

## **RDRC Focal Area List for FY2021**

The topic areas below are intended to address retirement and disability policy issues, including program design (public policy) and implementation (programmatic policy). While the issues below are largely framed in the context of SSA’s programs, we are also interested in the lessons that can be learned from other programs (U.S. and international) serving similar populations.

We encourage research employing a variety of approaches (e.g., descriptive and causal studies, simulations, etc.), utilizing innovative methods, and drawing from new data sources (e.g., Occupation Requirements Survey [ORS] data, data collected for demonstration projects, etc.).

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## ***Focal Area #1: Trends in Disability***

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.

SSA is interested in studies that examine the factors influencing disability awards and duration on the disability rolls, and the trends in applications and awards over time (including the large decline in disability applications since 2010). Studies could examine:

- ❖ *Benefit generosity and the inducement to apply for disability.* 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?
- ❖ *Industry composition changes.* Are changes in disability incidence associated with shifts in industry composition (specifically, the shift of jobs from the manufacturing sector to the service sector)?
- ❖ *The impact of changing employment rates.* What impact have changes in the employment rate over time had on disability applications and allowances by key age groups and geographical locations?
- ❖ *The impact of “food deserts”* (i.e., urban areas with limited access to affordable/nutritious food). Is there a connection between food deserts and disability applications? What impairments are most common in these areas? How does the education and age of applicants and allowed individuals in these areas compare to national statistics? Can you identify successful urban public health outreach programs and address their impact on disability application rates over time?
- ❖ *Impact of expanded health coverage:* Has the expansion of health coverage through the Affordable Care Act (ACA) resulted in a decrease in applicants applying for disability benefits? Have the changes to the ACA (e.g., states adding or dropping Medicaid coverage, exchanges offering different options, etc.) played any role?
- ❖ *Geographic variation in SSDI/SSI awards.* Compare the areas of the US with highest and lowest disability recipient populations. What factors (e.g., average age, educational attainment, or impairments of local populations) most affect the differences?
- ❖ *Characteristics of those reapplying for disability benefits:* Up to one-third of annual applicants for disability benefits are among individuals who had previously applied. What are the characteristics of applicants who re-apply compared to those approved or denied at first application?
- ❖ *Impact of technology on mental health:* What impact has increased use of technology (including social media) had on individuals’ mental health (anxiety, paranoia, internet addiction)?
- ❖ *Cross-program interactions.* What is the relationship between eligibility criteria for disability benefits in state and private programs and how do they impact claiming of Federal disability benefits.
- ❖ *Impact of Americans with Disabilities Act (ADA):* What impact has the ADA, which requires employers to provide reasonable accommodations to employees with disabilities, had on disability applications and awards?

In addition, SSA seeks studies that examine outcomes among applicants and beneficiaries for SSDI/SSI:

- ❖ *Outcomes for denied SSDI and SSI applicants.* What percentage of denied applicants successfully re-enter the workforce? Does this vary by state, education, age, or work experience? How does this differ between Title II and Title XVI applicants? Are there other federal or state benefit programs that these individuals turn to? What percentage end up receiving benefits and what is the average number of application attempts and number of years before receiving benefits?
- ❖ *Outcomes for SSDI beneficiaries who exit the program:* What happens to beneficiaries who exit from SSDI due to medical improvement? What are their other sources of income? What barriers to employment do they face? What work supports are available and how often do beneficiaries exiting from SSDI access those? How can work outcomes be improved?
- ❖ *Impact of waiting periods:* 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?

### ***Focal Area #2: Determining Disability***

In recent years, SSA has been actively evaluating how we make disability determinations and whether our current processes should be revised given changes in the U.S. workforce and the functional demands of work in the national economy. For example, steps 4 and 5 of SSA's sequential disability determination process involve an assessment of whether the applicant is able to continue their past work or adjust to other available work. Despite drastic changes in medical and vocational practice, technology, and the workforce, SSA's medical-vocational regulations have not been updated since 1978.

We seek research to assist our efforts in improving the disability determination process, including:

- ❖ Examinations of how disability determinations are made under foreign disability programs. Do these programs require information on the requirements of work to determine benefit eligibility, or are determinations made without occupational information? How do these programs compare to SSDI in terms of application/allowance rates and in the costs to administer these programs?
- ❖ 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)?
- ❖ Examinations of current guidelines and best practices for being added to transplant lists for different organs. What functional limitations cause a person to be a candidate? What is the average time out of work for various transplant recipients? Studies could analyze the age, education, and work histories pre- and post-transplant of recipients.
- ❖ Examinations of how other international disability programs, state programs, or private insurance programs consider allegations of fatigue in impairments such as neurological disorders, cancer, Ehlers Danlos Syndrome, Chronic Fatigue Syndrome, and other disorders. What medical evidence do programs require to substantiate these claims?

- ❖ Examinations of the reasonable accommodations offered by employers to employees with disabilities. What accommodations are generally made available by employers? Are employers providing more accommodations than those required by the Americans with Disabilities Act (ADA)?

