

BRIEF

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Promoting Opportunity Demonstration: Trends in Treatment Group Outcomes and the COVID-19 Pandemic

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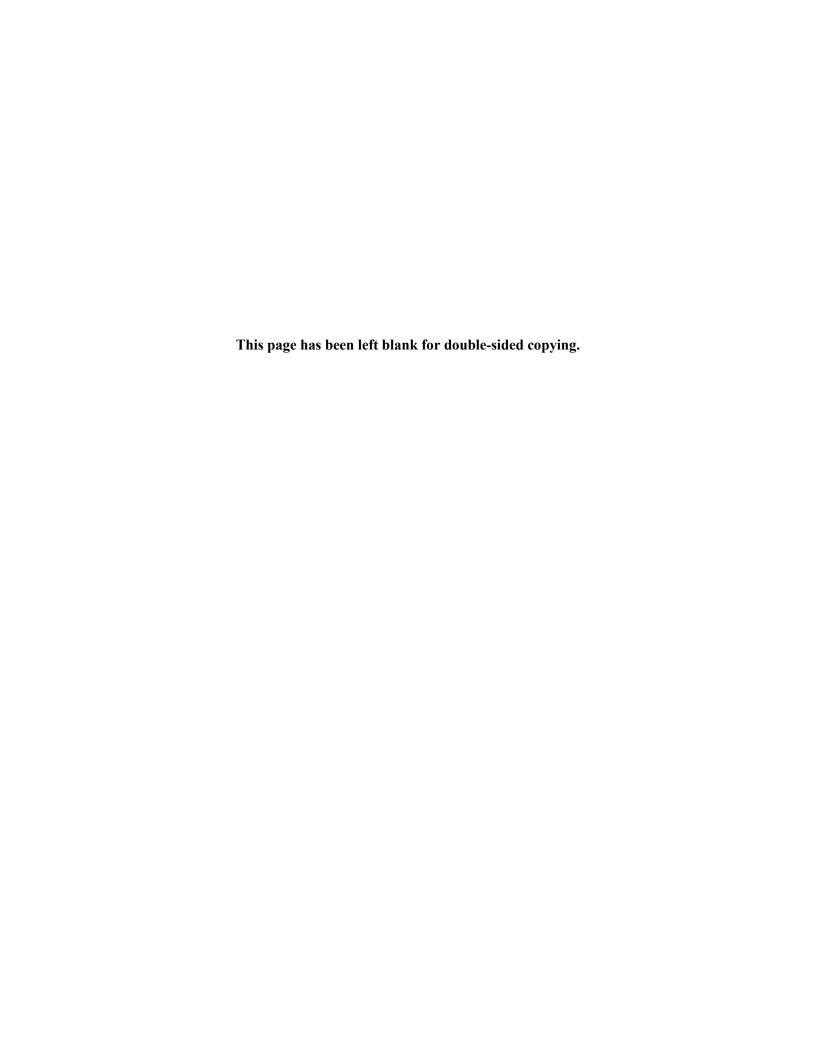
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Executive Summary

The COVID-19 pandemic created a public health emergency that disrupted program services for people receiving disability benefits. When the pandemic began the Social Security Administration (SSA) was conducting the Promoting Opportunity Demonstration (POD), which tests modifications to program rules. POD was a randomized controlled trial that randomly assigned volunteer participants to treatment or control groups. Treatment group members had access to new program rules that allowed for a benefit offset for earnings (\$1 for \$2 benefit offset) based on a monthly earnings and other earnings-related program rule modifications. Control group members continued receiving benefits under current rules that did not have an offset. The pandemic and related restrictions created challenges for participants in the treatment and control groups.

This brief summarizes the implementation experiences and outcome trends of POD treatment group members during the first year of the pandemic. We examined changes in the reported monthly earnings of treatment group members. We also examined trends in benefit offset use and deaths among treatment group members. For all outcomes, we tracked trends from the start of the pandemic in April 2020 through December 2020.

We found that the POD treatment group experienced a sudden decrease in earnings in April 2020 near the start of the pandemic. The percentage of treatment group members with any reported earnings remained steady following an initial decline but remained below the prepandemic level. Despite this decline, most of those who were employed just before the pandemic continued to work. We show that the proportion of treatment group members with more substantive earnings did not change, underscoring that those with higher earnings were more likely to stay connected to the labor market. In addition, the pandemic created strong health concerns around work for treatment group members, with some working from home and others staying at work because they were essential workers.

