

**Great expectations but poorer outcomes:  
Declining employment among a growing  
group of work-oriented beneficiaries  
2005 - 2015**

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# Study purpose

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- **Examine how employment experiences of working-age Supplemental Security Income (SSI) and Social Security Disability Insurance (DI) beneficiaries changed from 2005 to 2015**
- **A decade with many noteworthy changes**
  - Large growth in the federal disability programs
  - Changing composition of people on the disability rolls
  - Numerous policy, labor market, and other changes affecting the employment of people with disabilities

# Factors potentially affecting beneficiary employment 2005 -2015

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Hypothesized effect on employment		
Positive	Unknown	Negative
<ul style="list-style-type: none"><li>• Ticket to Work Act</li><li>• Federal grants to states for disability initiatives</li><li>• CMS guidance on use of waivers for employment supports</li><li>• Employment First</li><li>• 7% target for federal contractors</li><li>• Affordable Care Act</li><li>• Higher average levels of education</li><li>• Medical and technological advances</li><li>• Attitudinal changes around work and disability</li></ul>	<ul style="list-style-type: none"><li>• Changes in Social Security Administration (SSA) disability determination or other processes</li></ul>	<ul style="list-style-type: none"><li>• Aging of the population</li><li>• Recession of 2007 – 2009</li><li>• Decline in work opportunities that match skills and abilities</li><li>• Rising health care costs and decline in employer-sponsored health insurance</li></ul>

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# Study methods and data

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- **Research questions**

- How did the characteristics and health of beneficiaries change from 2005 – 2015?
- How did beneficiary work expectations change?
- Among those with work expectations, how did employment-related experiences change?
  - Service use, unmet service needs, **employment**, job characteristics, barriers to work, and awareness of SSA work supports
- Are the differences observed significant after controlling for changes in personal characteristics and health?

# Study methods and data (2)

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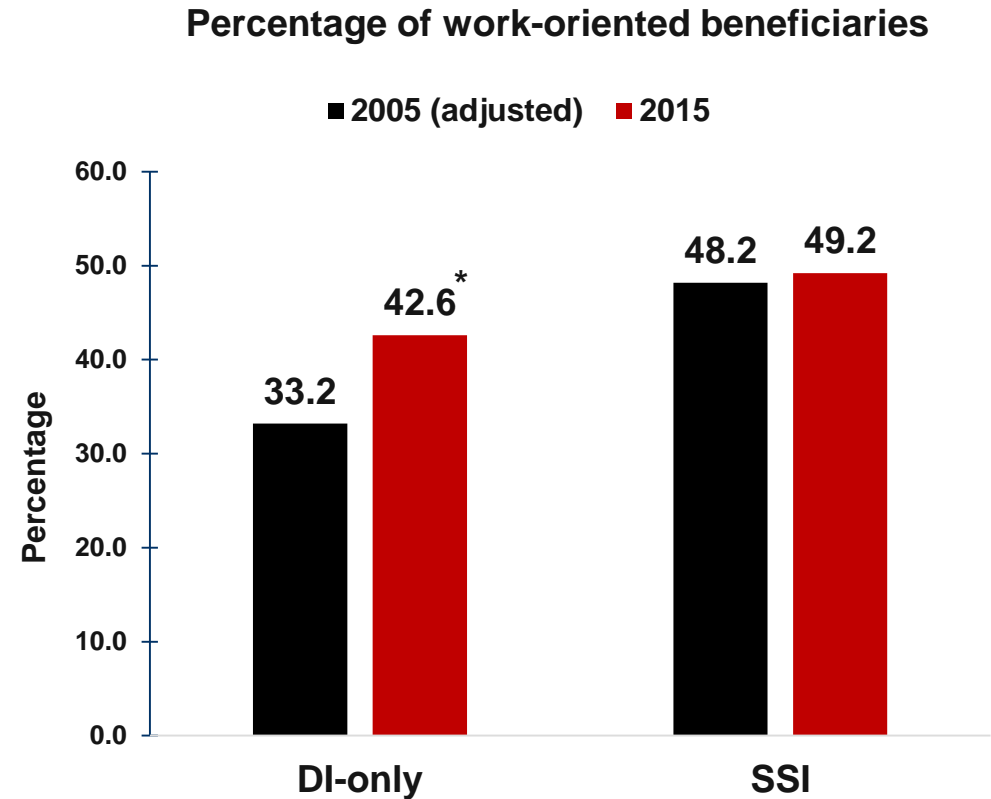
- **Data from the 2005 and 2015 National Beneficiary Surveys**
  - Nationally representative survey of working-age beneficiaries
  - N = 4,864 (2005) and 4,062 (2015)
- **Unadjusted estimates of characteristics and employment-related experiences**
- **Adjusted estimates of selected employment-related outcomes**
  - Regression-based adjustments (overall and by program) that hold 2005 characteristics constant at 2015 levels
    - Age, race, sex, education, marital status, time on the disability rolls, general mental and physical health, and activity limitations

