



STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

February 20, 2024

Ann Marie T. Sullivan, M.D.  
Commissioner  
Office of Mental Health  
44 Holland Avenue  
Albany, NY 12229

Re: Maximizing Incentives for  
Individuals With Disabilities  
Report 2023-F-33

Dear Dr. Sullivan:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we have followed up on the actions taken by officials of the Office of Mental Health (OMH) to implement the recommendations contained in our initial audit report, *Maximizing Incentives for Individuals With Disabilities* (Report [2021-S-26](#)).

**Background, Scope, and Objective**

According to the 2022 American Community Survey (ACS),<sup>1</sup> there were nearly 1.2 million working-age adults (ages 18–64) with a disability in New York State. The statewide employment rate of working-age adults with a disability was 31% compared to 72% for working-age adults without a disability. Further, working-age New Yorkers with a disability are more than twice as likely to be living in poverty than working-age New Yorkers without a disability statewide (28% vs. 12%, respectively). With adequate assistance and support, many people with a disability can successfully gain employment in the general workforce. Employment can enrich and enhance quality of life and is associated with improved health outcomes and potentially reduced costs of publicly funded benefits for people with disabilities.

The New York Employment Service System (NYESS), which is administered by OMH, was cited as a key resource by New York's Employment First Commission (Commission) for improving competitive employment opportunities and outcomes for all individuals with disabilities who desire services and support. The Commission was created as part of a national movement to support the employment of people with disabilities, with the goal of increasing the employment rate by 5% and decreasing the poverty rate by 5% among this population.

NYESS is a statewide comprehensive employment system. NYESS benefits include centralizing employment service/support information, improving coordination of employment supports, identifying and matching individual job seekers to jobs, generating Ticket to Work program (TTW) documentation, and providing employment-related performance reports. It

<sup>1</sup> The American Community Survey is an ongoing survey conducted by the U.S. Census Bureau that generates vital information each year about our nation and its people.

is also fully integrated with the Department of Labor's (DOL) case management One-Stop Operating System (OSOS), and JobZone and CareerZone, which are job search and career planning tools.

Six State agencies in addition to OMH, including DOL, Office of Addiction Services and Supports, Office for People With Developmental Disabilities (OPWDD), New York State Commission for the Blind, Office for the Aging, and the State Education Department's Adult Career and Continuing Education Services – Vocational Rehabilitation, are responsible for licensing or contracting with providers for employment-related supports and services. Any of these agencies' approximately 491 employment service providers can sign up to be included in NYESS.

NYESS is also an employment network under the Social Security Administration's (SSA) TTW program. TTW is a voluntary program funded by the SSA with the goal of helping SSA beneficiaries (i.e., Supplemental Security Income [SSI] and Social Security Disability Insurance [SSDI] recipients) reach employment goals and reduce reliance on benefits. TTW is open to all SSA beneficiaries ages 18 to 64. TTW is supported by an Administrative Employment Network (AEN) of providers that, through their combined resources, provide employment, vocational rehabilitation, and/or support services to SSA beneficiaries with disabilities. According to OMH, the NYESS AEN operates one of the largest TTW programs in the country, generating revenue that is reinvested in employment services and supporting customers in achieving employment goals.

As of December 2023, 151 TTW providers (hereafter referred to as provider affiliates) were participating in NYESS. These provider affiliates provide customer support/services such as assessment, case management, job preparation, job assistance, and training, and assist customers in creating individual work plans (IWPs) documenting their work goals and expectations. Provider affiliates earn revenue based on countable employment service activities, such as résumé development and interviewing skills coaching, provided in accordance with a customer's IWP, that result in a customer achieving certain earnings and employment milestones. Since 2016, SSA payments for the TTW program totaled more than \$15.2 million, and 15,016 unique customers have been enrolled in the TTW program through the NYESS AEN.

The objective of our initial audit, which was issued in August 2022 and covered the period from July 2016 to March 2022, was to determine whether OMH ensured that State agencies and employment service providers were taking full advantage of NYESS and TTW to promote and place individuals with a disability in competitive employment. During that audit, we found that State agencies and employment service providers utilized NYESS infrequently. As of 2022, only about a third (199) of 621 employment service providers participated in NYESS, and only one of the seven State agencies used NYESS. Additionally, provider affiliates did not fully utilize NYESS' reporting capabilities. Also, OMH had not developed written policies and procedures related to NYESS or TTW and did not monitor provider affiliates and their efforts to ensure that customers were provided services identified in their IWPs, services provided were properly entered into NYESS, and progress toward achieving goals was tracked. Further, NYESS data was not effectively monitored or verified to ensure its completeness, accuracy, and validity.

The objective of our follow-up was to assess the extent of implementation, as of January 2024, of the four recommendations included in our initial audit report.

## **Summary Conclusions and Status of Audit Recommendations**

OMH has made significant progress in addressing the problems we identified in the initial audit report. All four recommendations from the initial report were implemented.

### **Follow-Up Observations**

#### **Recommendation 1**

*Take steps to increase utilization of NYESS such as:*

- *Better informing State agencies about NYESS' capabilities and benefits, so agency officials may educate their employment service providers about NYESS; and*
- *Collaborating with State agencies and employment service providers to assess their needs.*

Status – Implemented

Agency Action – In December 2022, OMH's Director of NYESS Employment Policy presented to the State agencies at the Most Integrated Setting Coordinating Council (MISCC) employment subcommittee meeting. MISCC is a cross-systems partnership consisting of representatives from multiple State agencies and nine appointed public representatives. Together, these agencies work to, among other things, assist people with disabilities in obtaining employment. OMH's presentation ("NYESS: What Is It and Why Does It Matter?") included topics such as the importance of employment for individuals with disabilities; OMH's multi-faceted employment plan; an overview of NYESS; participants in NYESS; how NYESS data can inform outcomes for providers and the services system; an explanation of the TTW program; and links and contact information for OMH resources.

