

## ***Work Efforts of Disabled-Worker Beneficiaries: Preliminary Findings From the New Beneficiary Followup Survey***

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This article represents a preliminary investigation of factors influencing the decision of disabled-worker beneficiaries to look for employment and to return to work. Using the New Beneficiary Followup Survey and the special add-on frame of beneficiaries who had earnings, the article analyzes the impact of vocational rehabilitation (VR), work incentives, and employer workplace accommodations on the decision to return to work. Also examined are the reasons beneficiaries gave for deciding to look for work, job search methods, and the types of jobs that they were looking for.

The research indicates that most beneficiaries look for work for financial reasons, for example, out of economic necessity or to improve their standard of living. Only 1 in 4 reported that they had received VR services and most indicated that it did not help them on the job. Most beneficiaries (80 percent) were unaware of work incentive provisions at the time they returned to work. Nearly half (42 percent) reported receiving workplace accommodations from their employer. Further research is planned to help assess the return to work experience.

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Social Security Administration's Disability Insurance (DI) program has come under much scrutiny over the past few years. Annual expenditures rose by 80 percent between 1982 and 1992, from \$17.3 billion to \$31.1 billion. The increase in expenditures was nearly twice the increase in the cost of living over the period. The number of beneficiaries has also been increasing dramatically. The number of disabled-worker beneficiaries has grown from 2.6 million in 1982 to nearly 3.5 million at the end of 1992. More than half the decade's growth occurred after 1990. Growth in the disability rolls is determined by two factors: the rate of entry into the program and the rate of exit from the program. The latest period of growth has been characterized both by increases in applications and awards and by decreases in terminations.

Applications to Social Security Administration (SSA) for disability benefits were relatively constant at about 1.0–1.1 million per year between 1982 and 1990; they increased to over 1.3 million by 1992. In addition to having more people apply for disability benefits over this period, the allowance rate, or the proportion of applicants who are deemed to be entitled to benefits,<sup>1</sup> has grown consistently over the period from 29 percent in 1982 to nearly 49 percent in 1992. At the same time we see new beneficiaries coming onto the rolls, we also see those leaving the rolls, or terminating, showing a general decline. Although, the actual number of terminations declined from a high of 483,800 in 1982 to a low of 340,000 in 1985 before rising modestly to 375,300 in 1992, the decline in the number of terminations masks the true impact of reduced termination on the size of the rolls. Due to the increased size of the beneficiary population, the rate at which beneficiaries are terminated has declined consistently from 16 percent in 1982 to an historical low of 10.5 percent in 1992. If one excludes those leaving the rolls because they attain age 65 or die, the decline is even more dramatic as recovery and other terminations declined from 164,300 in 1982 to just 27,800 in 1990 (the last year of available data).

To understand the growth in the disability rolls it is important to understand

the pathways through which individuals come into the program and leave the program. One of the exit pathways is by engaging in substantial gainful activity (SGA). Even though they are still disabled, some beneficiaries are able to attempt to return to work. The DI program provides specific work incentive provisions to assist beneficiaries in their work attempt, providing them with protection of their cash benefits and Medicare coverage while they test their ability to work.<sup>2</sup> Some of these individuals demonstrate that they are capable of significant work activity and are able to sustain it for a long enough time so that they become self-supporting once again. At this time, they are terminated from the DI program.

It is estimated<sup>3</sup> that fewer than 3.0 percent of all beneficiaries terminate from the DI program due to a work recovery. It is not surprising that few beneficiaries leave the program this way when one remembers the stringent requirements to enter the program. For the purposes of entitlement to DI benefits, disability is defined as:<sup>4</sup>

The inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. A person must not only be unable to do his or her previous work but cannot, considering age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy. It is immaterial whether such work exists in the immediate area, or whether a specific job vacancy exists, or whether the worker would be hired if he or she applied for work.

There are many economic and social reasons that return to work is a desirable goal. Achieving the goal of returning severely disabled beneficiaries to work

may be difficult, but with a proper mix of work incentives, vocational rehabilitation, and other interventions, experience has shown that beneficiaries can be returned to work and that the process can be cost effective and, hence, part of the overall strategy to control program growth and expenditures.<sup>5</sup> This article evaluates the decision to return to work, the process of looking for work, and the effect that interventions (such as vocational rehabilitation, work incentive program provisions, and workplace accommodations) play in the return to work process. By identifying the individuals most likely to respond to incentives and the interventions that are most successful, SSA may be able to better target individuals and interventions to achieve cost savings.

