	100%	63	100%	265	100%	80	100%	292	100%	3,586	100%	15,190	100%
Data Unavailable	49	–	192	–	0	–	0	–	1	–	3	–	50	–	195	–
Total	3,492	–	14,825	–	63	–	265	–	81	–	295	–	3,636	–	15,385	–

[1] Overalll program satisfaction is measured using a 9-point scale where 1 is unacceptable, 5 is average, and 9 is outstanding. A satisfaction scores 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 E

Regression Output

This appendix presents detailed results from the multivariate regression analyses summarized in Chapters 3 and 4. 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 E-1. Odds Rations 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
Not having selected a program track (i.e., being in an Extended Evaluation)	106.739	<.0001	NA	NA	27.871	<.0001	NA	NA
Program track selection[a]								
Long-term track[1]	8.665	<.0001	0.046	<.0001	3.965	0.002	0.056	<.0001
Other employment track[2]	6.163	<.0001	0.289	<.0001	3.806	0.008	0.347	<.0001
Serious employment handicap	1.617	<.0001	0.623	<.0001	4.740	<.0001	0.774	0.163
Male	1.281	0.009	1.134	0.211	1.167	0.412	1.949	0.010
Age	0.998	0.711	1.001	0.751	0.993	0.376	1.004	0.671
Disability rating	1.010	<.0001	0.996	0.016	1.007	0.014	0.994	0.063
Some college or higher	0.770	<.0001	1.223	0.006	0.575	<.0001	0.871	0.367
Pre-rehabilitation salary ($1,000s)	0.992	0.002	1.005	0.022	0.968	0.001	1.005	0.318
Mental primary diagnosis	1.190	0.020	1.065	0.460	0.946	0.721	1.047	0.791
Length of service	0.999	0.056	1.002	0.001	0.998	0.095	1.001	0.211
Gulf War era	0.842	0.104	1.224	0.107	0.730	0.157	1.673	0.047
Officer status	0.524	0.009	1.108	0.592	2.300	0.013	1.121	0.735
Subsistence allowance for college degree	0.264	<.0001	0.199	<.0001	0.320	<.0001	0.177	<.0001
Observations	10,760		9,319		14,841		14,333	

NOTE: Models are unweighted. Discontinuation model includes all participants. Discontinuation models include all Veterans. Rehabilitation models include Veterans who had not discontinued as of end of FY 2012. Extended Evaluation was not included in models of rehabilitation since Veterans cannot rehabilitate from the Extended Evaluation phase.

[a] 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 E-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]	0.105	<.0001	0.083	<.0001
Other employment track[2]	0.503	<.0001	0.465	0.015
Serious employment handicap	0.620	<.0001	0.778	0.166
Male	1.080	0.329	1.837	0.016
Age	1.002	0.505	0.994	0.505
Disability rating	0.997	0.021	0.993	0.039
Some college or higher	1.140	0.015	0.968	0.824
Pre-rehabilitation salary ($1,000s)	1.002	0.311	1.004	0.427
Mental primary diagnosis	1.093	0.158	0.986	0.933
Length of service	1.001	0.001	1.001	0.166
Gulf War era	1.100	0.283	1.498	0.103
Officer status	1.044	0.740	1.240	0.505
Subsistence allowance for college degree	0.254	<.0001	0.138	<.0001
Observations	10,473		14,512	

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 E-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	0.506	<.0001	1.192	<.0001
Discontinued	-1.161	<.0001	-0.968	0.001
Not having selected a program track (i.e., being in an Extended Evaluation)	-0.017	0.958	-0.958	0.002
Program track selection[b]				
Long-term track [1]	0.231	0.227	-0.044	0.833
Other employment track[2]	-0.441	0.032	-1.044	<.0001
Serious employment handicap	0.055	0.509	-0.074	0.394
Male	-0.157	0.098	-0.025	0.780
Age	0.006	0.201	0.008	0.073
Disability rating	-0.002	0.214	-0.003	0.102
Some college or higher	-0.039	0.601	-0.028	0.723
Pre-rehabilitation salary ($1,000s)	0.006	0.024	0.007	0.008
Number of dependents	0.009	0.708	0.020	0.407
Mental primary diagnosis	-0.202	0.018	-0.067	0.431
Length of service	0.001	0.090	0.001	0.057
Gulf War era	-0.099	0.397	-0.076	0.555
Officer status	0.118	0.578	-0.002	0.990
Subsistence allowance for college degree	0.815	<0.001	0.816	<.0001
Earned a degree	0.345	<0.001	-0.029	0.785
Observations	3,637		3,453	