# Changes in beneficiary characteristics

	Increased	No change	Decreased
<b>Demo-graphic</b>	<ul style="list-style-type: none"> <li>• Age</li> <li>• Education</li> </ul>	<ul style="list-style-type: none"> <li>• Race</li> <li>• Sex</li> <li>• Living arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• Marriage</li> <li>• Having children under age 18</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>• Musculoskeletal conditions</li> <li>• Obesity</li> <li>• Difficulty getting around outside the home</li> </ul>	<ul style="list-style-type: none"> <li>• Mental health conditions</li> <li>• General physical and mental health</li> <li>• Difficulty with most activities of daily living</li> </ul>	<ul style="list-style-type: none"> <li>• Childhood disability onset</li> <li>• Sensory and intellectual disabilities</li> <li>• Difficulties shopping for personal items</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• DI-only</li> <li>• New beneficiaries (1-5 years)</li> </ul>		

# Changes in work expectations

- **Work-oriented beneficiaries**
  - Personal goals include work
  - See themselves working in the next five years
  - Group for whom employment is relevant
- **Change from 2005 to 2015**
  - Large increase for DI-only
  - No change for SSI
- **Some changes were more dramatic for this group**
  - Larger share was over age 55
  - Poorer physical health



\* Significantly different from 2005 value at the 0.05 level.

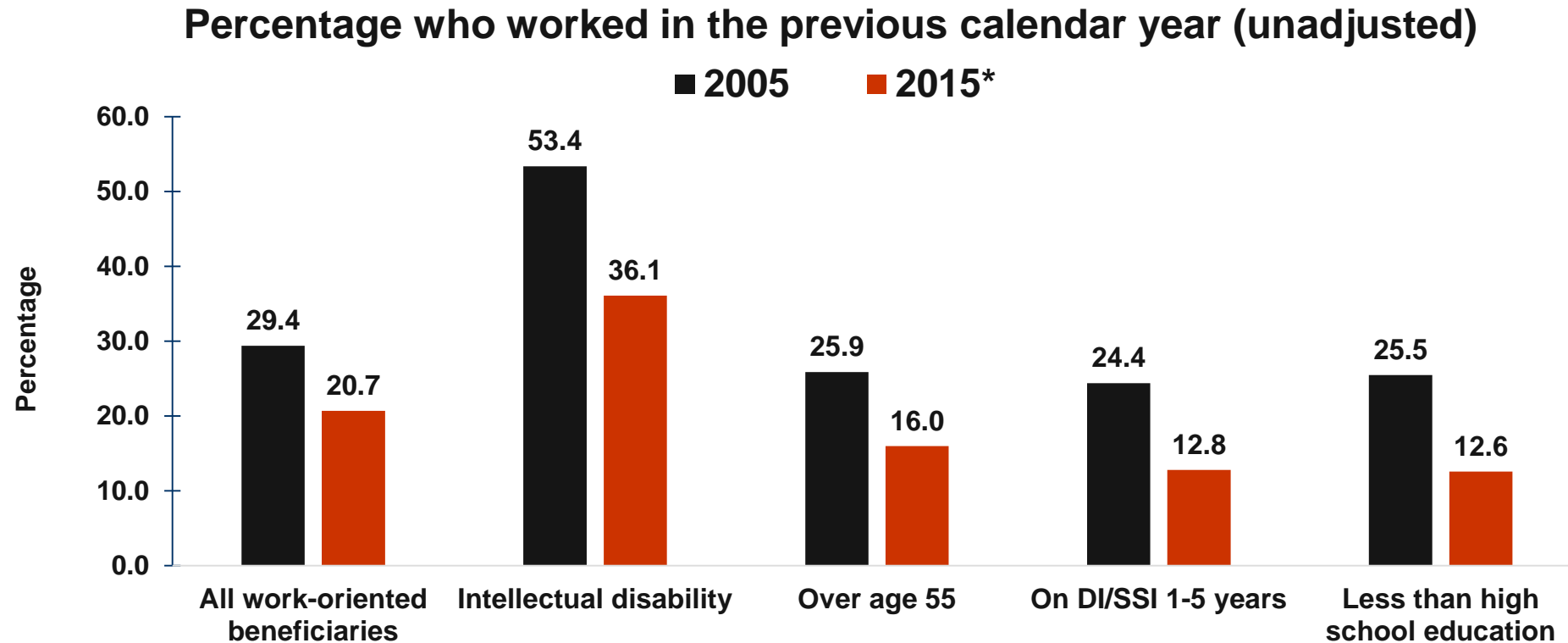
# Changes in employment among work-oriented beneficiaries