### *New Beneficiary Followup Survey*

This research examines several factors that could affect the postentitlement work attempts of a cohort of disabled-worker beneficiaries who were entitled to benefits for the first time between June 1980 and June 1981 and who were interviewed as part of the New Beneficiary Followup (NBF) survey. This survey is part of the New Beneficiary Data System that was designed to be a source of information about the changing circumstances of disabled and aged beneficiaries.<sup>6</sup>

### *Disability Work Module*

A special disability work module was designed and included in the NBF to facilitate information about work that cannot be obtained directly from administrative data systems. Even though earnings records are available, the research<sup>7</sup> shows that the connection between earnings and actual work is complicated, and interpreting the presence of posted earnings as implying work may be misleading. For example, earnings posted at a given point in time does not necessarily imply that it was for work performed during that time. The posted earnings could represent commissions or deferred payments from a predisability job, sick pay, vacation pay, or other

sources of reported earnings not representing current work.

The disability work module contains detailed retrospective questions about the first work attempt after entitlement to DI benefits. Questions about the job search methods, employer accommodations, vocational rehabilitation efforts, and knowledge of the work incentive provisions in the DI program were asked. Other questions asked the respondent to compare the postdisability job with the last predisability job. The survey also contains less detailed questions about subsequent work attempts that might have occurred if the first job after entitlement was not sustained.

The questions capture, to the extent possible, the sequencing and timing of the events that led up to the first job after DI entitlement. Although there are many problems with attempting to gather retrospective data on event histories over a 10-year period, the alternative—a prospective survey—would be time and cost prohibitive. A very large sample of beneficiaries would need to be identified and tracked on a regular basis over a long period of time to assure a modest number of workers. Because so little is known about beneficiaries' work attempts, it seemed appropriate to gather the best information possible using a retrospective event history approach within the framework of the already planned NBF survey. It was believed that the first work attempt after disability, even if it occurred a number of years back, would be a significant enough event in the lives of the beneficiaries that they would remember something about the sequencing of events even if they forgot the actual dates surrounding the work attempt. For this reason, questions about the sequencing of the events are asked separately from the questions about the dates of events.

Historically, very few beneficiaries have made an attempt to return to work and very few of those are successful in leaving the rolls because of a return to self-supporting work. To answer questions about postentitlement work patterns of DI beneficiaries, and to assure reliable data and estimates with reasonable precision, it was determined that the original

New Beneficiary Survey (NBS) sample frame would have to be enlarged. Since the original frame had sufficient "non-worker" cases, it was determined that any additional cases should be among individuals targeted as likely workers. The original sample was augmented by an add-on frame of approximately 3,000 DI beneficiaries who showed some earnings from their entitlement in 1980-81. This group was targeted due to their likelihood of having worked at some point during the period since entitlement. The add-on frame was stratified based on whether or not the individual was terminated from the program, with an equal division between those who terminated and those who remained on the rolls. This was done to assure sufficient numbers of persons with a successful return to self-supporting work.

### ***Sample Population***

The population for this article is all DI beneficiaries who were entitled for the first time between June 1980 and June 1981, were awarded benefits before May 1982, survived up to June 1992, personally participated in their interviews, and who acknowledged receipt of benefits near date of entitlement. The reasons for exclusions from the sample set are discussed below.

- *No initial disability benefits between June 1980 and June 1981.* There are some cases in the original NBS sample the disability entitlement period is **not** the first period of disability. There are many ways in which the first episode as an DI beneficiary could be different from subsequent periods of disability. For example, beneficiaries in a second period of disability may not be eligible for a trial work period (TWP). Therefore, only beneficiaries who are initially entitled to benefits during the time window are included in the analysis.
- *Benefits awarded before April 1982.* Since the original NBS sample was chosen in April 1982, it did not contain any beneficiaries for whom retroactive awards were made

after that date. Late awards could be systematically different from early awards. For example, the time required to obtain an award may be long because the beneficiary went through a lengthy appeals process before being awarded benefits. This fact may indicate that the beneficiary is less severely disabled. While beneficiaries whose initial entitlement was in the time window and whose date of award is after April 1982 were interviewed, the fact that the original NBS frame did not include these individuals led us to drop them from the analysis to avoid biasing the results.

- *The date of death is before June 1992.* Because of the complex sample design, a date had to be chosen in order to compute the case weights to adjust for deaths. To facilitate the computation of the case weights, only the population alive as of June 1992, roughly the middle of the interview period, were included. Individuals who were alive on their survey date, but died before the specified date are excluded.
- *The interview is by proxy.* The NBF contains numerous questions about the sequencing of events, many of which took place about 8 or 9 years ago. Even when the beneficiary responded, inaccuracies could exist in the responses, particularly in the dates of events. Although the event of returning to work may be memorable enough for the beneficiary, little confidence can be given to retrospective data gathered from someone other than the actual beneficiary. Hence, we chose to eliminate proxy interviews.
- *No receipt of disability benefits near the date of entitlement.* The disability module of the NBF questionnaire began by establishing that the person being interviewed remembered receiving DI benefits somewhere around the date of entitlement. If, even after some probing, the individual was unable to acknowledge receipt of benefits around that time, the interviewer

was instructed to skip the job questions in the disability module. If the individual was unable to establish a point of reference for the receipt of cash benefits, there would be little hope of obtaining reliable information about subsequent events such as the return to work. In fact, a small number of individuals in the original NBS frame were later determined to be ineligible and never became beneficiaries. Reliable recall took precedence over the slight potential for bias created by making this exclusion.

