

SSA

**Moderator: Maria Artista-Cuchna
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12:00 pm CT**

Doug Walker: Operator, are you there?

Operator: Yes, I'm here.

Doug Walker: Do we have callers on the line?

Operator: Your line is now open and connected with the audience.

Doug Walker: Excellent. Thank you very much. Good afternoon. Hello everyone. Welcome to our Third National Disability Forum. Apologies - many apologies for the technical difficulties on our end. Thank you for waiting. We're going to go ahead and get started and move right ahead. Thank you for being here this afternoon.

And for those of you in the room and those of you who are joining us by phone, I'm Doug Walker, the Deputy Commissioner for Communications at the Social Security Administration. I can't think of a more important communications initiative than this gathering. Many of you remember from college communications -- communications 101 -- the communications loop. Communications is not just speaking. It's not just transmitting. It's listening. It's getting the feedback. We need to get feedback from you and we're so glad that you are here.

We have a lot of bright minds at Social Security working to come up with the best policies and administrating our disability programs, but we need you to share your knowledge and expertise to better serve the people that we all serve, and people that rely on our programs every day. Many of you - probably most of you are closer to the ground than we are. We really value your feedback and input.

So before we get started, we want to thank everyone again here and on the phone for your tireless work on behalf of people with disabilities. Your input helps us do our work better, period. You play a critical role in helping SSA develop policy and the quality of that policy is greatly enhanced by your insight and perspective.

I was going to do a bit of a vamp on the bipartisan budget, but I know (Virginia)'s going to touch on that so I will pass on that. I do want to thank those of you, though, who have been steering your members and member of your audiences and your clients to our faces and facts of disability Web page. You can find the link from the home page of Socialsecurity.gov.

And I would urge you to particularly take a look at the Communicate and Resources headings on the home page. Those are areas that we have specifically put there for advocates and others to help move our message and to help us all serve the clients that we serve together.

There's an online resource that's helping us to correct a lot of the misinformation that's out there about Social Security Disability program and educating the public about how the program provides an essential lifeline for insured workers who incur severe disabilities.

And I can toss some of this so we can get going. In a moment, Deputy Commission Reno will discuss the SSDI and SSI programs in great depth ((inaudible)). I want to encourage you all to tweet while we are in the session today. Please use the hashtag "ssandforum" and also the

hashtag "disability." I'm also asked to let you know we are live tweeting. We will be taking some pictures to go along with those live tweets. So we just wanted to let you know we're taking the pictures and some of those pictures are going to wind up on Twitter. Anybody object to that?

Just checking. Alright.

I'd also like to invite you to follow us on Twitter @ssaoutreach and @socialsecurity. And retweet our messages as well. If you weren't - I'm sorry, you want the hashtag again? Alright. Here's the hashtag -- ssandforum. That's one hashtag. Hashtag ssandforum and the other one is hashtag disability.

Terrific. Follow us on ssaoutreach and @socialsecurity to see what we're not able to hear from everyone today, if necessary we will schedule a follow-up conference or at the very least a conference call to make sure that we have captured all of your ideas and suggestions. And you can also contact us by email. We'll give you more of that toward the end.

With that, I wanted to yield to my colleague, the Deputy Commissioner for Retirement and Disability Policy, Virginia Reno.

Virginia Reno: Great, thank you Doug. And welcome everyone. I'm delighted to see so many familiar faces and some new faces in the audience. This is the third meeting of the Disability Forum. The purpose of these forums, as Doug says, is to hear from you the interested and informed members of the public who care deeply about these Social Security programs that we run.

Our last forum was in July and it focused on ways to improve outcomes for low income children with disabilities who receive SSI. The newest development since our last forum, actually, happened on November 2 when President Obama signed into law the Bipartisan Budget Act that,

among other things, fortunately averted an immediate shortfall in the disability insurance program that was scheduled to occur at the end of next year.

This a hugely important development for the program and many of the people in this meeting, I'm sure, have a role in helping to bring about this positive outcome in the legislation. We now have time that the funding is - on the DI program is followed until 2022 and the combined LASDI program is funded through 2034.

We do have time -- five or six years -- to really focus thoughtful attention on how best to ensure the long term financing from the Social Security program as a whole. And I hope that conversation begins soon.

Today's session is the realities of work for individuals with disabilities, the impact of age, education, and work experience. Consider how these vocational factors are used in making the decision about how who qualifies for disability insurance benefits. Various members of Congress and others have urged us to review and update how we consider these factors in making disability decisions. Vocational factors come into play in the fifth and final step of the disability assessment process.

By that point, applicants have already been found to have a severe impairment that makes them unable to do their past work. The question then remains -- are they able to do any other work that exists in the national economy?

Adjudicators then use the medical vocational guidelines to evaluate whether the person's remaining capacity makes them unable to do other work in light, again, of age, education, and work experience.

We first issued the vocational guidelines in 1978 and we want now to make sure that these guidelines remain in step with changing circumstances and with the shifting realities of the modern competitive labor market. Your input and comments will help us assess whether any changes are warranted and, if so, what kind of changes are needed.

In September we issued, as Doug said, an advanced notice of proposed rulemaking or ANPRN in the federal register. That invited comments on exactly this question. We hope that you will issue comments in writing in response to that notice and the comment period is open through December 14. And of course, the input to this session will also become part of that record.

Today we are delighted to have some outstanding speakers to launch our discussion and each one will speak for about five to seven minutes. We have a strict timekeeper so that we should have plenty of time for your comments and questions and discussion at the end of the program.

I'd like to turn it over now to (Paul Van de Water) who will serve as a moderator for our session. He will give brief remarks and introduce each of the next speakers. (Paul) is a Senior Fellow at the Center on Budget and Policy Priorities where he specializes in Medicare, Social Security, and health insurance coverage.

He also previously served as Assistant Deputy Commissioner for Policy at SSA. And (Paul) and I were also colleagues at the National Academy of Social Insurance before that. So (Paul), thank you for coming and we look forward to the program.

(Paul Van De Water): Thank you Virginia. As Virginia said, I have been asked to supply ((inaudible)) topic. I have ((inaudible)) packet and those of you ((inaudible)) and our ((inaudible)) policy priorities ((inaudible)). And just to summarize ((inaudible)).

((Inaudible)) has a very strict definition of ((inaudible)) requiring that applicants ((inaudible)) but that also rules out ((inaudible)) the ability for ((inaudible)) care workers ((inaudible)) and require ((inaudible)) education ((inaudible)) career ((inaudible)) Medicare ((inaudible)).

Medical vocational guidelines ((inaudible)) Social Security ((inaudible)) supports the ((inaudible)).

The Social Security Administration ((inaudible)) medical vocational guidelines. ((Inaudible)) moving ((inaudible)) but the cause of discriminating against field workers with an impairment could well increase. And in fact, that's what seems to have happened.

Boston College researchers define this job opportunity as narrow as workers age, while opportunities for older workers have grown since the late 1990s. The gains have gone primarily to better educated workers.

In my written remarks I cite several studies that suggest that DI does a fairly good job of assessing whether applicants could indeed support themselves by working. These studies indicate current criteria are strict and that even most denied applicants fare poorly in the labor market.

My colleagues at the Center on Budget and Policy Priorities and others have consistently shown that most of the disability insurances programs' growth was long anticipated and stems from well-understood demographic factors, chiefly population growth, the aging of the baby boomers, the increase in Social Security ((inaudible)), the rising ((inaudible)) labor force's ((inaudible)), and ((inaudible)) equal ((inaudible)).

Policymakers may include ((inaudible)) criteria should be even stricter, but they should recognize ((inaudible)) hardship for rejected applicants and was especially ((inaudible)) minorities and

people with lower socioeconomic status. And I ((inaudible)) look forward to ((inaudible)) that the other participants in today's forum will shed on these topics.

Our first presenter is (Kim Hildred) ((inaudible)), a currently accredited ((inaudible)) on illness consulting but also has served for many years as the Staff Director with the ((inaudible)) Social Security Subcommittee.

