

RDRC Focal Areas for FY2021

Trends in Disability and Survey Issues

Changes in population health and function can lead to meaningful changes in DI applications and awards and affect the fiscal status of the OASDI system. Understanding cohort trends in health and function can provide important insights about the level and composition of the insured population that could seek benefits, their duration on the program if they receive an award and the potential for work if they do not. Measuring function and interpreting survey data intended to capture the concept is a challenge. For example, the degree that a condition affects function versus the conduct of defined social roles (i.e., work) can confound the connection between health and disability.

While the broader context of this focal area is to investigate methodological and policy issues related to the conceptualization, definition, and measurement of disability over time, SSA specifically has the following questions:

- What effect has the increase in the full retirement age (FRA) from 65 to 67 had on disability applications for workers at or nearing the FRA?
- Are changes in disability incidence associated with shifts in industry composition (specifically, the shift of jobs from the manufacturing sector to the service sector)?
- What are the factors of geographic variation among the disabled population (e.g., health status, unemployment rates)?
- What are the characteristics of applicants who re-apply compared to those approved or denied at first application?
- What percentage of denied applicants successfully re-enter the workforce? Does this vary by state, education, age, or work experience?
- What are the impacts (health care, income, financial status) of the 24-month Medicare waiting period and the 5-month waiting period on SSDI beneficiaries? What would be the impacts, advantages/disadvantages, and costs of reducing or eliminating these waiting periods?

Determining Disability

In recent years, SSA has been actively evaluating how disability determinations are made and whether current processes should be revised. Questions include:

- Analyses of how SSA conducts disability reconsiderations. For example, how do other federal agencies and/or other countries conduct reconsiderations? Are there any lessons that could help SSA improve service delivery to the public (e.g., by reducing backlogs)?
- What functional limitations cause a person to be a candidate? What is the average time out of work for various transplant recipients?
- What accommodations are generally made available by employers? Are employers providing more accommodations than those required by the Americans with Disabilities Act (ADA)?

Requirements of Work in the Modern Economy

SSA is interested in studies that examine the physical and mental requirements for work and how these requirements have changed over time. A potential data source for these studies is the *Occupational Requirements Survey* (ORS); a study conducted by the Bureau of Labor Statistics (BLS).

- How have changes in physical and mental demands affected the ability and willingness of individuals to work up to and beyond the normal retirement age?
- People generally assume that occupations with higher education requirements are less physically demanding than those with lower or no education requirements. Is this assumption supported by ORS and other occupational surveys?
- What impact has the rise of gig economy employment had on disability applicants/beneficiaries? How common is it for disability beneficiaries to supplement benefits with income from this type of work?

Informing Long-Term Projections and Models

Research informing economic and demographic assumptions underlying Trust Fund projections are of ongoing interest to SSA and the Social Security Trustees.

- Future trends in health spending
- Effects of “population aging” on the demand for employees and related effects on labor force participation
- Slowdown in labor productivity in recent decades and other labor productivity trends

Improving Communication and Outreach

Communications from the agency also impact the public’s understanding of Social Security more broadly, including the program’s long-term future and the effects of potential policy changes. We are interested in research on the efficacy and value of agency communications, including the Social Security Statement, my Social Security, and other notices.

- How do other government programs and/or private sector entities measure customer experience/satisfaction and what could SSA learn from those practices?
- How well do SSDI beneficiaries understand SSA’s work incentive rules and the effect of working above the Substantial Gainful Activity (SGA) limits?
- How well does the public understand Trust Fund projections and what it means for trust fund reserves to be “depleted”? To what extent does the public equate depletion with no benefits being paid as opposed to three-quarters or 80 percent of scheduled benefits still paid?

State and Local Pensions for Non-Covered Workers

Underfunding of state and local government pension plans creates financial risk for plan participants, which could have spillover effects on Social Security. Benefit reductions to improve pension plan solvency could impact Social Security solvency due to interactions with the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) as well as jeopardize the FICA tax exemption for non-covered workers under Section 218 “safe harbor” rules. SSA seeks further analyses of how changes in pension plan provisions can affect individual workers and retirees, as well as overall pension plan and Social Security solvency. SSA is requesting research relating to:

- Sustainability of state and local government plans and their potential impact on Social Security.
- Evaluation of the “comparable benefit” requirements for FICA exemption under Section 218 and “safe harbor” rules under current conditions (e.g., employment tenure and vesting) as compared to when these requirements were enacted.
- The extension of Social Security coverage to all state and local government employees. Would there be incentives for state and local plans to join Social Security? What impact(s) would such a move have on these plans, plan participants, and Social Security?.

Modernizing Totalization Agreements

The United States concludes social security (totalization) agreements, not as treaties, but as Congressional-executive agreements pursuant to statute. The authorizing statute is section 233 of the U.S. Social Security Act, which requires that such agreements: (1) be bilateral only; (2) be concluded with countries having social insurance systems of general application, under which periodic benefits (or the actuarial equivalent thereof) are paid on account of old-age, disability, or death; (3) include provisions for eliminating dual social security taxation on the same work, and (4) include provisions allowing the combination of periods of coverage earned in both countries for purposes of establishing entitlement to benefits. Because most other countries conclude these types of agreements as treaties, they are not subject to these restrictions. As a result, a number of other countries have significantly more of these agreements than does the United States.

Economic Security of SSA Beneficiaries

We are interested in learning more about the evolving risks to economic security and how future beneficiary cohorts will fare. Research should take a broad view, looking at all sources of economic security as well as the spectrum of resource needs to address financial risks, including long-term care.

- Use of housing as a resource/carrying mortgage into retirement as a risk
- Effects of age and actual/proposed related policy (e.g., age-85 super COLAs, SSI aged)
- Role of income from defined benefit pensions and retirement account withdrawals
- The effect of workers’ participation in the so-called gig economy on their own economic security

Work-Activity Retention of Disabled Beneficiaries with Overpayments

Work activities, leading to earnings, may subsequently result in beneficiaries receiving monthly benefits larger than they were entitled or receipt of unwarranted monthly benefits. These payments (so-called overpayments) occur very commonly among recipients of SSDI benefits who go to work, and have been a source of major concern for beneficiaries, SSA, and Congress.

Useful research in this area would include, but not be limited to:

- Identifying risky cohorts
- Identifying what factors affect overpayments
- Determining the consequences of overpayments and whether the Ticket to Work program, Work Incentives Planning and Assistance (WIPA) program, Benefits Planning Queries (BPQYs), and other programs/services help prevent overpayments or otherwise mitigate the effects of overpayments.

Improving Service Delivery

One of SSA's primary goals, as stated in the Agency Strategic Plan for 2018-2022, is to deliver services to the public efficiently and effectively. We are interested in RDRC studies that help us identify and implement advancements in how we deliver quality, accurate, and timely service to our customers. Possible studies could include:

- Examine the various modes of Social Security service delivery and how they affect consumer satisfaction. Do they affect different socio-economic groups differently?
- Examine how simplifying administrative rules and requirements would affect SSA's ability to offer accurate, efficient, and appropriate services to the public and the ability of program participants to make decisions in their best interest.
- Examine how other countries handle their Social Security claiming/service provision. In other words, what is their service model (field offices, websites, home visits, staffing, etc.)?