There are 6,820 records in the NBF dataset that are disability cases; 3,881 respondents are from the original NBS interview and 2,939 are from the add-on population. When the above exclusions are applied, there are 4,405 cases remaining: 2,509 are from the NBS and 1,896 are from the add-on sample. Most of the cases were excluded because either they did not acknowledge receiving benefits around the date of entitlement, the updated Master Beneficiary Record (MBR) shows no period of entitlement to disability in the time window, and/or their date of award was after April 1982.

### ***Standard Errors***

An attempt was made to create generalized standard error lookup tables for this article because there are so many estimates presented. An analysis of the situation revealed that the variances for estimates where the majority of the cases come from the original NBS sample differ systematically from those for the add-on sample. Consequently, because of the complexity involved in their calculation, no standard errors are presented. Instead, we consider these preliminary findings as suggestive of further analyses. In the subsequent, more focused analyses, standard errors will be estimated for the specific quantities under investigation.

### ***First Period of Unemployment***

#### ***Work Status at Entitlement***

The first step in the DI benefit eligibility process requires an evaluation of

work status at entitlement. To qualify for benefits, individuals need not be out of the labor force or unemployed, but they simply must not be engaged in SGA. Using the case weights, there are an estimated 135,696 DI beneficiaries who meet the criteria for the study. About 4 percent of the beneficiaries were working at the time their benefits started and about 19 percent started working after entitlement to benefits (chart 1). Some beneficiaries started working after termination from the program for reasons such as a medical recovery or retirement. The remaining beneficiaries, about 77 percent, never worked after entitlement.

Because the main focus of the article is to understand the work attempts of the disabled, attention is focused on those 130,617 disabled beneficiaries who were not working at the time of benefit receipt.

### Age and Education

The age distribution of beneficiaries at the time of entitlement (shown in table 1) was as follows: 17 percent were entitled between ages 18 and 34, 22 percent between 35 and 49, and about 61 percent are estimated to have been entitled at age 50 or older. Almost half graduated high school or more or had additional education; and about 17 percent went on to have some years of college. Twenty-eight percent had only an elementary school education and twenty-one percent had 9-11 years of education.

### Returning to Work

#### Working Beneficiaries

One of the goals of the survey was to determine how many beneficiaries attempt to return to work and to assess the impact that vocational rehabilitation (VR), work incentive (WI) provisions, and other interventions have had on the percentage of beneficiaries who try to work again. Chart 1 shows that about 19 percent of the DI beneficiary population are estimated to work again after receiving benefits. However, this work may have begun while in beneficiary status or after they were terminated from the DI program for medical or other reasons.

To evaluate work that is policy relevant to SSA, we focus only on those work attempts that start while the individual is a DI beneficiary. For example, the question about the effectiveness of the work incentive provisions requires evaluating work attempts while in beneficiary status. The remaining analysis considers only the work that, according to the survey, started before the date of termination, as recorded in the MBR (table 2). The "work, censored" category means that the beneficiary started work and was still in the DI program at the time of the survey. About 26,194 beneficiaries are estimated to work at some time after the start of benefits. About 70 percent started work during the first period of entitlement, that is, returned to work while receiving benefits.

### Reasons for Returning to Work

The survey gave respondents the opportunity to enumerate the various reasons that led to the decision to return to work. During the interview, a list of possible reasons was provided. Beneficiaries were given the opportunity to enumerate the reasons and to provide other reasons. If the respondent focused on several reasons, they were asked to identify the most important one (table 3). Overall, the most cited reason for returning to work was financial need, with 81 percent citing it as a reason and 58 percent as the most important reason. The second most important reason was a feeling among beneficiaries that they wanted to work. Fifty-eight percent cited the desire to work as a reason to work,

