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# REFORMING SSDI FOR THE 21ST CENTURY

*Preserving the program will require fundamental change.*

BY A. BENTLEY HANKINS AND JEFFREY D. JOY

With a deficit of \$32.2 billion, the Federal Disability Insurance (DI) Trust Fund's receipts exceeded its expenditures for a sixth straight year in 2014. Even more alarming, the projected reserves of the DI trust fund are expected to be completely exhausted by the fourth quarter of 2016. At the time of reserve depletion, continuing income into the trust fund would account for only 81 percent of anticipated DI benefits.

History suggests that Congress will use "revenue enhancement" to extend the life of the trust fund, but ultimately public DI will need fundamental reform if it is to remain viable long-term. In this article we specifically examine reform ideas for the largest of the DI programs, Social Security Disability Insurance (SSDI). We discuss the influence of eight factors on this program's rolls and then propose five reforms that would improve its integrity and viability.

## THE GROWING SSDI LOGS

The number of SSDI beneficiaries has increased dramatically in recent decades, and especially since 2000. In 2014, the number of SSDI beneficiaries was 10.93 million. This is up from 6.67 million in 2000 and 2.67 million in 1970. Thus, between 2000 and 2014, the number of SSDI beneficiaries increased by 64 percent. To offer perspective, the U.S. population increased by 13 percent (282.16 to 318.86 million) and the U.S. civilian labor force rose by 9 percent (143.25 to 156.13 million) over that same time period.

The following eight factors have assuredly contributed to this disproportionate and unsustainable growth in the SSDI logs.

**Easing eligibility criteria** / Eligibility criteria for the SSDI program have been amended on multiple occasions since its inception in 1956. As originally designed, SSDI benefits were intended for disability-insured Americans ages 50–65 who were deemed unable "to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which must be expected to result in death or to be of continued and indefinite duration." In recognition of the fact that work disability is a construct that arises out of the interaction between a person and his or her work environment (and thus is not entirely medical in its origin), non-medical factors such as an applicant's "education, training, and work experience" were included as relevant considerations in the disability determination process.

Significant modifications to the definition of disability were made in the 1960s. These changes began in 1960 with the removal of the minimum age requirement of 50 years. In 1965 the temporal factor was altered such that a disability had to be "expected to last for a continuous period of not less than 12 months," rather than being of a "continued and indefinite duration." In 1967 the definition was again revised to clarify that an SSDI applicant is to be found disabled "only if his physical or mental impairment or impairments are of such severity that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether a specific job vacancy exists for him, or whether he would be hired if he applied for work."

After the passage of these amendments, the number of SSDI beneficiaries nearly doubled during the 1970s, rising from 2.67 million in 1970 to 4.78 million in 1979. In reaction to this eligibility and benefit expansion, in 1980 Congress mandated that continuing disability reviews of SSDI beneficiaries be conducted at least once every three years to evaluate whether beneficiaries were still qualified for the program. Trial work incentives were

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also expanded in an attempt to spur beneficiaries to attempt to return to work. These changes were apparently successful in their attempt to tighten the reins on the growing SSDI rolls; the number of beneficiaries actually declined 18 percent within five years, falling from 4.68 million in 1980 to 3.82 million in 1984.

Congress reacted to the benefit terminations of the early 1980s by enacting amendments intended to liberalize the eligibility criteria in 1984. The revisions included expanding the list of health conditions (e.g., psychiatric conditions) recognized as contributing to medical impairment and vocational disability, permitting applications to be considered based on the combined effect of multiple “non-severe” impairments instead of only

those with at least one “severe” impairment, and assigning more weight to the opinions of treating physicians than evaluating physicians (i.e., assuming the treating physician’s opinion is consistent with objective evidence such as diagnostic imaging and clinical evaluation findings). Since the passage of those eligibility criteria expansions (which remain largely intact), the SSDI rolls have nearly tripled, rising from 3.82 million in 1984 to 10.93 million in 2014.

