

## ***Work While Receiving Disability Insurance Benefits: Additional Findings From the New Beneficiary Followup Survey***

*by Evan S. Schechter\**

This article uses the New Beneficiary Followup Survey to describe the characteristics of beneficiaries who work after award of benefits and examines some aspects of the process by which work attempts come about. It also addresses questions of why beneficiaries work, how postentitlement jobs differ from those held prior to award of benefits, and the relationship between health status and work.

Most of the beneficiaries who worked did so for reasons of financial need and worked without attributing this decision to an improvement in their health. Those most likely to work were young and had higher levels of schooling. The likelihood of working was the same across the range of disabling health conditions. Many different approaches led to job offers, and most beneficiaries who worked did not return to their previous employer. The first postentitlement job had less exertion, fewer hours, and lower pay than did the job held immediately prior to award.

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\* Division of Disability Research, Office of Research, Evaluation and Statistics, Social Security Administration.

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Disability Insurance (DI) benefits are awarded to persons whose medically determinable physical or mental impairment is expected either to result in death or to last for a continuous period of not less than 12 months. While persons awarded benefits have impairments that often make it difficult for them to return to a level of substantial gainful activity (SGA), the Social Security Administration (SSA) has formally encouraged the return to work by establishing several work incentives. Among these incentives are the trial work period, extended Medicare eligibility, and limited funding of rehabilitation services for DI beneficiaries through State Vocational Rehabilitation (VR) agencies. Beneficiaries may make use of DI program work incentive provisions or they may seek and obtain employment after award without recourse to these program features.

The decision to try to work, and the mechanisms of job search, job attainment, and sustained employment can follow channels that differ in their approach and rate of success.

This article describes the characteristics of beneficiaries who work and some aspects of the process by which the return to work comes about. Beneficiaries who attempt some post-entitlement work are likely to be of special interest in disability program analysis. Over the period beginning in 1989 and ending in 1994, the number of DI-disabled worker beneficiaries grew from about 2.8 million to nearly 4 million, a 40-percent increase. Benefit payments for the DI total program grew from about \$23 billion in calendar year 1989 to nearly \$38 billion in 1994, an increase of 65 percent. This program growth is the result not only of increases in the number of applications and awards, but also the declining rate of persons leaving the DI rolls due to either medical recovery or return to work. An earlier report cited an estimate that, "...fewer than 3 percent of all beneficiaries terminate from the DI program due to a work recovery."<sup>1</sup> Clearly, identifying factors associated with work resumption and a description of job search mechanisms can directly inform SSA's work incentive policies.

## New Beneficiary Data System

Sections of the New Beneficiary Data System (NBDS) provide information on postentitlement labor-force activities of disabled beneficiaries. Its initial phase was the New Beneficiary Survey (NBS) conducted in 1982. There were 5,188 persons sampled. These persons were awarded disability benefits from mid-1980 to mid-1981. In 1992, the New Beneficiary Followup (NBF) reinterviewed the NBS sample persons who were still living. To augment the total number of the disabled in the NBDS, an additional 3,000 beneficiaries (entitled in the 1980-81 period) whose administrative record indicated some postentitlement work experience were incorporated into the NBF. These persons comprise the disability add-on sample.

The population for this article consists of all DI beneficiaries who were first entitled between June 1980 and June 1981, were awarded benefits before May 1982, survived up to June 1992, and personally participated in their interviews. A weighted population total of 137,144 DI beneficiaries meet these criteria.

The interview data provide information on the following labor-force activities: work/no work decision, hours and weeks worked, use of program work incentives, use of vocational rehabilitation services, and assessments of job site and employer accommodations to the workers' impairments. These data combine cross-sectional as well as retrospective accounts of postentitlement work experiences.

An earlier *Social Security Bulletin* article by Hennessey and Muller entitled "Work Efforts of Disabled-Worker Beneficiaries" presented data from the NBF.<sup>2</sup> In that article, many important aspects of beneficiary work return were addressed in a comprehensive manner and essential data were presented on the characteristics of persons who return to work. This article is a complement to that one in that it broadens the scope of the preliminary findings. Several of the data tables in that article have been expanded by adding different personal classifiers, and data on additional work variables are presented as well. Following the previous article's call to "...assess the work return experience,"<sup>3</sup> this article adds to the detail about the phenomenon of disabled-worker beneficiary work return.

## Standard Errors of Percentages

As noted earlier, the NBF data come from a multiple-stage sample design. An analysis of the NBF data disclosed that the variances of percentage estimates used in constructing standard error tables differ according to the source of the sample (NBS or disability add-on). Standard errors for each estimated percentage were constructed through a series of half-sample variance calculations. All statistical comparisons discussed in this article were tested at a significance level of 0.05.

## Identifying DI Beneficiaries Who Work

Persons awarded DI benefits, by definition, have long-term severe health problems that affect their ability to keep regular work schedules and to perform job tasks. Yet many disabled persons do work while still receiving DI benefits, successfully coping with their health-related work disability. Data on these persons are presented in table 1.

Of the entire NBF population of 137,144 persons, almost one-fourth (22.2 percent) report working in some job since they were entitled to DI benefits in 1981. Females (21.0 percent) are just as likely to have been employed as are males (22.8 percent), and a similar proportion of whites and blacks (22.0 and 20.6 percent, respectively) reported working at a job sometime in the 10-year NBS-NBF period.

Both level of educational attainment and the age of the beneficiary showed consistent relationships to making a work attempt, albeit in opposite directions (chart 1). Educational attainment had a positive association with making work attempts; the higher the level of education, the greater the proportion of persons who worked. Persons with some education beyond high school (35.4 percent) were almost four times as likely to have made a work attempt as were persons whose education did not extend beyond grade school.

Table 1.—Demographic characteristics of persons who worked at any time after award of DI benefits

Characteristic	Total	Percent	Work status	
			Did not work	Worked after entitlement
All persons.....	137,444	100	77.8	22.2
Gender:				
Female.....	44,517	100	79.0	21.0
Male.....	92,627	100	77.2	22.8
Race:				
White.....	111,510	100	78.0	22.0
Black.....	19,869	100	79.4	20.6
Educational attainment:				
0-8 years.....	37,263	100	90.7	9.3
9-11 years.....	29,275	100	80.3	19.7
High school grad.....	44,503	100	72.6	27.4
13 or more years.....	22,270	100	64.4	35.4
Age at entitlement:				
16-25.....	9,648	100	40.6	59.4
26-34.....	15,661	100	52.4	47.6
35-44.....	17,524	100	74.3	25.7
45-54.....	36,244	100	86.7	13.3
55-62.....	57,200	100	86.5	13.5
Marital status in 1992:				
Married.....	81,604	100	80.2	19.8
Previously married.....	41,623	100	79.4	20.6
Never married.....	13,826	100	58.6	41.4

(9.3 percent). The group with a high school diploma even had a higher percentage of persons who attempted work (27.4 percent) than did those who did not finish high school (19.7 percent). The data in table 1 disclose an inverse relationship between age and postentitlement employment. Younger beneficiaries were more likely to have been employed than were older workers. Approximately half of the beneficiaries in the two age groups under age 35 reported working at a job sometime in the 1981-92 period. The percentages for persons age 35-44, 45-54, and 55-62 were considerably below this level (25.7, 13.3, and 13.5 percent, respectively). With regard to marital status reported at the time of the NBF, almost one-half (41.4 percent) of those who never married reported working at a job sometime during the previous 10 years. This contrasts sharply with the 20-percent level for those who were married or who had previously been married, and may reflect that persons who never married are also likely to be younger beneficiaries.