Employment outcome	Unadjusted 2005	Unadjusted 2015	Adjusted difference (2015-2005)
Work-oriented DI-only beneficiaries (%)			
<b>Ever worked for pay</b>	<b>98.3</b>	<b>94.0</b>	<b>-4.2*</b>
Working at interview	21.7	18.3	-1.5
<b>Worked in year before interview</b>	<b>31.6</b>	<b>22.7</b>	<b>-8.1*</b>
Work-oriented SSI recipients (%)			
<b>Ever worked for pay</b>	<b>87.4</b>	<b>73.8</b>	<b>-15.0*</b>
Working at interview	18.5	14.7	-2.4
<b>Worked in year before interview</b>	<b>27.2</b>	<b>18.5</b>	<b>-8.0*</b>

\* Difference is significant at the 0.05 level.



# Work-oriented beneficiary subgroups with large declines in annual employment



\*All 2015 values are significantly different from the respective 2005 value at the 0.05 level.

# Conclusions

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- **What might explain the findings?**
  - More DI-only beneficiaries want to work
  - Significant declines in annual employment and the likelihood of past work

# Possible contributors to more DI-only beneficiaries wanting to work

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- **Changing attitudes and state and federal initiatives**
  - Changing attitudes about disability
  - Initiatives focusing on inclusion and employment of people with disabilities
  - SSA's messaging around employment since the passage of the Ticket to Work Act
    - Greater awareness of key SSA work supports among DI-only beneficiaries (Ticket to Work, benefits counseling)
- **Recession**
  - May have pushed some people onto the disability rolls prematurely

# Possible contributors to employment declines

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- **Recession**
  - Slow recovery for people with disabilities
  - Dampened ability of young people to obtain early work experience
  - Reduced ability of state and other programs to provide employment services
- **Federal initiatives, technology, and changing attitudes**
  - People remain in the labor force longer; those on the rolls are less employable than in the past despite a desire to work
  - Attitudes have changed but work opportunities have not increased
- **Reduced incentives to work**
  - Declining real wages in less-skilled jobs
  - More difficulty finding jobs to match skills and preferences
- **Changing characteristics of work-oriented group**
  - Older and in poorer health

# What are the implications for...

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- **Investments by SSA and others to help beneficiaries return to work?**
  - **Greater demand for employment support**
  - **More challenging than in the past for beneficiaries who want to work to obtain and keep jobs**
    - **SSA may need to consider more radical approaches**
  - **Many factors outside of SSA control affect beneficiary employment**

# Contact

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