(Kim Hildred): Okay, thank you (Paul). It's an honor for me to be with you today. As we begin our work, I ask that you join me in taking a step back to understand the legislative history behind the creation of the vocational statures along with how Social Security Disability programs continue to be reviewed by the Congress. Many of those revisions were included in the laws I will discuss, of course, but given our limited time my focus will be on those related to finding disability.

So as many of you may know, the Social Security Disability Insurance program was not part of the original Social Security Act. Debates over the addition of the program began soon after the original act was signed and continued for the next two decades, and challenged the operations of the program still to this day.

The primary issues being debated then and now include determining whether someone is disabled, the role of rehabilitation, and managing the cost of the program. Sound familiar?

In the Social Security amendments of 1954, lawmakers were finally able to agree on establishing a so-called disability freeze designed to exclude any period of disability from the computation of insured status, or average wages used to determine benefits. In order to determine who was eligible for the freeze, they needed to define disability, and so they did.

And that's the definition you see before you on the slide -- the inability to engage in substantial gainful activity due to a medically determinable physical or mental impairment that could be expected to result in death, or be of a long continued, indefinite duration.

Of note, those determined to be eligible for this freeze were required to be referred to vocational rehabilitation.

Two years later, President Dwight D. Eisenhower signed into law the Social Security Amendments of 1956 establishing the Social Security Disability program. The definition of disability remained the same as that included in the 1954 amendments.

The next change to the definition would occur in the 1965 amendments where part of the definition referring to long, continued, and indefinite duration was changed to "which has lasted or can be expected to last for a continued period of not less than twelve calendar months."

According to the Senate Committee on Finance report, experience had shown that the great majority of cases where disability would last a year were essentially permanent. However, there was recognition that up to 60,000 additional people would join the rolls at that time whose conditions would not last indefinitely.

The Committee on Ways and Means and the Senate Committee on Finance would become increasingly concerned about the rising cost of the program. According to committee report language and floor debates at that time, the clarifying language was intended to better enable the courts to interpret the law in accordance with the interests and intents of Congress. Also, this more detailed definition of disability was consistent with the existing regulations and policy at that time. So the effect of the amendment was to provide a statutory basis for these regulations and policies, thus helping assure uniform evaluation of disability while also controlling cost.

And the definition as you see there - I won't read it for audiences looking at the slide, but here you see the language that was added to the law in 1967, which you will recognize as the underlying statute of the regulation we are addressing today. Of course, other changes to the statute have occurred since that time, but none changing deflection of the law.

Forty-eight years ago Congress could not have anticipated how the nature of work and aging would change.

As we know, the regulations implementing this statute were finalized in 1978. Since then awards due to medical and vocational statues for all disabled beneficiaries would grow to 27% in 1999 and reach 50% in 2012. That's one half of the approximately 749,000 people awarded benefits that year.

Conversely, 37% of the roughly 670,000 denied claims were due to the ability to do other work, considering medical and vocational factors. Simply put, not only is the consideration of vocational factors growing in terms of the number of claims; the use of these factors determined the outcome of hundreds of thousands of claims each year, further emphasizing the importance of our work today.

The interests of the Congress are based on the interests of the public. Their constituents and, increasingly, Social Security Disability programs have been on Congress' radar. The Government Accountability Office, or GAO, often called the Congressional watchdog, maintains a high risk program to focus attention on government operations that if identified as high risk due to their greater vulnerabilities to fraud, waste, abuse, and mismanagement or the need for transformation to address economy, efficiency, or effectiveness challenges.

Social Security Disability programs have remained on GAO's high risk list since 2003, in part because of their emphasis on medical conditions and assessing an individuals' work capacity,

incapacity without any adequate consideration of the work opportunities afforded by advances in medicine, technology, and job demand.

GAO's high risk report along with related reports and testimony provide important information for Social Security to consider as it moves forward.

Further, in recent years, ((inaudible)) has had numerous hearings on the disability program -- twenty-five alone since 2012 -- where Social Security witnesses provided testimony. And this does not include those disability hearings where Social Security did not provide a witness. These hearing shave focused on the reasons for the growth of the SSDI programs, the status of the disability insurance trust fund, SSA's modernization efforts, preventing fraud, and service deliver challenges, among others.

The public records of many of these hearings including expert testimony should be reviewed and considered by Social Security as they move forward.

A number of those have also been introduced to address these challenges, including legislation requiring Social Security to update the medical vocational guidelines, introduced by the chairman of the Congressional subcommittee and Senate committee of jurisdiction.

And of course, some of the provisions ((inaudible)) those were included in recently passed and signed into law Bipartisan Budget Act of 2015, as Virginia mentioned, which among other provisions ensures the payment of full disability benefits into 2022. Members of Congress have announced their plans to introduce legislation to reform and strengthen disability programs, though all of us will need to ((inaudible)).

The employees of the Social Security Administration are challenged to effectively administer programs that impact the lives of almost every American. They must respond to the public, the Congress, the courts, and so many others. Today, they are asking for our help.

I see our challenges threefold. First, helping Social Security preserve the crucial safety net of Social Security Disability program for those who cannot work. Second, helping Social Security make the right decision. Beneficiaries as they experience the crucial safety net are on the roles. They face a lifetime of near poverty income with very few achieving gainful employment and financial independence.

There are those who may benefit far more from other services to help them return to work unless we help Social Security ensure public confidence in disability programs by enabling the achievement of fair, accurate, and consistent decisions.

Finally, since the panelists were asked to stimulate discussion, I will close with a number of questions for consideration. First, is literature available that validates the use of age, gender, education, and work history in determining disability without regard to function?

Second, in the twenty-first century regarding today's changing nature of work, is it reasonable to assume that suddenly at age fifty or fifty-five a person is totally unable to adjust to other work?

What do medical experts say about age and its relationship to function? And last but not least, knowing that not two people are exactly the same, should decision makers be able to make decisions on a case by case basis?

Thank you so much.

(Paul Van De Water): Thank you (Kim). Our next presenter is (Ross Eisenbrey), the Vice President of Economic and Policy Institute.

Ross Eisenbrey: Thank you (Paul). I think the question today boils down to whether we want to make it harder for older and less educated workers to qualify for disability insurance. And it's been suggested that an overall increase in life expectancy, a better educated workforce, and fewer jobs requiring physical labor are the reasons for such a change. But they're not good reasons to tighten the eligibility standards.

Why not? Because increased life expectancy doesn't necessarily mean increased years able to work, because averages tell us little in the context of rising income inequality and growing health disparities, because a knowledge-based economy has left many workers behind. The less educated have more trouble getting hired. And there is a chronically weak labor demand for older and disabled workers.

So increases in life expectancy may not mean that even the overall population is necessarily healthier. Some medical advances merely extend the lives of people in poor health. The Centers for Disease Control show that Americans are living more years with activity limitations. The percentage of life expectancy spent free of activity limitations is actually slightly lower in 2008 than in 1999. And the share of the population in poor or fair health was higher in 2013 than in 1999.

We know that focusing on average life expectancy doesn't capture important socioeconomic disparities. (Hillary Waldron) has shown that life expectancy for those in the top half of the earnings are now almost six years greater than for those in the bottom half, and then we had this bombshell recently from (Angus Deaton) -- mortality improvements have stalled or even reversed for middle-aged whites, especially women without college degrees.

And then we have the fact that a surprising number of older workers do still have physically demanding jobs. 35% of workers fifty-eight and older have physically demanding jobs. Combined, 45% have physically demanding or difficult jobs, according to research done for the Center for Economic Policy Research.

Weak labor demand means that people with less education and older workers are disadvantaged. The current vocational rules get this right. Middle-aged workers have - are very poorly in recent decades even as older workers who do have jobs have delayed retirement. And this sort of wild chart shows you that. The dark lines are the more recent years; the lighter lines are earlier cohorts. And you can see that there's less employment for middle-aged males. There's somewhat higher employment now for people sixty-five and older, and that's a good news/bad news story.