Another important development in 1980 was the introduction of the medical-vocational guidelines. These guidelines, commonly referred to as the GRIDS, continue to be used today and serve as a decision-support tool for administrative law judges (ALJs) in

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cases of claimants who are ages 50 and over (and ages 45–49 if a finding of functional illiteracy is made) and whose functional limitations are primarily—if not exclusively—exertional in nature. The GRIDS's implementation presumably was to help simplify a complex disability determination system by assisting ALJs in awarding SSDI benefits to people with multiple adverse characteristics (e.g., older age; limited education; unskilled work history; substantial exertional limitations) that would make a return to gainful employment highly unlikely.

Though the use of the GRIDS may have been reasonable in the 1980s, their value as a decision-support tool is almost certainly compromised by the passage of more than three decades. While there are other factors that have contributed to the significant rise in SSDI beneficiaries in the recent past, it seems likely that the interaction between the aging of the baby boom generation and the continued use of the antiquated GRIDS is an important source of the program's growth.

**Administrative objectives** / In an attempt to curtail the growing backlog of SSDI applicants that was caused by a significant rise in applications in the early 2000s, the Social Security Administration (SSA) announced its intention to increase ALJ productivity to 500 to 700 decisions annually in October 2007. This aim clearly emphasizes the *quantity*, and not the *quality*, of such dispositions. The potential problems associated with this flawed objective were recently recognized by the U.S. House of Representatives' Committee on Oversight and Government Reform. In a December 18, 2014 staff report, the committee advised that all current disposition targets be suspended and that a strategy to evaluate the quality of existing ALJs be implemented.

It is difficult to determine to what extent the backlog reduction efforts have influenced disability adjudicators' decisionmaking. The number of SSDI applicants awarded benefits annually rose substantially through 2010, but it has since declined to pre-2005 levels. Additionally, since 2007, the percentage of SSDI applications that were approved has actually declined from 37.6 percent in 2007 to 32.2 percent in 2014. This is likely, at least in part, attributable to an increase in applications filed by individuals seeking disability benefits primarily for economic rather than medical reasons.

**Monetary incentives** / An important factor in an individual's decision to apply for federal DI benefits is the ratio of one's potential disability income to potential wage earnings. The SSA indexes disability (and retirement) benefits to the average wage growth in the national economy. While this policy is intended to preserve a beneficiary's purchasing power over time, our increasingly skills-based economy has led to disparities in wage growth for high- and low-wage jobs. For example, between 2000 and 2013, median annual wages and salaries of workers increased by 56 percent in management occupations (e.g., financial managers), 49 percent in health care practitioner and technician occupations

(e.g., registered nurses), and 45 percent in business and financial operations occupations (e.g., accountants and auditors). During this same period, median annual wages and salaries of workers rose by 34 percent in food preparation and serving occupations (e.g., cooks and food preparation workers), 33 percent in office and administrative support occupations (e.g., stock clerks and order fillers), and 32 percent in health care support occupations (e.g., nursing and psychiatric aides).

Considering that the average monthly benefit to disabled workers increased by 46 percent between December 2000 (\$786.40) and December 2013 (\$1,146.43), disability benefits have become more lucrative for less-educated, low-skilled workers relative to low-wage (and often more physically demanding) jobs. In a 2003 *Quarterly Journal of Economics* article, David Autor and Mark Duggan concluded that the replacement rate of low-wage earners rose more quickly than that of middle- and high-wage earners from 1979 to 1999. The wage and disability benefit growth data presented here suggest that this trend has continued into the 21st century. This high demand for federal DI benefits (including indemnity and medical benefits) is unlikely to change until their value is exceeded by the rewards for labor market participation. (See "Reforming SSDI," Spring 2013.)

**Cost shifting** / An increasingly common phenomenon in the disability industry is for private DI companies to direct claimants to the federal disability system. As a cost-containment measure, insurance carriers offering short-term and long-term DI coverage often carefully structure their policies to ensure that their definition of disability is consistent with the SSA's. They also often require insureds receiving long-term DI benefits to apply for federal DI benefits after a certain period of unemployment and even supply legal representation to such claimants for that purpose.