The findings quantify the extent to which the pandemic may have influenced trends in outcomes among POD treatment group members. We cannot measure the causal impact of the pandemic on outcomes for POD. However, the outcome trends suggest the pandemic might have adversely affected earnings-related activity among some treatment group members, especially those who had no reported earnings when the pandemic started.

A. Introduction

The COVID-19 pandemic intensified in the United States in March 2020, creating a public health emergency during the implementation of the Promoting Opportunity Demonstration (POD). Policies to mitigate the spread of the virus, such as imposed lockdowns, business closures, and other actions, resulted in reduced work hours, layoffs, and furloughs. Because of their existing health conditions, the pandemic and policies meant to

POD at a glance

- POD started in January 2018 and ended in June 2021.
- POD replaced the loss of benefits—often called the cash cliff—with a \$1 for \$2 benefit offset for earnings above either the POD threshold or the beneficiary's impairment-related work expenses, whichever amount was higher.
- 10,070 beneficiaries voluntarily enrolled in POD.
- Enrollees were randomly assigned to either a control group or a treatment group.
- POD sites were located in Alabama, California, Connecticut, Maryland, Michigan, Nebraska, Texas, and Vermont.

contain its spread had the potential to disproportionately affect people with disabilities, including Social Security Disability Insurance (SSDI) beneficiaries.

POD tests modifications to SSDI program rules that promote the labor force attachment for SSDI beneficiaries. Under current rules, beneficiaries with earnings that exceed substantial gainful activity (SGA) limits can lose all of their benefits. In 2021, the monthly SGA amount for non-blind beneficiaries was \$1,310. POD replaced this loss of benefits—often called the "cash cliff"—with a \$1 for \$2 benefit offset for earnings above either the POD threshold or the beneficiary's impairment-related work expenses up to the SGA amount, whichever amount was higher. POD was a randomized controlled trial in which treatment group members had access to the benefit offset and control group members continued receiving benefits under current law rules. POD included a rigorous evaluation to measure the impacts of the benefit offset. The pandemic and its related restrictions created challenges for POD staff and enrollees. POD implementation staff began working from home, and reporting earnings became more difficult for some treatment group members.

Examining outcomes following the pandemic provides some insights into how disability beneficiaries who were working fared following this period. A unique aspect of POD is that we can use the monthly earnings reporting to track changes in reported earnings of the treatment group. We can use this information to assess how quickly reported earnings changed after the onset of the pandemic and whether there was a recovery in the months following through the end of 2020.

In this brief, we characterize how the pandemic influenced the implementation of POD and outcome trends among treatment group members. Our analyses included treatment group members only because control group members were not subject to the benefit offset and did not report monthly earnings data. After briefly summarizing the broader labor market effects of the pandemic in POD-participating states, we use quantitative and qualitative data collected for the POD evaluation to explore the potential effects of the pandemic. We document implementation challenges caused by the pandemic and summarize strategies used to address them. We then

examine how earnings, benefit offset use, and deaths among treatment group members varied before and after the start of the pandemic.

B. Background on the COVID-19 pandemic

The effects of the pandemic on the labor market in the United States have been wideranging. As of October 2021, there have been at least 44.7 million confirmed infections and 721,700 coronavirus-related deaths (*New York Times* 2021). Those infected with the virus can experience a wide variety of symptoms, ranging from none to serious illness requiring intensive medical care. People with certain comorbidities who become infected with the virus are more likely to experience serious illness or death. As a result, people with disabilities could have been more likely to stay home during the initial months of the pandemic, even if it decreased their income. Conversely, the widespread adoption of work-from-home and other labor market changes removed certain barriers to work, improving the employment prospects of some. With nearly 10 million beneficiaries, SSDI is the largest income support program in the United States for workers with disabilities. Because of their significant disabilities, SSDI beneficiaries testing their ability to work might have been especially sensitive to the labor market effects of the pandemic.

