

## Disability program growth and implications for vocational rehabilitation: results from Social Security's Survey of Field Office Managers

L. Scott Muller\*, Peter M. Wheeler

*Office of Research, Evaluation and Statistics, Social Security Administration, Baltimore, Maryland 21235, USA*

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### Abstract

The Social Security Administration's Survey of Field Office (FO) Managers polled the managers of all the local Social Security Offices nationwide about the recent increase in applications for disability benefits. From managers' perspectives, local economic conditions have a significant impact on applications for disability benefits in their area, as do information and referral by welfare agencies and other sources, and financial incentives. Financial incentives to submit Social Security applications included benefits of other programs that are payable while disability applications are pending and requirements by insurance companies, or others, that a Social Security application be filed as a condition for receiving, or continuing to receive, another benefit.

*Keywords:* Social Security; Disability Insurance (DI); Supplemental Security Income (SSI); Applications; Information; Incentives

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### 1. Introduction

The research reported in this paper was undertaken in 1994 to broaden understanding of the reasons that the Social Security's Disability Insurance and Supplemental Security Income programs had witnessed marked growth in applications for benefits, allowances to the program and, ultimately, in the number of persons receiving benefits from these programs and the cost of these programs. Growth in the disability program

can be attributed to one of two factors: greater entry to the program and/or less exit from the program. Greater entry to the disability program can be caused by more persons applying, more being allowed, or a combination of the two effects. Typically exits from the disability program are due to attainment of age 65, death, medical recovery or return to work. Fewer exits may be the result of younger individuals being allowed benefits, reductions in death risks, performing fewer continuing disability reviews, and many other factors. Reductions in exits from the program generally means longer stays and higher program costs. Clearly vocational rehabilitation

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\* Corresponding author.

can play a role in decreasing entry as well as increasing exit, thus reducing the size and cost of these programs.

This paper will present information about SSA's Field Office Managers' perspectives of program growth that was gathered during the 1994 Survey of Field Office Managers. Then the paper will consider the results in the context of vocational rehabilitation, and note potential implications of the findings as they relate to the provision of services.

## 2. Methodology

The Survey of FO Managers was conceptualized with three major goals: (1) to act as a complement to the 2 day applicant survey, specifically by gathering more details on individuals and organizations that provide advice and assistance to those applying for benefits and the motivations individuals have for filing for benefits, (2) to obtain additional insight into areas requiring disability research that either have not yet been investigated or may not have been considered for investigation, and (3) to provide information that could help SSA in the design of a Survey of Applicants and Non-applicants that would allow, among other things, SSA to assess the nature and size of the network that provides information, advice, and assistance to potential applicants. After this survey was undertaken, SSA embarked on a joint project with the Department of Health and Human Services to do case studies of disability growth in selected states. The FO managers' questionnaires played a key role in developing the approach to that project and directing inquiries within the five states under study.

The survey was designed with structured questions to obtain FO managers' perspectives about the impact of the local economy, the number and types of advisors and organized outreach efforts in their area, financial incentives that encouraged applications, and whether there were individuals and organizations that seemed to provide consistently bad, or incorrect, referrals or advice. The survey also contained questions that were not limited in the nature of response, being designed to be open-ended so as to not constrain responses, and to allow field office managers to provide

any feedback they wished. We received written comments under this question from 446 field office managers, which represents over a third of the field office managers nationwide and 38.3% of the managers who responded to the questionnaire. There we obtained perhaps the most insight into growth and the roll that the agency's own policies might play in growth from the supply side. The open-ended responses offered a rich, thought-provoking, assortment of information and insights. All open-ended responses were reviewed and categorized into 25 major topic areas (see Appendix).

The manager of every SSA field office nationwide was given the opportunity to respond, and thus the survey represents the population, rather than a sample. The figures cited in this report are not estimates, but rather a population count and there is no need to calculate variances, or confidence intervals, on the information provided. The response to the survey was excellent with 1171 surveys returned from the 1300 field offices nationwide, for an overall response rate of 90%. The questionnaire was not conducted anonymously, but was identified by field office and manager so that it was possible to recontact respondents and obtain clarification or further information where appropriate. The high response rate does not, in itself, reflect the success of the project. A better indicator may be the fact that many field office managers took the time to provide very insightful, indepth responses, well beyond the required information that they might help us understand the growth problem.

The approach undertaken in this study is subject to several caveats. First, as mentioned above, the survey questionnaire obtained identification of the SSA field office and the individual completing the form. While it was understood that requesting such identification could limit or color the FO managers' responses, the ability to recontact respondents and obtain clarification or further information was seen as critical. The questionnaires were mailed directly to the Office of Research and Statistics. However, it has come to our attention that other management components may have requested the FOs supply them copies, further impinging on anonymity. The responses that were received and are quoted in this report

would appear to show an indifference by respondents to the fact that they were identified.

Second, the information contained in this report is more subjective in nature, than objective, in that it solicits opinions rather than quantifiable, or hard, data. The subjectivity comes in two areas. In its most basic form, the information gathered by the survey represents the opinion of the FO manager and it may reflect the personal biases of the individual completing the form. Furthermore, since the information collected on the survey questionnaire is, to a large extent, based on open-ended responses, the interpretation and reporting of survey results may reflect the biases of the reviewer and author of this report. In order to minimize the impact of individual biases in responding and in reporting, attempts were made to categorize open-ended responses so that they could be enumerated to show consistency and frequency of FO manager's opinions. Where there were divergent opinions, this report attempts to cover both sides of the issue to provide balance.

Finally, it is important to note that the questionnaire did not seek to discriminate between factors affecting SSDI and SSI claims. Applications to the two programs may be affected by different phenomenon. For example, the SSI program, whose beneficiaries do not have the labor force attachment of those who qualify for the SSDI program, may be less influenced by the local economy than the SSDI program. On the other hand, SSI was the target of outreach efforts while SSDI was less directly affected. The factors singled out as influencing applications may vary from FO to FO due to the mix of applicants between the two programs. Managers whose office has a casemix more heavily weighted towards the SSI program will likely focus on the factors affecting that workload, rather than those that influence the smaller component of the office workload. Further research which considers FO characteristics would help to evaluate this effect.

### 3. Survey findings

The Survey identified a wide range of factors that are believed to have contributed to growth. For the purpose of this study, the growth problem was approached from the perspective of most

economic phenomenon, which are composed of supply and demand effects. In the present case, demand factors include those aspects of the growth problem that relate to the behavior of individuals as they choose to seek benefits or to remain on the disability rolls. The supply effects are those factors which affect the availability of benefits, for example, a court decision rendered in class-action suit, which has the effect of making whole new classes of persons eligible for benefits.

The growth factors identified in this survey were also categorized based on whether the factors are external, or outside the control of SSA, or whether the factors are internal to SSA. Legislative changes and court cases are, for example, basically external to SSA while changes in listings or adjustments to the decision process are internal to SSA. It is important that SSA pay close attention to internal factors that affect growth either by influencing the supply of, or demand for benefits, because these are the factors that policy makers can most easily control or influence. One FO manager pointed specifically at internal factors, writing 'We do not feel that local trends have caused an increase in the number of disability claims filed. It appears that our agency's own initiatives are responsible. Several years ago we undertook massive outreach initiatives to spread the word and contact as many potential disability applicants as possible. We worked hard at this; we were successful; and, now we are reaping the benefits of our efforts. The increase in disability claims is not a great mystery to us in the field offices. Rather, it is the logical outcome of this agency's initiatives and goals over the past several years.'