Chart 1.—Work status of disabled-worker beneficiary at time of entitlement

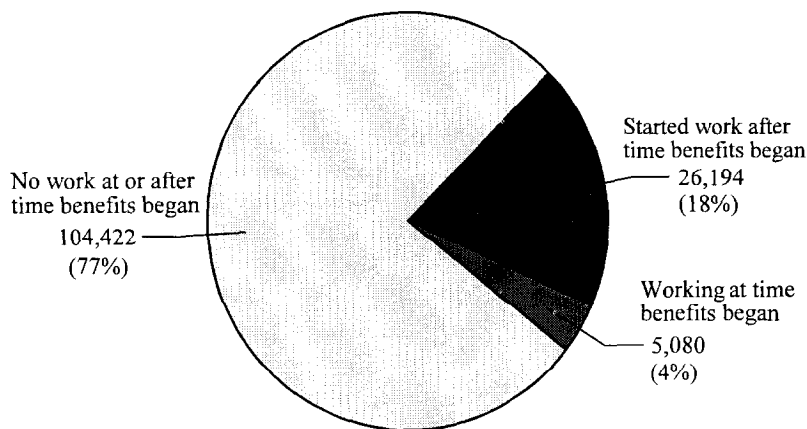


Table 1.—Age and years of education at time of entitlement

Education	Total <sup>1</sup>	Percent	Age at entitlement		
			18-34	35-49	50 or more
Total.....	130,617	100	22,705	28,412	79,499
Percent.....	100	100	17.4	21.8	60.8
0-8.....	36,103	27.6	2,190	6,992	26,921
9-11.....	27,665	21.2	4,009	6,634	17,022
High School graduate.....	42,352	32.4	9,621	9,299	23,432
13 or more years.....	22,026	16.9	6,115	5,159	10,751
Unknown.....	2,472	1.9	771	328	1,373

<sup>1</sup>Totals may not add to 100 due to rounding.

but it was the most important reason for 17 only percent. Two of the top three reasons, financial need and the desire to raise their standard of living, show a strong economic motivation in the decision to return to work.

Health improvement was also frequently cited as a reason for returning to work. If one were to use these responses to build a composite view of the motivations of beneficiaries who return to work, one might project a group of individuals who believe they would be better off economically if working (either by meeting a financial need or attempting to raise their standard of living), have a desire to work, and have seen their health improve so that they are able to go back to work.

### Job Search Methods

If successful strategies for finding a job can be communicated to beneficiaries, perhaps more beneficiaries will be able to find jobs and return to work. Each beneficiary was asked if he or she looked for work after their benefits began. Of the 130,617 who were not working at the time benefits started, only about 11.5 percent, or about 15,000 beneficiaries, looked for work after the start of benefits and before the end of their first period of entitlement. Comparing the 15,000 who looked for work to the 18,000 who worked, one notes that some people worked but did not look for work. Presumably, these individuals did not actively engage in what they considered a job search. They either returned to their previous job, or someone gave them an unsolicited job offer.

The respondents who said that they looked for work were asked a series of questions about activities they engaged in during the job search. For each job seeking activity that the respondents engaged in, they were asked if the activity led to a job offer. Table 4 shows the percentage of persons indicating that they had employed a particular job search method and the percentage who said it led to a job offer.

The two most frequent methods were checking with a friend about a job where they worked and checking with employ-

ers in general without any preliminary contact. The percentage of respondents who tried each of these job search methods is essentially the same, about 42 percent. The most frequent method, asking a friend, was also the most successful method. However, each method resulted in relatively few job offers. Only the "other" category resulted in offers more than half of the time.

### Type of Work Sought

Beneficiaries who looked for work were asked several questions about the type of work they were seeking. Just over 37 percent looked for the same type of job that they had before; 53 percent were open to any type of employment and did not limit their search to a particular type of job; 33 percent looked for full- or part-time work. About 21 percent looked for part-time work only, and 40 percent looked for full-time work only.

Table 2.—Relationship of start of work to benefit termination

Sequence of events	Total	Percent
Recover, work.....	5,256	20.1
Retire, work.....	2,564	9.8
Work, censored.....	9,281	35.4
Work, recovery.....	5,674	21.7
Work, retire.....	3,420	13.1

### Turning Down Job Offers

About 22 percent of those looking for work refused at least one job offer. Survey questions were asked to determine the reasons that beneficiaries did not accept job offers. If more than one reason was given, the beneficiary was asked to specify the reason that was the most important. No one reason was chosen by more than 50 percent of the population, indicating that there is no single, predominant reason for refusing job offers, but the reasons vary considerably (table 5). The most frequent reason given was that the pay was too low, again indicating that finances play an important part in their decisionmaking. The second most frequent reason was that they took another job. This high percentage seems to indicate that sizable numbers of those who are capable of working get several offers while those whose disability is too severe to work get no offers. About 21 percent of those who refused offers are estimated to have rejected the offer because of transportation problems, that is, they found it difficult to get to work. While impairment-related work expense exclusions can permit the deduction of extraordinary transportation costs from SGA, perhaps additional transportation assistance could help promote the return to work. On the other hand, transportation was considered the most important reason for re-

Table 3.—Reasons for returning to work while beneficiaries

Reason	Total responses	Reason was—	
		Most important	One of several
Financial need.....	81.4	57.7	23.7
Wanted to work.....	57.6	17.2	40.4
To raise level of living.....	43.6	4.0	39.6
Health improved.....	37.9	7.9	30.0
Found a job.....	22.0	...	22.0
Rehabilitation helped.....	16.0	2.3	13.7
Other.....	13.3	8.6	4.7
To finance specific purchase.....	11.4	.9	10.5
SSA benefits stopped.....	9.7	1.2	8.5
Medicare was not affected.....	3.7	...	3.7
Spouse's health changed.....	2.9	.2	2.7

jecting an offer by only 10 percent of the population.