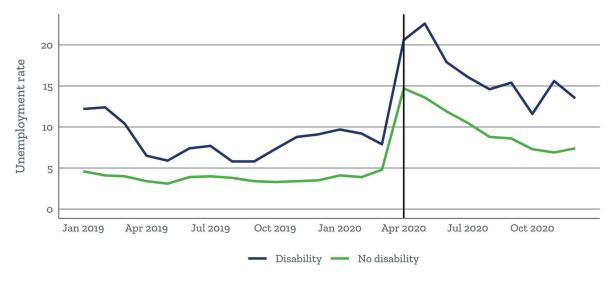
Starting in March 2020, federal, state, and local governments enacted cross-cutting policies designed to slow the spread of the virus (Fullman et al. 2021). The federal government declared a nationwide emergency on March 13, 2020. Starting on March 15, 2020, states imposed shutdowns and other restrictions in response to the pandemic (Centers for Disease Control and Prevention 2021a). Some policies prohibited in-person gatherings where the virus could spread readily. These types of restrictions, for example, closed or placed capacity limits on schools, restaurants, bars, and other businesses deemed non-essential to health and safety. Many states also enacted stay-at-home orders or recommendations at the beginning of the pandemic to prevent non-essential travel. Other government policies attempted to slow the spread of the virus when people met in person. For example, several governments asked or required citizens to wear a face covering and observe social distancing rules when in public. States and localities varied in what policies they adopted and how long restrictions lasted (Hallas et al. 2021).

For the analyses described in this brief, we used April 2020 as the beginning of the pandemic period in the United States. We did this because the effects of the pandemic on the labor market and public policies became substantive in mid-March and April was the first full month after shutdowns and other restrictions began. All exhibits include a vertical line at April 2020 to indicate the approximate start of the pandemic.

The pandemic and policies designed to slow its spread increased unemployment in the eight POD states, especially among people with disabilities (Exhibit B.1). There was a sharp increase in unemployment at the start of the pandemic from March to April. The increase was relatively larger for people with disabilities. For example, the unemployment rate among people with disabilities in the POD states increased from 7.9 percent in March 2020 to 20.6 percent in April 2020—a 12.7 percentage point increase. Comparatively, the unemployment rate for people without disabilities increased 9.9 percentage points to 14.7 percent. Both groups experienced a gradual decrease in the unemployment rate after April 2020, but by December 2020 the

unemployment rate for people with disabilities was 13.5 percent—6.1 percentage points higher than the rate for people without disabilities and well above the pre-pandemic average.

Exhibit B.1. Monthly unemployment rate, by disability status in states participating in POD



Source: American Community Survey, January 2019 to December 2020.

Note:

This graph shows the monthly unemployment rate in the POD states (Alabama, California, Connecticut, Maryland, Michigan, Nebraska, Texas, and Vermont) among people with and without disabilities. The unemployment rate for each group is the ratio of total civilian population ages 16 to 64 who were unemployed divided by the total civilian population ages 16 to 64 who were in the labor force. The unemployment rate statistics are not seasonally adjusted. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

Policymakers responded to the economic effects of the pandemic by enacting legislation designed to expand supports for unemployed workers and promote economic activity. The Families First Coronavirus Response Act, Coronavirus Aid Relief and Economic Security (CARES) Act, and American Rescue Plan increased unemployment insurance benefit amounts, durations, and eligibility criteria (U.S. Department of Labor 2021; U.S. Department of the Treasury 2021b). The CARES Act, American Rescue Plan, and Tax Relief Act provided taxpayers with stimulus checks to help unemployed workers meet basic expenses and encourage economic recovery more broadly (U.S. Department of the Treasury 2021a). In addition to unemployment insurance changes and stimulus checks, pandemic recovery legislation has included other policies, such as eviction moratoriums, designed to help offset the economic impacts of the pandemic and provide relief to struggling households (United States Congress 2020).

C. How the pandemic affected the implementation of POD

The pandemic started disrupting activities for SSA and POD's implementation team in March 2020 when shutdowns and other restrictions began. The demonstration's main implementation activities included counseling treatment group members about POD rules and processing monthly earnings reports to apply the benefit offset. SSA made operational changes

to SSDI and its other programs starting in March 2020 to mitigate the effects of the pandemic. These changes affected all POD enrollees. The POD implementation team also adapted services offered to treatment group members and operations in response to the pandemic. Though the implementation team adjusted services and operations, POD work rules did not change during the pandemic.