I read this picture overall as saying that there's weak demand for older workers and there is an increased supply for - of workers sixty-five and older. They're more educated than they used to be, so they are able to stay in the workforce longer. But there are also Social Security cuts and the decline of secure pensions that are forcing them to stay in the workforce longer.

Then we see that women's gains have leveled off. Women's employment gains have stalled.

So labor demand really matters. This is the major message that I have today. Employers have to make these hiring decisions. The fact that someone who's disabled wants a job doesn't get that person a job. SSDI eligibility, as we've heard, is based on whether the applicant can, in theory, perform work that exists in significant numbers in the national or regional economy. But in fact, you cannot engage in work if no employer will hire you. I think if anything the rules are currently too stringent in that there doesn't have to be an actual vacancy for you.

So where are we in the labor market right now for older workers? We know that Social Security Disability take-up was lower than expected the Great Recession given the age distribution and

unemployment that peaked at 10%. We have seen a big liberalization. No, not at all in SSDI. In fact, allowance rates fell from 62% in 2005 to 44% in 2015.

And so now by some traditional measures we're near full employment and yet we have millions of missing workers, people who have dropped out of the labor force because they couldn't find jobs. 80% of those missing workers are age forty-five to sixty-four and that is a terrible story. That's 2.85 million missing workers according to our estimates who have dropped out.

So why have older workers been clobbered like this? They're always more vulnerable after job loss. Lots of research shows that they're less likely to be laid off, but when they are they're far less likely to be rehired. They're unemployed longer. They're less likely to receive job callbacks. Their earnings drop more if they do find a job.

The legal protections from the Age Discrimination Act have done a good job of discouraging employers from firing older workers, but they haven't been very effective in making them hire them. And workers who have disabilities we've seen in recent research are also very vulnerable and subject to discrimination.

Applicants with mental and physical disabilities in a recent study received 26% fewer callbacks than people whose letters didn't admit to any such disability. And the gap was worse if the employer wasn't covered by the Age Discrimination - the anti-discrimination laws because they were small -- fifteen or fewer.

So with all of these things working against the employment of older workers with disabilities, why is there so much pressure to tighten the eligibility standards? Critics say that there's a growth in disability roles because of liberalized standards, but others have said as (Paul) did, that the aging of the baby boom, women entering the workforce, and a higher retirement age are really what's responsible.

(Monique Morrissey's) work at EPI shows that the age-adjusted disability incidence rate from men is, if anything, declining in the last twenty years and it's increasing very slightly for women. And as (Paul) said, (Jeff Liedman) showed that the age-adjusted incidence overall has not trended upwards.

So I will stop there. I have more information in the - in what we've submitted for the record. And hopefully someone will ask questions about some of these things. Thank you.

(Paul Van De Water): Thank you ((inaudible)). Our next presenter is (Mark Warshawsky). (Mark) served as assistant secretary for economic policy at the US Department of the Treasury, currently he is a senior research fellow at the Mercatus Center in the George Mason University.

(Mark Warshawsky): Thank you very much for the invitation and I will try to speak quickly. This Social Security Disability program outlines have increased rapidly, roughly doubling ((inaudible)) participation in the program as a percent of labor force has also doubled over the last twenty years. And it's very important to determine the cause of this rapid rate of growth in order to set the program on a sustainable path.

As some will say, the reason for this increased take-up in disability benefits is because insured population has grown older. But ((inaudible)) have shown that actual workforce elderly disability prevalence rate has remained flat or fallen over the past four decades.

Moreover, even after adjusting for long expected changes in age and gender compositional labor force, program take-up has increased significantly in recent years. And this chart is taken directly from the trustee's report ((inaudible)). Social Security Administration and the age and gender-adjusted prevalence of disability insurance benefits you see here has increased very significantly over this period.

Now, the vocational grid, as (Kim) has indicated, has grown. It has become a more significant factor in education on disability claims. A greater percentage of awards ((inaudible)) but considerations of these ((inaudible)) factors -- age, education including language ability and experience. That means a great percentage of claims are awarded and ((inaudible)) in the vocational grid. And this is - the intent is that this is a lesser severity of disability and this is shown in this chart, which is also Social Security data. The green is the - being decided on vocational medical and vocational factors.

There's another study that was done by an economist here also at Social Security that uses SSDI applicants that obtain awards here in the grid. And this is a formal econometric study. He used a random sample of literally hundreds of thousands of determinations made over a long period of time to determine the probability to award by age, controlling over area of residence, medical diagnosis here. And he ((inaudible)) because very important to have it as the probability the initial award ((inaudible)) past age fifty.

That's very dramatic, as you can see in this chart.

So the question really is now that we've really basically determined the grid is an important factor in this increase in the cost of the program - does it make sense anymore? The logic of the grid was that older workers, ((inaudible)) workers needed extra help because of the harsh external market conditions or because its' more difficult for them to adjust.

But since the roles were put in place, things have changed very dramatically. And I'm not even going to discuss the technological advances in medicine and in personal health. Just in terms of the external changes that have been made, they're very significant.

So let's consider changes of the labor force over time. The labor force has moved largely away from manual labor-intensive occupations and towards managerial and service sector jobs. Over the past twenty years alone this share of sedentary occupations has resulted in forty-two percent to fifty-six percent, a turn that they feel ((inaudible)). Moreover, even production jobs are less physically demanding.

We've talked about life expectancy, but I think it's important to actually read the numbers. And they're very dramatic. The life expectancy has lengthened considerable. A male of fifty-eight - fifty years old in 1960 could expect to live for twenty-three years. The male counterpart in 2010 could expect to live seven more years to basically thirty more years.

For women it's a similar story. They, of course, live longer, but their life expectancy increased from almost twenty-eight years to thirty-three years during this period. Now, there's been mention whether this increase in life expectancy is widespread. It may be more or less in certain segments of the population. I don't think anyone ((inaudible)) that it has not increased for everybody.

And so in this - when you look at these changes in life expectancy, the grid that I mentioned - and this is the language in the regulation. The age fifty is closely approaching the ((inaudible)) age. I would say it's almost ridiculous and I think that language informs ((inaudible)) of these regulations and really should be very reconsidered.

Now let's focus on educational attainment. The rules were designed when college was the exception, not norm; and high school completion was far from universal. Over the past fifty years this has changed enormously. High school diploma attainment nearly doubled. Four-year college degree completion has tripled.

Furthermore, I'm not sure if it was ever true, but I think in the current environment, limited education fails to consider the rise of vocational programs, the rise of substitutes to traditional education and just look at very successful people who did not finish college. And you have to ask yourself - is this factor as important as we think it is?

And these are charts showing the increase in educational attainment over the last fifty plus years.

Now another question is the relevance of language ability. Rules granting leeway to ((inaudible)) to English speakers come from an era where American workforce almost universally spoke English. So language latecomers were punished in the labor market.

This has changed very dramatically as the foreign-born composition of the workforce has more than tripled since 1970. And there's been studies that show that immigrants with core English tend to self-select into large ethnic enclaves where English proficiency has little or no relationship with earnings.

And this is the chart for the question of foreign-born workers as the percentage of labor force.

Now let's - so last factor that I wanted to talk about was changes in labor force participation. And actually, I think I disagree with the prior speaker. Labor force participation, which is a function of both supply and demand for labor force among adults fifty-five and older is on a thirty-year upward trend. This is in contrast to the stable decline of participation of all other age groups.

Participation of the fifty-five plus group has increased by roughly a third. Even as the increased education attainment is pushing up the age of initial entry later and later, it's also disengaging from the labor force later as age-related maladies become more manageable. And then there are also policy changes which have led to this, but it's a reality that people are working longer.

And this is a ((inaudible)) from the Bureau of Labor Statistics that shows this point.