The factors identified in the Survey are outlined in Table 1, according to their effect on supply or demand and whether they are external or internal to the agency. Each factor is discussed in greater detail below.

#### 3.1. Local economic conditions

Economic conditions, such as high unemployment, are often cited as a factor inducing applications to the disability program. Labor market conditions are largely external to SSA policy. FO

Table 1  
Factors identified by FO managers as influencing program growth

Factors external to SSA	Factors internal to SSA
<b>Demand effects</b>	
Economy/unemployment	Outreach/program awareness
Changing occupational structure	Higher allowance rate
State cutbacks/burden shifting	Fewer CDRs
Advisors, attorneys, etc.	Attractiveness of benefit package
HIV/Aids	Medical standards
Incentives to apply	Attorney fee policy
Aging of the population	
Change in attitude/less stigma	
<b>Supply effects</b>	
Court Cases	Outreach
Congressional mandates (including outreach, medical improvement standard, etc.)	Medical standards (including Zebley Regs, new mental listings, DA & A)
	Fewer CDRs
	Workload credits

managers were asked the extent to which they believed that local economic conditions influenced the number of applications to the disability programs in their area. They reported with a consensus that local economic conditions have a significant impact on applications. Less than a quarter of the FO managers reported either no impact (9.2%) or very little impact (14.1%). The remaining three-quarters of FO managers were almost evenly split between those who believed that local economic conditions had a modest impact and those citing a large impact.

As a follow-up question, those field office managers who indicated that they believed local economic conditions did impact applications were asked to cite major local economic events over the past few years that affected the number of

applications taken in their office. The intention of the question was to determine whether there were dramatic events in certain areas that might explain growth in applications on the local level. Some field office managers listed event after event of specific plant closings and severe cutbacks, clearly demonstrating a sensitivity to events in the local economy and labor market. For others, however, the responses to this question were not always as specific as intended; sometimes the response was simply 'general economic conditions' or 'lay-offs in construction industry'<sup>1</sup>.

Table 3 below shows the number of local economic events reported by FO managers.

Table 2  
Impact of local economic conditions on applications

Response	Number	Percent
Total	1171	100.0
No impact	108	9.2
Very little impact	165	14.1
Modest impact	457	39.0
Large impact	434	37.1
No response	7	0.6

<sup>1</sup>This diversity in responses made it somewhat difficult to categorize the information for this report. In order to summarize the information on local economic events for this report, a scheme was developed under which the specific local economic events were counted. Where the information was non-specific, less weight was attached. An answer such as 'general economic conditions' or 'lay-offs caused unemployment' was counted as a single event. Answers which were industry specific were each counted as a single event, e.g., 'lay-offs in ship building' would be a single event while 'cutbacks in defense orders and lay-offs in construction' would count as two events. Using this scheme, it is intended that higher numbers of events reflect more dramatic, or at least more defined, changes in the local economy.

Among FO managers who indicated that the economy had an impact on applications, only one in eight did not list some impact. Nearly a third listed only a single event, although this may reflect the way in which these events were summarized with this group reflecting more a response of 'general economic conditions,' rather than a single specific event that contributed to the growth in applications. Only a quarter of the FO managers listed more than three events. The average number of events reported by FO managers was 2.3.

It is difficult to interpret the meaning of these reports in a nationwide context. Familiarity with the actual survey responses<sup>2</sup> seems to indicate that generally poor economic conditions was more prominent in influencing growth, rather than a few dramatic events in certain areas. While some FO managers cited the local economy as having a major impact, others noted claims growth, despite a healthy or improving economy, and still others focussed on the claims growth during the recent recession being different from past recessions. Not all managers saw economic conditions as influencing program growth. One manager from a district office located in a downtown central city area wrote 'This district office serves a population comprised of high percentages of mentally-ill, disabled, homeless and transients in the lowest socio-economic strata. Consequently, the local

Table 3  
Number of local economic events

Number of events	Number	Percent
Total	1056	100.0
None	132	12.5
One	341	32.3
Two	188	17.8
Three to five	294	27.8
Six or more	101	9.6

<sup>2</sup>FO manager's comments about economic conditions had the third greatest frequency of reporting, trailing only the Zebly court decision and SSA outreach efforts in frequency of citation. Nearly one in five (19.2%) of those offering comments (overall 38% of FO managers offered open-ended general comments) mentioned economic conditions as a source of growth in the applications to the programs.

economic condition has no influence over the number of applications to the disability program in our area.'

Under-employment, the lack of 'good, high-paying' jobs, was cited as often as unemployment as the source of the problem. 'This survey's emphasis on specific local economic conditions is misplaced. National economic trends have negatively impacted lower-waged workers throughout the past decade. However, the lag between a plant closing and the time a person finally files for disability benefits may be much greater 'than the past few years.' Lack of retraining, lack of access to health insurance, and unavailability of alternative employment that replaces lost earnings can lead to physical and/or emotional deterioration that gradually builds until SSA is the only option left.' This opinion was supported by information gathered from SSA's 2-day survey of applicants: more than a third of applicants had been out of work for a year or longer. Only a quarter of applicants had been out of work for less than 3 months.

The choice between working and relying on social support, such as disability benefits, is clear when earnings are low, job security non-existent, and many jobs do not provide health insurance. One manager noted that 'The job market is so tight that individuals with little or no job skills cannot find acceptable employment, especially if they have an impairment of any kind. They are reluctant to take a job at minimum wage as they lose part or all of their government assistance.' Such comments make it clear that the relationship is not a simple cause and effect relationship with an individual becoming unemployed and applying for disability benefits. Rather, a complex process involving opportunities, attitudes, and non-labor market options begins to emerge.

The precise impact that the local economy has is not always clear. As one field office manager suggested, even good economic conditions can have an impact on disability claims. Citing a relatively good economy, job seekers from other parts of the country seemed to generate an applicant problem. '... we have had a large influx of foreign and domestic companies and the companies that spring up to support them. People come to this

area with barely the resources to get them here, and if not hired right away, they apply for any and all possible benefits as most of these are young workers and disability is their only choice.'

One manager pointed out that the poor economy could actually cause disabilities, suggesting 'The economic condition has impacted on individuals performing jobs. Increase of overtime, additional effort required to meet work demands creates additional illness provoked by muscular fatigue and accumulation of stress effect. Examples: Carpal Tunnel Syndrome, back conditions, cervical myositis, nervous condition, shoulder and circulation problems.'

Overall, however, FO managers' comments tended to support a link between poor local economic conditions, unemployment, and lay-offs and increased applications for disability benefits. Among the comments offered: 'Economic conditions have always been significant in the DIB claims intake during my 30 years with SSA...'

'Economic conditions definitely have a major impact in the rise in disability claims. When factories have massive lay-offs or close down, we receive DIB claims from workers with medical problems who had been working in spite of their impairments.' 'The economy has taken a downturn. You cannot layoff thousands of people in their mid-forties and not think that they are going to file for benefits.'

### 3.2. Program awareness

Knowledge or awareness of the disability program is a prerequisite for filing an application. There are a number of sources, both inside and outside the agency that provide information to potential applicants and different types of information that are provided. SSA has made a concerted effort to increase the public's knowledge and understanding of the disability program. The survey attempted to measure the impact of public information efforts and SSI outreach. State and local governments, attorneys, and advocacy groups have also provided information to their clientele. In addition, word has spread through publicity generated by court cases, media

reports of the handling of claims by the agency, and by word of mouth about the program, its benefits and the large retroactive payments to some individuals. While much of this survey dealt with SSA efforts at getting information out, nearly 40% of FO managers who wrote comments in question 10 commented on some aspect of this particular topic.