### ***Focal Area #3: Requirements of Work in the Modern Economy***

SSA is interested in studies that examine the physical and mental requirements for work in the modern economy 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) to provide occupational requirements data for SSA's disability programs.

Studies falling under this focal area include the following:

- ❖ How have physical and mental requirements of occupations changed since the last update of the Dictionary of Occupational Titles in 1991 and what has been the impact of this on lower skilled workers?
- ❖ 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?
- ❖ Analyses using the Bureau of Labor Statistic's Occupational Requirements Survey (ORS) to estimate the probability of work in Substantial Gainful Activity (SGA) sufficient jobs by functional requirements of work.
- ❖ How do occupational requirements published in ORS compare with requirements in "want ads" in various internet sites such as Monster.com? Are the requirements in job postings more or less demanding than what ORS publishes?
- ❖ 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? Does gig employment keep potential applicants in the workforce longer? What types of impairments are most common among beneficiaries subsidizing income with gig employment?
- ❖ Has technology helped or hindered the ability of people with disabilities to stay in the workforce or find work? (Note: ORS captures a keyboarding element that might provide insight to occupations requiring computer use).
- ❖ How comparable are the physical and mental requirements of part-time work with those of full-time work? Which occupations are exclusively available part- or full-time in the economy? How do various government and private employers define part- and full-time work, and what impact does this have on benefit payments?
- ❖ How has employment changed over time in terms of the number and types of salaried jobs, independent contracting, and gig employment? Do we expect these changes to continue?
- ❖ The Bureau of Economic Analysis (BEA) and others have indicated that a declining percent of self-employment earnings is being reported. Can this be verified or quantified through surveys or other data sources? Are there reasons to believe this trend will continue? This topic is of interest to SSA as it may affect the insured status of workers with self-employment earnings.

#### ***Focal Area #4: 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. In 2019, the Social Security Advisory Board convened a Technical Panel on Assumptions and Methods (TPAM) to review the assumptions and methods used to develop the annual report of the Social Security Trustees on the financial status of the Old-Age, Survivors, and Disability Insurance trust funds. The [2019 TPAM report](#) indicates a number of areas for additional research to inform projections, including:

- ❖ Analyses of the dynamic effects of potential policy changes and what-if scenarios on the macro-economy, including areas such as capital formation, labor force participation, the payroll tax base, wage growth, and wage-indexed benefits. Potential policy changes include those that would achieve long-term solvency and could have a range of expected dynamic effects, such as:
  - Increasing the payroll tax cap and payroll tax rate
  - Gradual benefit reductions that workers could adjust to in advance
  - Sudden benefit reductions that current beneficiaries could not adjust to in advance
- ❖ Studies aimed at improving long-term projections by incorporating recently developed statistical methods.
- ❖ Analyses relating to the demographic/economic assumptions and methods used in the Trustees Report—including those on mortality, immigration, fertility, labor force participation, unemployment rates, real wage growth, real interest rates, etc.—and the interactions between them (i.e., fertility and immigration, or labor force participation and fertility). Examples of potential studies include, but are not limited to:
  - Morbidity/mortality:
    - Analyses of the transition from short-run to long-run mortality assumptions
    - Analyses of the health of current and future birth cohorts
    - Analyses of obesity and its effect on mortality
    - Analyses of the effects of opioids (e.g., most opioid deaths are at younger ages; how does this affect projections at older ages?)
    - Analyses of the relationship between cancer and cardiovascular disease
  - Immigration:
    - Analyses of the trends and key determinants of unauthorized/undocumented immigration (i.e., border crossers versus visa over-stayers) using a variety of data sources and methods.
    - Analyses examining how policies have affected both legal immigration and the different types of illegal immigration.
  - Analyses of the potential impact of paid parental/family leave policies; for example, on fertility and/or labor force participation rates.
- ❖ Studies on the sensitivity of key financial outcomes (cost and income rates and the trust fund reserve depletion date) to benefit claiming age patterns.

SSA is also interested in studies on the following topics related to long-term assumptions for Trust Fund projections:

- ❖ Future trends in health spending. Health spending has risen from 3 percent of GDP to 18 percent of GDP; that trend can clearly not continue. What are the implications of the expected slowdown on the amount and quality of health services in the future? What are the implications for private and employer group health insurance premiums growth, and the associated implications on wages as a share of employee compensation, in the future?
- ❖ What are the effects of “population aging” on the demand for employees and related effects on labor force participation? There has been a dramatic shift in the age distribution of the population from under age 65 to over age 65 due to lower birth rates following the baby boom period. Will this shift lead to greater demand for workers at any given age? Or will GDP become increasingly less dependent on human work?
- ❖ What are the bases for the slowdown in labor productivity in recent decades? Some have suggested deceleration in educational attainment, slowing technology innovation, an increasing share of non-service work moving offshore, and slower worldwide economic growth and resulting demand. Will these trends in labor productivity persist into the future?