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 E-4. Regression Analyses Predicting Employment 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		Currently Employed		Months Employed	
	Odds Ratio	p-value	Coefficient	p-value	Odds Ratio	p-value	Coefficient	p-value
Rehabilitated	9.111	<.0001	1.000	<.0001	10.939	0.018	0.710	0.007
Other employment track[a]	1.452	0.154	0.152	0.082	1.511	0.668	-0.206	0.384
Serious employment handicap	0.509	0.006	-0.105	0.186	0.409	0.432	-0.233	0.377
Male	1.737	0.060	0.122	0.220	1.267	0.828	0.277	0.336
Age	0.966	0.015	-0.023	<.0001	0.978	0.644	-0.004	0.774
Disability rating	0.984	0.001	-0.006	0.001	0.997	0.865	-0.001	0.753
Some college or higher	1.227	0.363	0.077	0.328	1.056	0.941	-0.257	0.217
Pre-rehabilitation salary ($1,000s)	1.029	0.002	0.008	0.001	1.101	0.109	0.020	0.019
Number of dependents	0.953	0.498	-0.044	0.083	1.136	0.608	0.003	0.959
Mental primary diagnosis	0.692	0.141	-0.126	0.148	4.179	0.098	0.647	0.008
Length of service	1.004	0.004	0.002	0.002	0.999	0.836	0.000	0.818
Gulf War era	1.299	0.437	-0.090	0.455	4.930	0.176	0.255	0.476
Officer status	1.613	0.368	0.322	0.050	>999.999	0.982	0.730	0.250
Subsistence allowance for college degree	1.548	0.072	0.017	0.846	0.482	0.404	-0.147	0.570
Earned a degree	1.841	0.089	0.035	0.735	0.139	0.166	-0.476	0.154
Weeks in program	1.000	0.971	-0.001	0.591	1.031	0.465	-0.009	0.408
Observations	657		645		88		86	

NOTE: Models are unweighted. Currently employed model is a logit model; estimates are odds ratios. Months employed model is a negative binomial model. Models include only Veterans who exited the program by FY 2012 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 E-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	11.528	<.0001	13.949	<.0001	11.777	0.073	17.255	0.116
Not having selected a program track (i.e., being in an Extended Evaluation)	5.717	0.316	11.034	0.126	10.744	0.346	20.539	0.274
Program track selection[a]								
Long-term track[1]	6.995	0.053	12.654	0.005	14.447	0.071	29.685	0.025
Other employment track[2]	15.340	<.0001	24.836	<.0001	1.167	0.888	18.388	0.178
Serious employment handicap	-6.687	0.008	-3.485	0.265	-8.039	0.240	-1.066	0.924
Male	3.407	0.228	1.451	0.680	-2.194	0.721	-25.800	0.015
Age	-0.141	0.286	0.012	0.943	0.880	0.003	1.384	0.003
Disability rating	0.178	<.0001	0.182	0.001	0.269	0.005	0.424	0.006
Some college or higher	3.082	0.149	6.646	0.013	3.750	0.411	-0.597	0.935
Pre-rehabilitation salary ($1,000s)	0.380	<.0001	0.382	<.0001	0.155	0.379	0.523	0.077
Number of dependents	0.442	0.533	0.943	0.283	0.804	0.605	0.210	0.933
Mental primary diagnosis	-0.615	0.792	-2.046	0.483	5.296	0.281	7.305	0.368
Length of service	0.058	<.0001	0.074	<.0001	-0.021	0.514	-0.048	0.359
Gulf War era	0.393	0.903	0.813	0.841	16.836	0.024	22.480	0.051
Officer status	18.544	<.0001	17.616	0.004	-18.210	0.121	-0.810	0.967
Subsistence allowance for college degree	2.339	0.323	3.362	0.258	0.699	0.896	-6.238	0.490
Earned a degree	2.469	0.435	4.038	0.312	-11.184	0.138	-4.320	0.745
Weeks in program	0.024	0.408	-0.058	0.106	-0.437	0.058	0.152	0.693
Observations	795		806		122		123	

NOTE: Models are unweighted. Models include only Veterans who exited the program by FY 2012.
[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 F

Index of Data Points

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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)) 3-11, 4-8

The distribution of disability ratings of such individuals. (Public Law 110-389, Section 334(a), 38 U.S.C. § 3122(c)(3)) D-7

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[1] Pre-Rehabilitation salary data is reported for all participants. Pre- and Post-Rehabilitation Salary Data is provided for Rehabilitated cases only.

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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 G

Definitions

Definitions:

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

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

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

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

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

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

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

Extended Evaluation Status: 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.

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

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

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

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

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

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

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

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

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

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

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