



E03: Social Security and the Economic Well-Being of People with Disabilities- With Economist and Researcher, Nicole Maestas, PhD

Voice Over:

Welcome to Let's Get to Work: Reimagining Disability Inclusive Employment Policy brought to you by the Burton Blatt Institute at Syracuse University. And now here's your host, Michael Morris.

Michael Morris:

Welcome again to our Let's Get to Work: Reimagining Disability Inclusive Employment Policy Podcast series. It's an opportunity for us to learn from outstanding researchers, policy makers, leaders in the disability community about what more can we do ensure an inclusive workforce and promote the economic stability of youth and adults with disabilities. Today, I'm very pleased to bring to us Nicole Maestas, who is an economist and associate professor of healthcare policy at Harvard Medical School and a research associate of the National Bureau of Economic Research. She is a member of the team of researchers for the Research and Training Center Unemployment Policy funded by the National Institute on Disability, Independent Living, and Rehabilitation Research. Nicole all, thank you for joining us today. And let me jump right in to our first question. What does disability inclusive employment policy mean to you and why is it important to employers, people with disabilities, and the economy?

Nicole Maestas:

Well, for me, I think this means that policy takes account of people with disabilities. So that might mean that we track a policies effect on

the disability employment gap, for example, or it could mean we try and ensure that people with disabilities share in any employment growth that our economy experiences.

Michael Morris:

For you as a researcher, what have been your primary motivating factors? You have really dedicated your research, health policy, employment related policy, what brought you to this point today?

Nicole Maestas:

I've had for a long time, a deep concern for the economic wellbeing of populations that have been disadvantaged in our society. And I'd say increasingly, concern about structural barriers to employment. These policies often appear neutral. They might not even be particularly aimed at people with disabilities, but they often have impacts on people with disabilities and they have sometimes detrimental impacts. So if we don't review our policies from this perspective, then we often miss these detrimental impacts.

Michael Morris:

And for your work with this new center, your studies particularly are focused on challenges faced by individuals with disabilities who are self security beneficiaries. My understanding is you're examining public policies and systems impacts on decisions beneficiaries make about income production, about return to the workforce, or even getting into the workforce. For our listeners, can you explain what are you trying to learn and what are the implications for public policy?

Nicole Maestas:

Many people with disabilities have work capacity of some kind. What I'm trying to do is in some ways flip the narrative away from say disability to think more about abilities. What are the very many abilities that someone has and then devise ways to measure how those abilities might connect with the requirements of jobs. So in other words, try to find the opportunities for disability employment to actually occur at this micro level in order so that it rolls up to the macro level as a new way of really trying to improve the employment outcomes for people with disabilities. I would say that policy often influences these outcomes, but we sometimes lack new measures, new

innovative measures, new ways of examining how this policy might impact outcomes on the ground. Like at the level of nuts and bolts, how does this person here match to this potential job over here? And at the moment we don't have data, we don't have methods. We don't have any lens with that level of granularity that might help us push forward disability employment at that very granular level.

Michael Morris:

Taking that a step further, social security as a system affects millions of people with disabilities, with receipt of SSI and/or SSDI payments. Why did you focus particularly on social security as a topic area as it relates to the economic wellbeing of people with disabilities?

Nicole Maestas:

Well, I first became interested in the topic of social security disability insurance because there was this long debate about how much work capacity people with disabilities actually had. And it was often framed in this context of problems with the social security disability insurance program, that it has rather strong work disincentives, but no one really had any sense of how much work capacity, there wasn't this population how strong those work disincentives actually were. And I thought that was step number one was, let's figure out what is the impact of this program on people? And are there places where policy could intervene and make a difference, places where policy could actually act to improve the employment outcomes of people with disabilities.

Nicole Maestas:

So that was the initial motivation of the work. And since then, with each step of the research, you advance to the next question. And currently the question is, okay, we know people have work and many people with disabilities would actually prefer to do some amount of work. They also, however, need some federal benefit support. So can we bring those two ideas together and find a path forward that looks like greater employment by people with disabilities, along with the federal benefits support they need as opposed to the current idea, which is you're either working or you're either receiving benefits.