The primary reason for this is that public insurance benefits typically offset private insurance benefits dollar for dollar. This cost shifting can thus result in considerable savings to private DI carriers. Unfortunately, as part of this migration of disability benefits, the insurance carriers' focus eventually changes from assisting a claimant's return-to-work efforts to transferring him or her to the SSDI program by proving his or her disability (rather than residual ability). Regardless of the final disability determination, this extended process of seeking SSDI benefits often reduces an individual's expectation of returning to gainful activity and accordingly adversely affects his or her future employment prospects.

**Claimant representation** / Claimant legal representation in disability hearings has increased from about 20 percent in the late 1960s to more than 85 percent in the early 2010s. (See "What We Should Do about Social Security Disability," Spring 2012, and "Restoring Social Security Disability's Purpose," Spring 2013.) From 1970 to 2013, the number of disabled worker beneficiaries

(including dependents) also increased more than four-fold, from 2.67 to 10.99 million. Though the correlation between the two does not necessarily imply causation, it seems no coincidence that the growth in SSDI beneficiaries has coincided with a rise in legal representation of claimants, given that representatives are paid on a contingency fee basis.

The dramatic increase in legal representation of disability claimants is troubling because it suggests that representatives are often not particularly discerning when choosing their clients. Representatives instead rely on obtaining a high volume of cases and, in the process, contribute to the system backlog and extend the litigation process for deserving claimants. Another concern is that legal representation has been found to be inversely related to successful return to work. Even if unintentional, representatives may reinforce psychosocial characteristics, including return-to-work expectations, that discourage disability claimants with some residual employment potential from returning to substantial gainful activity even if their benefit application is denied.

**National demographics**/ A primary contributor to the significant expansion of SSDI recipients is age. Members of the baby boom generation are currently in their 50s and 60s and make up the majority of SSDI beneficiaries. In 2013, 69.2 percent (7,079,744 of 10,228,364) of SSDI beneficiaries were at least 50 years old. This is up from 57.8 percent (3,450,644 of 5,972,468) who were at least 50 in 2000. Thus, between 2000 and 2013, the increase in SSDI recipients over age 50 exceeded the rise in total SSDI recipients by 33.9 percent.

The effect of the aging baby boom generation on SSDI rolls has been exacerbated by the staggered increase in Social Security's normal retirement age. Beneficiaries who previously would have transitioned from receiving DI to Social Security's public pension at age 65 must now wait to between ages 66 and 67 to make this change. Individuals who are a few years shy of their full retirement age and who are out of work (not necessarily for health reasons) may seek SSDI benefits to avoid the reduction in Social Security retirement benefits associated with an early labor force exit. In cases where such individuals are approved, the DI program is essentially serving as a source of long-term unemployment or early retirement (rather than disability) benefits.

**Labor markets**/ The U.S. labor market has changed significantly in recent decades. The occupations in fastest decline are either production (e.g., sewing machine operators) or office and administrative support (e.g., file clerks) occupations that require a high school education or less and only short- or moderate-term on-the-job training (i.e., short-term training is less than or equal to one month and moderate-term training is between one and 12 months). Primary reasons for declines in the prevalence of such occupations include technological advancements, economic incentives, and business practices. Improvements in technology have allowed the automation of routine tasks that were previ-

ously performed by unskilled workers. Other entry-level positions (e.g., positions in occupations such as telephone solicitors or semiconductor processors) that have not yet been automated have been relocated to countries where labor is less expensive. Employers are also increasingly cross-training employees (e.g., training secretaries to perform the duties of receptionists or file clerks to reduce the size of clerical staff) so they can perform additional tasks in order to further reduce labor costs.

The result of such trends in today's economy is that positions in low-wage occupations are becoming more dispensable. This leaves less-educated, low-skilled American workers more vulnerable to long-term unemployment as the jobs best suited to their abilities (e.g., positions in occupations that involve the performance of relatively simple and repetitive tasks) become increasingly harder to find. Given this labor market reality, it is not surprising that Americans with less than a high school education are the least likely to be labor force participants and most likely to be SSDI recipients.