When considering the most important reason for rejecting a job offer, about 17 percent said that the pay was too low. While addressing the transportation issue may appear to be an attractive solution to the problem of getting beneficiaries back to work, unless the financial conditions (for example, the prospects for good paying jobs) are improved, one cannot expect to see major increases in acceptance of job offers. The two reasons most frequently cited as most important reasons were "took another job" and "other".

### Job Comparisons

Respondents who worked were asked to compare their new job to the one they had before they became disabled. Twenty-five percent reported returning to work for the employer they had before they became disabled. Thirty-five percent are estimated to be performing the same tasks as they did on the old job. A comparison of factors related to the old and new job can be found in table 6. Sixty-three percent said the new job required less exertion, compared with 14.0 percent who said it required more exertion. Fifty-five percent reported having fewer responsibilities on the new job, compared with 25 percent who reported having more responsibilities. Fifty-five percent also reported working fewer hours on the new job, compared with 45 percent who said they were working more hours. Forty-three percent are working at a lower rate of pay, while 24 percent reported working at a higher rate of pay at their new job. In summary and as expected, the first job after disability is generally less exertional, carries fewer responsibilities, and pays less than the one they had before becoming a beneficiary.

### Interventions

#### Vocational Rehabilitation

Questions about the cost effectiveness of the vocational rehabilitation (VR) program for DI beneficiaries have been raised over the past few years. Although

many reports have been issued, the program is so complex that an accurate estimate is difficult to compute. The NBF contains questions about VR services. Eventually, we plan to test for differences in the proportion of beneficiaries who go back to work for those with VR services, as compared to those without. This proportion is difficult to compute because it involves a comparison of work attempt dates with program termination dates. As mentioned earlier, such a comparison is complicated.

On the other hand, we can compute some more preliminary figures about the

VR program. Each respondent was asked if he or she had participated in various types of VR services, and whether or not these services began before the start of the first job after disability benefits, and if they thought that the services helped make them able to return to work or continue working. These results are presented with a note of caution. It should be noted that the true measure of VR effectiveness lies in the ability of the program to increase the number of work attempts, that is, to help a beneficiary go back to work who would not have otherwise done so. However, it is impossible

Table 4.—Types of job search methods and percent which led to job offers

Type of job search methods	Percent of beneficiaries using method	Did you receive job offer?	
		Yes	No <sup>1</sup>
Asks a friend.....	42.6	17.4	25.2
Checked with employers.....	42.4	13.0	29.4
Answered an ad.....	39.1	14.8	24.3
Checked previous employer.....	32.1	14.6	27.5
Lead from VR agency.....	23.6	11.4	12.2
Asked a relative.....	20.7	6.8	13.9
Lead from State agency.....	18.7	3.7	15.0
Other.....	18.9	11.8	7.1
Lead from private agency.....	10.3	3.0	7.3

<sup>1</sup>Includes missing responses.

Table 5.—Reasons for not accepting job offer

Reason	Total responses	Reason was—	
		Most important	One of several
Pay too low.....	36.7	16.8	19.9
Took another job.....	34.4	20.9	13.5
Other.....	25.8	21.0	4.8
Difficult to get to work.....	20.9	9.7	11.2
Not right kind of work.....	19.1	7.2	11.9
Job conditions not satisfactory.....	18.1	2.1	16.0
Hours not satisfactory.....	17.9	4.2	13.7
Health problems.....	13.0	6.6	6.4
Job was temporary.....	9.2	.7	8.5
Health benefits not satisfactory.....	6.0	.3	5.7
Part time not offered.....	3.7	1.8	1.9
No child care.....	2.2	...	2.2

to accurately estimate this effect without creating a control group which has no access to VR services. This would mean denying services to some who would otherwise be eligible, and this is not a viable possibility.

In the absence of such an approach, it was decided that the attitude of the beneficiaries toward the VR services they received and their assessment of the effectiveness of those services would be worth examining. The majority of the DI beneficiaries did not have any of these services. In fact, only about 27 percent of the beneficiaries are estimated to have had at least one of these services. Also, we found that no particular combination of services is more popular than any other. There seems to be a fairly uniform distribution of individuals in the various combinations of VR services. For this reason, the responses are presented separately for each service in table 7.

Not surprisingly, the job placement services were said to be helpful by the highest percentage of beneficiaries, al-

though this service was provided to fewer than 3.0 percent of respondents prior to their first work attempt. Physical therapy, which was the most common form of VR services for beneficiaries (with 1 in 5 receiving these services) before their first work attempt, had the lowest percentage of beneficiaries claiming that it was helpful (4.7 percent). One possible explanation is that the other services, which are more directly linked to work attempts, are offered only to those who are thought to have a better chance of getting a job—perhaps because they are less severely disabled, their educational level is higher, or because they are younger. If this is the case, then, the higher percentages of perceived helpfulness becomes partly a self-fulfilling prophecy.