Michael Morris:

I know you're early on in this set of new research studies, but even at this early stage, are there certain trends you're seeing in terms of ultimately helping us to recommend policy solutions for the future?

Nicole Maestas:

We're in the very beginning stages of understanding one trend that I have had my eye on for a while which is that the disability employment gap has been narrowing quite noticeably really since the end of the great recession back in the 2008 period. So something has been going right in the labor market for people with disabilities since that time. And we really just don't understand what it is. What has worked. What has contributed to the greater employment growth for people with disabilities compared to people without disabilities. Now, of course, we've had the COVID pandemic and a lot of people in the labor market very, very recently, but I don't want to lose sight of the fact that prior to that time for nearly a decade or more, some things were going right somewhere and we just got to figure out what it is.

Michael Morris:

I know too, in your work, you're looking at the impact of state policies on disability employment. Can you tell our listeners a little bit more about what are you looking for and what might you be able to find?

Nicole Maestas:

Well, three things, we're looking at three things in particular. One is health insurance. How has this really quite dramatic change in the structure of health insurance in the US, it emanates from the Affordable Care Act, but specifically you have the Medicaid expansions, the creation of essentially health insurance, the opportunity to obtain affordable health insurance outside of an employment relationship. And so that's the first thing, has this changed at all prospects for employment. Maybe it has made it even easier for our people to maintain employment because if their employer doesn't offer health insurance, they can find it other ways, they don't have to turn to the social security programs in order to get qualification for say Medicaid or Medicare. So that would be one thing.

Nicole Maestas:

We're also looking at home and community based services. Oftentimes, those services really make the difference for someone, whether they can or cannot work. They're financed through Medicare, I'm sorry, they're financed through Medicaid. They however include things like supported employment. So they're quite broad in their conception and we know very, very little about their effects on disability employment. That's a second thing. And then a third thing is vocational rehabilitation. So this of course is a state level policy mostly, there are state VR agencies. And the idea here is can we learn something on a systematic national level from the variation across states and VR policy about what works and what doesn't work.

Michael Morris:

Those are really three huge areas of study and we look forward to learning more as your research progresses. I want to shift a little bit to this current environment where we're in. Maybe we're finally after two years coming out of COVID, people are going back to work in record numbers. We're perhaps redefining a term that is often talked about which is the future of work. To you as an economist, as a researcher, what is the future of work in terms of how it's evolving and how might you see or expect it to impact workers with disabilities?

Nicole Maestas:

Surely the future of work will involve more technology at work. I think this development is potentially a positive development for people with disabilities, particularly and maybe crucially, if these technologies can be developed and applied with people with disabilities in mind. I think that's the main thing. There are examples of how technological developments in the workplace help workers and how they harm workers. You can imagine that there have been technologies that have displaced some people with disabilities from their jobs, but at the same time, you can imagine there might be other technologies that have helped people sustain employment when otherwise they might not have been able to. And I think one example that a lot of people are talking and thinking about at the moment is something like the ability to telework. Again, not something that will help everybody because not all jobs are teleworkable, but something that may help some people who can now work because of a telework option.

Michael Morris:

I think that that's a great lead in to the next question. Technology definitely is a major influencer on labor force participation by people with disabilities. Are there some other influencers you might cite to?

Nicole Maestas:

Well, I think the SSDI and SSI programs are just big influencers, maybe even the biggest, I think they're the giant shadow for disability employment policy always in the background and they are a critical social insurance safety net, but they are also vast programs with different types of incentives that impact people with disabilities in particular ways. And the incentives or even really the way to think about it would be the program rules and policy definitions, these all impact with developments in the labor market. So for me, that's probably a number one influencer is that what's happening with the SSDI program often tells you something about what's happening with disability employment in the US.