#### 3.2.1. SSA as a source of information

3.2.1.1. *Media activities.* Managers were asked whether their field office provided information about the disability program to the local media, and what types of informational activities were undertaken. FO managers were offered a list of eight informational activities which their office might undertake, as well as an open category to list other activities. As shown in Table 4 below, 80% of field office managers indicated that their office participated in some sort of media activity. More than half the FOs participated in 3 or more activities.

A number of managers indicated that their office did not directly undertake these public information activities — that these were handled by the area director's office. Others indicated that their office did not participate in these activities because the office was located in a media market area that was based in a nearby urban area and media public relations activities were handled by the offices located in that city. While they deferred these activities to other offices, they were directly influenced by the activities that were undertaken. Thus, the counts presented in the table above may understate the number of field offices impacted by locally sponsored public information activities.

Quite a few managers noted in responding to this question that they had attempted to supply public information to the media, but were unsuccessful as the media showed no interest. For the most part, newspapers were mentioned as the disinterested party.

There were very few comments in question 10 that specifically addressed local public information activities. One manager wrote 'SSA is publicizing the disability program better. You can see

Table 4  
Media public information activities undertaken by field offices, from question 2

Activity	Number	Percent
Total	1171	100.0
No response	13	1.1
No activity	223	21.0
One or more of those listed below	935	79.8
Provide press releases to newspapers	818	69.9
Provide press releases to radio	428	36.5
Provide press releases to television	159	13.6
Prepare a newspaper column periodically	520	44.4
Make appearance on radio show	473	40.4
Make appearance on television show	270	23.1
Run public service announcements on radio	426	36.4
Run public service announcements on TV	180	15.4
Other activity	271	23.1

spots at baseball, basketball games, etc. TV carries spots on each of our programs that are professionally done and catch the eye.'

*3.2.1.2. SSA sponsored outreach efforts.* In the late 1980s, SSA was directed by Congress to perform outreach efforts to facilitate applications to needy disabled individuals who might qualify for SSI benefits. It is difficult to measure the impact of SSA sponsored outreach. Not only does SSA do its own outreach efforts, but outreach was promoted through a series of grants to the private sector. FO managers were asked to list any organized outreach efforts involving individuals or organizations seeking out persons who might qualify for benefits, encouraging them to apply, and, perhaps, assisting them in the application process. The FO managers listed 1400 outreach efforts<sup>3</sup>. Just over half the FO managers indicated that outreach efforts were being undertaken in their area. Among those listing outreach efforts, about half listed only one outreach effort, and only 10% listed 4 or more.

Many FO managers were frustrated with our inquiries as to their outreach efforts. A manager

<sup>3</sup>Many of these 1400 outreach efforts were not sponsored by SSA, but were undertaken by outside organizations or agencies for other reasons. The 1400 outreach efforts are only a small part of the overall network of persons and organizations offering advice and assistance. FO managers listed 3500 advisors.

wrote 'We were asked to do SSI outreach for many years. When we are asked to do something we do it and we do it quite successfully. Why do you now want to know why there was a increase in applications?' Another FO manager asked 'Question — if we've pushed outreach for years and awarded millions to grantee agencies, why are we now concerned that applications are on the rise?'

Clearly the message from survey respondents was that outreach had, indeed, added to program growth. It was intended to. Some managers did not express any opinion as to the propriety of the outreach efforts, choosing instead to accept outreach as a matter of fact. One manager wrote: 'SSA's SSI outreach has brought in many claims and will continue to do so. The agencies that helped in the original outreach project continue to refer claimants to us.' Other managers, however, felt that outreach had been taken to an extreme. Two of the FO managers who voiced this opinion wrote: 'I strongly believe that SSA is pushing outreach too much,' and 'I personally believe SSA has taken outreach efforts to the extreme. In doing so, I'm concerned that we have not always served the other half of those we represent — the taxpayer — properly.'

A simple answer to the problem of growth from SSI outreach was offered, 'If the agency no longer wants field offices to do outreach, just say so. Why

are you pushing outreach and then express surprise at the number of claims being filed?

*3.2.1.3. Field office contacts to provide information to outside agencies.* FO managers were asked whether the field office maintains regular, or even intermittent, contact with any outside agencies or organizations, in order to provide them with information and/or advice about filing disability applications, appealing decisions, etc. Nearly four out of five field offices maintained outside contacts for the purposes of providing information and advice. About half of those maintaining outside contacts listed four or more specific contacts. Among the outside contacts frequently mentioned were: hospitals, advocacy groups, welfare and social services agencies, schools, mental health clinics and inpatient units (including alcohol and substance abuse treatment facilities), doctors, employers, VR providers, aids clinics, penal institutions, etc. Contacts identified by FO managers include: periodic visits to organizations and/or facilities, training courses or informational briefings, informational newsletters, phone contacts, etc.

*3.2.1.4. Special arrangements for taking disability applications.* FO managers were asked about any special arrangements that were maintained with outside agencies or organizations for taking disability claims. Managers were asked to list organizations, describe the arrangement, note the fre-

quency of visits, and provide the year the arrangement began. More than half (56%) of the field offices maintained special arrangements, with two-thirds of those FOs maintaining only one or two special arrangements. Arrangements involved the following agencies or organizations: hospitals, mental institutions, prisons and penal institutions, sheltered workshops and vocational training centers, legal aid offices, schools, support groups, and various individuals and organizations providing information and advice to applicants.

### *3.2.2. External sources of information*

*3.2.2.1. External events.* Field office managers were asked to indicate how often certain specific events, involving outside sources of information or advice, occur in their particular area. Table 5 presents the frequency with which FO managers reported the various events in their area.

The most commonly cited event was welfare agencies referring persons to SSA, with nearly nine out of ten FO managers indicating that this occurred often. Welfare agencies were not only shown to have a high propensity to refer their clients to SSA to apply for benefits, but were also cited among advisors who consistently advised persons who were clearly not disabled to apply for benefits.

Attorneys advertising to handle disability claims was also a frequent event. Nearly six in ten FO

Table 5

Frequency of external events reported by field office managers (horizontal percentage distribution of responses may not total 100% due to non-responses)

Event	Never	Sometimes	Often
Attorneys advertise to handle disability claim	7.0	32.8	59.3
Welfare Office sends applicants	0.3	11.5	87.7
Legal Aid Clinic sends applicants	9.5	55.7	33.7
State VR offices send applicants	15.5	69.1	14.5
Veterans Admin. sends applicants	20.2	63.7	15.0
Workers Comp. sends applicants	33.6	51.2	14.0
Private social service agency sends applicants	14.0	51.2	33.7
Advocacy group for the disabled sends applicants	11.5	51.0	36.6
Private Disability Insurance Co. requires application as a condition for benefits	10.6	57.7	30.6
Local employer requires application to SSA as a condition for extended sick pay	21.6	58.2	19.0
Local newspaper carries report on SSA disability benefits	12.0	75.2	12.0
Local TV/Radio reports on SSA disability benefits	19.9	71.1	7.3
Local TV/Radio carries SSA public service announcement about disability benefits	18.2	72.3	7.9



managers said attorneys often advertise for disability claims. One FO manager noted 'We have several large volume representatives who advertise on television and in the newspaper. This has increased our workload tremendously over the past 5 years.' Additional comments dealing with increased attorney involvement in the application and appeals process are covered later in this report.