So my recommendation is that the grid criteria of education and language be eliminated. The sole focus really should be on the residual functional capacity. Disability examiners should determine if the applicant can do any job in the national economy. If we're forced to keep this and make the change in the regulations as opposed to the legislation, then I think we can give some consideration to age, but much higher than age forty-five, fifty, fifty-five as currently done in regulations.

I think also we should recognize that the - that we have a dichotomy where we still have the early retirement age at age sixty-two. This has intensified the application for disability benefits and we need to correct that.

(Paul Van De Water): Thanks (Mark). Our next presenter is (Kate Lang), who is the senior attorney with Justice in Aging.

(Kate Lang): Thanks (Paul), and I just want to point out for those in the room that this is still my job. (Rebecca) has not stolen my job.

Female: Despite the nametag.

(Kate Lang): Despite the nametag. She has her own job. She's keeping her own job not mine.

Prior to joining just as an agent three years ago I spent several years representing dozens of individuals applying for disability benefits from the Social Security Administration, working in both civil legal aid organizations and private practice. So for me, considering the medical vocational guidelines or grid is not some sort of abstract intellectual exercise, but rather brings to mind the

many individual clients that I represented and the implications of working with the grid in their cases.

So I'd like to take the chance to talk to you about these actual individuals this afternoon. The first is an individual I'll call Mr. K. He was in his early fifties and he had some past work experience in various seasonal or temporary jobs. He had been a construction laborer, a flagger on a road work crew, and also a raid team for crews picking up ((inaudible)) for the county. So some of you - whenever I see those crews up picking up the leaves, I think of Mr. K.

He had developed osteoarthritis in his knees and his spine, and it affected some of the joints in his right hand which was his dominant hand and those joints had become frozen. He also had developed some visual impairments due to diabetes and he had a history of mental illness though his condition was stable. He applied for benefits.

None of his conditions met or equaled a listing. He had graduated from high school but had some history of physically demanding skills or low skill jobs. And at this point he tells us that his body was worn out.

So his osteoarthritis - I really want to emphasize that today because I talk to so many clients with arthritis in their fifties and their forties and fifties. And according to the CDC, arthritis and related rheumatic conditions are the most common cause of disability among US adults. And this has been the case for the past fifteen years, and particularly common in people with multiple chronic conditions like heart disease, diabetes, obesity. And 75% of those with arthritic conditions have osteoarthritis, which is a degenerative, irreversible condition.

Hip and knee replacement options are common now, but there are many joints that are affected by arthritis that cannot be replaced. And as I said, the condition is degenerative and irreversible.

The CDC analysis of 2010 to 2012 national health interview survey data found that there were 52.5 million adults age eighteen and older that had a doctor diagnosis of arthritis. That's a ((inaudible)) five adults or 22.7% of all adults in the US, and 22.7 million -- around 10% of adults - reported limitations with their activities of daily living due to arthritis.

So this breaks down the people ages eighteen to forty-four - about 7% of them reported doctor-diagnosed arthritis. But then when we get to later ages, forty-five to sixty-four, 30% reported doctor-diagnosed arthritis. And then sixty-five and older about half had doctor-diagnosed arthritis. But I want to focus on that population forty-five to sixty-four being diagnosed with arthritis.

And this is not just true of the US. The World Health Organization study shows similar trends in other developed countries in North America, Western Europe, Japan, Australia, and New Zealand.

So the next client I want to talk about is Ms. F, who had carpal tunnel syndrome. She was in her fifties. Again, an early high school graduate and had most recently worked for over ten years in an automobile tire assembly factory. And she developed severe carpal tunnel in her dominant right hand.

She had two surgeries on the right wrist without really satisfactory results. She still had severe impairment there and the surgeon said that no more surgeries were really possible or advisable on her wrist. And she had other severe medical impairments including migraines, neck pain, asthma, depression. But none of them, again, met or equaled a listing.

And she had what I think most of us have experienced as we age being slower to recover from physical activity or injury, and this has been documented in studies conducted by the National Institute of Occupational Safety and Health at the CDC on ((inaudible)) showing that age profoundly affects the ability for the body to adapt and respond to repetitive physical stress.

Biological changes and decreases in the musculoskeletal performance can cause age-related maladaptation. Aging impairs the body's ability to adapt and respond to repetitive physical stress.

And repetitive stress injuries have traditionally been associated with agricultural, construction, manufacturing jobs; but increasingly they are an issue for those in service sector jobs like cleaners, nurses' aides, home health aides among the fastest growing jobs in the US economy. So currently cases of non-fatal occupational injury and illness are highest among healthcare workers for any industry sector, and by contrast two of the most hazardous industries -- agriculture and construction -- are safer today than they were in previous decades.

Finally, I want to speak a little bit about Ms. V -- also in her earlier fifties, had past work as a housekeeper at hotels and office cleaner. And she has adult arthritis in her hands and shoulders, her spine. And she also had some hypertension.

She had never finished high school. She had dropped out in the tenth grade and she had been in professional education during school, but there was no record of IQ testing for her when she had been in school. She had no memory of having had her IQ tested.

When her jobs in the past have required to read directions on cleaning products or read a list of tasks to be performed that day, her coworkers would have to read to her. But she was not able to work due to her arthritis. She had some vocational testing done and had found she had an IQ score of 56. And she was only able to read at a first grade level.

She did not meet the listing for intellectual disability because that requires evidence of an IQ score of 59 or below before the age of twenty-two, which she did not have in her case. She was found to be disabled on the grid because of her low literacy level. This serves as a proxy for her

mental impairment, the difficulties she had with reading and learning and her inability to learn these skills or adapt to new work.

I hope these individual examples illustrate why the grid specifically and, more generally, steps four and five of the disability determination process are necessary and important. There must be an individualized assessment about whether the individual has an impairment or combination of impairments that prevent them from doing substantial gainful activity.

Considering these vocational factors, these individuals were approaching advanced age between fifty and fifty-four. They had high school education or less, a history of unskilled or low skilled work. They had a combination of multiple impairments, any one of which did not neatly meet or equal a listing. Since the medical records were always available or sufficient to meet a listing requirement, which have very specific criteria, but these individuals were disabled. They were unable to perform substantial gainful activity given the combined effects of their impairments when considering their vocational factors of age, education, and work experience.

(Paul Van De Water): Thanks (Kate). And our final presenter is (Rebecca Vallas). (Rebecca) is currently Director of Policy for the Poverty Prosperity Program in the Center for American Progress and she has firsthand experience in the issues of ((inaudible)) former attorney ((inaudible)) legal services ((inaudible)).

(Rebecca Vallas): Thank you so much (Paul). I so thank you for the opportunity to participate in this important discussion. As (Kate) mentioned, I did not take her job. So thank you, (Paul). I am the Director of Policy at the Poverty Prosperity Program at the Center for American Progress. I'm also a former legal aid attorney, as (Paul) mentioned, and so I spent many years helping workers who had experienced a life-changing disability or illness access the Social Security benefits that they had earned.

When it comes to the topic of older workers, there are a lot of truisms out there that just seem to make intuitive sense. And for that reason, they can be quite appealing. And we've heard some of them this afternoon such as people are living longer, people are working longer, and retiring later. People are healthier today and we have a more forgiving workplace, just to name a few.

Now, to some extent these notions are true for some of us. But we need to keep in mind the segments of the population for whom these statements are true and the segments of the population for whom they are not. This is particularly important in the context of a conversation about Social Security.

One obvious policy implication in the Social Security realm is the retirement age, which all too often people forget is already rising from sixty-five to sixty-seven. Another is how disability is evaluated for older workers for purposes of Social Security Disability Insurance, which is of course the focus of today's conversation.

And to that end, as the last speaker on the panel batting cleanup, I'd like to take the privilege to pull out several key threads of today's discussion as well as to take the liberty of drawing a few policy conclusions.

First, it is incredibly difficult to qualify for Social Security Disability Insurance, and only workers with the most significant disabilities and illnesses receive benefits. Social Security's eligibility criteria are stringent and only workers who are unable to engage substantial gainful activity due to a severe physical or mental impairment -- sing it with me now -- expected to last at least twelve months or result in death are eligible.

