

Discussion of “The Impact of Unemployment
Benefit Extensions on Disability Insurance
Application and Allowance Rates”

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Overview of Paper

- Can UI extensions reduce efficiency cost of SSDI/SSI?
- Investigates the relationship between UI extensions and exhaustion on the timing of disability application and the composition of the applicant pool.
- Findings
 - Jobless individuals are significantly less likely to apply while they receive extra months of UI,
 - Applicants in new extension period might be relatively less healthy

Some Observations

- State level analysis
 - Theory: UI Extensions should reduce DI applications and increase the allowance rate (assuming healthier find jobs)
 - Results not always consistent with theoretical predictions
 - One specification results consistent for DI program
 - State-level results appear to be weak
- Individual-level analysis
 - SSI results not statistically significant, not surprising
 - DI application results provide convincing evidence

Some Suggestions

- Include SSDI policy on onset date and retroactive benefit payments
- Info on percentage of SSDI beneficiaries who received UI
- UI/SSI connection likely to be weak, focus on DI?
- Heckman-Hotz specification tests for state-level analysis?

Some Ideas for Future Research

- Descriptive study on the connection between the UI program and the SSDI program. How many DI applicants/beneficiaries had a connection to UI, how do they differ from those who do not in terms of socio-economic characteristics, health and functioning, etc.?
- What impact do UI extensions have on the likelihood that an individual with a work limiting disability will return to work (instead of filing an application)?
- Do delays in DI applications result in benefit reductions? Compare SSA administrative data on date of benefit entitlement for those delayed filing. How close is it to five months after initial UI claim?