Non-SSA sponsored media attention on the disability program and negative publicity, such as reports on drug abuse and alcoholism claims and child disability benefits were cited as a source of increased disability claims. Comments on external publicity include:

'The press reports on people receiving SSI because of drug or alcohol addiction have resulted in an increase in people filing alleging these disabilities.'

'The Zebley court decision and resulting publicity caused our SSI child's claims to increase dramatically. The recent publicity on SSI DA&A provisions resulted in an increase in claims based on addictions and substance abuse.'

'News articles on the substance abuse cases allowance rates have had some impact.'

*3.2.2.2. Individuals and organizations providing advice and assistance.* As part of the survey, FO managers prepared a list of specific groups, organizations, and individuals that actively promote filings for disability benefits, either by providing information or advice, or by providing assistance to applicants going through the application or appeals process. Ninety percent of FO managers listed at least one individual or organization as such an advisor; nearly a quarter of all FO managers listed nine or more advisors. The list of advisors contained over 3500 names which generally fell into the following categories (listed in no particular order): social services or welfare offices, AIDS programs/support groups, schools, legal aid, counselling agencies, hospitals, mental health programs, drug and alcohol programs and rehab units, homeless advocates, Hispanic advocates, religious charities or family services, fee-charging non-attorney representatives, advocacy groups, employer pension plans, private insurance companies, vocational rehabilitation providers,

certain State Disability Determinations Services, and third party representatives under contract to the State government. Perhaps the most interesting category involves the third party arrangements where the State government contracts with a private company to pay a fee for each individual who is deemed eligible for disability benefits. One example is DEAP in Maryland, where a private contractor is paid a fee for each welfare recipient who is placed on the SSI rolls. Other states and localities have adopted similar strategies.

Advocacy groups are playing multiple roles in the disability process. They are involved in outreach and advising potential applicants and they lobby for additional benefits and services for their clientele. Nearly 7% of FO managers mentioned advocacy groups in their question 10 comments.

'We should be careful of our involvement with advocacy groups and not become enmeshed with their desire to gain more and more for their group at the expense of the taxpayer public.'

'Decreased funding to local Community Mental Health has caused them to look for alternative funding also (PASS, etc.). Private advocacy group actively 'sold' PASS as a means for getting funds for the agency not the individual.'

*3.2.2.3. Incorrect advice or assistance.* SSA was concerned that certain individuals and organizations who advise people to apply might be repeatedly and consistently providing incorrect advice. FO manager were asked to identify advisors who repeatedly refer individuals who are clearly not disabled. As an example of this improper advice, one FO manager noted an employer who required a DIB application for a pregnancy. As shown in the table below, only 23% of FO managers listed any individuals and organizations that provided consistently bad advice to potential applicants.

Most often mentioned by FO managers as providing consistently bad advice to potential applicants were social services, welfare offices (including the general assistance, AFDC, food stamp and medicaid programs), and other state and local government offices. Many employers and unions were mentioned as having sick plans that required many individuals who clearly did not meet program eligibility criteria to apply for benefits.

Table 6

Organizations or individuals identified by FO managers as consistently advising persons who are clearly not disabled to apply for benefits

Advisor	Number	Percent
Total	1171	100.0
No response	16	1.4
No organization/individual listed	887	75.7
One or more listed	268	22.9
Welfare agency	138	11.8
State agency other than welfare	38	3.2
Employer or Union	32	2.7
Attorney	15	1.3
Private insurance	11	0.9
Private organization	8	0.7
Other source	99	8.5

Auto manufacturers (including each of the big three) were specifically mentioned by name in several states. Several computer/electronics firms and steel companies were also mentioned by name. Legal services, disability advocates and paid attorney and non-attorney representatives were also listed by name.

*3.2.2.4. Awareness of the programs through word of mouth.* Acquiring an awareness of the disability programs through word of mouth was also a frequently mentioned topic. Nearly one in five (18.2%) of the field office managers who offered comments indicated that information was becoming available to potential applicants through contact with other applicants or by hearing stories of others being allowed benefits and that this was encouraging applications. Information was being passed about benefits being available, particularly about SSI children's benefits and D,A and A claims. Many mentioned that word was on the street about large retroactive benefit payments, and the high probability of eventually being allowed if one appealed to the ALJs or kept re-filing. This increased awareness and the information network may have been as effective as outreach efforts in attracting new claims, or may have been a logical outcome of outreach efforts. Selected FO manager comments in this topical area follow:

'The impact of 'word on the street' in connection with SSI for children and DA&A cannot be

ignored. Individuals file because neighbors and relatives have received benefits. It is not infrequent that a parent will make an appointment for a child who has been diagnosed by the schools with 'special needs', but by the time of the appointment he/she will want to file applications for other children in the family.'

'There is a general 'word' on the street that you always get turned down the first time when applying for SSA DIB, but that you should continue applying and appealing. Eventually you will be approved is the rumor.'

### *3.2.3. Court cases*

Court decisions was the topic most frequently addressed in comments by FO managers. Half the FO managers who commented mentioned the courts as a factor in the growth of the disability program. Court decisions recently have increased the supply of disability benefits, by changing the standards by which SSA adjudicates claims. The publicity created by court cases, and the associated increase in awareness, and the perception, if not reality, of easier standards leads to increased demand for disability benefits as well. As one manager wrote, 'Nothing creates an incentive for filing a claim like a court case which results in adding a lot of people to the rolls. Nothing creates new claims like a neighbor getting a big retro check.' Another noted 'Our court system has dictated many of our rules on who is allowed and it

is more lenient now than it was 10 years ago.' The Zebley court decision, dealing with SSI children's benefits, was the single factor most cited as influencing the growth in the disability rolls. A manager summed up the impact of the courts by writing 'the disability program has been greatly modified and liberalized by various court decisions; most prominent being the Zebley court decision.'

3.2.3.1. *The Zebley decision.* 'Zebley... This is it, the biggie.'

Based on the survey, the Zebley decision deserves separate attention. It was cited by 43% of the FO managers who offered additional comments as being a major factor in the increase in workloads and growth in the disability program. There were indications that the liberal criteria being applied to these cases, the ease of obtaining benefit payments that exceeded welfare benefits, and the stories of large retroactive benefits being paid to these families was making these benefits very attractive. Other comments focussed on the lack of a family maximum in SSI children's benefits as an encouragement to file applications for multiple children in the household, and that often these applications result in several children in the family becoming beneficiaries.

Referred to as government 'crazy checks' in several parts of the country, according to FO managers the benefits are often paid on the basis of mental or emotional problems which are supported by very weak and subjective evidence. As can be seen from a few comments which are cited below, some teachers and school administrators appear to either assist parents apply, or actually push parents to apply for school-related benefits. Managers mentioned additional special education funding and access to medical and other tests as reasons for the schools pushing for applications.

The impact of the Zebley decision may not be limited to an increase in children's claims. One F.O. Manager wrote 'I feel the Zebley decision has also affected the number of adult applicants. We have seen an increase in the number of applicants alleging to be disabled based on mental (low education) and state they were in special ed classes while in school before the question is asked.'

None of the comments received from FO managers indicated approval of the agency's Zebley policy; all indicated this was an area in need of attention. Some of the managers had strong opinions:

'We have observed some disability claims (mostly SSI disabled child's claims) where the medical evidence used to establish benefit entitlement has seemed to us to be so 'slim' that it would make one think that almost any adolescent and pre-adolescent child going through the typical socialization experiences and 'growing pains' may qualify for SSI....'

'... we have had reports (admittedly, anecdotal in nature) of individuals 'coaching' their children to 'act up' in school so that they can establish eligibility for SSI benefits because it's understood that this is a way to establish 'disability' and, thereby, receive benefits.'