To examine this possibility, we first examined the distribution of age at entitlement for those who had physical therapy with those who did not. The age distribution for those who had physical therapy seems to show a slightly larger percentage of younger beneficiaries, but,

overall, there is not much difference between the two distributions (chart 2).

However, if we examine the same population according to whether or not they had job placement services, we see substantially different age distributions (chart 3). Job placement is much more weighted toward the younger ages than the distribution for those who have not had job placement. Although not as dramatic as the age distributions, similar findings were discovered about the distribution of educational levels. Specifically, the distribution of educational levels for those with and without physical therapy were fairly similar, whereas the distribution for those with job placement was shifted more toward those with a higher educational level than the distribution for those without job placement. This indicates that the criteria that are used to decide who is eligible for job placement is quite different from the eligibility criteria for physical therapy.

#### Work Incentive Provisions

Several provisions in the DI program were developed for the purpose of encouraging beneficiaries to try to work again:

- The trial work period (TWP).—For 9 months, not necessarily consecutive, a beneficiary may earn as much as possible without affecting his or her benefit. A trial work month is any month in which the person earns more than \$200. After the TWP, the work is evaluated to see if it is “substantial.” If the earnings do not exceed \$500 per month, benefits will generally continue. If earnings exceed the \$500 per month figure, benefits will continue for a 3-month grace period before they stop.
- The extended period of eligibility (EPE).—For 36 months after a successful TWP and if the person is still disabled, he or she is eligible to receive a monthly benefit without a new application for any month in which earnings drop below \$500.
- Extended Medicare.—Medicare coverage will continue for 39 months beyond the end of the TWP.

Table 6.—Comparison of old job and new job factors

Factor	Job has—		
	Less	More	Same <sup>1</sup>
Exertion.....	62.7	14.3	23.0
Responsibility.....	55.2	25.4	19.4
Hours.....	54.7	45.3	.0
Pay.....	43.1	24.3	32.6

<sup>1</sup>Includes missing responses.

Table 7.—Percent of beneficiaries whose vocational rehabilitation (VR) helped in the return to work process

Vocational rehabilitation	Percent receiving VR services	Did it help?	
		Yes	No <sup>1</sup>
Physical therapy.....	19.6	4.7	14.9
Vocational training.....	4.6	2.2	2.4
Job counseling.....	3.6	1.8	1.8
Job placement.....	2.2	1.5	.7
General education.....	2.5	1.3	1.2
Other.....	4.7	.3	4.4

<sup>1</sup>Includes missing responses.

If Medicare coverage stops because of SGA level work, the beneficiary may purchase it for a specified premium.

We were interested in knowing whether beneficiaries felt that the work incentive provisions in the DI program influenced their decision to try to work

again. About 21 percent of the beneficiaries who were not working at the start of benefits knew of some provision that allowed them to test their ability to work before they started working. When asked about specific provisions, about 20 percent were aware of the trial work period before working (table 8). Only about 2 percent said they were influenced by it.

Fifteen percent were aware of the extended period of eligibility; about 1.5 percent were influenced by it. Eleven percent were aware of extended Medicare coverage. Less than 1 percent were influenced by it.

Respondents were asked about their awareness of each incentive and how they found out about them. When asked