The implementation team for POD began delivering all services to treatment group members remotely. Despite the challenge of modifying implementation support processes, such as reviewing submitted earnings reports, qualitative interviews revealed the transition from inperson to remote supports was largely successful (Wittenburg et al. 2022). Counseling contacts peaked in April 2020 when the implementation team proactively reached out to treatment group members at the beginning of the pandemic. The outreach focused on asking about changes in employment and earnings, providing information about available resources, and inquiring about general well-being. The implementation team successfully contacted 38 percent of treatment group members.

SSA also temporarily changed some of its processes for reporting earnings and identifying and waiving overpayments—including for POD treatment group members—at the start of the pandemic (*Federal Register* 2020). Overpayments typically occur when beneficiaries submit inaccurate earnings reports or do not report earnings quickly enough for SSA to make the necessary benefit adjustments. For POD, SSA and the implementation team introduced changes that gave treatment group members more flexibility in reporting earnings. For instance, pandemic-related restrictions made it difficult for some working beneficiaries to leave their homes and obtain physical proof of earnings. To address this challenge, SSA temporarily allowed beneficiaries to report earnings verbally by phone. From March 17 through August 31, 2020, SSA did not process actions that would identify overpayments. In addition, if an overpayment was identified by the end of 2020 and SSA received the necessary request, SSA waived the recovery of overpayment debt that occurred between March and September 2020.

Despite the challenges presented by the pandemic, SSA and the POD implementation team sustained service delivery and operations for the demonstration. Interviews of treatment group members suggest the changes improved the quality of counseling services and reduced anxiety among treatment group members. Though we cannot measure the effects of the implementation changes on other outcomes of interest, the changes clearly enabled the implementation of POD to continue with limited interruption.

D. Trends in key outcomes for POD before and during the pandemic

To better understand how the pandemic affected POD, we analyzed trends in key outcomes before and during the pandemic. We focused on five outcomes: any reported earnings, average

¹ Descriptive graphs plot outcome statistics by month for each outcome of interest, providing visual evidence about which outcomes trends might have changed when the pandemic started. However, identifying patterns visually is not sufficient to establish correlations between the pandemic and changes in outcome trends. To complement our descriptive analyses, we used data at the beneficiary-month level to estimate interrupted time series regression models that tested for changes in the outcomes around the time of the pandemic. The model regressors included a time trend, a binary indicator for whether a month was before or after the start of the pandemic in April 2020, an

interaction of the time trend and pandemic period indicator, and a set of state fixed effects. We used a first-order

earnings, any use of the benefit offset, full use of the benefit offset, and deaths. The earnings outcomes are critical for evaluating the efficacy of POD because benefit offset was hypothesized to encourage beneficiaries to increase their earnings activity (Wittenburg et al. 2018). If the pandemic adversely influenced the earnings behaviors of POD enrollees, we would expect to see sharp declines in earnings. We examined use of the benefit offset for similar reasons—offset use was an essential indicator for POD because it was the mechanism by which beneficiaries could have substantive earnings and still receive a partial SSDI benefit. We also explored whether the pandemic increased deaths among beneficiaries.

The analysis period was from January 2019 through December 2020, with April 2020 marking the start of major pandemic-related restrictions. As mentioned above, the analyses included treatment group members only because control group members were not subject to the benefit offset and did not report monthly earnings data.

We used outcome measures on treatment group members from SSA and POD program systems. For earnings, we examined monthly earnings reports to the implementation team and SSA by treatment group members. The implementation team initially asked treatment group members to report earnings only when the earnings were large enough to trigger a benefit offset. Though this guidance changed during the demonstration in favor of routine monthly earnings reporting, the earnings statistics in this brief represent lower bounds of treatment group earnings. We used program records from SSA to identify benefit offset usage based on administrative data from the previously mentioned earnings reports. Finally, we included information on enrollees' deaths from the Numident file, which records information on all deaths in the United States.