'Rarely do we take a claim from a disabled child who has a physical disability. Almost all of them are mental. The decisions are based on subjective 'evidence' and the claimants have learned how to act and answer the questions. I do not have the figures but it appears that generally there is more than one SSI applicant or recipient in the household. It is not unusual for an applicant to file for 2 to 5 children at the same time.'

'...once a parent gets one child on SSI they begin the process of qualifying others in the family, 5 or more siblings getting SSI is not unusual.'

'...These are being pushed by local schools, physicians, and most of all economically disadvantaged parents. In addition to the cash received by the family, entitlement to our disability programs opens the door to other federal government funding for agencies as well as individuals in assisting these children.'

### 3.2.4. *The decision process*

The application and decision process has clearly changed in recent years. Attorney involvement is up, appeals rates are up, and denied applicants seem to be refiling more than in the past, clearly demonstrating increased demand for benefits. Allowance rates, particularly through reversals at the ALJ level, are up providing a signal that there

may be an increased supply of benefits. Changes in medical standards, discussed later, also indicate changes in the decision process. Even subtle changes in workload and productivity measurement at the agency may have affected the way applications are taken and/or counted. About the decision process, in general, one FO manager wrote 'Field office staff believe that there are too many levels of disability appeal and find it difficult to accept SSA's disparities of allowances at the different decisional levels: 30% at initial level, 12% at reconsideration, and 80-90% at hearings level.'

*3.2.4.1. Attorney and other representation.* Sixteen percent of FO managers who commented in question 10 cited attorney and non-attorney representation as a factor in growth. Attorneys and other representatives have increased awareness and contributed to increased filings, and the advice and assistance they offer seems to improve the chances of being allowed benefits. FO manager note other effects also: SSA's fee arrangement guarantees payment will be received while large backlogs and slow processing times, combined with high ALJ allowance rates, result in large retroactive payments and, hence, large fees for representatives. Attorneys and other representatives were sometimes accused by FO managers of gaming the system to increase their fees and of coaching claimants to help them receive favorable ALJ decisions. Among comments received pertaining to representatives:

'There are number of individuals who are in the start up stage of building a business around representing social security clients... They are very familiar with the 'right' allegations to make when applying for a disabled person.'

'Since the fee agreement policy was passed, we have seen a substantial increase in attorney involvement in the DIB process.'

'We are seeing more non-attorney reps soliciting clients, even across state lines, some appear to have questionable motives, to the point of coaching prospective applicants on responses, impairments, limitations, and conduct.'

'I feel our agency should get out of the attorney fee business. Representing social security claimants is a lucrative business for attorneys.'

*3.2.4.2. Appeals to the hearings level / ALJS.* Applicants are appealing their initial disability decision at a greater rate. Increasing appeals rates demonstrate an increased demand for benefits, perhaps reflecting poor individual economic prospects or simply the increased likelihood of eventually receiving benefits. Fourteen percent of the field office managers who offered comments on the recent growth in the disability rolls mentioned the ALJ decisions and appeals behavior of applicants. One FO manager wrote 'Disability applicants have expressed a belief that there is a different set of criteria used at the hearings level. Applicants frequently ask if they can't go straight to filing a request for a hearing because they have had other applicants tell them they will be denied at the initial and reconsideration levels but will be allowed at the hearing level.'

Other comments about ALJ appeals follow:

'Judges seem to think that because a person has been off work for a year that person is disabled.'

'We believe the high allowance/reversal rate by ALJs encourages both applicants and local firms to pursue disability no matter how slight the impairment might be. 'The 'word' is out on the street-file for disability. You'll get denied but if you appeal to a judge you'll get approved. Unfortunately, the stats prove this theory, and the agency is wondering why DDS is denying all of these claims, implying that the DDS decisions are wrong. Maybe the ALJ's are wrong?! Maybe they are allowing too many cases?'

'Because ALJ's approve a very high percentage of the cases before them, many members of the public perceive that a hearing is a prerequisite to approval. When friends and neighbors see someone approved at the ALJ level, people with moderate impairments are influenced to file claims and to appeal through the ALJ level.'

*3.2.4.3. Refilings, repeat applications.* Repeat applications was cited by a relatively small number (4.4%) of FO managers. None-the-less, the message was clear that many applicants view this as a process of appeal and apply: those who persist will eventually receive benefits.

'... because so many are allowed at the hearings level, applications are more persistent than

ever before; they will file and refile if denied. Many believe that if you keep trying, an approval will come sooner or later. CDR's aren't being done, so the idea is becoming more wide spread that if you 'get on' Social Security disability you are there forever, so it is worth the effort.'

'Many applicants apply for benefits two or three times. Our public seems to have the perception that disability awards are not consistent. It is not unusual for a denied applicant to be told by his doctor to reapply for benefits. There is a policy of clients qualifying for General Relief only 6 months of each year. Each time a client is dropped from GR he may visit us to apply for disability.'

'With the recent wave of Zebley and ALJ allowances, people who filed right after 1984, and were denied, are filing again 'because my neighbor finally got his money!'

### 3.2.5. Changes in medical standards

FO managers focussed on a number of changes in the medical standards that have had an impact on the disability programs both in terms of applications and allowances. More liberal standards, either through court cases, legislation or changes in regulations, not only mean an increased supply of benefits, but also encourage more individuals to apply. Drug abuse and alcoholism, changes in the mental listings, and the belief that easier standards were being applied in general, were all mentioned as changes that have led to more applications and allowances. AIDS/HIV was also mentioned as a factor that has led to program growth, albeit outside of SSA's control.

3.2.5.1. *Drug abuse and alcoholism.* Comments about SSA's drug abuse and alcoholism (D, A&A) policy were offered by nearly one in five of the FO managers who provided comments. Perhaps due in part to recent media attention, many managers felt that SSA's policy in this area was a big problem. Not only were standards viewed as too liberal for individuals in this category, but this policy also sent the message to other disabled persons that SSA benefits were easily available thus encouraging even more applications. As was the case with the comments on the Zebley court case and childhood disability benefits, no FO manager indicated that SSA had made an im-

provement to the program in the current policy of handling D, A&A claims. Selected FO manager's comments appear below.

'Drug and alcohol abusers are also finding easy benefits with SSI. A couple of years ago, addicts needed a primary diagnosis relating to a mental or physical impairment before benefits could be paid. As I am writing this, I have an SSA-831 in front of me showing a primary diagnosis of Cocaine Dependence, with a secondary diagnosis of Alcohol Abuse. This applicant has no physical or mental impairment alleged or diagnosed. Most addicts have responded positively to the promise of easy, free money from the government.'

'The most significant cause for the increase in our disability claims was because of the change in criteria for the mentally ill and D, A&A cases. . . The most effective outreach effort for the poor is to have a friend or a relative awarded benefits. We need a different approach to behavior controlled illnesses of D, A&A and mental illness. Our present system only encourages people to continue their destructive behavior.'

'I have felt that the big increase in our disability workload is largely due to this (DA&A) population. As a result of this 'feeling', I did a small survey over a two week period-I found that 50% of the disability cases coming in involved mental illness, drug addiction, and/or alcoholism. I include mental illness in this as a large number of the cases alleging mental illness also involved drugs and/or alcohol.'

3.2.5.2. *Revised mental listings.* In 1984 Congress mandated that SSA review and update its listings of mental impairments. This was done and allowances for mental impairments rose considerably before levelling off. Nine percent of FO managers offered comments in this area. Comments about the mental listings indicated FO managers see fraud, coaching of claimants, and ALJs who are too liberal in this area. 'The word is out in the legal profession that; (a) if you go to a hearing and (b) show some mental involvement of disability in addition to the physical documentation, you will win.'

