



Analysis of the Effects of Medicaid Expansion and Economic Changes on Social Security Disability Insurance Enrollment Rates

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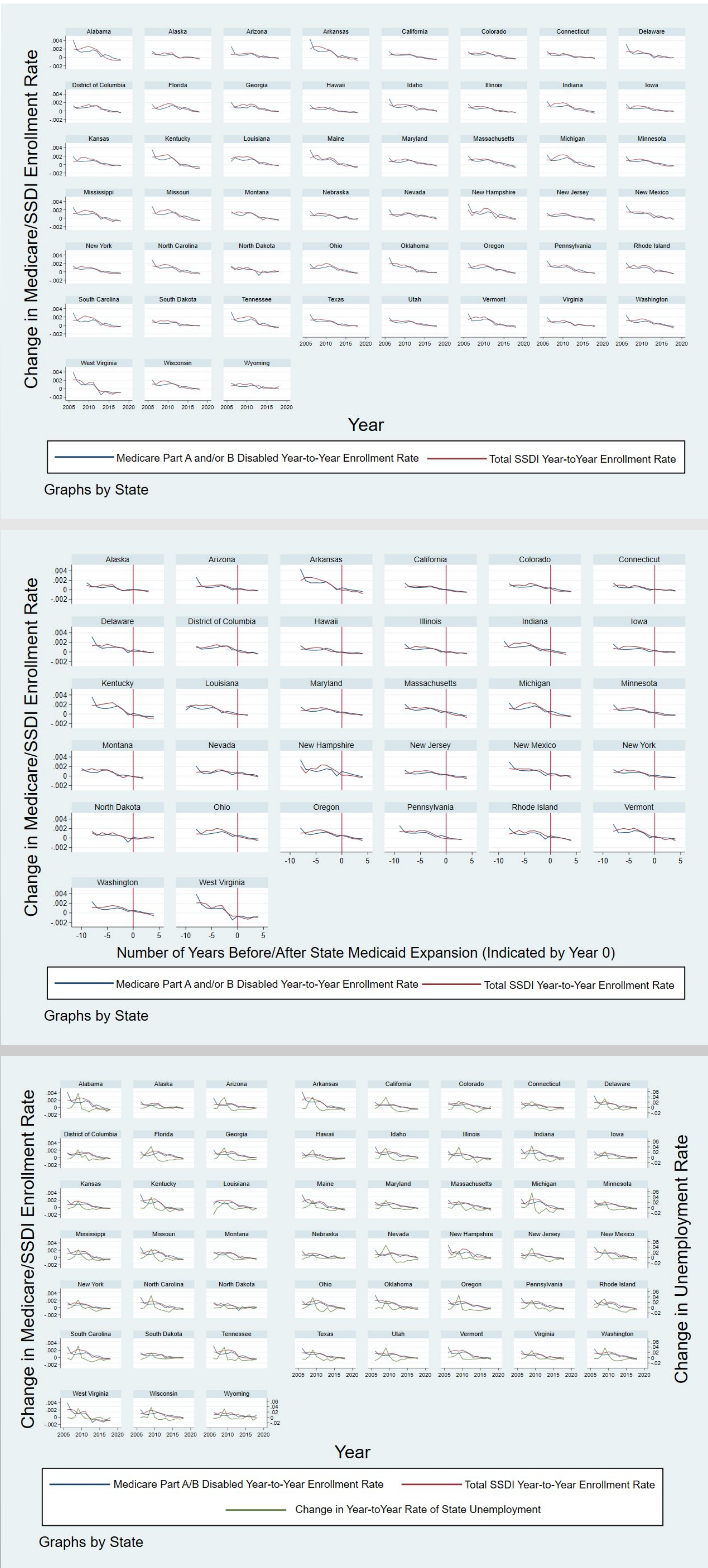
Background and Objectives

Over the past thirty years, non-elderly Social Security Disability Insurance (SSDI) enrollment rates have increased by over forty percent, though there has been a sudden and steady decrease in the annual number of people enrolling into the program throughout the mid to late 2010's. This decrease in enrollment seems to have begun at the same time as the enactment of the Patient Protection and Affordable Care Act (PPACA) and the state-by-state expansion of Medicaid that was outlined in it. We hypothesize that due to state-by-state Medicaid expansion that was outlined in the PPACA, enrollment rates for SSDI steadily dropped throughout the 2010's due to changes in economic incentives and health insurance availability. Before and after the enactment of the Affordable Care Act, beneficiaries of SSDI were and continue to be eligible for Medicare after a two year wait period starting at the first month that benefits are received. Medicaid expansion allowed for the states that did so to offer their most in-need residents access to health insurance, thereby decreasing a potential enrollee's incentive to apply for SSDI in hopes of receiving Medicare benefits.

Methods

We began by downloading data sets from the Social Security Administration on SSDI recipients from 2005-2018 from their yearly published Annual Statistical Supplement. Afterwards, we accessed publicly available data from the Centers for Medicare and Medicaid Services on Medicare yearly enrollment rates. Finally, we downloaded data sets detailing yearly unemployment rates from the Federal Reserve Economic Data website. Merging these data points into a singular data file in Stata S/E, we then created a statistical model with the software to analyze the correlation between changes in SSDI and Medicare yearly enrollment with state-by-state Medicaid expansion status and unemployment rates. We then ran a series of statistical regressions on this model to evaluate if Medicaid expansion and/or unemployment had a statistically significant impact on the dependent variables.

Results



Conclusions

After calculating our regression functions, we generally found that a state's expansion of Medicaid had a statistically significant impact on SSDI enrollment. Medicaid expansion, as we hypothesized, mainly had a negative impact on the rate of enrollment for SSDI. As evidenced by our graphical results, it is important to also state that unemployment rates may also impact SSDI enrollment. Our calculations indicated that it is possible that people may also seek SSDI benefits in times of economic hardship. When considered in our regression models, the enactment of the PPACA Medicaid expansions and historically low unemployment rates both seemed to have a statistically significant negative and positive correlation respectively on SSDI.

It is important to note that our most unrestricted regression specification produced results not supporting this conclusion. This statistical anomaly may be better understood with further research that uses of more micro-level data.

Discussion and Acknowledgements

As more and more states expand Medicaid, it is important to consider how such a change can affect overarching policy implications and may impact the various government programs that are intertwined with it. Given the evidence from our research, it is possible that such government programs are overburdened due to their lack of accessibility to those who require their services and assistance. In order to further analyze this phenomena, we recommend that supplementary research use micro-level survey data rather than aggregate state-level data to gain a more in-depth understanding of individual economic incentives. Policy reform and a greater understanding of how government programs affect individuals is of the utmost importance to ensure that the needs of the United States' most at-risk citizens are not ignored.

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