

# Comments: State Variation in Benefit Receipt After the Age 18 Redetermination

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# Key Findings

1. Individuals that lose SSI at age 18 redetermination are working more, earning more and participating in SSI/SSDI less than continued individuals
  - True in every state
  - However, employment and earnings are low
- Extends prior research
  - Estimates at age 24 (final redetermination decision)
  - Regression adjusted means (primary diagnosis, age at initial SSI eligibility, prior CDRs, gender...)

# Key Findings

2. Cessation rates vary substantially across states, 20% to 47%
- Amount of variation surprising. Why so much?
    - Regression adjusted means (primary diagnosis, age at initial SSI eligibility, prior CDRs, gender...)

# Potential Next Step Findings

3. Association between outcomes and cessation rates (controlling for individual and state characteristics)
4. Explanations for the wide variation in state cessation rates

# Policy Relevance, Outcome Estimates

- Study adds to the prior evidence that ceased individuals (on average) are not successfully transitioning to adult self sufficiency
  - At age 24; controlling for individual factors that affect redetermination status
- Affects many people: 34% cessation rate
- Policy changes and/or new programs are needed to increase employment of individuals that lose SSI at redetermination

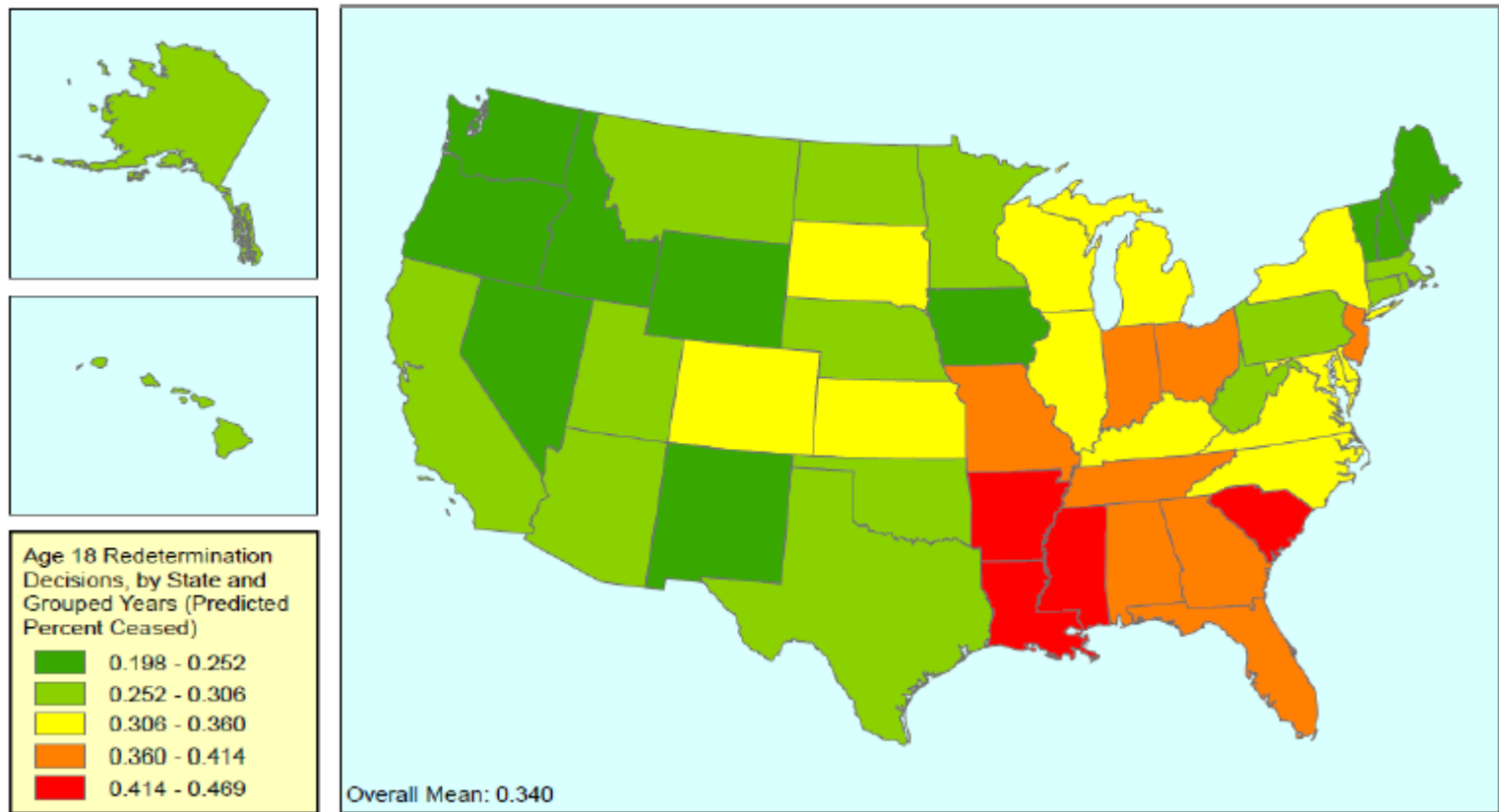
# Policy Relevance, State Variation

- Strong potential for policy relevance (next steps)
- Are there states or regions where ceased individuals are doing better or worse?
- Why are individuals in some states or regions doing better?
  - Special education
  - Vocational rehabilitation
  - Employment conditions for persons with disabilities
  - Other