'The search for mental impairments: If a comment by an applicant or observation by an interviewer shows any indication of a mental problem,

we order a psychological. This is done even though the claimant has never been previously treated for a mental problem and in all probability never will be. Thus, in numerous cases, a one time exam forms a significant piece of evidence on which an allowance is made. We base allowances on such terrible impairments as attention deficit disorder, hyperactivity, personality and mood disorders.'

*3.2.5.3. Easier standards / allowance rates.* Seven percent of FO managers offering comments focussed on easier standards and high or disparate allowance rates as having an impact on the program. These comments apply only to easier standards in general, and do not include the comments on the standards that are applied at the hearings level, which were discussed earlier. Some managers felt that, in general the decisions that were being rendered today reflected an easier standard than had been applied in the past. Others focussed on the observed differences in allowance rates between states as indicative of easier standards in those states. One FO manager even fingered his own DDS as being responsive to pressure to loosen standards stating 'After media coverage of the low allowance rate... of individuals filing for disability benefits, we began to see our allowance rate increase from 24 to 48%. It is now averaging about 40%.' Not all managers felt that easier standards was an error on SSA's part; some felt that these standards were more appropriate, particularly in light of the problems some workers were having finding jobs in the present economy. One FO manager stated 'It is time we review the disability listing codes to pay the people who deserve benefits. There is a real problem when 80% of the initial claims are denied.' A sampling of other FO manager comments follows:

'Why are there more disability claims now than ever before? Because people have a perception that the disability program is not as strict as it once was. They read of DA&A abuses, refugees getting benefits, and children getting paid in record numbers. The news reports say that SSA is paying 30 000 people who are no longer disabled. Put all that together and the perception is that the money is just there for the taking — just apply.'

'People are achieving the level of inability that we have set as the standard.'

'It also seems there is inconsistency in the allowance rates nationally. We have experienced claimants who were denied in another region coming to our office because they were told by family that they would be allowed here.'

### *3.2.6. Impact of state and local governments*

Many field office managers focussed on the impact that state and local governments were having on the disability programs by changes in their programs. Most of the changes were made for fiscal reasons: State budget problems might be solved by cutbacks and shifting of the financial burden to the Federal Government. The FO manager comments were broken into 3 major topical areas:

*3.2.6.1. Welfare office referrals.* Many state welfare agencies routinely refer their claimants to the disability program. Many require repeated applications, and some have special arrangements with private firms that pays a fixed fee for every welfare client that becomes eligible for SSI or SSDI benefits. The point is to shift the welfare burden to the federal disability programs. Ten percent of the FO managers offering comments mentioned the welfare offices and their referral policies as a source of growth in applications and the disability rolls.

*3.2.6.2. Cutbacks in welfare and other benefit programs.* Many states and local governments have retrenched their welfare, general assistance, Medicaid and other programs. Some programs, including many states' General Assistance programs, have adopted more restrictive eligibility criteria, such as requiring proof of a disability which in many cases may be demonstrated by having a disability claim pending with SSA. Other programs have been basically eliminated, leaving no other place to go than to apply for disability benefits. Over 5% of the FO managers mentioned cutbacks in welfare benefits and other programs as a source of growth in the disability program or applications.

*3.2.6.3. State and local governments attempting to shift the financial burden of programs to the federal government.* A poor economy and reduced state

tax receipts, combined with cutbacks in federal funding to the states during the 1980s, led to a fiscal crunch for many state and local governments. In an effort to reduce state budgets, many states began a concerted effort to shift the burden from state or local programs to the federal government. About 5% of FO managers offering comments specifically mentioned this effort.

These three topic areas were not the only comments that reflected a perception of burden shifting. In comments on health care, for example, state and local governments, even through the school system, were cited as using the application process and, where eligible, the Medicaid program to provide health coverage and/or pay for necessary medical tests. In discussing the value of benefits offered under the DI or SSI program, it was often mentioned that these benefits, and specifically SSI children's benefits, were much more attractive than state or local welfare benefits.

Selected comments in these areas follow:

'... We believe another major factor is increased referrals from public and private welfare agencies. The economic crunch facing states and localities has caused them to look to SSA programs as they have never done before.'

'Most of our applicants are referred to us by the state welfare offices... Many physicians believe they are 'helping' their patient to continue receiving welfare benefits if they were to check 12 months or longer, not realizing that the patient is then required to file for SSA/SSI benefits. Claimants with broken leg(s), or pregnancy or some other mild ailment are unnecessarily being referred.'

'Our local welfare office employs over 250 people, our office but 21. The welfare office now has four disability advocates whose job it is to refer people to get them off welfare rolls and onto other programs like SSI and disability.'

### 3.2.7. Value of the benefit package

Some managers felt that the benefit package was becoming more generous than the work alternative, especially given the structural changes in the economy that appear to be eliminating 'good, high-paying' jobs. Benefits, especially those paid

to children, were considerably more generous than welfare payments, encouraging applications and appeals. The reductions in the number of CDRs being undertaken while SSA tries to reduce pending claims backlogs have made the disability program appear to be a lifetime promise of support, many noted. Combine the high value of benefits with the manager's perception of changes in attitude discussed later in the report, and one might see incentives for individuals to apply for benefits that transcend the economy.

3.2.7.1. *The benefit package.* The disability benefit package includes not only cash benefits but also health coverage through Medicaid for those on SSI or Medicare, after a 24 month waiting period, for those receiving DI. A small proportion (3.4%) of FO managers who commented in question 10 offered the value of the benefit package as a reason for the growth in the program. Selected comments follow:

'The program is turning into an income subsidy for anyone who can get it, with very large financial rewards when you include medical assistance, cash tax free payments, and all the other related benefits. People can still earn a lot of wages or SE each month plus the underground economy.'

'In many instances receipt of SSA and SSI benefits provide a standard of living comparable to that of those who work full time in this area.'

'AFDC households are enticed by the possibility of receiving monthly check of \$469.00 per child instead of the \$115/mo. AFDC grant, with no limit for the number of children in the household. We have an unknown number of households in our service area receiving SSI for two, three, and even four members. They tell others in the neighborhood to come in and file for their child who they say is 'dumber' than the neighbor's child who is getting SSI.'

3.2.7.2. *Failure to conduct continuing disability reviews.* The agency has opted to conduct fewer CDRs as an option for dealing with the processing of the initial claims backlog. Twenty percent of FO managers felt that the reduced levels of CDRs contributed to program growth, not through a reduction in terminations but by encouraging more persons to apply. All manager comments indicated that conducting more CDRs should be

a priority; none thought that this was a workload that could be sacrificed without a detrimental effect on the programs.

'Even the fact that Social Security has failed to perform a significant number of medical CDRs in the last few years, may contribute slightly in making disability-based benefits appear more attractive. Having a 'permanent' source of income may increase one's motivation to contact Social Security and apply for benefits.'

'We believe the permanent nature of SSA disability benefits (usually paid for the rest of an individual's life) encourages filings as a means of a lifetime income.'