In May 2022, OMH began and continues to issue a quarterly NYESS newsletter to its provider community, which includes relevant updates, training alerts, tools for program optimization, and related informational links. According to OMH officials, the newsletter is designed to be a continuous source of timely information regarding NYESS' capabilities and benefits as well as an educational resource for NYESS-related training. State agencies and employment service providers can also use it as a self-assessment of their informational or training needs, which they can then communicate back to OMH by contacting the NYESS Program Specialist, via the email and telephone number provided in the newsletter.

Additionally, OMH reviewed and changed its internal TTW processes based on federal SSA changes. OMH is also in the process of creating a new data entry portal to streamline accessibility, which officials stated will not only lead to increased marketing opportunities but also address some of the State agencies' and providers' concerns about using NYESS (e.g., duplication of efforts; system not user-friendly, difficult to log into, and operationally slow) identified in our original audit. Further, OMH officials stated they are collaborating with OPWDD to ensure its new employment tracking systems will be compatible with NYESS via an application programming interface.

## **Recommendation 2**

*Ensure TTW provider affiliates have the knowledge and resources available to use NYESS to monitor the TTW program, including periodic refresher trainings on generating reports.*

Status – Implemented

Agency Action – OMH deployed its online NYESS Learning Center in April 2022. The Learning Center is a collection of training and resource documents that provide information and guidance on all NYESS and TTW programs. The Learning Center includes three mandatory training sessions that users must complete prior to being granted access to the system and then annually thereafter. OMH has also placed its TTW training sessions and detailed, step-by-step TTW operational instructional guides in the Learning Center. These resources and training sessions enable TTW provider affiliates to access information that can assist them in monitoring their TTW programs. The resource documents made available by OMH are guides on topics such as:

- Operationalizing NYESS TTW
- Enrolling in NYESS
- Completing the TTW IWP
- Completing a review of IWP for TTW AEN
- Engaging clients (Activities Guide)

OMH's quarterly NYESS newsletters, which it began issuing in May 2022, provide information on resources available within the Learning Center, including the annual required training covering confidentiality, cybersecurity, and the Health Insurance Portability and Accountability Act (HIPAA). The newsletters also offer updates, marketing tips, and success stories, and direct readers to other sources of assistance, such as job fairs, technology resources, key OMH staff contacts, and links to online training. They also provide information on training topics such as Work Incentives Navigator and Reports (WINR), workforce development, data entry, and how to use DOL's OSOS.

OMH also provided us with training statistics for the period from January 2023 through October 2023, including dates of specific training topics covered and the number of attendees per session. These statistics show that OMH held 14 full NYESS trainings, six TTW trainings, seven WINR trainings, and three activities trainings, and created four video trainings on SSDI, SSI, benefits, and activities topics.

## **Recommendation 3**

*Develop written policies and procedures related to NYESS and the monitoring and administration of the TTW program.*

Status – Implemented

Agency Action – OMH developed written policies and procedures that included monitoring and administration of NYESS and TTW. The NYESS Policies and Procedures Manual (Manual) was developed and distributed in July 2022 both internally and to all provider affiliates. The purpose of the Manual is to provide clear and concise descriptions

and guidance in all areas of NYESS, including OSOS, WINR, TTW revenue, TTW enrollment, provider affiliate onboarding, work incentives planning and assistance, the NYESS website, provider review protocols, and required training attestation compliance. The Manual also includes the Security Management System User Guide used by community service providers to grant their staff access to NYESS. Additionally, the existing TTW AEN procedures were updated in August 2023 to provide better oversight of the IWPs for TTW. According to OMH, these updates were designed to better capture the consistent provider engagement with the ticketholder (customer), which is the primary goal of TTW.

#### **Recommendation 4**

*Monitor and verify data entered in NYESS to ensure its completeness, accuracy, and validity.*

Status – Implemented

Agency Action – OMH began conducting provider reviews on a sample basis in February 2022. The reviews cover a range of areas, including data reliability, maximizing TTW revenue, and engagement opportunities. We reviewed documentation and support for five of the 62 reviews OMH conducted between February 2022 and October 2023, and found staff had verified the reliability of data entered in NYESS as part of the review. However, the TTW AEN procedures, updated in August 2023, include new steps to enhance monitoring of data entered in NYESS. Specifically, the procedures require OMH staff to review every IWP submitted prior to customer enrollment in NYESS—previously, the provider reviews done on a sample basis did not capture 100% of data entered into NYESS. These updated procedures, including the IWP reviews, replaced the provider reviews for data reliability and allow OMH staff to check whether a program adheres to TTW regulations prior to any IWP data being entered into the system. If OMH staff determine corrections need to be made, the IWP is returned to the provider. Instructions for implementing the new procedure were also provided to State agencies and NYESS provider affiliates. We reviewed all seven IWP reviews performed by OMH during the week of December 4, 2023, and found evidence that OMH was working with provider affiliates to ensure the completeness, accuracy, and validity of NYESS data.

Major contributors to this report were Peter Carroll, Kathleen Garceau, and James Rappaport.

We thank the management and staff of OMH for the courtesies and cooperation extended to our auditors during this follow-up.

Very truly yours,

Scott Heid  
Audit Manager

cc: Tarra Pratico, Office of Mental Health