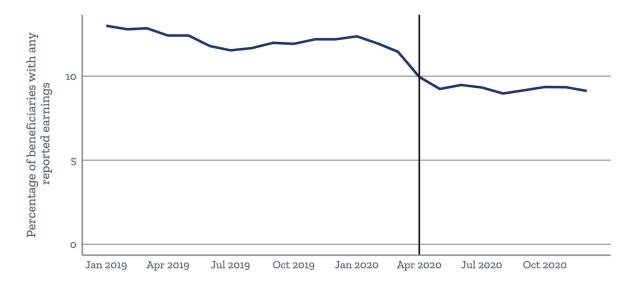
Earnings declined sharply at the start of the pandemic

Treatment group members experienced sharp declines in any reported earnings when the pandemic began in the United States (Exhibit D.1). Before April 2020, each month roughly 12.2 percent of treatment group members reported any earnings. When the pandemic started in April 2020, this percentage fell sharply to 10.0 percent. Any reported earnings among treatment group members remained at lower levels for the rest of 2020, with an average of 9.3 percent. This is a decline of 24 percent relative to the pre-pandemic average. The regression estimates support the descriptive analysis findings: the percentage of treatment group members with any reported earnings after April 2020 decreased by a statistically significant 1.4 percentage points.

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autoregressive model to improve the efficiency of our estimations when we believed residuals were correlated across time and within beneficiaries. The standard errors for the models were clustered at the state level to account for state-level factors affecting regressors and residuals.

Exhibit D.1. Any reported earnings of POD treatment group members

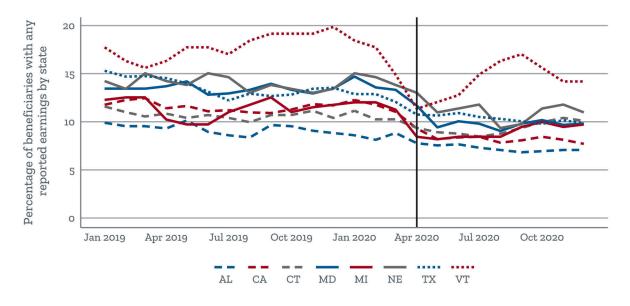


Source: Abt Associates' Implementation Data System from August 2021, January 2019 to December 2020. Abt Associates was the implementation contractor responsible for receiving, preparing, and transmitting

earnings data for POD treatment enrollees to SSA each month.

Note: This exhibit describes the percentage of the 6,700 POD treatment group members who had any reported earnings by month in 2019 and 2020. Treatment group members were initially asked to report earnings when the earnings were large enough to trigger a benefit offset and later encouraged to report earnings each month regardless of the amount. Therefore, the statistics in this figure represent a lower bound on earnings activity among treatment group members. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

Exhibit D.2. Any reported earnings of POD treatment group members, by state



Source: Abt Associates' Implementation Data System from August 2021, January 2019 to December 2020.

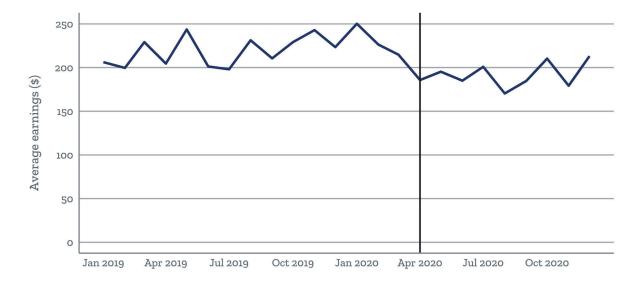
Note:

This exhibit describes the percentage of the 6,700 POD treatment group members who had any reported earnings by month in 2019 and 2020 by state. Treatment group members were initially asked to report earnings when the earnings were large enough to trigger a benefit offset and later encouraged to report earnings each month regardless of the amount. Therefore, the statistics in this figure represent a lower bound on earnings activity among treatment group members. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

Examining any reported earnings across the POD participating states revealed limited state-level variation in trends (Exhibit D.2). Except for Vermont, whose trend is relatively more erratic likely because of its small sample size, the states all had a similar decline in any reported earnings at the beginning of the pandemic. This pattern of individual states having a pandemic-correlated change similar to the aggregate trend is consistent across outcomes. Consequently, for the remaining outcomes we aggregated statistics across the states to simplify their presentation.

