

Response Paper: Education

1) Lessons Learned

Supplemental security income (SSI) is a means-tested welfare program that supplies income support to people with disabilities. However, what qualifies as a disability is hard to define. The main criteria to qualify for SSI is to be diagnosed with a mental and physical impairment that can be expected to result in death, or which has lasted or can be expected to last for a continuous period of at least a year. As this criterion is vague, it is debatable as to what type of conditions and levels of severity warrant inclusion in the program. This can give doctors a lot of power as they are the ones in charge of making diagnoses that can qualify or disqualify people for SSI.

One of the most surprising points from this week is the level of people with mental illness who qualify for the program. With mental disorders accounting for 13.1% of the people who qualify for the program, it is the second-largest group of diagnoses of people who qualify after musculoskeletal disorders and all other impairments. This fact is not surprising given the high and growing rates of depression and other mental illnesses in the United States. However, it is quite interesting that so many people qualify under this category as many mental conditions can change quickly and are not stable over time. A person with a mental condition may be able to work some of the time but not at other times. Therefore, they have only need SSI on a part-time basis but because SSI is an all-or-nothing program that does not allow a recipient to work, they receive SSI all the time and do not work at all.

Overall, economic literature has shown that SSI has mixed effects on its recipients and their families. Deshpande and Mueller-Smith (2022) showed that SSI removal at age 18 increases crime, particularly illicit income-generating activities. One of the most interesting findings of this paper was that when looking at the effect on both men and women. For men, the annual likelihood of incarceration increases by 50% after the removal of SSI, and for women the annual likelihood of incarceration increases by 220%. The fact that the increase in the likelihood of incarceration for women is more than 4 times as great as it is for men is staggering. This is likely because men are so much more likely to be incarcerated, to begin with than women. So while, men whose SSI is removed, are still more likely to be incarcerated than women whose SSI is removed, the change in incarceration is so high because they commit much less crime than men on the whole.

Guldi et al. (2022) find that SSI eligibility reduces maternal hours worked but has no effect on paternal hours and improves parenting behaviors. While these findings can only be trusted to a small degree, given the small sample size and imperfect SSI participation measure, these findings imply that SSI coverage for infants impacts mothers more than fathers. It is interesting that these findings not only suggest that traditional parental roles are quite prevalent in families receiving SSI but that the reallocation of maternal work hours towards child investment may be beneficial for the infant and the father who is able to work but could be harmful to the mother if they are not working by choice.

Finally, Levere (2021) demonstrates that increased enrollment in SSI during childhood leads to fewer earnings and less likelihood of working in adulthood. Given that the SSI benefits

are small amounts of money and that people who rely on them as their main or only source of household income are subjected to poverty, it is not surprising that earnings for children with more SSI exposure were lower. Additionally, I think it is likely that people who received SSI benefits in childhood would be less inclined to work as they would be more likely to continue receiving SSI and throughout their childhood, they may have been less incentivized to join the labor force having grown up with SSI benefits. However, these results do point out that the SSI program is flawed and may not actually help the recipients in the longer term.

2) Research Ideas

It seems that how long a person has SSI can have an impact on how the program influences with Deshpande and Muller-Smith (2022) showing impacts on SSI recipients whose coverage was terminated at 18, Guldi et al. looking at SSI's impact on the families with infants that are enrolled, and Levere (2021) directly compares the impact of SSI on groups of children who were part of the program for different amounts of time. One study that would be interesting to investigate would be to look at the differential health, financial, and self-sufficiency outcomes for people who receive SSI only in childhood, only in adulthood, or in both childhood and adulthood. While it would be hard to control for the confounding effects of people having different conditions and the conditions implications of when they can receive SSI, it would be beneficial to investigate when SSI best serves the people enrolled in it. It could help guide policymakers on how to construct SSI requirements to be the most effective.

Given that Guldi et al. (2022) suggests that having infants with SSI benefits leads mothers to work less and parent more. It would be interesting to study the impact of raising children with SSI on mothers more comprehensively. One study would be to look at the impact of having a household dependent who has SSI on women's mental and physical health. On one hand, SSI could be helpful for mothers by providing additional income but on the other hand, leading women to stay at home could deteriorate their health, particularly for their mental health outcomes.

Finally, while this is not directly related to disability and disability benefits, I am starting to notice a trend from both the Deshpande and Mueller-Smith (2022) and the Carr and Packman paper which we read previously this semester. It seems that women's criminal behavior is primarily motivated by financial need in a way that is not the case for men. As I am now aware, there are studies that look at the impact of SSI and SNAP on women's crime but it would be interesting to further investigate the impact of more welfare programs such as TANF, Medicaid, and EITC on women's crime. Additionally, it would be interesting to see if any welfare programs had positive impacts on reducing women's crime.