### ***Focal Area #5: Improving Communication and Outreach***

Effective communication about Social Security is critical in order to allow the public to make informed decisions about their own benefits – most notably about when to claim benefits, but also about required reporting and other beneficiary-related matters. 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 (e.g., <https://www.socialsecurity.gov/ssi/text-notice-ussi.htm>):

- ❖ How well does the public understand our communications? Are there more effective ways of conveying the information to the public that results in improved customer service?
- ❖ What impact has the *Social Security Statement* had on program knowledge and benefit claiming, and what possible approaches/metrics can help us measure this impact? Does Statement receipt change disability application and retirement claiming behavior or requests for other services from SSA (for example to correct earnings records)? Are there differences among those who access their Statements online and those who receive a mailed Statement?
- ❖ What can we learn from communication methods used by other federal/state/local governments, private pension providers, and private insurers in terms of empowering customers with self-service options, reducing wait times, and answering questions at the first point of contact?
- ❖ Are there ways that SSA can improve our SSI outreach efforts, including by better connecting: (a) children and youth receiving SSI with other services; and (b) children and youth not receiving SSI with SSI? Section 1635 of the Social Security Act requires an ongoing outreach program to children potentially eligible for SSI. SSA has ongoing general outreach through various social media, trainings, and other means, but are there other feasible ways of conducting outreach to individuals who are not current recipients?
- ❖ 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? (The National Beneficiary Survey, sponsored by SSA’s Office of Research, Demonstration, and Employment Support, is a potential data source for such a study).
- ❖ How well does the public understand all the parts of Medicare and the complex decisions that have to be made upon enrollment? Are there ways that SSA—as the enrolling agent for Medicare—could improve the public’s knowledge of the program?
- ❖ 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?
- ❖ How well does the public understand the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) rules? What possible communication strategies could be used to improve their understanding? (Misunderstanding of WEP and GPO is one of the primary causes of overpayments.)

***Focal Area #6: State and Local Pensions for Non-Covered Workers***

The widespread underfunding of state and local government pension plans creates financial risk for plan participants, which could have spillover effects on Social Security. Benefit reductions and other changes to improve the solvency of those plans could worsen Social Security solvency due to interactions with WEP and GPO. Such reductions could also jeopardize the FICA tax exemption for non-covered workers under Section 210 “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. We are requesting research relating to:

- ❖ Sustainability of state and local government plans and their potential impact on Social Security and Social Security beneficiaries (including retired workers, individuals with disabilities, and survivors).
- ❖ Evaluation of the “comparable benefit” requirements for FICA-exemption under Section 210 “safe harbor” rules under current conditions (e.g., employment tenure and vesting) as compared to when these requirements were enacted. Are workers’ retirement benefits under Section 210 pension plans still comparable to those they would get under Social Security?
- ❖ 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?

***Focal Area #7: 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.

We would be interested in research exploring the potential impacts of modernizing the U.S. totalization agreements program, including:

- ❖ The effects of removing current limitations to prevent expansion of the program, such as requiring us to partner with countries that have like social security programs.
- ❖ The effects of permitting agreements on benefits only, or on eliminating dual social security taxation only.
- ❖ Whether the disparity in the number of agreements the U.S. has concluded versus those other nations have concluded has led to a competitive disadvantage for U.S. businesses.

### ***Focal Area #8: 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. In addition, research should also consider that beneficiaries often do not make decisions or experience consequences as individuals, but rather as couples.

Particular areas of interest include the following:

- ❖ 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 connection between short-term shocks and long-run economic security (e.g., a medical shock affecting a family member may impact an individual's long-term economic security)
- ❖ The multiple impacts of economic insecurity (e.g., stress caused by financial insecurity may have long-term impacts on health)
- ❖ Who are the non-savers and why do they fail to save (e.g., low earnings, lack of access, lack of employer match, etc.)?
- ❖ The effect of workers' participation in the so-called gig economy on their own economic security (as retirees, survivors, or persons with disabilities) and their Social Security coverage and benefit adequacy.
- ❖ The effect of financial exploitation schemes—particularly those targeting Social Security beneficiaries—on the economic security of retirees and people with disabilities.

### ***Focal Area #9: Work-Activity Retention of Disabled Beneficiaries with Overpayments***

SSA has been trying to increase employment among disability insurance beneficiaries for decades. However, these 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. Despite SSDI's substantial work-related overpayment and qualifying OMB definition of a high-threshold and high-priority program, our knowledge about the overpayment prevalence, duration, amount, patterns, trends, expected variations, and prospects is very limited. 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.

### ***Focal Area #10: 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. These questions apply particularly to the SSI program's initial and ongoing in-kind support and maintenance policies and include behavior around program uptake, return-to-work, and claiming decisions.
- ❖ Examine the impact of the numerous financial exploitation schemes that target Social Security beneficiaries, and approaches that could be considered to prevent or halt them.
- ❖ 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.)?
- ❖ Examine how other countries address improper payments, including any tolerances or minimum thresholds used, methods used for identifying improper payments, and steps to correct them.

- ❖ Examine innovative methods that could be used to improve our demonstrations and program evaluations; for example, a combination of experimental and non-experimental methods, including structural equation modeling, microsimulations, and other methods.