

The Relationship between Occupational Requirements and SSDI Activity

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Key Findings and Policy Implications

This paper devises a new “Health Mismatch Index” that relates specific functional disabilities to the requirements of different occupations. Specifically, the index measures the share of workers in an occupation who have health-related difficulties that prevent them from performing at least one essential task of their occupation. To compute the index, the paper integrates health data from the Survey of Income and Program Participation with occupational data from the Occupational Requirement Survey.

The paper finds that:

- About 7 percent of workers report at least one health limitation in performing a task required by their current occupation. The most common difficulties that result in an occupational health mismatch are lifting 25 lbs., standing for one hour, or hearing well in a conversational setting.
- The occupations with the highest index values are in health care, including nurses and health aides; education, including teacher assistants, early education teachers, and childcare workers; and personal services, including maids, housekeepers, and janitors. Occupations with a high mismatch index have lower earnings, are more exposed to hazardous environments, and place less emphasis on high performance and problem-solving.
- As one would expect, occupations with a higher mismatch index also have a higher share of workers subsequently enrolled as DI beneficiaries.
- Although the share of the population receiving DI benefits increased from 1997 to 2010, the Health Mismatch Index fell from 7.4 to 6.1 percent, suggesting that the increase in DI enrollment could have been even higher, if not for the decline in health mismatch.

The findings are important because of the eligibility requirements of DI policy. The evaluation process for DI applicants is based not just on a determination of poor health, but also on an inability to perform a job appropriate to the applicant’s age, education, and experience. In other words, the applicant’s functional limitation must conflict with the actual requirements of their occupation. This study provides new information on this mismatch, and how it is changing over time.

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This research was supported by the U.S. Social Security Administration through grant #DRC12000002-06 to the National Bureau of Economic Research as part of the SSA Disability Research Consortium. The findings and conclusions expressed are solely those of the author(s) and do not represent the views of SSA, any agency of the Federal Government, or the NBER.