**Workforce patterns**/ The 21st century has seen an overall decline in the participation in, and employment of, working-age Americans in the labor force. In 2000, the labor force participation rate (i.e., the labor force, including all persons age 16 and over classified as employed or unemployed, as a percent of the civilian non-institutional population) reached 67.3 percent. The employment-population ratio (i.e., the proportion of the civilian non-institutional population age 16 and over that is employed) reached 64.7 percent. As of December 2014, the labor force participation rate was 62.7 percent while the employment-population ratio was 59.2 percent.

Since 2000, the decline in the labor force participation rate has been steadier than that of the employment-population ratio. In fact, the employment-population ratio has slightly risen in recent years in conjunction with a reduction in the unemployment rate. Conversely, labor force participation has failed to rebound and remains at its lowest levels since the 1970s.

It is interesting that this reduction in labor force participation is attributable to younger Americans, as the participation rate among workers age 55 and older increased from 34.5 to 40.5 percent between 2002 and 2012. During that same time period, the participation rate decreased from 63.3 to 54.9 percent for Americans ages 16–24, and decreased from 83.3 to 81.4 percent for Americans ages 25–54.

Working-age Americans who drop out of the labor force (i.e., discouraged workers who were previously among the ranks of the long-term unemployed), particularly those who perceive themselves as being in relatively poor health, are presumably at high risk for filing for SSDI benefits. This is supported by the strong inverse relationship ( $\rho = -0.814; p < .001$ ) between the labor force participation rate and the number of SSDI applicants since 2000.

Inconsistent with this relationship, some have suggested that the rise in labor force participation by women is a significant

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source of the increase in SSDI recipients (and applicants). While this may have been true throughout much of the last quarter of the 20th century, the female participation rate has leveled off since 2000: 59.9 percent in 2000 and 57.2 percent in 2013. This is somewhat less but generally comparable to the change in the male participation rate over this same period: 74.8 percent in 2000 and 69.7 percent in 2013. Accordingly, it appears that a combination of factors—including the aging of the baby boom generation, the plateauing of female participation, the relative decline in domestic demand for unskilled labor, and a historic economic recession—have led to more members of the working-age population being out of the labor force and thus at higher risk of seeking SSDI benefits (whether from an actual inability *to do work* or an inability *to get work*).

### REFORM PROPOSALS

The reform proposals we present target the SSDI program's eligibility criteria because they are arguably the most amenable to swift yet momentous change. Eligibility criteria amendments would allow for the program to be modernized by accounting for changes in factors such as national demographics and workforce patterns. They may also influence factors such as cost shifting efforts by private DI carriers and disability claim involvement by legal representatives.

**Social Security retirement age** / In 1960, four years after the inception of the SSDI program, the mean life expectancy of Americans surviving to age 65 was 13.2 years for males and 17.4 years for females. These same figures were 12.7 years for males and 14.7 years for females in 1940. By 2010, the mean life expectancy of Americans surviving to age 65 had increased to 17.7 years for males and 20.3 years for females. As a result of the 1983 Social Security amendments, the full Social Security public pension retirement age is currently staggered between ages 65 (for those born before 1938) and 67 (for those born after 1959). For those presently approaching this milestone, the full retirement age is between 66 and 67. Even after accounting for this later retirement date (relative to age 65), between 1960 and 2010 the mean life expectancy as of full retirement age rose 28.8 percent for males (13.2 years to 17.0 years) and 12.0 percent for females (17.4 years to 19.5 years). In order to return to the average life expectancies post-full retirement age in 1960, the Social Security retirement age would have had to have been increased to between ages 71 and 72 for males (i.e., life expectancy of 13.5 years) and 69 and 70 for females (i.e., life expectancy of 17.2 years) as of 2010.