Among those beneficiaries who reported any form of work activity in the NBS-NBF study period, some were working at the time of the NBF survey. The data for these persons are presented in tables 2 and 3.

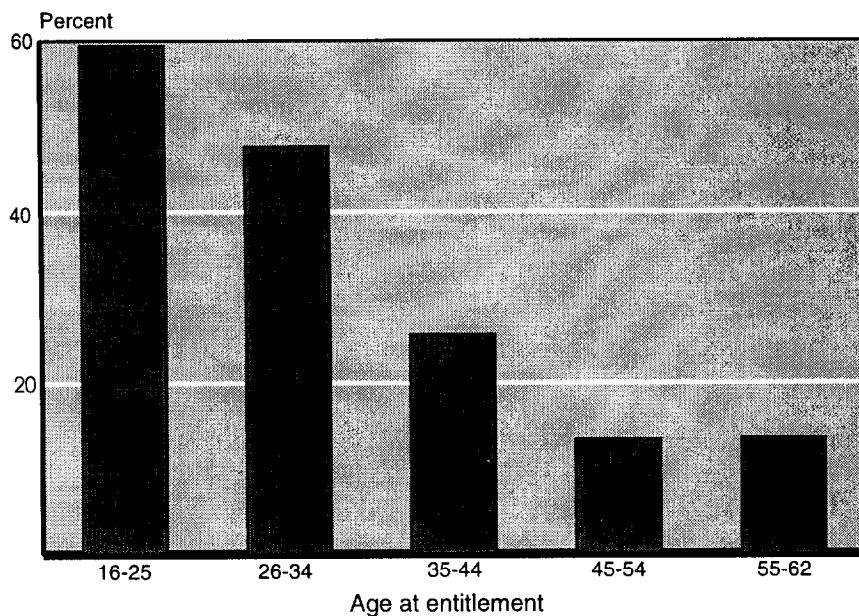
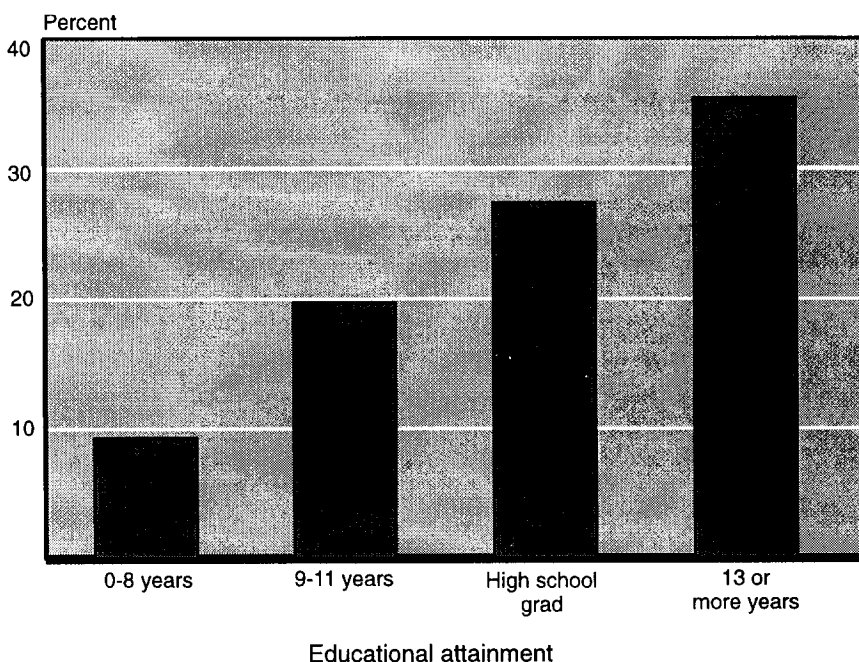
Using persons who worked at any time from 1982 to 1991 as its base percentage, over one-half (57.4 percent) of those with any postentitlement work episodes were currently working at the time of the survey (table 2). There did not appear to be any systematic relationships between currently working and any of the workers' background characteristics. There were no differences between females and males or between whites and blacks. The same proportion of persons reported current work regardless of educational attainment, age, or marital status. In all cases, approximately half of postentitlement workers reported work activity in 1991.

The data in table 3 describe current work status according to the number of hours worked in a typical week. In each of the demographic categories, over half of the currently working beneficiaries worked 40 hours or more. Reduced schedules (20 or less hours) were worked by about one-fifth of the group that worked in 1991. The only exception to this finding was the relatively high proportion (41.1 percent) of persons aged 63 to 70 who worked 20 hours or less. Even for this age category, one-third (34.8 percent) reported a work week of 40 hours or more.

The NBDS collected information on

work each year from 1983 to 1991. A variable was constructed that tallied the number of years in which some form of labor-force participation was indicated by the NBS sample person (table 4). This variable is a measure of the consistency of beneficiary work activity. There was no difference in work activity experience for females and males. Slightly more than one-fourth of both males and females worked for sometime within 1 to 3 of the reporting years, or in all 9 years of the period. With two exceptions, no noticeable differences were found between ethnic, age, educational, and marital status groupings. First, those who

Chart 1.—Persons who worked at any time after award of DI Benefits



worked in the 9-year NBS-NBF period and who at least had a high school diploma were slightly more likely to report working in all years than were those with lesser education. Second, persons who never married had the lowest proportion (19.2 percent) of those who reported working for 3 years or less.

The NBF also provided some detail about the first job held by persons who engaged in postentitlement work. In table 5, data are presented on the weekly schedules worked by DI beneficiaries in their first job. The distribution of the number of hours worked in the first job was essentially the same across the demographic groupings. Approximately half of the first jobs were full-time work, that is, 40 or more hours per week. Working for 20 or less hours per week was the second most likely schedule.

Looking at the cross-sectional data of table 3 (hours worked at the time of the NBF) together with table 5 (hours worked in first postentitlement job), it appears that although few beneficiaries worked, more than half of the work attempts involved working full time. This observation points to several possible explanatory factors: the relative scarcity of part-time employment opportunities, the determination of beneficiaries to test their physical limitations in the work place, the desire to attain preentitlement levels of income, or the positive effect of employer accommodations on work activity.

Table 2.—Demographic characteristics of persons reporting some work in the NBS-NBF period, by work status in 1992

Characteristic	Total	Percent	1992 work status	
			Currently working	Not currently working
All persons.....	28,842	100	57.4	42.6
Gender:				
Female.....	8,786	100	56.8	43.2
Male.....	20,056	100	57.7	42.3
Race:				
White.....	23,358	100	58.9	41.1
Black.....	3,685	100	51.0	49.0
Educational attainment:				
0-8 years.....	3,168	100	47.4	52.6
9-11 years.....	5,378	100	56.7	43.3
High school grad.....	11,513	100	61.4	38.6
13 or more years.....	7,576	100	56.0	44.0
Age in 1992:				
26-34.....	4,386	100	60.2	39.8
35-44.....	8,248	100	62.1	37.9
45-54.....	4,346	100	51.9	48.1
55-62.....	3,358	100	60.0	40.0
63-70.....	6,099	100	59.4	40.6
Marital status in 1992:				
Married.....	15,236	100	59.9	40.1
Previously married.....	7,992	100	50.3	49.7
Never married.....	5,524	100	60.4	39.6

## Reasons for Returning to Work

The ability to work despite having a severe health condition is a phenomenon that SSA policymakers want to understand. By engaging in substantial gainful activity, individuals display the capability to reenter the labor force, sustain that labor-force activity, and leave the DI program. If SSA can ascertain why beneficiaries return to work, tests and incentives can be devised that identify the most likely work returnees. Boosting the rate of work return in the disabled beneficiary population can reduce, or at least slow, growth in DI program expenditures.