Nicole Maestas:

Another influencer that I think we really don't know very much about, but I'm hoping our research team is able to make some progress on this would be the attitudes of employers. That has been a black box in many respects that we need to unpack and understand what are those attitudes? Are employers making explicit decisions that have particular impacts or is it something they don't even really think about? And so sometimes things work out, sometimes they don't. That's often a setting where you have many unintended consequences.

Michael Morris:

Let's talk maybe a little bit more generally about policies. Policies get developed local state, federal levels of government. There are internal policies as you say, related to the workplace in general, by different size employers, employers in different market sectors. Can you help share with our listeners, how can we better measure what policies are working well.

Nicole Maestas:

I think we, first and foremost, need rigorous quantitative research. We need concerted focused evaluations of policies that go a step beyond

associational or observational relationships. So we can really start understanding what works and what doesn't work from really what I call a causal perspective. Now, at the same time, I would say, that's not enough. You also need to bring a deep understanding of the institutions and the behaviors of the key actors. So employers, people, the industry, the products that are being created, the production environment, in a way you need the qualitative research to help guide you forward. So you need both, but I think one without the other hasn't really gotten us so far.

Michael Morris:

Right. I think that's very insightful, very helpful to our listeners. Talking about public policies and looking ahead still at the need for significant change, we have the historic low levels of employment for people with disabilities despite what many expected would be more significant change from the Americans with Disabilities Act more than 30 years ago. What policies do you think we should really zero in on that could help promote further change? You may want to talk a little bit more about social security or maybe other policies you want to bring to our attention.

Nicole Maestas:

I would focus first and foremost on return to work policies. This would include vocational rehabilitation. It would include maybe even retraining policy in the US, but I would approach it from a much more coordinated perspective. So these types of services in the US are largely mistimed in my view. So people often get access to say, vocational rehabilitation services, but they get access too late. They get access after they've left their job because they've been unable to work, after they've qualified for social security disability insurance. And when they really needed the services was back when they were still working, when they still had a relationship with their employer. And there was still an opportunity to identify potential rehabilitations, potential retraining, potential accommodations that the employer could try. I think that's step number one.

Nicole Maestas:

I would also focus on paid sick leave. I think this is an essential missing piece in labor force policy in the US at the moment, but an absolutely

critical piece for people who have significant health problems, people will need to take a sick day. People need to go to doctor's appointments. They need to be able to do this without fear of losing their job. They need the job security. It's not the kind of thing... We're not talking about six months of paid family leave, this is just a basic sick leave policy which you find a large share of workers in our economy do not have access to paid sick leave and they tend to be workers who are less educated. That would be second thing.

Nicole Maestas:

I would also focus on how we could restructure some of the work disincentives in the social security disability insurance program. So in particular, I would like to see us consider partial disability benefits where people could, again, combine employment activity, the amount they could do to their preference for what they want to do, but maintain some benefit support in the background. And I think the fourth thing and ties all of this together, return to work, the safety net of having some partial disability benefits available, would be let's double down and focus on promoting work capacity. So again, flipping that narrative from measuring disability to measuring ability.

Michael Morris:

That's a great list. So let's go back to COVID for a moment. We may not be completely done with COVID at this point. And yet we know there is what looks like positive economic news continuing to show up. I think I saw today that the number of individuals that applied for unemployment insurance continues to go down. However, at the same time, we're seeing millions of jobs remaining unfilled. Do you have any suggestions from a policy perspective that could increase employer receptivity and action to recruit, hire, and support effectively workers with disabilities?

Nicole Maestas:

I think there's a tremendous opportunity at hand right now. Employers need workers. This is not going to change any time soon. It's particularly exacerbated at the moment because of the COVID pandemic and labor market restructuring that is occurring, but underlying this present development are these longer running trends in the US population which is notably population aging. That

population aging has been underway for decades and we are now at the point when population aging is its most at its peak. It impacts the US economy. It slows the growth of the labor force, it even alters labor productivity. These are great conditions for employers to then try and innovate around in order to attract new kinds of workers into the labor force. They need workers. And we have a pool, a reserve pool of workers who would like to work.

