

Discussion of Structural Reform Proposals

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This discussion is a summary of the comments made by the discussant at the SSDI Solutions Conference on August 4, 2015 before chapters were made final.

In reading these papers, I was struck by the similar themes presented by authors who approached their task from very different organizational perspectives. It is clear that the arguments presented here have merit for further discussion and elaboration. It is also clear that these papers could be combined into one without harm to any of the individual core arguments. Likely this hypothetical single paper would be made stronger than any of the three.

Some of the similar themes within the three papers include an emphasis on Social Security Disability Insurance (SSDI) as a temporary income replacement, otherwise known as “transitional benefits,” that would lead to beneficiaries returning to work, and an emphasis on Continuing Disability Reviews (CDRs). They also all provide support to maintain applicant ties to the workplace and shorten the time removed from work while applying for SSDI, allow beneficiaries to work without a limit on earnings (as they medically improve and engage in rehabilitation), and recognize the need to “pilot” their proposed changes to create the final operational processes. Underlying these changes are a strong belief that most beneficiaries can work, especially with appropriate workplace accommodation and support, and that therefore we should focus on work capacity rather than incapacity.

Nonetheless, and certainly as expected, there are unique approaches within these three papers. But as said above, I believe these differences could be resolved into strengths with additional discussion and deliberation. Some of the different approaches to the problem presented include the questions of whether some benefits should be “partial” as well as temporary, whether the employer should directly finance the first years of benefits, what is the impact of unemployment and economic shocks on SSDI applications, whether all benefits should be temporary or temporary only for a small subset of beneficiaries, and whether the temporary designation should be appealable. Another approach asked whether the definition of disability ought to be modified to remove the tie to the ability to work.

Given that the title of this panel is “Structural Reforms,” significant changes to operational processes would be likely if these ideas were implemented.¹ Change, of course, is rarely easy, often resisted, and generally requires one to be adept at changing horses in the middle of a stream. That said, I present some cautions and reminders if we move forward.

First, program and administrative costs and savings are two separate entities. Saving program monies does not increase the funding available to administer the program. And a great idea cannot be implemented without needed resources, even if that requires finding additional resources. Second, there is the issue of operational realities. A complex program is more expensive to run. For example, suggesting the Veteran Affairs (VA) Department’s benefits program as a model for SSDI may forget recent VA history with backlogs, costs, and never-ending appeals. Third, when looking at temporary disability alternatives, we need to remember to review the programs in Rhode Island, New York, New

¹ There is also agreement that statutory and regulatory changes would be required, but my focus here will be on operational issues that will needed to be addressed in order to make these ideas live.

Jersey, California, and Hawaii as well as private or employer-based disability insurance, to see their effect on the population. Fourth, please use caution when suggesting that Residual Functional Capacity (RFC) is a good model for an individualized functional assessment; many believe that it is an imperfect system that warrants additional scrutiny. Additionally, we should generally use caution when assuming decision-maker compliance. Training, oversight and a robust quality review process at every appeal level must be an ongoing priority to ensure fairness and correct decisions, and care must be taken when deciding what administrative decisions are or are not appealable.

It also appears that significant inter-agency cooperation and collaboration is an integral part of these papers, perhaps more than should be expected given our bureaucratic reality. The Social Security Administration's research suggests that many beneficiaries attempt a return to work, but most don't work very long, and few maintain substantial gainful activity. And while the focus here is on SSDI, perhaps the Supplemental Security Income (SSI) program should also be modified to match any changes incorporated into SSDI, since the two are interconnected as supports for people with disabilities.

Additionally, these papers appropriately assume, and would even require, beneficiary cooperation in medical and vocational improvement efforts. But what if beneficiaries did not cooperate fully? And this begs the question, while certainly a bigger issue than SSDI, is the "real" issue: What should be the economic safety net for all Americans?

As reiterated over and over again at the conference, we may have the opportunity now to propose significant changes to the SSDI program, changes that must protect the economic safety net for current and future beneficiaries, yet changes that emphasize the value and benefit of work for individuals, families, and society. These papers present a framework for continuing discussion and debate to reach those goals.