Referring to the first postentitlement job, those NBF respondents who worked were asked why they returned to the labor force. The number of persons who responded affirmatively to each of 10 reasons for work return is reported in table 6. As many reasons as apply were selected by the NBF respondents (chart 2). Financial need was cited by almost four-fifths (78.2 percent) of the working respondents. Over one-half the respondents (58.3 percent) said that they went back to work (in their first postentitlement job) because they wanted to work. Over one-third (34.9 percent) indicated that improved health was a factor in work return. What is most striking about this finding is that for a majority (65.1 percent) of working beneficiaries, work began without attributing the start to improved health.

Table 3.—Demographic characteristics of persons working at a job in 1992, classified according to hours worked per week

Characteristic	Total	Percent	Hours in work week		
			20 or less	21-39	40 or more
Gender:					
Female.....	4,724	100	27.5	23.8	48.7
Male.....	11,149	100	17.4	23.4	59.2
Race:					
White.....	13,284	100	20.5	24.8	54.7
Black.....	1,880	100	25.1	16.3	58.6
Educational attainment:					
0-8 years.....	1,402	100	22.1	28.0	49.9
9-11 years.....	2,830	100	20.9	29.5	49.6
High school grad.....	6,974	100	19.0	18.0	63.0
13 or more years.....	4,076	100	23.9	25.3	50.8
Age in 1992:					
26-34.....	2,576	100	18.3	15.7	66.2
35-44.....	4,811	100	9.3	24.2	66.6
45-54.....	2,227	100	13.5	26.7	59.8
55-62.....	1,641	100	18.1	32.8	56.0
63-70.....	3,417	100	41.1	24.2	34.8
Marital status in 1992:					
Married.....	8,761	100	18.3	21.3	60.3
Previously married.....	3,839	100	23.8	25.7	50.4
Never married.....	3,182	100	22.6	27.4	50.0

Table 6 also presents the responses to reasons for working by gender, race, age, educational attainment, and first job work schedule. Men and women shared the same profile of responses to the list of reasons. There were no differences in the proportion of "yes" answers between men and women for any response. Further, there were no differences between blacks and whites. For all groupings, financial need was the reason most often cited, and close to 60 percent of the beneficiaries worked in their first job without reporting improved health. The profile of reasons did not vary by either age or level of schooling, neither in terms of the ordering of frequency with which reasons were selected, nor in the proportion of persons in a specific age or education grouping who selected the reason. There was some noticeable difference in the profile between those who worked less than 20 hours per week and those who worked full time in the first postentitlement job. Greater proportions of full-time workers cited financial need than did part-time workers.

In addition to reporting a profile of reasons for taking the first postentitlement job, NBF respondents indicated which reason they deemed most important. These tabulations are shown in table 7. The predominant reason (over 50 percent for all demographic subcategories) for return to work was financial need (chart 3). The second reason cited as most important was wanting to work. Approximately 10 percent of all first job

holders said that rehabilitation services were the most important factor in the labor-force reentry decision. No more than 10 percent in any grouping in table 7 indicated that improved health was the main reason why they returned to work. With only two exceptions, there were no pronounced differences within groups. Over one-quarter (28.8 percent) of those aged 55-62 in 1982 cited their personal preference to work as the most important reason. In the breakdown of the NBF sample according to the number of hours worked at the first job, 23.7 percent of those who worked 20 hours or less gave wanting to work as the most important reason.

In addition to the retrospective data reported in tables 6 and 7, data were available on reasons for working for those holding jobs at the time of the NBF.<sup>4</sup> These working beneficiaries had been entitled to DI benefits for a period of 9 years. In 1991, the population was, by definition, older and had been on the DI rolls for a longer period of time (tables 8 and 9). The rank order within the distribution of reasons for each of the two jobs (first postentitlement and current) was the same. However, there were some differences in how high a percentage of persons cited specific reasons for working. More persons in 1991 (table 8) expressed family concerns than did persons in their first postentitlement job: financial need (88.8 percent), to raise the level of living (53.7 percent), and to finance a specific purchase (18.6 percent). For both jobs, three-fifths of the persons said they wanted to work, and two-fifths reported that improved health was a factor in their working. The data in table 8 do not disclose any gender, racial, or age differences in the profile of reasons for

Table 4.—Demographic characteristics of persons reporting some work in the NBS-NBF period, according to number of years worked

Characteristic	Total	Percent	Work reported for—		
			1-3 years	4-8 years	All 9 years
<b>Gender:</b>					
Female.....	8,461	100	28.1	44.9	27.0
Male.....	19,611	100	31.2	39.4	29.5
<b>Race:</b>					
White.....	22,686	100	29.3	41.0	29.7
Black.....	3,610	100	33.9	38.9	27.2
<b>Educational attainment:</b>					
0-8 years.....	3,081	100	35.4	40.5	24.1
9-11 years.....	5,277	100	33.2	45.5	21.3
High school grad.....	11,153	100	27.5	39.2	33.3
13 or more years.....	7,381	100	30.2	43.1	26.7
<b>Age at entitlement:</b>					
16-25.....	5,516	100	25.1	39.6	35.3
26-34.....	6,922	100	26.0	42.9	31.2
35-44.....	4,200	100	28.8	45.7	25.6
45-54.....	4,362	100	31.7	39.3	29.0
55-62.....	6,835	100	39.0	38.2	22.8
<b>Marital status in 1992:</b>					
Married.....	15,015	100	32.2	39.2	28.7
Previously married....	7,702	100	34.5	42.4	23.1
Never married.....	5,265	100	19.2	44.9	35.8

Table 5.—Demographic characteristics of persons working at their first postentitlement job, classified according to hours worked per week

Characteristic	Total	Percent	Hours in work week		
			20 or less	21-39	40 or more
<b>Gender:</b>					
Female.....	8,186	100	24.1	24.1	51.8
Male.....	18,858	100	26.2	19.8	54.0
<b>Race:</b>					
White.....	21,924	100	25.8	20.9	53.2
Black.....	3,715	100	24.3	25.4	50.3
<b>Educational attainment:</b>					
0-8 years.....	2,832	100	16.2	22.7	61.1
9-11 years.....	4,921	100	25.6	26.6	47.9
High school grad.....	10,974	100	29.3	17.6	53.0
13 or more years.....	7,358	100	23.7	21.4	55.0
<b>Age at entitlement:</b>					
16-25.....	5,206	100	24.6	18.9	56.6
26-34.....	6,538	100	26.0	23.2	50.9
35-44.....	4,163	100	19.2	18.3	62.5
45-54.....	4,008	100	23.5	22.2	54.4
55-62.....	6,869	100	30.5	21.7	47.8