# Accounting for State Variation in Cessation Rates

- Disability Determination Service (DDS) administration
- Characteristics of SSI recipients (human capital, severity of disability)
- State or regional variation (special education, employment conditions, access to TANF, access to SSI, access to other income, neighborhood effects)

# Cessation Rates Are Relatively High in Southeastern States

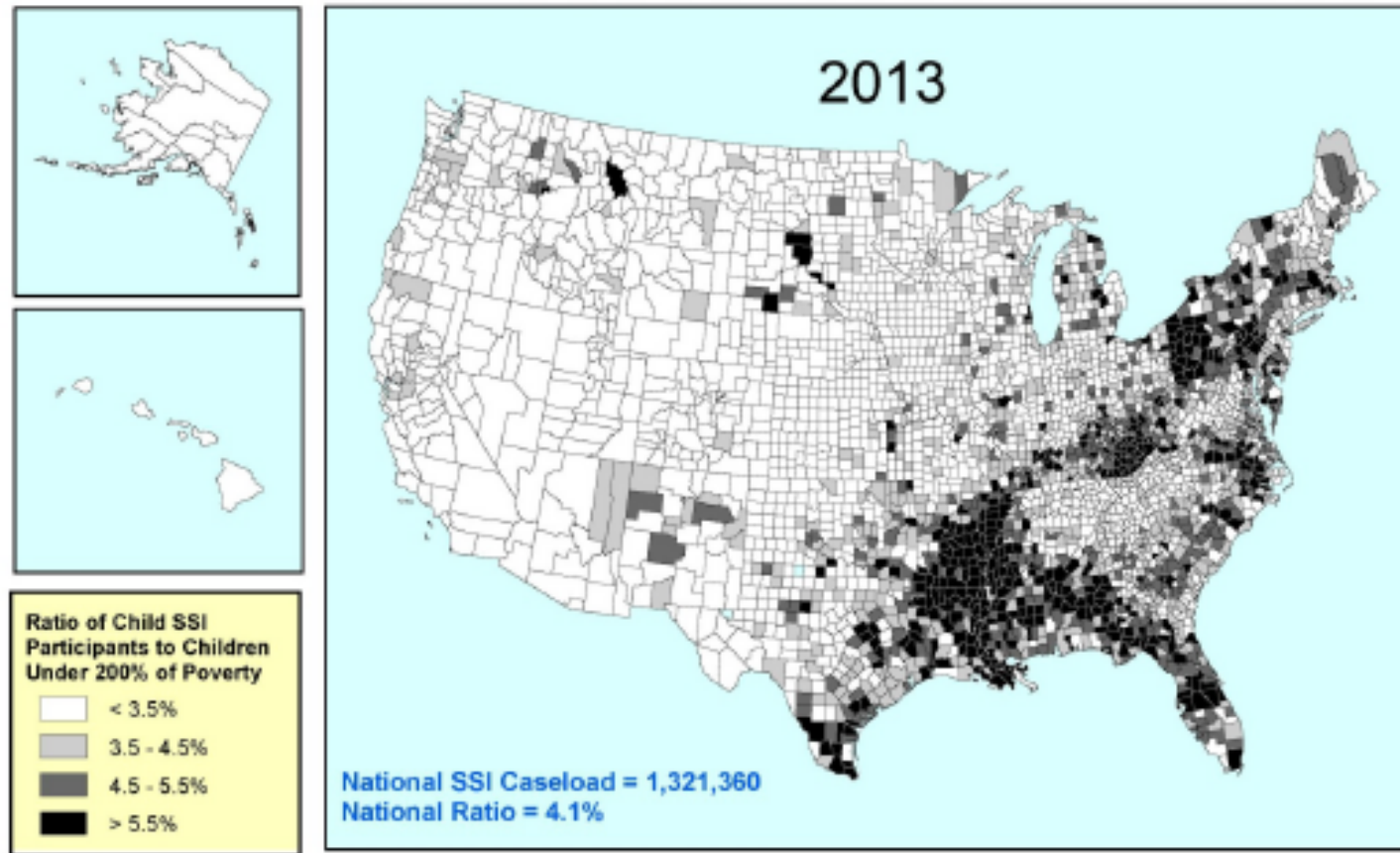




# County Variation

- County level estimates may be helpful (if the data is sufficient)
  - Within-state variation
  - County variation that aligns with state borders
  - Regional variation that transcends states

# SSI-Child Low-Income Population



Sources: Social Security Administration (2014); U.S. Census Bureau (2013).

Note: SSI-child low-income population ratio is calculated as child SSI recipients divided by the number of children from low-income households (below 200 percent of the federal poverty level).