A reasonable compromise between the status quo and this amendment would be to initiate another staggered increase in the Social Security retirement age. For example, while Americans born between 1950 and 1964 could maintain their current full retirement ages of between 66 and 67, the full retirement ages for Americans born after 1965 could be increased by two to

four months each year until the average life expectancy at full retirement age returned to approximately 15 to 16 years. (This would represent a reasonable mid-point between the average post-retirement life expectancies of males and females in the early days of the SSDI program.) The Social Security retirement age could then be indexed to life expectancy and adjusted as necessary to account for future changes in Americans' longevity.

**The GRIDS** / As previously mentioned, the SSA's medical-vocational guidelines were established in 1980 to assist ALJs in making disability determinations when a case cannot be decided based on medical factors alone and when the claimant is unable to return to his or her past relevant work because of one or more physical or mental impairments. In particular, the GRIDS were intended to accelerate the adjudication process by helping ALJs identify claimants likely to have the greatest difficulty making a successful work adjustment. In their current form, the GRIDS take into account a claimant's age, education, past relevant work, transferable work skills, and residual functional capacity. With respect to age, the GRIDS are primarily applicable to cases in which claimants are age 50 and over, and classify individuals as being *closely approaching advanced age* (50–54.99 years), of *advanced age* (55–59.99 years) or *closely approaching retirement age* (60+ years). Special considerations are also given to claimants ages 45–49 who possess multiple adverse characteristics, including being functionally illiterate or unable to communicate in English.

Given Americans' increasing longevity combined with rising labor force participation rates among workers ages 55 and over, an update to the GRIDS' age categories is long overdue. In making such an update, to ensure future consistency between the public pension and DI programs, the first change should be to index the GRIDS' age categories to the public pension retirement age. Then, the existing age categories should be modified to reflect the increase in life expectancy among Americans. When the GRIDS were implemented in 1980, the mean life expectancy at birth in the United States was 73.7 years. Three decades later, in 2010, the mean life expectancy at birth was 78.7 years. This five-year rise in longevity could easily be taken into account in the GRID rules by increasing the beginning age to 55 for the category *closely approaching advanced age*. With a full retirement age of 67, the age categories could then be constructed as follows: *closely approaching advanced age* (55–58.99 years); *advanced age* (59–62.99 years); *closely approaching retirement age* (63–66.99 years).

In order to significantly enhance the value of the GRIDS as a decision-support tool within the SSA's disability determination process, this updating of the age categories should be accompanied by further reforms. Of greatest importance is that the GRIDS be amended to include certain functional criteria that are well known to be associated with employability. For instance, a claimant's intelligence and reading levels could be incorporated to offer a better indicator of his or her actual functional capacity.

A valid intelligence quotient of less than 85 (i.e., more than one standard deviation below the mean) or a reading proficiency below the fourth-grade level (i.e., an unofficial cutoff in the determination of functional illiteracy) could serve as evidence of adverse characteristics likely to contribute to work disability.

The existing GRIDS direct a finding of disabled under certain circumstances for claimants who are found to retain the ability to engage in a full range of light or even medium exertion, which are the two exertional categories within which the majority of occupations fall (e.g., entry-level light occupations include housekeeping cleaners and fast-food workers, while medium occupations include grocery baggers and laundry attendants). Given the prevalence of positions in occupations at these exertional levels in today's economy (many of which do not require a high school education), the GRIDS should be adjusted such that they are only applicable for claimants who are deemed to be limited to the sedentary exertional level.

After making these adjustments, the updated GRIDS could be constructed so as to account for the following seven factors:

- 1) age
- 2) residual functional capacity
- 3) past relevant work (including skill and exertional requirements)
- 4) transferability of work skills
- 5) educational attainment
- 6) intelligence quotient
- 7) reading level

A finding of disability would be appropriate for anyone age 55 or older as of their disability onset date if *all* of the following criteria with respect to factors 2–7 are met: limited to sedentary exertion; all past relevant work exceeds sedentary exertion; no possession of work skills that are transferable to sedentary occupations; less than a high school education (or special education diploma); intelligence quotient of less than 85; and below fourth-grade reading level. In recognition of the fact that work adjustment does generally become more difficult with age, claimants who are of *advanced age* as of their alleged disability onset date could be found disabled if they meet factors 2–5 and 6 or 7. Finally, claimants who are *closely approaching retirement age* as of their alleged disability onset date could be found disabled if they meet factors 2–4 and 5, 6, or 7.