Chart 2.—Reasons for returning to first postentitlement job

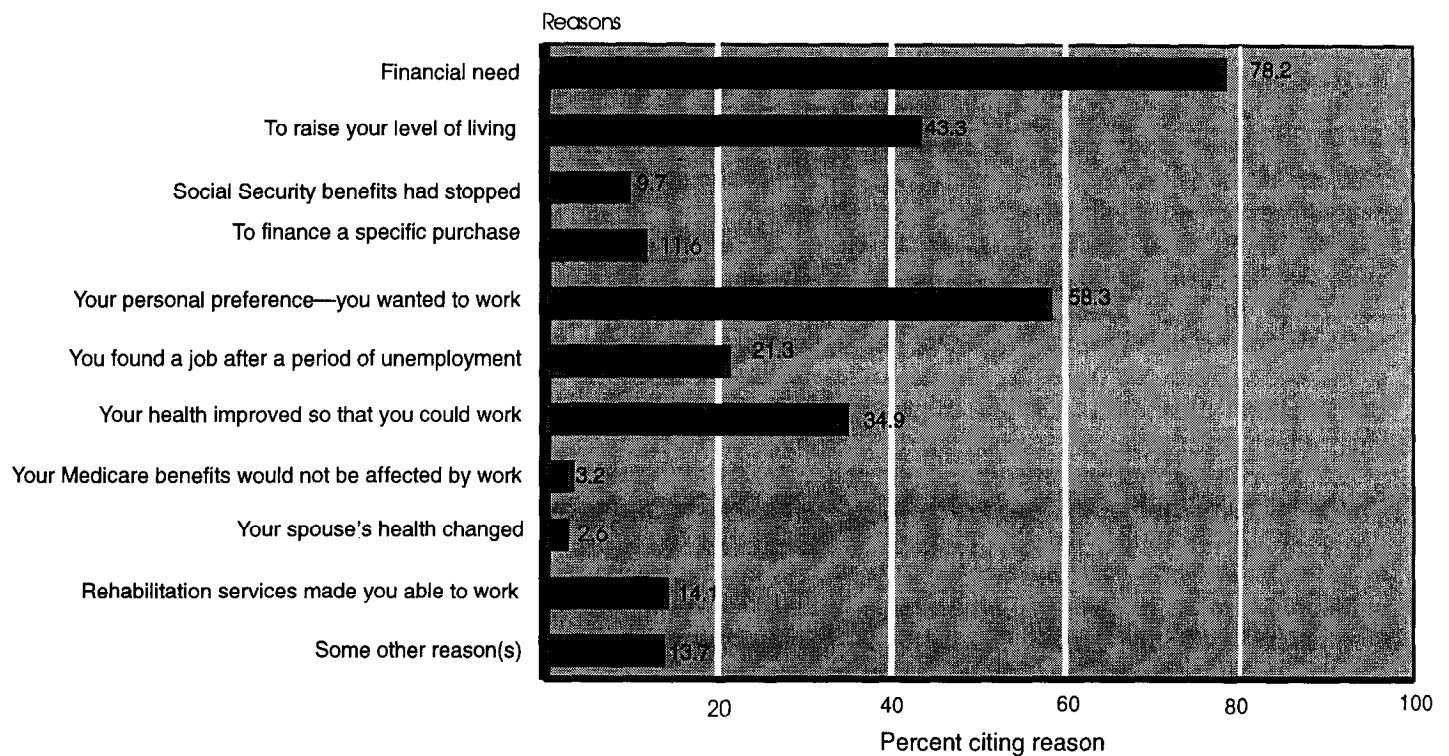


Table 6.—Reasons for returning to first postentitlement job, by demographic characteristics

[In percents]

Reason	Total	Gender		Race		Age at entitlement					Educational attainment			Hours in work week			
		Female	Male	Black	White	16-25	26-34	35-44	45-54	55-62	0-8 years	9-11 years	High school grad	13 or more years	20 or less	21-39	40 or more
Financial need.....	78.2	80.2	77.3	73.4	78.4	80.8	81.5	79.6	78.4	71.2	86.1	85.6	75.0	74.4	67.7	84.9	79.2
To raise your level of living.....	43.3	39.4	45.0	44.4	42.8	45.8	53.5	39.1	36.9	37.5	32.7	43.6	45.5	44.2	38.7	45.2	46.1
Social Security benefits had stopped.....	9.7	8.2	10.4	10.6	9.7	10.6	12.4	15.3	7.0	4.5	10.7	11.4	9.2	9.7	4.5	12.2	11.7
To finance a specific purchase.....	11.6	11.4	11.7	12.1	12.2	12.8	18.9	8.2	7.9	7.8	10.7	14.4	12.7	7.5	12.6	11.1	11.0
Your personal preference—you wanted to work.....	58.3	58.9	58.1	52.5	60.2	50.4	67.3	49.9	57.0	61.7	45.3	52.1	60.6	63.9	65.8	54.4	57.8
You found a job after a period of unemployment.....	21.3	17.3	23.1	25.3	20.7	23.5	31.5	14.5	14.5	17.4	14.7	19.5	23.8	22.3	23.5	18.5	21.5
Your health improved so that you could work.....	34.9	33.2	35.7	44.4	34.7	39.9	36.3	32.8	32.2	33.0	28.0	33.9	36.7	33.8	28.5	33.8	39.6
Your Medicare benefits would not be affected by work.....	3.2	3.3	3.1	2.1	3.4	2.6	4.0	2.5	4.5	2.4	3.3	3.8	2.3	4.2	5.2	2.8	2.1
Your spouse's health changed.....	2.6	1.3	3.1	.3	2.9	2.3	2.2	2.4	4.3	2.2	3.1	6.9	.8	1.2	3.8	5.2	1.0
Rehabilitation services made you able to work.....	14.1	12.6	14.8	18.4	13.6	16.8	20.8	13.0	11.9	7.1	9.9	7.2	18.6	14.6	15.8	8.3	16.6
Some other reason(s).....	13.7	13.8	13.7	10.7	13.9	13.6	10.5	15.0	16.1	14.9	5.3	13.5	12.7	19.3	24.2	13.4	7.8

Chart 3.—Percent distribution of most important reason for returning to first postentitlement job