Similar to any reported earnings, earnings amounts also decreased among treatment group members at the onset of the pandemic (Exhibit D.3). Before April 2020, treatment group members had monthly earnings of \$221 on average, with most reporting no earnings. Average earnings dropped to \$186 when the pandemic started. Although earnings seemed to recover slightly during the latter half of 2020, average monthly earnings remained lower (\$192) than the pre-pandemic average. The regression estimates confirm that monthly earnings decreased by a statistically significant \$31.60 on average when the pandemic began.

Exhibit D.3. Average monthly earnings of POD treatment group members



Source: Note: Abt Associates' Implementation Data System from August 2021, January 2019 to December 2020.

This exhibit describes the average monthly earnings of the 6,700 POD treatment group members in 2019 and 2020. The graph includes all treatment group members, including those with no earnings. Earnings are reported in nominal 2019 and 2020 dollars. Treatment group members were initially asked to report earnings when the earnings were large enough to trigger a benefit offset and later encouraged to report earnings each month regardless of the amount. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

The sharp decrease in earnings at the beginning of the pandemic among treatment group members appears driven primarily by a subset who no longer had any reported earnings (Exhibit D.4). The pre-pandemic monthly earnings of treatment group members varied substantively after categorizing them by their any reported earnings status before and during the pandemic. Specifically, those employed before and during April 2020 had average monthly earnings of \$1,934, which was 79 percent greater than the earnings of those who became unemployed in April 2020. In other words, treatment group members who lost their jobs when pandemic-related restrictions began made relatively less before the pandemic than those who remained employed. For those employed before and at the onset of the pandemic, monthly earnings decreased during the pandemic by 13 percent. However, average monthly earnings decreased by 71 percent for those who no longer had reported earnings in April 2020.

Exhibit D.4. Average earnings of POD treatment group members who had reported earnings before the pandemic

	Average monthly earnings			
	January—March 2020	April—December 2020	Percentage change	Sample size
Had reported earnings before and at the onset of the pandemic	\$1,934	\$1,675	-13%	646
Had reported earnings before and no reported earnings at the onset of the pandemic	\$1,080	\$311	-71%	273

Source:

Abt Associates' Implementation Data System from August 2021, January 2019 to December 2020.

Note:

This exhibit reports the average monthly earnings of the 919 POD treatment group members who were employed between January and March 2020, just before the pandemic. We use earnings in January through March 2020 to determine reported earnings status before the pandemic and April 2020 to determine reported earnings status at the onset of the pandemic. Treatment group members were considered to be employed if they had positive earnings during the month or period being examined. Treatment group members were initially asked to report earnings when the earnings were large enough to trigger a benefit offset and later encouraged to report earnings each month regardless of the amount. Average monthly earnings are calculated for the three months in 2020 before the pandemic began (January to March) and the pandemic period (April to December). Earnings are reported in nominal 2020 dollars.

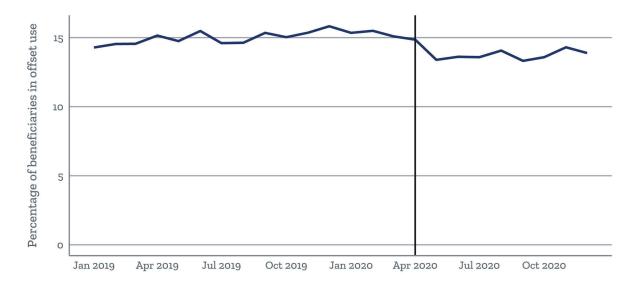
Fewer treatment group members used the benefit offset during the pandemic

This section describes whether trends in use of the benefit offset changed during the pandemic. We examined two monthly outcomes: the proportion of treatment group members who used the benefit offset and the proportion of treatment group members in full offset—meaning they earned enough to reduce their benefit amount to \$0. A portion of treatment group members needed to increase their earnings enough to use the benefit offset if POD was to achieve its policy goals. If the pandemic adversely affected the ability of treatment group members to earn more, some might have been unable to earn enough to use the benefit offset.