But unpacking that statutory definition in practice - this means that a worker must not only be unable to do his or her past jobs or his or her current job, but any other job that exists in

significant numbers in the national economy at a level where he or she could earn even \$270 per week. Think about that.

According to the OECD RDI program along with a handful of others including Canada, Japan, and South Korea, uses -- quote -- "the most stringent eligibility criteria for a full disability benefit including the most rigorous reference to all jobs in the labor market." The vast majority of applicants are denied under this strict standard, and fewer than four in ten are approved even after all levels of appeal. Many are terminally ill. Thousands die each year waiting for their needed benefits. And nearly one in five die within five years of receiving benefits.

Now, a fact not well captured by Social Security's data given that beneficiaries are categorized by their so-called primary diagnosis is that many beneficiaries, as (Kate) noted, have multiple serious health conditions. For instance, nearly half of individuals with mental disorders have more than one mental illness such as major depressive disorder co-occurring with severe anxiety disorders. Individuals with mental illness are also at much greater risk for poor physical health. The two leading causes of death for people with mental illness are cardiovascular disease and cancer.

Musculoskeletal disorders commonly afflict multiple joints, not just one. And people with musculoskeletal impairments -- typically older workers whose bodies have broken down with age -- commonly suffer additional health conditions such as cardiovascular disease, diabetes, and respiratory disease.

Now I raise this as an important cautionary note because all too often beneficiaries are described and thought of solely according to their primary diagnosis because that's how they're categorized in SSA's data. This unfortunately lends itself to the persistent myths and misperceptions about the DI program and its beneficiaries that it's just people experiencing a little back pain or who feel a little sad. I took those from a particular presidential candidate.

The reality is much more complex and it's much more serious. Even denied applicants exhibit extremely low work capacity after being denied, reflecting the strictness of DI's eligibility criteria. Just one in four denied applicants were able to earn more than the SGA level post-denial.

Now the reasons for the period of rapid growth that we saw with this program, as you've heard now twice already, and which has come to an end are well understood and are chiefly demographic. The growth was not a surprise nor does it indicate that the program is anything but working as intended. And it is certainly not reason to take hasty action when it comes to the grids.

Now, the second key thread that I'll pull out today is that not everybody is living longer or healthier. As we've heard from several of today's presenters, a large and growing body of literature makes it clear that not all Americans have shared in the gains that we've seen in life expectancy and health. Rather, they have been concentrated among people of higher socioeconomic status, not the workers with lower levels of education and physically demanding past work who make up the DI population.

Moreover, as the Center on Budget and Policy Priorities points out in (Paul)'s written statement, research indicating that Americans of a given age are healthier today than their counterparts a generation ago, offers cold comfort to people living with severe health conditions who have not enjoyed those improvements in health.

A related myth is that we're all working longer, and that the workplace has become more forgiving for older workers and for workers with disabilities. Yet, as we have heard today, these truisms again break down by socioeconomic status and education level. Of course, it's easy to conclude that everyone is or must be able to work well into their sixties, seventies, or even eighties, and that work has somehow become easier and less demanding for all of us if you're drawing that conclusion from a comfortable office chair like many of us occupy.

Third, the vocational factors better known as the grids are an important counterpart to the listings. We've heard several beneficiary stories today courtesy of (Kate Lang) that put a face on the importance of Social Security's so-called vocational factors of age, education, and work experience. Mr. K, for instance, a construction laborer who despite facing several serious physical and mental impairments did not meet any one listing.

His story in particular illustrates how the grids complement the listings, a list of physical health conditions and criteria to evaluate whether someone meets any one of those listings would be inadequate and inconsistent with the much messier reality of ill health and disability, as well as the direct relevance of age, education, and work experience when it comes to determining someone's work capacity.

A more individualized assessment is essential, particularly in light of the fact that many people have multiple impairments, none of which on its own may need a listing. But the combined effect of which may prevent substantial work.

During my time as a legal aid attorney I saw firsthand more Mr. K's than I could count. People who had worked incredibly hard as construction workers, at auto assembly plants, as home healthcare workers, as mechanics; and whose bodies had simply broken down and they wouldn't be able to make it to retirement age. Indeed, the typical beneficiary worked twenty-two years before needing to turn to benefits.

And finally, in closing, I'd like to take the liberty of drawing an overarching policy conclusion from what we've heard today, which is that further tightening the already restricted DI eligibility standards for older workers is unsupported by the evidence. The grids offer a means for greater consistency and uniformity, as (Paul) noted, in balancing the various factors that must be

considered in making a determination about whether despite his or health conditions an individual can do substantial work.

Raising the grid ages or outright eliminating the grids, as has been discussed, or otherwise tightening the DI eligibility standards is unsupported by the evidence and would be nothing short of devastating for older workers who have earned and who desperately need disability protection. People of color and those of lower socioeconomic status would be especially hard hit, and workers like Mr. K who without DI would have nowhere else to turn.

Thank you.

(Paul Van De Water): Thank you (Rebecca). And our thanks to all of the members of the panel. Because of our technical difficulties, our time has been a little bit shortened ((inaudible)) between the members of the panel. I think one of the most important purposes of this forum is to invite the comments and questions both from you who are here in person as well as those who are listening on the phone. I understand ((inaudible)) questions via email.

So I think what I'll do is now open the floor to questions for the panel as well as comments and other discussions that anybody might care to make. As I say, there is an email address that people can use who are listening on the phone.

Now, remember that this session is being recorded so your comments or questions will become part of the Social Security Administration's public record on this topic. As such, I ((inaudible)) please raise your microphone and then start with your name and organization.

And please keep your comments brief -- no more than three minutes each so that we can get everyone. And of course, anyone who would like to comment in greater depth can submit written remarks for the record which is open to the fourteenth of December.

(Lisa)?

(Lisa Ekman): Hi (Lisa) ((inaudible)). I wanted to make a remark...

Female: Mic's not on.

(Lisa): Can you hear me?

(Paul Van De Water): No.

Female: Help her.

(Lisa Ekman): Hi. (Lisa) ((Inaudible)) with Health and Disability Advocates, and I wanted to make a comment and then ask a question to the panelists about the impact of technology. You often hear that improvements in technology haven't been integrated enough. And I - the impact of technology is a really complicated one, I would say, for people with disabilities and the workforce.

For example, people with intellectual and cognitive disabilities - the widespread use of technology actually makes it more difficult for them to function in the workplace. I would also suggest that for older workers the use of technology may sit much more difficult for them to learn new skills sometimes or adapt to new work environments because of the requirements to learn new technology and ((inaudible)) a twenty year old who can write the program or learn it in two minutes.

And so I would urge caution in looking towards changes in technology as making the workplaces more forgiving or easier because I think people with certain impairments it makes it much more

difficult. And when it comes to looking at the factor of age, I think it also disadvantages older workers in being able to move to a new job in many cases.

So I would wonder if anyone has a comment or response to the impact of technology on employment for people with impairments.

Male: I'll respond very briefly to that. I think the issue and a lot of what we've heard about are really not disability mainly. They're vocational issues and therefore I think they're really best addressed through other programs - through vocation programs.

And technology's part of that, so that it's certainly the case if somebody has been working for their career and they're now age fifty, fifty- two. They still could have a very long career ahead of them, but maybe that it would be a difficult career. And therefore, they need vocational assistance to make that transition.

(Paul Van De Water): Anyone else like to comment?

Male: ((Inaudible)).

(Female): Hi, this is ((inaudible)) ((inaudible)) with the ((inaudible)). Thank you all so much for the presentation. This has been a really helpful discussion here today and I think we have a lot of really interesting conversations about differences in morbidity and in mortality in varying populations.

One of the things that I found really helpful when I reviewed the 1978 rule on vocational factors was to really take a look at the fact that the individuals to whom the grids are being applied are individuals who have an impairment. These are individuals who have already been found to have some sort of impairment. They've been found to be unable to return to their prior job.