Updating the GRID rules in this manner takes into account both medical and non-medical factors to determine a claimant's disability status, which is consistent with disability being a complex, multifactorial construct that is best measured from a biopsychosocial (rather than biomedical) perspective. It also allows this decision-support tool to reflect recent changes in our national demographics and workforce patterns. Additionally, it prevents disability benefits from being awarded primarily because of a claimant's age (rather than work-related functional limitations) while offering a safety net to those with the most adverse

characteristics and thus the least employment potential.

**Definition of disability** / The SSA's current definition of disability is composed of requirements related to *function* (i.e., "inability to engage in substantial gainful activity"), *causation* (i.e., "by reason of any medically determinable physical or mental impairments"), and *duration* (i.e., "which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months").

The functional requirement of being unable to engage in gainful employment is intended to be commensurate with total (rather than partial) disability in that it pertains not only to a claimant's past relevant work but also to alternative work. Specifically, since 1967, to be found disabled a claimant must demonstrate that

he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether a specific job vacancy exists for him, or whether he would be hired if he applied for work.

Within this definition, the phrase "work which exists in the national economy" is equated to "work which exists in significant numbers either in the region where a claimant lives or in several regions of the country."

This definition signifies that when considering whether a claimant can engage in alternative work, the construct under investigation is the claimant's *employability* rather than his or her *placeability*. The evaluation at this stage of the disability determination process is therefore concentrated on characteristics (e.g., knowledge, skills, and abilities; education and training; licenses and certifications) that influence whether an individual *can do* a job, and not characteristics (e.g., job availability in a local area; hiring practices of employers; cyclical economic conditions) that influence whether an individual *can get* a job.

At this final stage of the evaluation process, a frequent source of contention in disability hearings is over what constitutes a significant number of jobs. The prevalence of a particular occupation in the regional or national economy is presently estimated by a vocational expert. ALJs then have independence in determining what they consider to be significant. This controversy over the significance threshold regarding job prevalence ultimately can and should become a moot point. Given that the only relevant criteria relate to a claimant's employability (and not placeability), the existence (and not the prevalence) of a particular occupation is all that is germane to the analysis. In addition to being completely consistent with an employability evaluation, removing the SSA's burden of proving that an occupation exists "in significant numbers" would help to increase the reliability of disability determinations by limiting the decisional latitude of ALJs.

**Residual functional capacity** / It has been the experience of the authors that ALJs and treating and evaluating physicians often

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fail to make a distinction between the concepts of capacity, risk, and tolerance in the disability adjudication process. *Capacity* refers to an individual's ability to perform various functional (including exertional and non-exertional) activities. *Risk* refers to the probability of harm to an individual who engages in certain functional activities. *Tolerance* refers to an individual's ability to endure symptoms associated with performing activities at a given level and is often influenced by the rewards (whether intrinsic or extrinsic) offered for engaging in such activities.

A key difference between capacity and risk becomes evident when distinguishing a limitation from a restriction. A limitation, which pertains to capacity, describes what an individual *cannot do*, whereas a restriction, which pertains to risk, describes what an individual *should not do*. An individual's tolerance, while potentially accounting for risk, is synonymous with his or her self-imposed restrictions adopted in an attempt to manage symptoms such as pain or fatigue associated with a health condition. An indi-

*It is important that training be provided to ALJs and evaluating physician contractors designed to help them distinguish between the concepts of capacity, risk, and tolerance.*

vidual's limitations (capacity) are thus never more than—and are usually less than—his or her restrictions (whether because of risk or tolerance).