# Could DDS Administration Explain Variation in Cessation Rates?

- Subjective aspects of redetermination would need to be substantial

# Outcome of Age-18 Redetermination 2001-2002

Continuances and reasons		
	Meets listing	45.2%
	Functionally equals listing	1.8%
	Residual functioning/vocational factors	9.2%
	Unknown	2.5%
Cessation reasons		
	Non-disability	37.1%
	Ability to engage in SGA	1.0%
	Failure to cooperate	3.1%

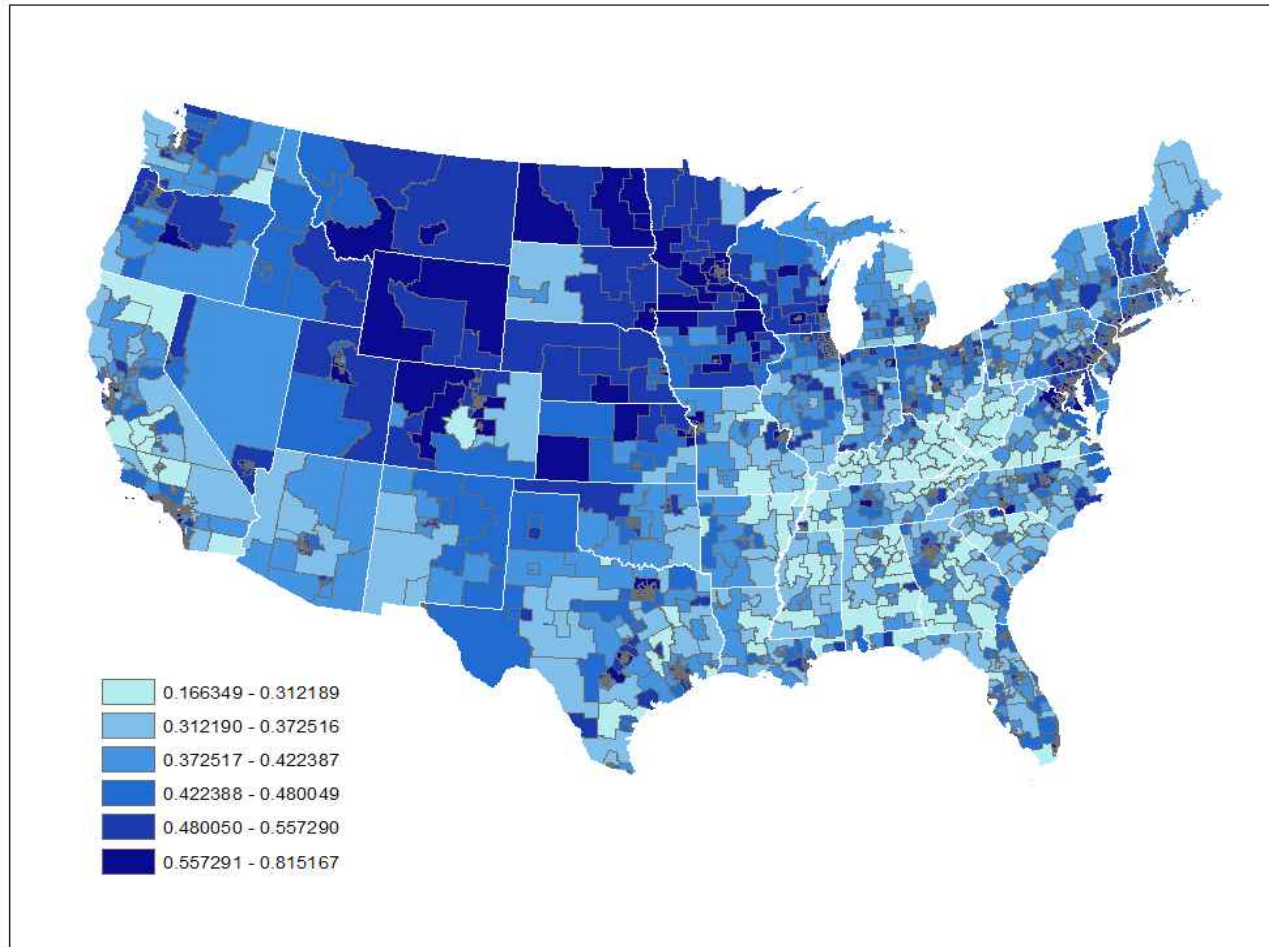
Note: Missing data omitted

Source: Derived from Table A.2, Hemmeter, Kauff, Wittenburg, (2009) Journal of Vocational Rehabilitation

# Geographic Variation in Outcomes Among Ceased Individuals

- “Linking cessation rate and outcome variation is complex”
- Likely that factors that affect cessation also affect employment and many are unobserved, unbiased estimates will be difficult
- Descriptive associations and Maps will be informative
- Substantial geographic variation in labor force participation among working-age adults with disabilities
  - Does it correlate with employment of ceased individuals?

# Labor Force Participation among Working-Age Adults with Disabilities



Source: American Community Survey 2009-2011

# Summary

- Important evidence indicating the need for policy changes or new programs to improve outcomes for individuals ceased because of redetermination
- New descriptive statistics on state variation in cessation rates at age 18 redetermination
- Next Steps: Will analysis of geographic variation in outcomes of ceased individuals reveal what is currently helping or hindering their employment?