And the question is - is there any job that exists in reasonable numbers in the national economy that these individuals may be able to perform? And are there adverse factors such as age, such as education that we may need to consider when making this determination?

And I think that's a really important thing to keep in mind and the 1978 rule actually had a very helpful quote. It says, "While most persons continue to work after age fifty-five, and some work until age seventy or beyond, these persons are usually unimpaired or not severely impaired."

So I think that this is a really important thing to think about, and I was wondering if any of you all, particularly (Kate) based on your experience working with individuals who are applying for benefits, have any thoughts on that piece and how we consider these factors in the population of individuals we already know to have disabilities.

(Kate Lang): I'm not sure I would necessarily add anything to that, but I think that that is an important point to make - is that we're not talking about the population at large or the population in general, but we're talking about people who have severe medical impairments. And also, people who have usually a combination of severe medical impairment that - those criteria for the listings are pretty strict and there are many individuals who don't meet the listing for a particular impairment that they have. But they usually have multiple chronic conditions that really impairs their ability to work.

(Paul Van De Water): Thanks (Kate) for raising the comment ((inaudible)) participants on the phone that you may email your questions to nationaldisabilityforum@ssa.gov.

(Webb Phillips): Hi. My name is (Webb Phillips). I'm with the National Committee to Preserve Social Security and Medicare. This was a great interest of discussion from the panel as you focused on

the really critical elements of what it means as you advance in age to be able to still work and be productive members of our economy.

And I recently had a job done on my house. Its' one of those kinds of jobs that hasn't benefitted much from technology and it hasn't been offshored. Guys came into my basement. They dug - they jackhammered the cement floor on the way. They dug a trench and then they filled the ground and drainpipe and installed a sump pump. And all the while they were down there on their hands and knees doing all this work, leveling the ground.

And one of the guys was in his mid-fifties and the other was a much younger man. And the guy in his mid-fifties said to me I don't know how much longer I'm going to be able to do this kind of work. I've been doing this for the last twenty-five years. This kills my knees. He says I'm hoping I'm going to be able to get a job in sales, but if I don't succeed at getting that job I just don't know what I'm going to do.

And so I would urge everybody here to keep in mind not just the folks that you see at the copy machine or at the water cooler in your office or around your thermostat when you're adjusting it if it's too warm or too cool, but the people who have to go out and bust their butts doing the kind of jobs that are still extremely physically demanding, people who probably didn't start life with the benefits of a good education and have made do with what they've got.

It's not to say they're not smart and they're not capable, but they've had to compensate by doing the kind of work that not all of us I think in this room are probably thankful that we don't have to do. And so as their bodies decline - and I really don't see sixty-five and seventy year old guys down on their hands and knees shoveling cement and smoothing it out.

I think we've got to keep those people in our minds uppermost and try to develop and support a system of disability benefits that helps them make it through what is a very difficult stage in their lives.

(Mark Warshawsky): If I might, I'll address that point. I'm not sure if your point is so relevant, to be honest, because as I understand the criterion is whether there's a job - any sort of job available in the economy. And that's any job. That's not necessarily a cement layer. So that person whose knees are worn out presumably - and this is what is national. They'll get another type of job, and that's natural.

So it's a little bit of a mystery to me as to the relevance of that story; in fact, relevance of many of these stories because they just have to be retrained.

(Paul Van De Water): (Kate) or (Rebecca), would either of you like to say something about that?

(Rebecca Vallas): Well, to that point, (Mark), I think that actually I'm really glad that you raised that because I think it's really important that we be really clear about how steps four and five work. So it isn't "is there any other job in the economy full stop?" It's "is there any other job that exists in significant numbers in the national economy that this person, despite all of their impairments and considering their age, their education and their work experience, would be able to transition to doing?"

And that is exactly what the grids try to provide consistency and to help the decision makers do on a uniform basis in making these decisions. So that is exactly the question that we're talking about today is how to consider what other types of work that person that (Webb) just spoke about might realistically be expected to do.

(Mark Warshawsky): Which is constantly what we're discussing - is relevance of age and education, language abilities. That's what ((inaudible)).

(Rebecca Vallas): But I think in saying that person should just be retrained - that's sort of a misunderstanding of what the standard of disability is. It - we don't place the onus on people to go out and figure it out and get a college degree so they can go and do something else. It's meeting people where they are, realistically.

(Mark Warshawsky): I think what we're discussing is relative to age, education, and language ability. That's' what we are discussing.

(Rebecca Vallas): But would you posit that age and work experience and education in the story that (Webb) just highlighted are not relevant to whether that individual can go find another job?

(Mark Warshawsky): I would say that there - it's always been true that as you age those physical jobs become more difficult. And it is natural as a ((inaudible)) indicated to look for other employment. That's natural.

((Mark Warshawsky): Before we take the next, first I'll forward another reminder to people listening on the phone you can send comments to nationaldisabilityforum@ssa.gov via email.

(Susan Procut): Hello. There we go. Okay. (Susan Procut), Allied Veterans of America. And I realize this is a Social Security forum and maybe my comments are somewhat out of context, but the thought of - oh well, somebody can go and get training for another job somewhere in the national economy has to be considered within the context of what are the training programs that are available to people in rural communities or who may not have access to training programs.

And the fact that our policymakers in Washington are reducing the amount of funding for training programs under such things such as the Workforce Innovation and Opportunity Act. They're reducing the Department of Labor funding for such training programs. And so it's disingenuous to say, oh, people can go and get retrained when those resources and training programs are under resourced and overtaxed in terms of demand.

And I just find that blight little dismissal of the concerns expressed by folks like (Webb Phillips) to be horribly disingenuous.

(Paul Seaver): (Paul Seaver) with Goodwill Industries. (Mark), I think you guys did a great job presenting some really deep dives on some data. The dueling banjo use of it reminded me of what President Kennedy said about economy.

We have ((inaudible)) need to be examination of incurred data for what they do and how they function. Can you put your ((inaudible)) overall? ((Inaudible)) going up, things are going on. It's not sustainable. We need to redo the grid.

Maybe they do, but having - doing that for the purpose of ((inaudible)) I would think ((inaudible)) what we ((inaudible)) which is the right thing to do ((inaudible)) because they ((inaudible)). So I think you need to be ((inaudible)) little bit ((inaudible)) we're going to do this because ((inaudible)) reduce the number of beneficiaries.

Second, ((inaudible)) should be ((inaudible)). There's a lot more simpler way to cut benefits than the cut beneficiaries going into complicated ((inaudible)) of the grid. Okay. So ((inaudible)) do that just put it on the table that way. Not...

(Crosstalk)

(Paul Seaver): The other thing ((inaudible)) is ((inaudible)) and the costs going up. We should

((inaudible)) Social Security Administration that the number of people who would be eligible if they applied but do not is many times greater than the number of people on the ((inaudible)). What I would like to know is is that population of people going up as well as the number of people who are ((inaudible))? In other words, ((inaudible)) overall is not a tremendous increase in ((inaudible)), but ((inaudible)) incidence rate given the number of people going ((inaudible)) who might not be able to apply but are eligible.

Male: Does ((inaudible)) today or you ((inaudible))?

Female: I think (Steve Goss) is in the back.

Male: Let me just say one thing about the - the overall program, as I think (Rebecca) said, is the least generous for - near the bottom in generosity, near the top in difficulty of attaining eligibility in the developed world. So our - what we spend as a percent of GDP is not very much for this population compared to our - the other nations of the world.

But looking just at the question of how well is the grid working, one good answer comes from some recent work by my staff and colleagues who look at all of the applicants who were turned down. And as we heard, three- quarters of the applicants who were turned down weren't earning a living two years later.