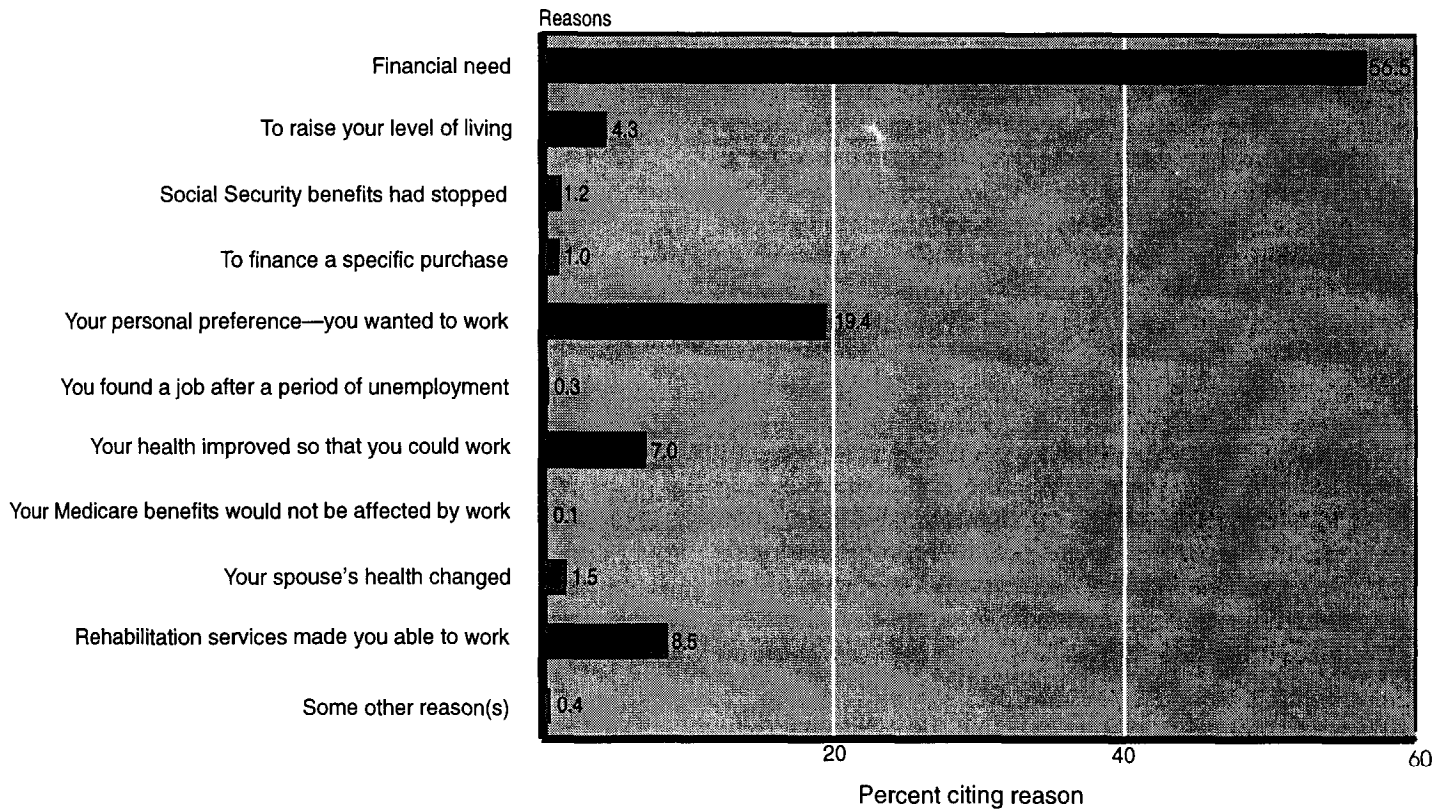


Table 7.—Most important reason for returning to first postentitlement job, by demographic characteristics

[In percents]

Reason	Total	Gender		Race		Age at entitlement					Educational attainment				Hours in work week			
		Female	Male	Black	White	16-25	26-34	35-44	45-54	55-62	0-8 years	9-11 years	High school grad	13 or more years	20 or less	21-39	40 or more	
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Financial need.....	56.5	55.4	56.9	51.9	57.3	56.9	62.5	58.6	57.7	47.6	67.6	65.3	53.5	49.0	46.0	61.4	57.5	
To raise your level of living.....	4.3	4.1	4.3	5.6	3.9	5.2	4.7	.9	4.4	5.0	3.9	1.6	4.8	6.0	5.3	2.3	4.6	
Social Security benefits had stopped.....	1.2	1.6	1.0	.8	1.4	1.4	1.0	3.3	.6	.3	3.1	.9	.9	1.3	.2	.9	2.0	
To finance a specific purchase.....	1.0	1.8	.7	1.8	1.0	1.0	.2	.4	2.2	1.5	1.9	3.8	...	.2	2.9	.1	.5	
Your personal preference—you wanted to work.....	19.4	21.1	18.7	17.4	19.7	17.3	18.7	12.2	16.6	28.8	17.1	14.2	20.3	22.5	23.7	19.2	18.5	
You found a job after a period of unemployment.....	.3	...	.4	.2	.3	.1	.9	...	...	...	...	...	...	...	...	...	.5	
Your health improved so that you could work.....	7.0	6.3	7.2	13.5	6.1	7.2	4.2	10.5	7.3	7.1	1.6	4.4	9.4	7.5	4.8	5.1	9.3	
Your Medicare benefits would not be affected by work.....	.1	...	.1	...	.1	...	...	...	.3	...	.5	...	...	...	...	.2	...	
Your spouse's health changed.....	1.5	2.0	1.2	.5	1.7	1.3	1.9	2.9	1.1	.5	.4	.5	2.4	1.4	2.2	...	1.8	
Rehabilitation services made you able to work.....	8.5	6.9	9.3	6.7	8.7	9.9	5.1	11.0	8.8	9.3	3.8	8.5	8.6	10.4	13.9	10.8	5.1	
Some other reason(s).....	.4	.9	.2	1.7	.2	.9	.8	.3	1.0	...	...	.7	.1	.8	1.0	...	.2	

working. However, people who did work full time (40 or more hours a week) were more likely to attribute their working to financial need (90.9 percent) than were those persons who worked 20 hours or less per week.

Table 9 shows the percentage distributions for the most important reasons for working at the time of the NBF. Two-thirds of the respondents said the most important reason for working was financial need. Wanting to work was the second reason cited as most important, followed by the desire to raise their level of living. There was no appreciable difference in either the rank order or in the percentage citing a specific reason as most important for the different groups in table 9. Only for those working 40 or more hours was the proportion citing financial need (71.1 percent) noticeably different than for part-time workers (51.0 percent).

For the two different job referents, first postentitlement work and NBF (1991) work, the profile of reasons for working and the rating of which reason is most important was the same. Financial concerns appeared to drive the decision while improved health, although a factor in the labor-force decision process, was not as prominent as might have been thought. The personal preference of wanting to work was

acknowledged by 60 percent of the workers for both the first and NBF (1991) jobs, but at most only one-fifth cited this reason as the single most important determining factor in their decision to work.

### Locating a Job

Once the decision is made to reenter the labor force, the DI beneficiary is likely to seek work for which there are openings. There are several sources of leads for jobs. Individuals can implement job-seeking strategies on their own, through informal information networks, or by using the resources of vocational placement professionals. The NBF asked a series of questions about how beneficiaries looked for their first postentitlement job. These data are useful because they are based on the actual experiences of a representative segment of the disabled-worker population. The *Bulletin* article referred to earlier, "Work Efforts of Disabled-Worker Beneficiaries," showed what methods were used. In this analysis, the focus is on ascertaining whether specific job search techniques varied according to different labor-force goals and different disabled beneficiary characteristics.