Nicole Maestas:

They do, however, need some accommodations. They need decent working conditions. In some ways really, what people with disabilities would like from their jobs is not much different from what anybody wants from their jobs. Again, like access to paid time off, that job security, job protection if you need to go to the doctor or if you get sick. It's a little bit of workplace flexibility, some autonomy where possible maybe some accommodations for physical demands. These are the same things that older workers care about as well. That's another untapped, additional reserve source of reserve labor in the US. We just have a lot of people who would work if the conditions were right. So that's really an opportunity for employers to step in and figure out how to offer jobs that these employees could do, could take. And certainly policy, policy has a role to play there in setting the right conditions, but ultimately I think we're apt to see some exciting developments on that front as employers begin to change the way they do business.

Michael Morris:

For our listeners, every research study provides new answers, but also asks new questions. What do you think a person that's really focused in on unemployment policy, you also have pointed out today their intersection with healthcare policy, what are the next generation of research questions? We need to be asking to develop policies and practices that will further help us to overcome barriers to employment for people with disabilities and even go beyond just employment, but promote career advancement.

Nicole Maestas:

I think at the moment, the black box for many of us who are doing research in this area is, what's happening with employers? Employer

attitudes, employer policies. You know all too well as to why that it's just very hard to access data about firms, about their policies, to identify firms who'd be willing to work with us and experiment and innovate like let's figure this out. We can only learn so much from surveys of workers. We have lots of public federal surveys, the labor force, we know lot about people, their preferences, their abilities, their disabilities, their healthcare. The missing piece is the employer side of the picture and it's also, I think just the hardest one to get at without willing partners. So that's what I hope we see in the next generation is employer partners coming forward and saying, we want to work with the researchers to figure out how we can improve disability employment at our firm.

Michael Morris:

And let me ask you one last question is, we live in really very dynamic times, a lot of external influences on the American and world economy that have nothing to do with anything we've talked about today, the war going on in the Ukraine, the rising inflation, but for people with disabilities, from a researcher standpoint, as an economist, no one has a crystal ball, but are you optimistic? Are we going to see with the changing demographics, the tremendous number of jobs going unfilled are you optimistic about that, the picture will improve for people with disabilities more will be not just entering the workforce, but have real opportunity for career advancement, greater opportunity for economic self-sufficiency which was the goal of the ADA so many years ago. And if you are more optimistic, what are those tea leaves that you're reading and data you're exploiting. I know we can't predict accurately the future, but what do you think about?

Nicole Maestas:

I'm really optimistic. I'm probably among the most optimistic people on this point that you will find. We need to really dig in and figure out what has been going right because as I mentioned earlier, we are seeing a narrowing of that disability employment gap. It's quite significant. Some of our recent research we've been looking at disability employment through COVID pandemic, everybody expected people with disabilities to be impacted much, much harder than people without disabilities, but we found that their employment losses were about the same in percentage terms as people without disabilities. And

if anything they appear to be recovering more quickly in the aftermath from the COVID recession.

Nicole Maestas:

We also saw, prior to COVID, an increase in the rate of exit from the SSDI program because of a successful return to work. So altogether, those are three trends that I know are related. I'm still trying to figure out what is going on, what has happened? What are the policy drivers, what is making this work? But I am confident that we will be able to identify very clearly that there are positive trends underway. We will be able to figure out what is contributing to the development of those trends. And then the goal would be to figure out how to sustain and increase the trend. So yeah, I'm pretty optimistic. I think there's tremendous amount of work to do, particularly, as I mentioned, we've got to work more closely with employers, get employers to come to the table to work with us around this issue, but I think we'll get there.

Michael Morris:

Thank you, Nicole. And I think your insights today, your perspective really helps all of us think about where are we going with employment policy? What opportunities can we create to further refine policies, whether it's social security, healthcare policy, other issues. Thank you for your time today. It's really been an opportunity to learn and share with our listeners your keen insights as a researcher, as an economist, as a person very much in tune with what's going on in the world of labor participation and what's happening to people with disabilities. Thank you so much.

Nicole Maestas:

My pleasure.

Voice Over:

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