### 3.2.8. Financial incentives to encourage application

FO managers were asked to list any sources of financial incentives used to encourage individuals to apply for benefits. Financial incentives to apply for benefits were identified by FO managers, though only one in four of the managers were aware of any incentives. Among incentives mentioned were positive incentives, where something additional is provided such as paying a higher welfare benefit or providing interim health coverage while a disability benefit is pending, and negative incentives, where something is taken away if a claim is not filed such as ceasing welfare benefits if a claim is not filed or pending. Financial incentives cited in the survey included: private insurance companies requiring an application for disability benefits as a condition of disability or long-term sick benefits or reducing dis-

ability pay if the insured fails to apply, employers or unions requiring a disability filing as a condition for extended sick pay, and welfare or general assistance providing a higher payment while a disability claim is pending or requiring a disability application as a condition for receiving benefits or continuing benefits. Also cited as financial incentives were: exclusion from work requirements under general assistance or welfare, local governments providing an indigent health fund to pay medical expenses only while a claim is pending, AFDC payments being terminated after child reaches certain age unless a disability claim is pending, and no access to the Medicaid program unless an application is pending.

FO managers had several comments to offer in this area. With respect to private insurers promoting claims, one FO manager wrote 'Also seems that more and more private insurance companies are requiring their applicants to file with us first. We receive far more applications from persons who know they will be denied but are required by their insurance company to file. The insurance company can then get a copy of our file and not have to pay for a lot of medical reports.'

With respect to employers sick pay requirements, a FO manager stated 'We have a numerous employers with sick pay plans which require participants to file for DIB. In many cases, there is no doubt that the claim will be denied. However, the individual must file as a requirement to continue to receive benefits. In some cases, the

Table 7  
Sources of financial incentives offered to individuals to encourage them to apply

Source	Number	Percent
Total	1171	100.0
No response	21	1.8
No financial incentive listed	837	71.5
One or more sources	313	26.7
Specific source		
Welfare agency	138	11.8
State agency other than welfare	63	5.4
Private insurance	34	2.9
Employer or union	96	8.2
Other source	69	5.9



individual says they know they will be denied and are filing only because they must.'

### 3.2.9. Miscellaneous

3.2.9.1. *Change in attitude.* The population's attitude, FO managers tell us, has changed and receiving government benefits has reached a greater level of acceptability with less stigma attached. Some believe that disability is now viewed as an acceptable alternative to work. As discussed above, poor job prospects and a valuable benefit package make the disability program more attractive to potential applicants. Couple the attractiveness of the program with a perceived change in attitude that associates less stigma with receiving disability benefits, and FO managers point to a greater reliance on the disability programs and the resultant growth. One FO manager summed up this concern by noting:

'...there are available jobs in high enough numbers to rule out local economic conditions as the primary factor for any increase in disability claims. The fact is, however, when a potential job applicant or already employed person working for the Federal minimum wage or even \$5.00 an hour sees their monthly take-home pay vs. what their friends are getting in monthly welfare or disability benefits, there is no incentive to work... It is therefore our belief that it is the work ethic that is missing from the population in our area, not the lack of available work.'

Small percentages of field office managers (4.2 and 2.1%, respectively) felt that the change in attitude and fraud were leading to more filings and program growth.

Among the comments received:

'If an attitude survey were to be taken, those who actually interview the claimants feel that there has been an attitude shift in the people they interview. There is no longer the stigma associated with filing for disability benefits of any type as there used to be ten years ago.'

'There is also the attitude by a new generation of people that the government owes them something and the government should take care of all problems.'

'Societal changes, i.e. the breakup of the family unit, loss of work ethic, a growing attitude of 'the government owes me this...'

'The increase in disability claims is due to changes in social and economic conditions in the United States over the past 30 years. A shift from emphasis on individual responsibility to reliance on government programs has resulted in not only acceptance of government help by the majority of the population but an expectation that government programs should be available to meet mental, physical, and financial needs. Prior to the 1960s, there was great reluctance on the part of most citizens to ask for government assistance. The work ethic was strong and those who could work, even in spite of impairments, sought every opportunity to work as a matter of pride and self-esteem. This is no longer the case. The definition of disability has changed in the minds of the American public. Conditions that were once seen as impairments are now seen as totally disabling. Shrinking job markets and the growth of government programs are contributing factors. The stigma that was once attached to asking for public assistance is gone...'

'We continue to get disturbing allegations that the word is out and that anyone can get disability by 'faking' their way through consultative examinations. We are repeatedly getting disability applicants who have never been treated for their alleged impairment and the sole medical source for the decision is a single consultative exam.'

'A subtle change in how people view disability has occurred in recent years. It is no longer viewed (or even presented by SSA) as a severe long term condition preventing you from doing anything. It is viewed today as an income supplement to unemployable or underemployed individuals.'

3.2.9.2. *Demographics / aging of the baby-boomers.* Over seven percent of the FO managers who offered comments mentioned changing demographics and the aging of the baby-boomer generation as a factor in increased filings and growth in the rolls. While SSA's Office of the Actuary points out that the current demographics are favorable to the program (hold back growth),

this is certainly expected to impact the program in the future. Comments follow.

'We've noted an increase in disability claims in our area even though our economy has remained strong, and we're not necessarily in a hot bed of advocacy group activity. My spin on the increase in claims is due to: the baby-boomers are getting into their 40's and 50's which is prime DIB filing time...'

'...there are more people in their mid to late 40's, i.e., the age that the individual is more likely to become disabled. In other words, the 'baby boomers' are getting older and their age is causing them to fall victim to the impairment related statistics.'

'The reason for the increase in disability claims is rather obvious. The 'baby boom' generation is reaching their mid to late 40's. This is the age where heart attacks, strokes, cancer, etc. begins to show up.'

3.2.9.3. *Health coverage.* FO managers pointed to health coverage as a reason for applications, not only because individuals need medical coverage but because institutions that serve them (schools, private insurers, etc.) need medical tests or educational or psychiatric evaluations. Five percent of managers mentioned health coverage or medical needs in their question 10 comments.

'Many people who apply for disability are looking mainly for medical help-they need treatment or need help with bills.'

'A great percentage of our applications are by people seeking State Medicaid cards.'

'The State, through welfare and the school boards, as well as some private agencies, quickly figured out by having children file for SSI, we would conduct needed medical test at our cost. With a simple release form they then have access to those records.'

'Physicians refer their patients to file for disability because they want reimbursement under Medicare or Medicaid. Often, the patients are disabled in the eyes of the physician, but not disabled in the strict definition of the Act. Some people file for SSI each year or so, even though they are regularly denied, because they want a visit to the doctor, and we will pay for consultative exams for those without medical evidence.'

'Many of the people who file for disability are required to do so by the State or County in order to receive medical assistance. They only need medical help not disability benefits to get back on their feet. Universal medical coverage would reduce the number of applicants.'

3.2.9.4. *Prisoners / prison newsletters.* A relatively small percentage of FO managers (4.2%) mentioned a growing trend among prisoners to seek benefits. Apparently there is an active network, including newsletters, in prisons disseminating information to the incarcerated. One manager, however, reminds us that the POMS, SSA's operating instructions, specifically calls for outreach efforts directed towards penal institutions.

'Folsom Prison in our service area turns over 100 prisoners a week who believe they are SSI eligible and who will file claims as soon as they are on the street.'

'The prison system underground tells inmates they are eligible for DIB. (that's why they are in prison). In the last 4 years we have seen a big increase of applicants recently released from prison. Parole officers often refer claimants to file for disability.'

3.2.9.5. *Employer disincentives.* There were several thoughtful comments that were offered that dealt with disincentives for employers to hire the disabled even in a good economy. Some are presented below.

'... Employers, because of workmen's comp, will not hire anyone with any type of physical problems.'