So that's a pretty scary thing that we can see that they, in fact, were disabled, were at least - two years later they were on their way to being disabled. And that number is seven times greater than those in the (Mysta) study who were accepted but probably should have been denied. She did a very careful study looking at those who were marginally eligible -- people for whom there was a question and the ALJ - some would say they were eligible and some wouldn't. 20% of all the

applicants were sure to be denied; 57% would always be allowed. And then there was this other group, 23%, who were sort of in a marginal category.

And at the end of the day, when you break it all down, about 1.5% of all the applicants probably got benefits who shouldn't have gotten them. And so that's one-seventh the number who probably should have gotten them but were denied.

So when we're looking at how should we adjust this grid or how should we - have we tipped too far towards the applicants? The evidence is that right now we've tipped very heavily against the applicants and the system is making the close calls the other way.

(Mark Warshawsky): Let me ask a response to the question which was addressed to me. Although there was a lot of questions, a little hard to unpack. On one hand, I think budget is relevant in the sense that there are competing demands and legitimate demands on the government's taxpayers' money. And we have to balance it and totally disabled people get a legitimate part of that pie. But there are others ((inaudible)) legitimate for us to say that they get this much and there are other very compelling causes that need money as well.

So that - I think budget is relevant. But also just saying - this is part in response to some of the comments made on the panel - is that the increase in disability payments - the doubling that we've seen actually was a surprise. It was kind of unexpected. And if you look at ((inaudible)) Social Security trustees' reports, you see that, that there is a consistent pattern of under-predicting the disability payments.

So - and the demographic changes have been totally unanticipated. So there is something else going on and we have cited some statistics in how difficult or not it is to get benefits. But those are some of the - particularly in terms of the ALJ statistics. And there was a time very recently where it was mostly ALJs were giving benefits.

That has changed and that probably is part related to the turnaround more recently. Now whether that's a permanent change or it's just a reaction to a lot of public pressure is really unknown.

So I would disagree with the characterization that it's hard to get benefits just in terms of the increase in benefits that we've seen. And at the same time that other statistics show the possible prevalence of disability is flat or declining. It's inconsistency here.

Male: I ((inaudible)) make a comment on two things. First of all, with regard to ((inaudible)) the course of the programming, the extent to which ((inaudible)) rates were expected. I'd only not that you remember until the recent legislation the DI trust fund is projected to be exhausted next year in 2016. My recollection is that that is roughly ((inaudible)) exactly the same collection date that it was predicted back in the 1990s when the allocation of the payroll tax between ((inaudible)) and DI was last established.

There were the ups and downs in the projections between those two points, but it does show when you look back over ((inaudible)) span a couple of decades the projections have turned out to be reasonably accurate.

Also, with regard to budgetary point, ((inaudible)) made some interesting proposals ((inaudible)) Social Security Administration having to do with the advanced ((inaudible)) proposed rulemaking to look at ((inaudible)) should be continually established under the existing program. And ((inaudible)) we know that some of the changes that ((inaudible)) is suggesting would decline ((inaudible)) change with inflation and not simply matters of the defining how ((inaudible)) regulation.

(Paul Van De Water): Now, we do have one question so far from our listeners on the phone. (Kevin) in New Jersey ((inaudible)) the question to our panel so listen carefully. One presenter, (Kevin) said,

indicated that most of the new jobs in the economy were managerial or service-based.

Presumably many of those jobs are skilled positions. Do you agree that people without the specific skills they require for these jobs would not be able to benefit from those new jobs?

((Inaudible)) because many people in the good categories, particularly those with ((inaudible)), lack ((inaudible)) skills and are limited to unskilled work. So ((inaudible)) (Kevin) is asking about.

(Ross Eisenbrey): Well, it is not true that the composition of jobs in the economy is changing very quickly. What the fastest growing jobs are - things like healthcare aides and unskilled work - there are some fast growing occupations but they're small. So they're - even though their fast growing, their share of the economy is very small, and so the difference that will be made is not very great. I think it's a false premise to say that we're going to be creating a lot more managerial executive professional jobs going forward.

(Ross Eisenbrey): I think that maybe it was directed to me because what I said was ((inaudible)) labor force has largely moved away from manual labor-intensive occupations and toward managerial and service sector jobs. So this is not just executive level. So there's a pretty broad - service sector would include healthcare.

(Ross Eisenbrey): And certainly ((inaudible)) (Rebecca) pointed out ((inaudible)) a lot of healthcare sector jobs -- not all of them -- ((inaudible)) nurses' aides do require physical demanding jobs.

Male: ((Inaudible)).

(Monique Morrissey): Hi, (Monique Morrissey), Economic Policy Institute. Two quick comments because I think - I'm an economist and I work with (Ross). I know that ((inaudible)) left hand and the right hand, and it seems like we're disagreeing on facts. I think that there's a couple of really quick points I can clarify.

The first is on employment and labor demands. It just depends what age groups you're looking at and (Ross)'s statistics - he's focusing on the disability group that's forty-five and fifty-five. And specific ((inaudible)) cited includes anybody fifty-five and older. And I think that there's no disagreement there. We ((inaudible)) agree that people after sixty-five ((inaudible)) employment, we think that labor supply ((inaudible)) has conceded that there has been higher employment in the older age group. It's the disability age range that's relevant here.

In a similar way, I don't think that there's a really ((inaudible)) right now, especially after the ((inaudible)) published. The Center on Budget has been ((inaudible)) work showing - talking about the demographics and why that incidence does not include what they consider the gross age distribution of the population with ((inaudible)) the labor board.

Again, this is not an issue of the age ranges, but it's an issue of timing. And I think ((inaudible)) showed there are two different periods, and the last twenty-three years, roughly speaking, there has been no trend upward in age-adjusted ((inaudible)). So it's really like ((inaudible)) people disagree on the factors ((inaudible)) period or age range that you're talking about.

That is not my comment. ((Inaudible)). The ((inaudible)) hasn't been raised in this discussion, but the relevance ((inaudible)) education of the population. And we know that before the relevant population - the share that has a four-year college degree has risen from about 25% to 30%. And this is often viewed as reason for tightening the eligibility standard.

And I just wanted to challenge the panelists to think about that. Why is it that because people are becoming somewhat better educated -- and I emphasize somewhat because I think college educated people tend to think that we're much more college-educated than we are -- but why that would be? Do we raise our standards for college admission, for example, when test scores go up? Is it really relevant the fact that now 30% of the forty-five to sixty-five years olds have a

college degree versus 20% before? Is that really reason to make eligibility for disability more difficult?

Male: I think that it actually works the other way and makes it harder. What the grid does is take into account people who don't have the education. It's trying to take into account and becomes more important as the population becomes more educated that they will have a harder time finding jobs that demand a college education or some technical skill.

So let's say we had 80% of the workforce college-educated and jobs that demanded that. Someone who didn't have a college education would therefore be that much more disadvantaged. I don't understand at all why that would be an argument for changing the grid.

Male: Yes. So that's - I think it's in a way more subtle than that. And actually what I argue is - that's when I mentioned Steve Jobs and it's actually become less relevant. The whole educational issue has become less relevant because it was the case in the fifties and the sixties that, say somebody graduated from Harvard. They were set for life. And because - and it was a sort of discriminatory system.

Now they're not set for life anymore. People with college educations -- young people -- are having difficulty finding jobs. So the relevance of these artificial educational criterion - I think that's what it is. They're artificial. They may have relevant at some point. I think they're less and less relevant now. They just have a much more fluid system and I'm not recommending that people don't go to college, but there are other reasons to go to college and it's become less and less relevant.

People have a lifetime career, lifetime of work. Their education once they're in their forties and fifties becomes less and less relevant. And so I'm not sure it was relevant back when these reqs were put place. What I am saying is it's less and less relevant.

(Paul Van de Water): We have a couple more questions and comments from listeners on the phone.

(David) from Illinois raises a couple of points. First ((inaudible)) the medical listings and to vocational statures. He described severe impairment is based on one of these specific illnesses called the listing. Most agree that these are data and need revision as well as the falling short of the ((inaudible)) listing that every illness that can stop someone from working.