Treatment group members were less likely to use the benefit offset during the pandemic (Exhibit D.5). Before the pandemic, 15.0 percent of POD enrollees used the benefit offset on average each month. After the pandemic started, use of the benefit offset declined to 13.8 percent

on average. These results indicate that use of the benefit offset followed the same pandemic trend as earnings.²

Exhibit D.5. Benefit offset use of POD treatment group members



Sources:

Master Beneficiary Record and Abt Associates' Implementation Data System from August 2021, January 2010 to December 2020

2019 to December 2020.

Note:

This exhibit describes the percentage of the 6,700 POD treatment group members who used the benefit offset in 2019 and 2020 by month. Treatment group members were considered to have used the benefit offset if their earnings and impairment-related work expenses exceeded the POD threshold. Changes in benefit offset use take effect one month after changes in earnings. The analysis considered the month in which the change in benefit offset use occurred. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

Full offset use among treatment group members during the pandemic was similar to its prepandemic average (Exhibit D.6). A portion of treatment group members—1.9 to 3.4 percent—were in full offset during any given month. The outcome had an upward trend in 2019 that continued through 2020, with a slight change at the start of the pandemic. About 2.4 percent of beneficiaries were in full offset on average before the pandemic. That percentage increased to 2.8 percent after the pandemic began.³

² The regression estimates confirmed the descriptive result, finding a statistically significant 1.5 percentage point decline in use of the benefit offset during the pandemic.

³ The regression estimates found no statistically significant change in full benefit offset use during the pandemic period.

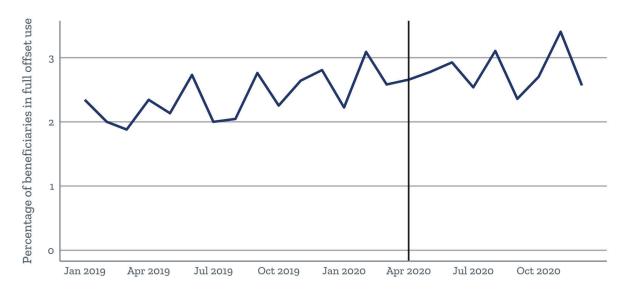


Exhibit D.6. Full benefit offset use of POD treatment group members

Sources:

Master Beneficiary Record and Abt Associates' Implementation Data System from August 2021, January

2019 to December 2020.

Note:

This exhibit describes the percentage of the 6,700 POD treatment group members who were in full benefit offset by month in 2019 and 2020. Treatment group members were considered to have been in full benefit offset if they earned enough to bring their benefit amount down to \$0. Changes in benefit offset use take effect one month after changes in earnings. The analysis considered the month in which the change in benefit offset use occurred. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

No substantive changes in death rates among treatment group immediately following the pandemic

We also examined deaths to understand some of the broader effects of the pandemic. The pandemic has been a health concern for all individuals (Cutler and Summers 2020), and increasing evidence shows people with disabilities are more likely to die if they contract the virus (Centers for Disease Control and Prevention 2021b; Turk et al. 2020).

We do not observe a statistically significant increase in the death rate at the beginning of the pandemic (Exhibit D.7). Our findings indicate that treatment group members had a death rate of 0.14 percent per month on average; this average was higher than the monthly mortality rate in the general population before the pandemic (0.07 percent) (Centers for Disease Control and Prevention 2022). There were relatively more deaths in the months immediately after the pandemic began and near the end of 2020. Though these months coincide with increases in pandemic-related deaths in the POD states, our regression estimates did not detect a correlation between death and the pandemic among treatment group members. Hence, even though the treatment group did face a substantive general risk of death, we do not see a substantive spike in the immediate months following the pandemic.

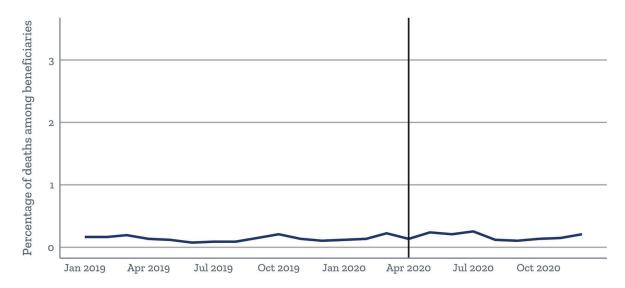


Exhibit D.7. Deaths of POD treatment group members

Source: Numident file (SSA), January 2019 to December 2020.