Chart 2.—Age distribution of those with and without physical therapy

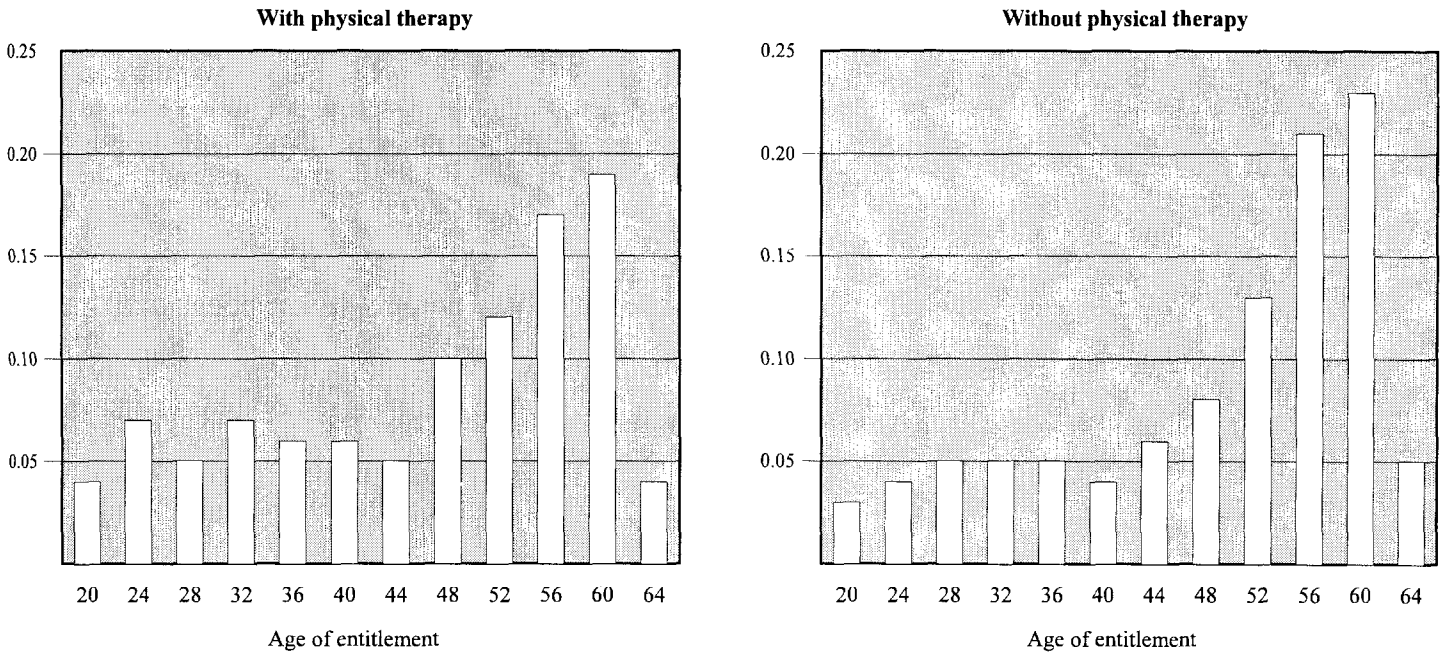
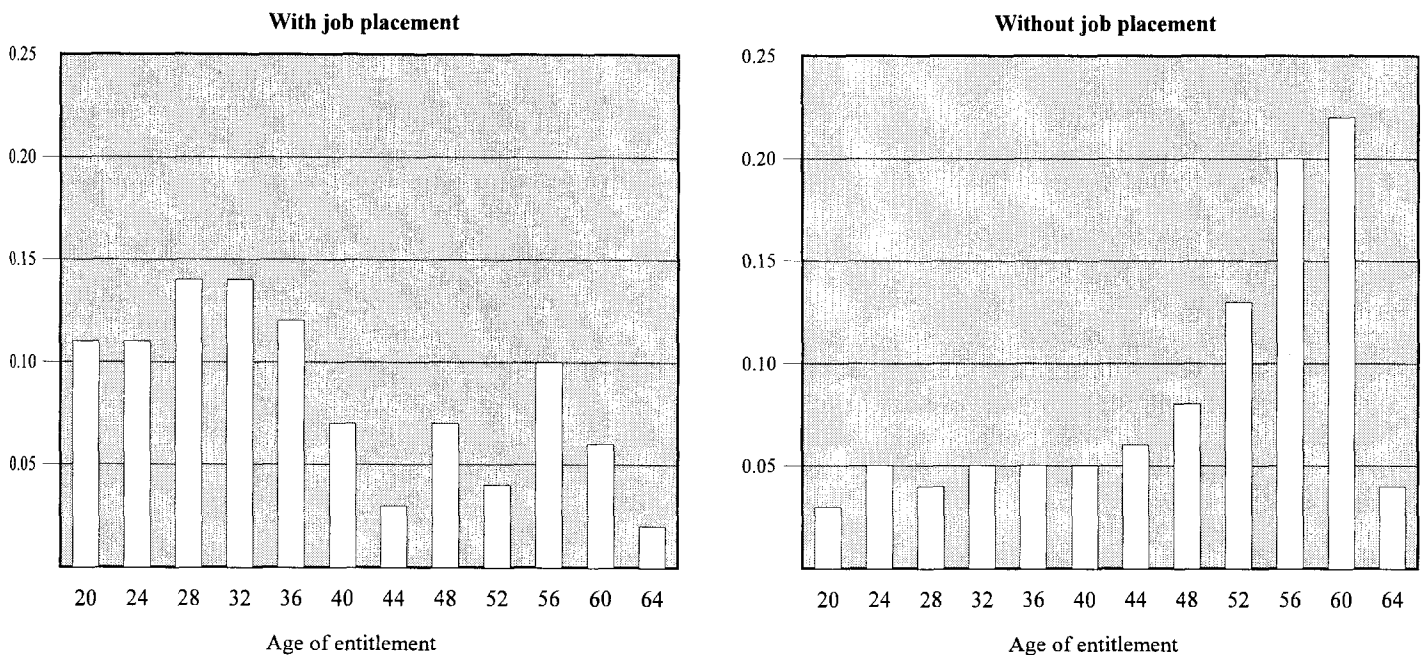


Chart 3.—Age distribution of those with and without job placement





if they heard about them from a friend or relative, 12 percent said yes. About 8 percent said from a physician. Sixty-five percent read about them from SSA publications and 35 percent heard about them from a SSA office. Nine percent learned about the incentives from a vocational rehabilitation provider and 2 percent said that they heard about them from an insurance provider. Fifteen percent said they learned about them from some other source.

