

Key Findings

*on Health &
Disability*



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Estimating the Health Effects of Retirement by John Bound and Timothy Waidman WP 2007-168

- ▶ Research examining the effect of health on retirement typically compares the health of individuals before and after they retire and finds negative effects of retirement on health.
- ▶ However, if deteriorating health leads individuals to retire, this approach will tend to exaggerate the negative effects of retirement on health.
- ▶ Using a method that avoids this pitfall, we find that retirement actually has a small positive effect on health in men.

The Importance of Objective Health Measures in Predicting Early Receipt of Social Security Benefits: The Case of Fatness by Richard V. Burkhauser and John Cawley WP 2006-148

- ▶ It is only body fat, not fat-free mass like muscle, that predicts early receipt of Social Security Old-Age benefits (OA).
- ▶ An extra standard deviation of total body fat is associated with a 19.3 percentage point higher probability of early receipt of OA benefits.
- ▶ The impact of policy changes that could decrease the uptake of Social Security disability benefits at 62 may be overwhelmed by the potential impact of increased obesity.

Using a Structural Retirement Model to Simulate the Effects of Changes to the OASDI and Medicare Programs by John Bound, Todd Stinebrickner and Timothy Waidman WP 2004-091

- ▶ Raising the earliest entitlement age for Social Security retirement to 65 would reduce exits from the work force at age 62 by nearly 20 percent with little change in SSDI applications.
- ▶ There would be considerable difference in changed work behavior by current health status.

Obesity, Disability and Movement Onto the Disability Insurance Rolls by Richard V. Burkhauser and John Cawley WP 2004-089

- ▶ Between the early 1980s and 2002, both the prevalence of obesity and the number of beneficiaries of the Social Security Disability Insurance program doubled. We test whether obesity causes disability and movement onto the disability rolls.
- ▶ The results are mixed, but we find evidence that weight increases the probability of health-related work limitations and the probability of receiving disability-related income.

Key MRRC Findings provide highlights from MRRC Working Papers.

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A Cross-National Comparison of the Employment for Men With Disabilities: The United States and Germany in the 1980s and 1990s by Richard V. Burkhauser and Johan Mathis Schröder WP 2004-071

- ▶ Relative employment rates for German men with disabilities fell in the late 1980s but were constant over the 1990s while the opposite occurred in the United States.
- ▶ These differences in timing are more likely to be caused by differences in the timing of changes in the social environment these men faced than in differences in the timing of changes in the severity of their work limitations in the two countries.

The Impact of Poor Health Behaviors on Workforce Disability by Caroline Richardson, Jennifer Hanlon, Hillary Mull, Sandeep Vijan, Rodney Hayward, Linda Wray and Kenneth Langa WP 2003-057

- ▶ Both baseline smoking status and a sedentary lifestyle predict workforce disability six years later.
- ▶ If this relationship is causal, cost-benefit analyses of health behavior intervention that neglect workforce disability may substantially underestimate the benefits of such interventions.

The Impact of Diabetes on Work-force Participation: Results from a National Household by Sandeep Vijan and Kenneth Langa WP 2003-034

- ▶ Diabetes is a significant predictor of self-rated disability, of not working due to health impairments, and of receiving Social Security Disability.
- ▶ Those with diabetes had more days of missed work than those without the disease.
- ▶ These changes in work-force participation equate to a loss of \$57.8 billion in income, and another \$7.8 billion in disability payments.

Applications, Denials, and Appeals for Social Security Disability Insurance by Olivia S. Mitchell and John W. R. Phillips WP 2002-032

- ▶ This project explores the process by which older workers apply for, and are awarded, Social Security Disability Insurance (DI) benefits.
- ▶ Those in poor health and with low levels of education and with low income are more likely to apply for SSDI, but few factors distinguish those who are or are not awarded benefits.

Eligibility for Social Security Disability Insurance by Olivia S. Mitchell and John W. R. Phillips WP 2001-011

- ▶ The majority of the pre-retirement population is eligible to apply for SSDI, but some men, and 20 percent of women in this cohort, are not.
- ▶ A disproportionate share of the uncovered population has a health problem and is in a lower socioeconomic group.

Tracking the Household Income of SSDI and SSI Applicants by John Bound, Richard V. Burkhauser and Austin Nichols WP 2001-009

- ▶ The average applicant's labor earnings decline in the months before application, but the income of the applicant's household drops much less in the months before and after application and over the next three years – even for those denied benefits.
- ▶ A patchwork of temporary disability benefits (e.g., workers' compensation, employer pension benefits, etc...) seem to offset declines in labor earnings.
- ▶ While SSI applicants also experience declines in labor earnings, their household income holds up much better because, on average, labor earnings play a less important role for them.

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