He's also said that the grid is premised on regulations taking cognitive scientific studies acknowledging that vocational experts then SSA uniformly consider the dictionary of occupational titles as dated job descriptions unrealistic when compared with the real world of jobs. So (David) concludes by asking when will the listings and the dictionary of occupational titles be updated to be reflective of reality and scientific standards?

((Inaudible)) on the panel or ((inaudible)). It is my understanding that the Social Security Administration is in the continual process of updating the various medical listings to reflect new diagnostic tools and other new treatments and cures. And they also, I believe, have ongoing efforts to resolve new standards to replace the dictionary of occupational titles. That's been going on for a long time and is apparently proving to be more difficult than it has seemed at first glance.

I don't know if there's anybody from the SSA might comment on that. Perhaps maybe if you could respond to (David) offline.

(Richard) from Pennsylvania write step five mentions the ((inaudible)) and more difficult cases that are not so clear cut. The members of ((inaudible)) agree that eliminating or tightening the step five would require releasing the medical listing - listing the medical listing. ((Inaudible)) experts on the phone ((inaudible))?

(Rebecca Vallas): Do you want to take that or do you want me to take that?

I appreciate that, (Richard). I think that my reaction would be that as I noted and as I believe multiple other speakers noted today, that having a system that involves only a list of conditions with criteria that must be met for each listing and no additional individualized assessment that works if someone does not through any one condition meet a listing is inconsistent with and doesn't really appreciate the realities of ill health and disability, which are much more complicated than that.

And I think (Kate) shared a number of stories that really put a face on why you need that additional step. And it isn't just step five. Its steps four and five together, which is that there are people who are going to be significantly impaired and unable to do substantial work, but because of having multiple conditions and other kinds of adverse vocational factors they're not going to meet any one particular listing.

And Congress and the courts have spoken repeatedly on this. It is extremely clear that it is not the intent of Congress to have a system that only has that list of impairments. And so to abolish steps four and five or the grids would go against the established will of Congress, and also I think be out of step with the reality of disability.

Female: Just to add that the statute required considering the age, education, and work experience of the individual applicant.

Male: I would also add that not only is this required by law ((inaudible)), but it's ((inaudible)) my written remarks such a notion that work disability is a matter that inherently involves more than validating physical and mental impairment. It's, I think, - the crux of the matter that this issue goes back many years and the research ((inaudible)) for a long time ((inaudible)) back-breaking work by ((inaudible)) back in the 1960s on this. And I think that still stands up today.

I think the issue has been muddied a little bit with this confusion in terminology ((inaudible)) what the ((inaudible)) that the Americans with Disabilities Act, which views this word "disability" in a different way. In ADA terms, disability is essentially something which is equivalent to impairment but it's ((inaudible)) that distinction is still ((inaudible)).

(Kevin) from New Jersey on the phone has a follow-up to the ((inaudible)) questions or the response to that. he said one of the speakers indicated that a rise in number of better educated workers in the population argued for less than a need or the medical vocational rules. However, don't the medical vocational rules already account for such better educated workers?

For example, the special categories for people with education that provides a direct entry in this field of work. And he continues to refer to rule 201.05. And I can't say that I remember what 201.05 is. It's not...

Female: Yes. It's the light grid of the labor - is 202. So he's making reference to people who are better educated and able to do light work - so able to stand and lift relatively light ((inaudible)) ten pounds. So ((inaudible)) functional capacity to do light work.

(Paul Van de Water): So is (Kevin)'s question on target then?

Female: Yes. I think he is correct that the grids are set up in such a way to recognize that people with more education or a history of skilled work - the expectation is that they are able to adapt to other work. That's built into the labor grid that's set up now.

Male: That's the fundamental question we're trying to address here. There are obviously - you've seen the different points of view. The fundamental question has to address deciding whether and how to update the ((inaudible)) regulations - is to what extent in today's economies do factors like age

((inaudible)) and lack of education make it harder to ((inaudible)) the different work? Or
((inaudible)) age may reduce our expectation that they might transition.

We haven't discussed, for example, fully ((inaudible)) and what the age is sixty and your future work from here is expected to be relatively short. ((Inaudible)) our expectations of the extent to which a person should transition to the different ((inaudible)) with the ((inaudible)) than we might have expected in a person younger in age.

Male: I agree that you really expressed it very well and that's exactly why, for example, life expectancy is relevant - is because part of that expectation. It's both an expectation for an individual and it's an expectation for society and for the labor force. But yes, I agree the way you've expressed it is exactly ((inaudible)).

(James Edrington): (Paul), I'm going to read the question we had. This is (James Edrington) from Social Security. This question comes from (Amy Brusillio), who is the National Chair for IARP SSDE. She's the Chair of Social Security Vocational Experts. And she said she's part of over 555,000 of the 700,000 adult disability hearings annually and she personally has provided testimony in thousands of adult disability hearings in the vocational expert's role and the hearing is to answer questions. Can individuals perform their past work and/or other work considering their age, education, work history?

Most Social Security vocational experts, in addition to providing opinions for SSA during the hearing on the impact of disability to work considering their age, education, and work history, I supervise job placement service to the same population.

If an individual has a combination of impairments, extensional and non-extensional, typically the grids alone will not be used and the vocational experts will ask to for an opinion based on residual functional capacity and the vocational factors of age, education, and work history. And if the

vocational expert responds that there will be occupations and the existence of jobs in the labor market.

In my experience, the difficulty with the grid application are some of the de facto assumptions that at age fifty approaching advanced age with a high school education and unskilled work history, individuals are automatically unable to perform unskilled sedentary work. It would be my opinion that the age fifty to fifty-five range - the grid needs to be reconsidered.

Male: I'm not sure there was a question there.

(Crosstalk)

Male: So that was certainly a hopeful comment.

Female: Yes, I think she brings up a good point about - the grids are limited to individuals who have exertional impairment. So whenever we're looking at an individual who has a non-exertional impairment, somebody with just a mental impairment or sensory issues that the grid doesn't apply to those cases. So I think that's a good one that she made is that there are many cases where the grids don't even apply.

And then you turn to the VE at the hearing to do that individualized assessment of that individual.

Male: We seem to be approaching our ending point at three PM. I think, (Jioni Palmer), would you make it to wrap up ((inaudible))?

(J. Jioni Palmer): Good afternoon everybody. I am (J. Jioni Palmer), Associated Commissioner of External Affairs. First of all, I just want to thank you, Mr. (Van de Water) and our panel for this discussion

here today. ((Inaudible)) it's always a pleasure working with you guys to put together this event, which is really designed to not only share ideas but more importantly to get feedback.

To that end, I'd like to quickly poll the room. We are prepared to have a follow-up conversation on Thursday, December 3 with some of our panelists here today. We're not sure who all will be able to attend it. Do we feel the need for additional conversation among those of us here or others of you on the phone interested but weren't able to be present? It would be a facilitated call where we give everybody an opportunity to have their specific comments responded to so there would be some effect there.

((Inaudible)) no technical difficulties ((inaudible)). So is there - (Sean) and I are going to have that or not have it one way or the other.

Okay, show of hands -- any one in favor of doing it and wanted to be in the conversation? Okay. So I think now we won't be doing that, but of course we are always open for your feedback. So if ((inaudible)).

But also additionally, please note that you can always provide comments in writing through December 14. You just need to enter the SSA number SSA-2014-0081-0016. The information is in your packets as well as I believe they were emailed to you. ((Inaudible)) we didn't ((inaudible)) so we don't have that material also provided ((inaudible)).

So again, there was a ((inaudible)) for those of you who may now know, there was a conversation taking place on social media with hashtag ssandforum. Hashtag ssandforum and hashtag disability. And that conversation will be another way that we can continue to stay in touch and keep the conversation going. So please feel free to join in the conversation area ((inaudible)).

And with that, thank you very much for coming. We did ((inaudible)) our board national disability forum some time in fourth quarter of next year. We look forward to seeing you all at our NDF four.

Thank you.

END