When making disability determinations, the intent is to identify a claimant's residual functional *capacity*. Accordingly, it is important that an ALJ be able to differentiate between the concepts of capacity, risk, and tolerance. This can be a difficult task when physicians (often a claimant's primary care physician) complete medical forms on which they portray their patients' activity tolerance under the guise of their functional capacity. The unfortunate consequence of this frequent occurrence is that many SSDI applicants who possess employment potential are awarded benefits based on their tolerance rather than their capacity. An example would be a claimant who is capable of engaging in entry-level work at the light exertional level (e.g., as a cashier) but whose tolerance for any increased symptoms associated with such work activity is low because of the poor remuneration. Certainly there are instances where a claimant's capacity exceeds his or her tolerance (or risk) but who possesses objective evidence of considerable medical impairment, who presents as highly credible when describing reduced activity levels, and who, as a result, may reasonably be deemed disabled. Nevertheless, it is important that training be provided to ALJs

and evaluating physician contractors designed to help them distinguish between the concepts of capacity, risk, and tolerance. Such training would allow for more informed—and likely more accurate—disability determinations.

**Occupational requirements data** / In determining whether claimants can return to their past relevant work or to other work, the SSA primarily relies on the U.S. Department of Labor's *Dictionary of Occupational Titles* (DOT) and its companion publication, the *Selected Characteristics of Occupations*, for information about standard occupational requirements in the national economy. Though the *DOT* contains a wealth of occupational information, it has not been updated since the 1990s (the last formal revised edition was released in 1991). Many occupations (e.g., material handler) continue to be performed in a similar fashion to how they are described in the *DOT*. However, many others are either performed quite differently than their *DOT* description (e.g., automobile mechanic) or no longer exist in our national labor market (e.g., duplicating-machine operator). The degree of validity of the information it contains has consequently gradually declined over time in conjunction with the ever-evolving American labor market.

The Department of Labor's Bureau of Labor Statistics is currently working with the SSA to remedy this problem by conducting an Occupational Requirements Survey to gather data regarding current job characteristics. In order for this survey to be of maximum benefit to the SSA's disability determination process, occupational data will need to be collected at a sufficiently detailed level such that similar but distinct occupations can be described according to their specific characteristics. For instance, rather than collecting information on cashiers in general, the data should be disaggregated such that the physical and mental demands of a parking lot cashier can be distinguished from a grocery cashier. This level of specificity in identifying occupational requirements is essential to the SSA's disability determination process, which is based on establishing whether there is a correspondence between an occupation's demands and a person's abilities.

An auxiliary issue related to the need for updated occupational data is that under the existing rules and regulations, claimants who are deemed unable to return to their past relevant work and who do not have directly transferable work skills are often indubitably assumed to be limited to *unskilled* occupations (i.e., occupations with tasks that can typically be learned and performed satisfactorily within 30 days). Examples of such occupations include a fast-food worker, a kitchen helper, and a grocery bagger. This assumption is often flawed in that there are many positions in lower-level semi-skilled occupations (i.e., occupations with tasks that can typically be learned and performed

satisfactorily within one to three months) that are entry-level in that they possess the following three traits: 1) the typical education needed for entry is less than a high school diploma; 2) no previous work experience in a related occupation is generally needed; and 3) attainment of competency in the occupation usually only requires short-term on-the-job training. Examples include a cafeteria counter attendant, production line assembler, and a baker's helper. An increased recognition by the SSA that entry-level positions are not solely limited to unskilled occupations would (appropriately) expand the occupational base under consideration in many disability cases and reduce the number of claimants with employment potential being (inappropriately) approved for benefits.

## CONCLUSION

It is anticipated that the DI trust fund will become insolvent by late 2016. Revenue enhancement via a tax increase or reallocation may offer a short-term solution. However, long-term preservation of this fundamental aspect of American social insurance requires program reform.

Amendments to the federal DI program should be comprehensive in nature by considering the consequences of a variety of factors (e.g., national demographics; workforce patterns; cost shifting; legal representation) on SSDI expenditures. Many of

these factors that are easily modifiable relate to the program's existing eligibility criteria.

This article includes five promising changes to these criteria. To the extent that the incessant bickering and perpetual gridlock that defines our current political system can be set aside for the common good, we hope that these proposals are useful in offering guidance for the legislative and administrative change that is needed to safeguard our nation's disability safety net. R

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