Table 8.—Reasons for returning to job held at time of NBF by demographic characteristics

[In percents]

Reason	Total	Gender		Race		Age in 1992					Educational attainment			Hours in work week			
		Female	Male	Black	White	26-34	35-44	45-54	55-62	63-70	0-8 years	9-11 years	High school grad	13 or more years	20 or less	21-39	40 or more
Financial need.....	88.8	90.4	88.1	90.2	88.9	90.8	93.9	95.0	80.2	79.8	89.4	91.9	84.5	92.8	78.5	92.3	90.9
To raise your level of living.....	53.7	51.6	54.5	55.3	53.6	59.5	58.2	48.3	61.6	46.1	40.7	49.2	58.5	54.2	55.4	48.5	56.2
Social Security benefits had stopped.....	9.7	8.8	10.1	12.6	9.3	7.4	12.5	11.6	9.6	4.4	9.3	11.4	6.6	12.3	5.5	7.8	13.5
To finance a specific purchase.....	18.6	20.7	17.7	14.5	19.7	25.5	23.9	12.7	10.9	14.8	21.8	19.1	21.5	13.2	25.2	15.1	17.1
Your personal preference—you wanted to work.....	65.4	65.8	65.2	63.2	67.3	69.6	68.9	47.7	65.8	66.7	47.8	62.3	70.2	65.9	79.0	58.8	65.0
You found a job after a period of unemployment.....	20.9	21.4	20.6	16.8	21.0	18.4	28.7	16.4	19.7	16.7	13.8	20.7	21.6	24.6	24.1	21.6	21.0
Your health improved so that you could work.....	38.0	44.2	35.4	35.1	39.6	37.4	42.8	35.2	46.6	33.2	24.1	39.6	37.2	41.3	32.9	39.8	40.2
Your Medicare benefits would not be affected by work.....	3.5	2.9	3.7	5.1	3.3	3.8	2.9	1.6	1.8	6.5	3.2	1.7	4.6	3.4	6.2	1.8	3.5
Your spouse's health changed.....	2.4	2.1	2.5	...	2.8	.5	2.5	1.5	4.8	3.6	2.6	8.0	1.0	.9	2.9	4.8	1.2
Rehabilitation services made you able to work.....	17.2	13.9	18.6	19.0	16.8	19.8	24.3	12.1	16.1	12.3	10.3	8.6	21.5	19.6	25.5	7.9	18.2
To raise your level of Social Security benefits.....	8.2	7.4	8.5	12.3	7.9	9.5	8.5	7.4	5.7	10.3	7.1	10.2	7.5	8.6	10.4	8.1	6.8
To raise your pension benefits.....	7.6	7.7	7.5	15.2	6.4	11.1	5.8	12.8	5.4	5.8	4.0	9.8	7.1	8.8	6.3	4.6	7.8
Some other reason(s).....	11.2	9.2	12.1	13.3	10.4	16.3	5.6	7.8	12.7	16.4	12.3	9.8	9.5	15.8	19.5	14.6	6.5



It is necessary to bear in mind that the search activity data for the first job are available for no more than 28,000 persons out of the total NBF population of 137,144, and that no more than 10,000 persons engaged in any of the specific job search activities. With small base counts for the percentages, this article will highlight only the largest differences found in tables 10 and 11.

For the NBF sample as a whole, the three most often cited job search activities were (1) asking a friend about an opening where he or she worked, (2) checking about ads for job openings, and (3) directly canvassing employers about available jobs (table 10). For each of these activities, about two-fifths of the respondents (those 28,000 persons who sought work at any time after entitlement) said they tried that approach. No more than one-fifth followed up a lead from either a State employment agency or a vocational rehabilitation agency.

Looking at the demographic variables displayed in table 10, the following differences can be noted. Two-fifths (41.7 percent) of white respondents directly contacted employers, compared with less than one-third (30.7 percent) of black respondents. Older beneficiaries were the least likely (30.9

percent) of any age group to go directly to potential employers. Persons with 8 years of education were the most likely group (38.9 percent) to seek employment with their former employer. Those who attended some college were the most likely to respond to ads (45.8 percent).

The NBF data in table 10 also answer the question of whether job search activities varied by kind of first job sought. Activity profiles are presented for beneficiaries looking for the same kind of job as that held prior to entitlement, seeking a particular job or any type of employment, and looking for either part-time or full-time work. About one-half (47.9 percent) of those who sought postentitlement employment for the same kind of job as held before the award of DI benefits, checked with their former employer. However, this was not the only search mode used. Over one-third of the same job seekers either asked friends, answered ads, or checked with other employers for job openings. For those who sought any kind of employment (in contrast to limiting the search to a particular kind of job), about one-quarter asked relatives about job openings (29.8 percent) and/or followed up vocational rehabilitation leads (23.9 percent). Almost one-half (49.2 percent) checked with

Table 9.—Most important reason for working at time of NBF, by demographic characteristics

[In percents]

Reason	Gender		Race		Age in 1992					Educational attainment				Hours in work week		
	Female	Male	Black	White	26-34	35-44	45-54	55-62	63-70	0-8 years	9-11 years	High school grad	13 or more years	20 or less	21-39	40 or more
Total percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Financial need.....	65.2	65.8	77.5	64.1	65.7	69.1	76.5	63.8	53.6	61.6	73.5	63.5	65.9	51.0	64.2	71.1
To raise your level of living.....	5.8	6.0	5.2	5.7	5.2	7.7	3.1	11.3	4.8	4.9	4.1	8.0	4.6	6.6	4.3	6.9
Social Security benefits had stopped.....	2.1	6.0	.8	1.3	1.6	...	.2	.5	.5	1.2	1.2	.6	.1	.3	2.5	1.0
To finance a specific purchase.....	1.6	.4	...	1.0	.3	.2	1.0	...	2.4	4.5	1.6	.1	.1	2.8	.1	.4
Your personal preference—you wanted to work.....	16.8	15.8	9.7	17.0	15.7	14.6	8.5	10.9	28.0	17.9	12.4	16.8	17.0	25.6	12.8	13.4
You found a job after a period of unemployment.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Your health improved so that you could work.....	6.3	4.8	4.7	4.5	3.4	6.2	7.7	7.5	.9	1.3	5.1	5.1	5.1	3.3	8.3	3.5
Your Medicare benefits would not be affected by work.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Your spouse's health changed.....	.6	.4	...	.1	...	...	...	...	.3	.8	...	...	...	...	.3	...
Rehabilitation services made you able to work.....	.1	.3	.7	.4	.3	.1	.9	.2	.3	.6	.2	.7	.2	.6	.1	.6
To raise your level of Social Security benefits.....	.3	.1	...	.2	...	.1	.2	.1	.5	...	.2	...	.6	...	...	.4
To raise your pension benefits.....	1.1	1.2	...	.1	...	.1	...	.9	...	...	...	...	.5	.2	...	.2
Some other reason(s).....	.3	.1	1.5	5.4	7.9	1.9	1.9	4.1	8.3	7.1	1.3	5.2	6.0	9.7	7.3	2.4

employers. The activity profile for those who sought part-time work was essentially the same as that for full-time employment seekers, both in terms of rank order of activity frequency and the rate of activity prevalence.

The NBF data also disclose how useful the job search activities were in terms of leading to actual job offers. In table 11, the percentages show the proportion of occurrences of each job search activity that led to a job offer. Four activities were the most productive. In each of the following modes, close to half said it led to a job offer: checked where worked before (43.1 percent), asked a friend about an opening where he or she worked (45.9 percent), answered an ad (40.1 percent), and followed up a vocational rehabilitation lead (51.9 percent). There was little variation between demographic categories in table 11. The proportion of older workers (53.8 percent) who received job offers after checking where they worked before were higher than that for other age groups. In over half the cases (53.1 percent) where the respondents wanted the same kind of work as before award of benefits and had checked with their previous employer, there was a job offer. Where the respondents had a particular job in mind, this selectivity was associated with a higher proportion of job offers, regardless of the type of job search activity. There were no differences in part-time/full-time searches.

In summary, no one mode of job search predominated among DI beneficiaries. There were no consistent differences in search modes or in job offers received among demographic groups. Profiles of search activity were the same regardless of whether the first postentitlement job sought was full or part time. Informal networks and renewal of contacts with previous employers clearly did produce job offers. A search that focused on a particular job also yielded job offers.