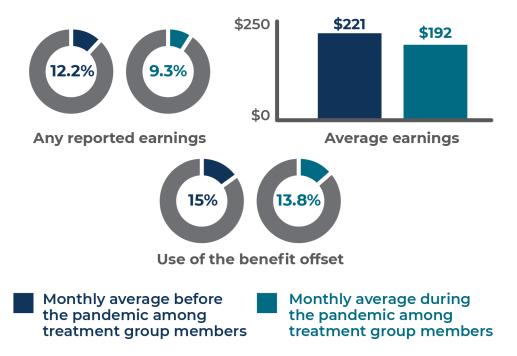
Note: This exhibit describes the number of deaths among the 6,700 POD treatment group members by month in 2019 and 2020. Reported deaths are not cumulative. The vertical line (April 2020) marks the first month after most states began imposing shutdowns and other restrictions in response to the pandemic.

E. Discussion

The implementation lessons from POD suggest SSA and its implementation partners adapted quickly to address shutdowns related to the pandemic. SSA and the implementation team shifted to delivering services virtually. The implementation team adapted their methods to allow more flexibility of collecting earnings information via phone to allow for continued timely processing of the offset. We also found that service delivery and operations continued with limited interruption during the transition. The success of the transition is a credit to SSA and the implementation team and highlights the potential of continued remote service initiatives as needed in the future.

The outcome trends for POD reveal declines in key earnings-based outcomes at the start of the pandemic among treatment group members. Earnings and use of the benefit offset declined in substantive, statistically significant ways and did not recover by the end of 2020 (Exhibit D.8). Though we know anecdotally that some treatment group members found new labor opportunities, the labor market activity of treatment group members declined on average at the start of the pandemic relative to the preceding months. Treatment group members who had no reported earnings at the start of the pandemic experienced the brunt of the decline in earnings, with their average monthly earnings falling 75 percent relative to the first three months of the year.

Exhibit D.8. Key earnings outcomes of POD treatment group members before and during the pandemic



Sources: Master Beneficiary Record and Abt Associates' Implementation Data System from August 2021, January

2019 to December 2020.

Note: This exhibit describes the reported earnings, average monthly earnings, and benefit offset use of the

6,700 POD treatment group members before the pandemic (January 2019 to March 2020) and during the pandemic (April 2020 to December 2020). The averages include all treatment group members, including those with no earnings. Earnings are reported in nominal 2019 and 2020 dollars. We define the period during the pandemic based on the first month after most states began imposing shutdowns and other

restrictions in response to the pandemic (April 2020).

There was no pandemic-correlated decline in the proportion of treatment group members in full offset. The limited number of treatment group members in full offset was less sensitive to the adverse labor market effects of the pandemic, possibly because their higher-paying jobs experienced minimal disruptions from the pandemic (Bartik et al. 2020)

We also found no substantive cross-state differences in outcome trends. Instead, pandemic-related declines in earnings and benefit offset use occurred in each of the POD participating states. This finding is notable given cross-state differences in cases and policies during the pandemic and suggests the pandemic's initial effects were consequential and pervasive in the United States.

It is important to remember that we cannot disentangle the causal effects of POD from the effects of the pandemic. POD overlapped with the onset of the pandemic, which affected both treatment and control group members. This interferes with our ability to isolate the causal effects of POD from the effects of the pandemic, even though POD was a randomized controlled trial. In other words, we cannot tell how the pandemic influenced differences in outcomes between

treatment and control group members separately from the influences of the benefit offset. The analyses discussed in this brief capture correlations between the pandemic and POD outcomes, but do not measure causal relationships.

The outcome trends imply the pandemic might have interfered with the ability of impacts to emerge for POD. The demonstration did not have the hypothesized impacts on outcomes (Wittenburg et al. 2022). We do not know for certain whether the pandemic caused the lack of impacts. However, our outcome trend analyses suggest the pandemic might have adversely affected earnings-related activity among some treatment group members, especially those who lost their jobs when the pandemic started. The theory of change for POD suggests the demonstration was less likely to achieve its policy goals if few treatment group members increased their earnings or used the benefit offset. Though the pandemic also likely affected the monthly earnings of control group members, decreases in earnings among treatment group members during the pandemic may have lowered the likelihood of detecting impacts.

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