'Many people comment that they would work, but no one will hire them because:

- (1) Insurance/ W/C risk;
- (2) Group insurance would be cancelled;
- (3) Worried about workman comp. claim; and
- (4) Previous medical problems (e.g. back problems)'

#### 4. Implications for vocational rehabilitation

The information gathered from field office managers is qualitative in nature, representing opinions which may or may not be grounded in fact. However, many of the factors cited as con-

tributing to growth have been clearly demonstrated in other research or statistics. While the precise magnitude of the impact of these factors on program growth has not been established, the simple presence of such impacts does provide direct implications for the understanding the multi-faceted aspects of program growth and permits discussion of how certain policy changes and other interventions might serve to influence growth. This section of the paper will relate the findings of the survey to vocational rehabilitation.

#### 4.1 The local labor market

Many FO managers spoke of unemployment issues and the loss of jobs in the local labor market. Vocational rehabilitation cannot change the local labor market. It is, however, rare when all sectors of the local economy are equally poor. Providing services and training in areas specific to those sectors of the local economy which are less depressed is one obvious solution, although a tight labor market will make it difficult for anyone, disabled or not, to find a job. For many reasons the disabled may have a more difficult time in obtaining employment.

Many FO managers disputed the lack of jobs in the local area, focussing instead on underemployment, or the lack of good, high paying jobs. Without additional training and services to increase the client's employability, disability will only result in downward mobility in the labor market. Lower paying jobs, often lacking health insurance coverage only serve to make the benefits received from disability programs seem more valuable and encourage withdrawal from the labor force in favor of disability benefits. Intervening with vocational rehabilitation services and providing training can improve the prospects of qualifying for better paying jobs, while job placement services can assist in locating appropriate jobs which can accommodate impaired individuals, possibly forestalling downward mobility in the labor force and an application for benefits. Simply finding disabled persons jobs with health care coverage may encourage them to stay in the job market, rather than withdrawing to seek Social Security Disability Insurance benefits which have a 24 month

waiting period for Medicare coverage. Although FO managers point to a lack of good, high paying jobs, it is important to remember that employers often complain of an inadequate pool of qualified workers.

#### 4.2. Program awareness

Individuals who are disabled or impaired receive information about disability programs and benefits from many sources. SSA undertakes outreach efforts, provides public service announcements to the media, and undertakes other informational methods to increase public awareness of the disability programs. These efforts at increasing public awareness rarely promote the availability of services such as vocational rehabilitation, or job protections provided by the ADA and anti-discrimination laws. Increasing the public's awareness of other options could assist potential disability applicants pursue other options and interventions.

There are external sources of information and advice also. Welfare offices were cited as often sending persons to apply for benefits, while State VR offices reportedly sent in applicants much less often. There is clearly a difference in philosophy at work here: a welfare office, where cash benefits are the goal, clearly behave differently than the VR office where work and self-sufficiency are the goal. A change in the message offered by certain outside groups might dramatically change outcomes. Again referrals to services rather than for benefits might provide more beneficial outcomes for the disabled, as well as help to solve the program growth problem. Although advocacy groups for the disabled rhetorically promote work by the disabled, many FO managers indicated that they quite often send applicants to SSA.

FO managers reported that local employers sometimes require the filing of a disability application as a condition for extended sick pay. Since the disability application process is a process of proving one cannot work, this clearly sends a mixed message to the employee: we are continuing sick pay because we want you back, but you must attest to your inability to work. Perhaps requiring the employee to file with a State or

private VR agency would send a more appropriate message.

#### 4.3. *The decision process*

The FO managers point to clear changes in the decision process: allowance rates are up, appeals rates are up, and standards, particularly those at the ALJ level, are viewed as 'easier,' or more liberal. More individuals are choosing to apply and repeat their application if they are denied after appeal. Fewer CDRs are being conducted and, when they are, the cessation rate is lower. All this serves to reduce the risk associated with deciding to apply rather than work, and raise the value of the benefit package.

To the extent that the program is viewed as having easier standards, more individuals will apply. If the standards are in fact less strict, more persons who could work will be moved onto the rolls. Here return to work efforts become more critical, as we try to deal with growth from the 'exit' perspective. Support of return to work efforts through the application of work incentive provisions, providing access to rehabilitation and other services, and job placement become critical.

Repeat applications was viewed as an occurrence that is becoming more and more common. There may be several causes of this phenomenon: state and local governments attempting to shift the burden to the federal government (e.g. by requiring an active application for disability benefits before granting general assistance, medical assistance, or for an exemption in work requirements of welfare programs), the value of the benefit package relative to work, and the message that perseverance pays off in the application process. The result is an increasing workload burden for field offices and the state disability de-

terminations services. Here again, channelling denied applicants to services before they reapply could reintegrate them into the workplace rather than recycle them back to the application process.

#### 4.4. *Demographics*

FO managers commented on the impact of demographics on growth, especially the impact of the aging of the baby-boomer generation and the declining average age of applicants and awardees. Clearly, the impact of the baby-boomer generation has yet to be fully felt on the disability program, but future program growth can be expected. The reduction in the average age of new beneficiaries is a cause for alarm: longer stays result in major increases in program cost. On the other hand, younger individuals tend to be better candidates for VR, retraining, and return to work. Clearly the demographics point to more potential for labor market success.

#### 5. **Conclusion**

The growth in the disability rolls, as viewed by FO managers, appears to have roots in a large number of causes, some external to SSA, some internal, some that affect individual's decision to apply for benefits, and some that influence the supply of benefits. It is clear that one method of controlling growth is to use VR services, return to work efforts, employer accommodations, and the ADA to substitute employment for benefits. This requires changing the message sent to the disabled by social work agencies, private employers, insurers, and others, including SSA, to focus less on benefits as a source of income in lieu of work and focus more on abilities and the services and resources required to remain at, or return to work.

## Appendix

## Number of manager comments by topic

Topic	Number	Percent
Total	384	100.0
1. Court Cases	169	44.0
Zebley court case/ SSI children	165	43.0
Court cases (not specifically Zebley)	27	7.0
2. Awareness of programs	144	37.5
Outreach efforts	87	22.7
Awareness/word of mouth	70	18.2
Advocacy group involvement	25	6.5
3. Changes in medical standards	126	32.8
Drug abuse and alcoholism	73	19.0
Mental listings	33	8.6
AIDS/HIV	29	7.6
Change in standards, easier to get on	27	7.0
4. Changes in the decision process	106	27.6
Representation, attorney involvement	62	16.2
ALJS/Hearings	54	14.1
Repeat applications/refilings	17	4.4
Case processing backlogs	2	0.5
5. Unemployment/local economic conditions	86	22.4
6. Impact of state and local governments	71	18.5
Welfare	38	9.9
Cutbacks in welfare, benefit programs	21	5.5
States shifting burdens	18	4.7
7. Changes in the benefit package	30	7.8
CDRs	19	5.0
Value of benefit package	13	3.4
8. Attitude changes (acceptable/less stigma)	16	4.2
9. Miscellaneous		
Demographics, aging of baby-boomers	28	7.3
Immigration	25	6.5
Health care/medical tests	19	5.0
Prisoners	16	4.2
Fraud	8	2.1
Number of topics covered by field office manager comments		
Comments	Number	Percent
Total	1171	100%
No comments	723	61.7
Comments	448*	38.3
1 Topic	125	27.9
2 Topics	106	23.7
3 Topics	70	15.6
4 Topics	34	7.6
5 Topics	25	5.6
6 or more Topics	24	5.4

\*Note that 64 of the FO managers who offered comments did not refer to any of the specific topic areas enumerated above.