### *Comparison Between Preentitlement Work and First Postentitlement Job*

The NBF data permit analysis of some features of postentitlement jobs that were accepted by DI beneficiaries. The first postentitlement job can be one of two sorts. First, the job could be similar to the job held immediately prior to the award of DI benefits because a small job transition requires less adjustment on the part of the returning worker. A familiar job fits with prior work experience. It can help to overcome a beneficiary's concerns about his or her ability to return to work. Second, it is possible that postentitlement jobs can differ markedly from preaward work. As the new job must in some significant way(s) be tailored to the limitations of a health-related work disability, it might not share many aspects

Table 10.—Mode of job search for first postentitlement job, by demographic characteristics

[In percents]

Mode of search	Total	Gender		Race		Age at entitlement					Educational attainment				Job sought same as prior to DI award		Limitation on job search		Working hours sought	
		Female	Male	Black	White	16-25	26-34	35-44	45-54	55-62	0-8 years	9-11 years	High school grad	13 or more years	Yes	No	Wanted particular kind of job	Any employment	Part time	Full time
Checked where you worked before.....	29.6	29.4	29.6	24.2	29.1	34.7	28.2	28.8	25.4	31.0	38.9	24.5	30.7	26.2	47.9	19.5	29.5	29.7	25.7	33.6
Asked a relative about a job opening where the relative worked or did business.....	21.4	21.0	21.6	16.1	21.7	23.6	20.8	19.0	28.4	16.8	30.8	27.8	16.7	19.2	19.7	22.4	12.4	29.8	24.4	23.3
Asked a friend about a job opening where the friend worked or did business.....	41.8	35.9	44.5	39.9	40.2	44.1	41.4	36.3	47.7	39.8	48.3	48.2	41.7	34.0	35.6	45.3	35.1	48.2	44.5	41.9
Answered an ad for a job opening.....	37.3	36.0	37.9	34.1	36.9	38.7	37.0	42.1	34.1	35.9	20.4	41.1	32.5	45.8	35.0	38.6	29.2	44.8	35.4	42.0
Followed up a lead from the State employment agency.....	19.6	23.7	17.8	14.7	20.3	19.6	18.2	19.8	27.7	14.8	18.5	21.4	20.2	18.2	19.1	20.0	13.9	25.0	20.8	22.3
Followed up a lead from a vocational rehabilitation agency.....	20.3	16.7	21.6	28.2	18.1	26.3	21.4	18.1	10.6	14.8	9.6	19.1	25.1	20.4	11.3	24.8	15.8	23.9	19.0	24.1
Checked with employers to see if they had any openings.....	41.2	41.2	41.2	30.7	41.7	46.4	41.9	37.6	50.8	30.9	49.8	48.0	36.7	39.0	37.9	43.1	32.7	49.2	40.6	46.8
Did something else.....	18.4	24.4	15.7	21.0	18.2	16.6	15.3	15.2	28.7	17.9	15.4	19.2	13.6	26.6	16.7	19.2	19.2	17.4	21.1	15.5

of preentitlement work. What sort of jobs were beneficiaries likely to hold? The NBF data on preentitlement and postentitlement job comparisons are shown in table 12.

In the first job held by beneficiaries who worked, slightly less than one-third (30.6 percent) returned to work for the same employer. Almost 40 percent of those who worked indicated that they performed the same tasks as they did in their last job before receipt of DI benefits. Almost two-thirds (64.5 percent) reported they did less physically demanding work; the remaining persons worked at either the same (18.6 percent) or more physically demanding work (16.9 percent). Over half of the DI-worker beneficiaries (59.4 percent) had reduced responsibilities on their new job, while almost one-quarter (22.4 percent) assumed more responsibility. A greater proportion worked fewer hours (56.8 percent) than those who worked either the same or more hours compared to the job held before DI benefit award. For only one-fifth (20.9 percent) of the workers did the rate of pay in their first postentitlement job exceed that earned before receipt of DI benefits; two-fifths (43.5 percent) worked at a lower hourly wage than they did previously. Analyses were performed (not included in this article) to detect if there were any differences in these comparisons according to age, gender, race, and educational attainment. The only noteworthy variation was that those with 8 years of schooling or less were more likely (70.3 percent) to do comparatively less physically demanding

work upon their return than were workers who had post high school training (52.8 percent).

The degree of similarity between preentitlement and postentitlement jobs depended on whether or not the DI beneficiary returned to the same employer (chart 4). As shown in table 12, several factors did vary according to a same employer/different employer classification. Three-quarters (75.6 percent) of those who returned to work for the same employer did the same tasks, while less than one-quarter (24.4 percent) did the same tasks for a different employer. This finding, coupled with the observation that less than one-fifth (17.1 percent) of the same-employer workers had physically more demanding jobs, shows that employers did alter their requirements for these returnees. These workers were more likely (53.8 percent) to have the same or more hours than those who had a job with a new employer (38.2 percent). Their rate of pay met or exceeded their predisability level in three-quarters of the cases, compared with less than one-half (44.9 percent) for those who had a new postentitlement employer.

Summing up the findings in this section, it seems that the new job did accommodate the beneficiary's work disability by requiring less exertion, less responsibility, and fewer hours on the job. Working for the same employer did more closely approximate preentitlement work than did working for a

Table 11.—First postentitlement job search modes that led to job offers, by demographic characteristics

Mode of Search	[In percents]																			
	Total	Gender		Race		Age at entitlement					Educational attainment				Job sought same as prior to DI award		Limitation on job search		Working hours sought	
		Female	Male	Black	White	16-25	26-34	35-44	45-54	55-62	0-8 years	9-11 years	High school grad	13 or more years	Yes	No	Wanted particular kind of job	Any employment	Part time	Full time
Checked where you worked before.....	43.1	38.6	45.1	30.3	45.2	46.6	38.4	33.8	32.3	53.8	52.7	43.7	45.3	39.7	53.1	29.8	54.7	32.7	39.0	38.9
Asked a relative about a job opening where the relative worked or did business.....	30.1	27.6	31.3	40.3	30.0	26.1	34.7	55.7	19.4	20.8	31.4	33.4	25.3	31.1	33.9	28.5	43.2	25.6	30.0	28.4
Asked a friend about a job opening where the friend worked or did business.....	45.9	50.8	44.0	44.0	46.5	46.0	56.0	51.4	26.8	47.5	33.2	39.3	52.5	54.8	47.1	45.4	63.1	35.2	42.8	41.7
Answered an ad for a job opening.....	40.1	43.7	38.6	37.4	43.0	34.8	37.9	46.9	36.0	44.2	23.9	42.4	40.3	41.4	38.5	40.9	45.6	36.9	40.6	34.2
Followed up a lead from the State employment agency.....	15.8	19.0	13.6	4.4	17.9	20.6	21.3	10.9	8.1	20.1	9.3	13.6	16.0	17.4	8.3	19.4	17.5	14.9	14.2	15.4
Followed up a lead from a vocational rehabilitation agency.....	51.9	47.0	53.6	65.1	49.8	51.8	58.1	48.8	42.7	45.6	44.7	52.8	53.6	51.0	57.4	50.6	61.9	45.5	48.3	50.7
Checked with employers to see if they had any openings...	32.9	33.7	32.5	30.5	33.3	40.6	31.1	24.0	31.7	36.7	32.5	18.3	40.9	34.8	40.1	29.6	46.8	23.9	34.7	30.1
Did something else.....	64.6	64.5	64.6	68.0	63.6	66.9	49.3	90.5	48.6	83.6	77.4	48.3	68.7	69.1	76.5	59.5	79.8	48.8	64.7	60.0

different employer, but most workers had a new employer in the first postentitlement job. Whether this last finding is a result of the worker's choice is a question not addressed by the NBF data.