Source of knowledge	Percent
Friend or relative.....	12
Physician.....	8
SSA publication.....	65
SSA office.....	35
VR provider.....	9
Insurance.....	2
Other.....	15

The most mentioned mode of communication is that of SSA publications. However, only about 21 percent said that they knew about the provisions and very few said that they were influenced by them.

### Job Accommodations

Questions were asked about accommodations that employers offer to make it easier for the beneficiaries to do their work. In general, about 42 percent of the beneficiaries who worked received some sort of accommodation. And, of those who did receive a given accommodation, many thought that it was helpful. When asked which of their accommodations was the most important, 10 percent of all beneficiaries said that it was "learning a new job skill." As shown in table 9, this accommodation was the one most frequently offered (17.8 percent). The next highest in importance among beneficiaries was "having someone to help you" (7.0 percent), which was offered to 15.0 percent of the beneficiaries. "Shortening the workday" was third in importance (6.0 percent) and was offered as an accommodation to 13.3 percent.

In addition, although not an accommodation, beneficiaries were asked about medical treatment. Almost half, 45 percent, of the beneficiaries who worked

before termination said that they received medical treatments while they worked. Of those beneficiaries who received treatments, 80 percent said they would not have been able to work without the treatments.

### Summary

The motivation to go back to work seems to follow fundamental economic theory. Individuals want to work to satisfy their financial need, and, when opportunities come along that do so, they seem to take advantage of them. When the job offer doesn't satisfy that financial need (the pay is too low), it is rejected.

About 27 percent of the beneficiaries received some sort of VR service. The most successful forms of VR services seem to be vocational training and general education, where approximately half of those who received services said that it

helped them to return to work or continue working. However, few beneficiaries received these services. Further research will be conducted to see whether these and other VR services actually had any impact on going back to work. If they did, given the fact that about half of the beneficiaries completed high school, perhaps a more aggressive educational effort would increase the number of work attempts. Subsequent research is planned to investigate this issue.

Few people said that they knew about the WI provisions. Fewer still felt that the WI provisions influenced their decision to go back to work. This is a discouraging finding. It would also be of interest to assess the impact of these provisions on the actual ability to go back to work. This research is also in progress.

Job accommodations, although offered to only a few beneficiaries, were thought

Table 8.—Percent of beneficiaries who knew of incentives designed to help beneficiaries return to work

Incentive	Percent of beneficiaries who knew	Did incentive influence you?	
		Yes	No <sup>1</sup>
Trial work period.....	19.6	2.3	17.3
Extended period of eligibility.....	15.1	1.5	13.6
Extended Medicare.....	10.5	.8	9.7

<sup>1</sup>Includes missing responses.

Table 9.—Accommodations made by employers to help beneficiaries do the job and/or stay on the job

Accommodation offered	Percent receiving offer	Did it help?	
		Yes	No <sup>1</sup>
Someone helped with your work.....	15.0	13.1	1.9
Purchased special equipment.....	7.4	6.8	.6
Switched you to different work.....	8.7	6.4	2.3
Helped you learn new job skill.....	17.8	15.8	2
Shortened your workday.....	13.3	10.5	2.8
Changed the time you come and go.....	9.9	7.4	2.5
Allowed more breaks.....	12.5	10.5	2.5
Arranged special transportation.....	4.4	4.0	.4
Had someone take you to work.....	2.6	2.3	.3

<sup>1</sup>Includes missing responses.

to be quite helpful. Perhaps they were useful in helping the beneficiary sustain the work attempt. The effect of the accommodations on the ability of the beneficiary to stay on the job will be assessed.

No one method of job search seemed to stand out above the rest as being the most successful. It seems that all avenues of job opportunities need to be tried in the hopes that one of them will be successful.

As expected, these preliminary findings lead to more questions than answers. As indicated, further research is presently underway to study the issues that are raised.

### *Notes*

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<sup>1</sup> The allowance rate is calculated as the number of awards in a calendar year divided by the number of applications. Because decisions on many applications are not rendered in the same year as the filing of the application, this is not the true application rate.

<sup>2</sup> L. Scott Muller, "Disability Beneficiaries Who Work and Their Experience Under Program Work Incentives," *Social Security Bulletin*, Vol. 55, No. 2 (Summer) 1992, pp. 2-19.

<sup>3</sup> *Ibid.*

<sup>4</sup> Social Security Handbook, Social Security Administration (SSA Publication No. 65-008), 1993.

<sup>5</sup> Leo McManus, *Evaluation of Disability Savings*, ORS Working Paper, Social Security Administration, 1981.

<sup>6</sup> Susan Grad, "Statistical Notes from the New Beneficiary Data System," *Social Security Bulletin*, Vol. 56, No. 3 (Fall) 1993, pp. 88-94.

<sup>7</sup> Muller, 1992.