### Health and Work Activity of DI Beneficiaries

It is evident from the earlier sections of this article that many DI beneficiaries do attempt to return to the labor force. Questions can be raised as to the health of the work returnees: Are they the healthiest among the beneficiaries? How healthy do they think they are? Are persons with certain disabling conditions more likely to work than others? To address these issues NBF health information was analyzed together with data on work status at the time of the questionnaire (1992). The relationship between health and working is detailed in tables 13 and 14.

Table 13 presents a comparison of health status profiles for the NBF population as a whole and for those working at the time of the interview. From a list of 14 health conditions respondents were asked to check all conditions that applied to them at the time of the interview. Differences in distributions between the two groups disclose whether any particular health status categories were associated with postentitlement work (chart 5). Those persons with one or two conditions made up

Table 12.—Pre- and postentitlement job comparisons

Job factor	[In percents]		
	Total	Same employer	Different employer
Total percent...	100.0	100.0	100.0
Same employer			
Yes.....	30.6	...	...
No.....	69.4	...	...
Same tasks			
Yes.....	37.6	75.6	20.3
No.....	62.4	24.4	79.7
Exertion			
More.....	16.9	17.1	16.9
Less.....	64.5	62.6	64.8
Same.....	18.6	20.3	18.3
Responsibility			
More before.....	59.4	63.2	58.9
More after.....	22.4	17.1	23.2
About the same...	18.2	19.8	17.9
Hours			
Fewer.....	56.8	46.2	61.8
Same or more.....	43.2	53.8	38.2
Pay			
More.....	20.9	14.4	24.2
Same.....	32.7	60.6	20.7
Less.....	43.5	24.0	53.1

a higher percentage of the working population (59.1 percent) than they did of the NBF population as a whole (33.4 percent). A disproportion was also found for those reporting 5 to 10 health conditions: They made up 10.1 percent of those who were working in 1992 (at the time of the NBF survey), in contrast to comprising 29.6 percent of the total NBF population.

The fact that those who considered themselves to be in better health were more likely to be working was reflected in the data for two self-assessment measures. For ratings of

Table 13.—Health status of DI beneficiaries working at time of NBF

Health factor	Percent of population	Percent worked at time of NBF
Number of limitations reported...	100.0	100.0
One or two.....	33.4	59.1
Three or four.....	37.1	28.9
Five to ten.....	29.6	10.1
Rating of general health.....	100.0	100.0
Excellent.....	2.1	8.4
Very good.....	5.5	18.0
Good.....	15.5	32.6
Fair.....	29.8	29.0
Poor.....	46.7	12.8
Health compared to others.....	100.0	100.0
Better.....	10.7	19.5
Same.....	33.0	48.6
Worse.....	55.7	33.0

Table 14.—Distribution of disabling conditions among beneficiaries who worked at time of NBF

Medical condition	Percent with condition	
	In NBF sample	Who worked at time of NBF
Blindness, serious trouble seeing.....	28.4	6.5
Cataracts, glaucoma.....	22.0	6.9
Deafness.....	25.3	6.8
Missing limb.....	3.1	15.5
Arthritis, rheumatism.....	69.1	8.5
Deformity of limbs.....	45.6	11.0
Multiple sclerosis, cerebral palsy, epilepsy.....	9.5	11.3
Paralysis of limbs.....	7.9	12.3
Asthma, emphysema, lung disorder.....	26.5	6.4
Gallbladder, stomach, liver trouble.....	23.1	7.5
Diabetes.....	18.5	4.7
Kidney trouble.....	21.5	4.9
Cancer.....	6.3	6.1
Emotional problem/mental illness.....	40.8	6.9

Chart 4.—Pre- and posttitlement job comparisons

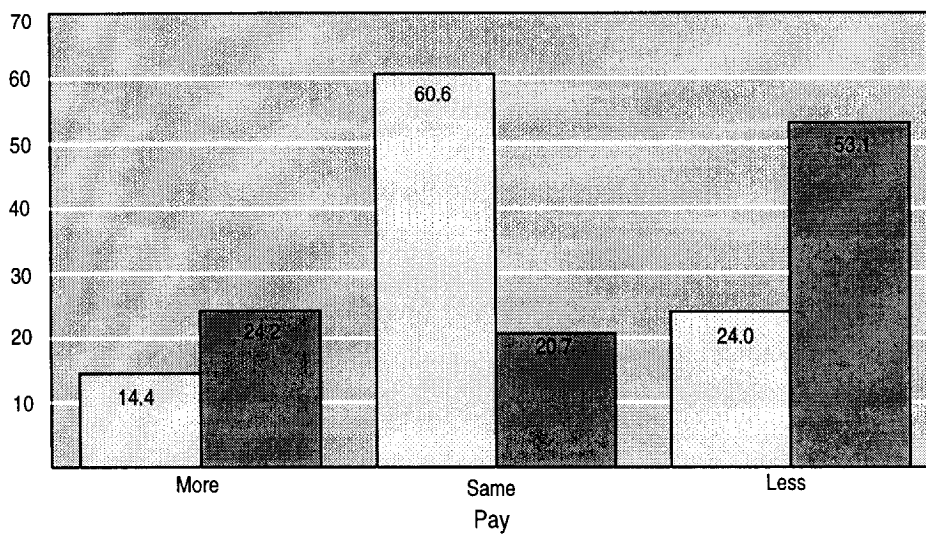
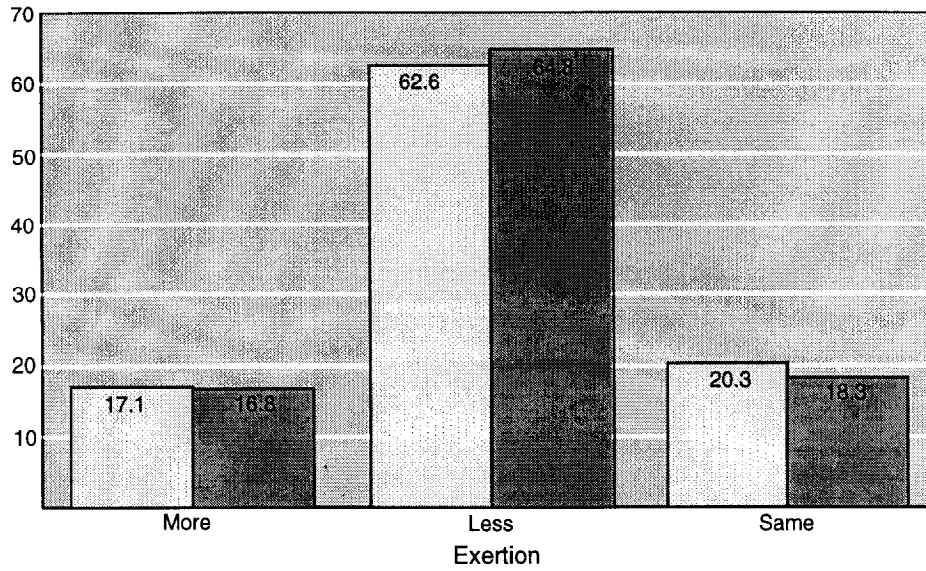
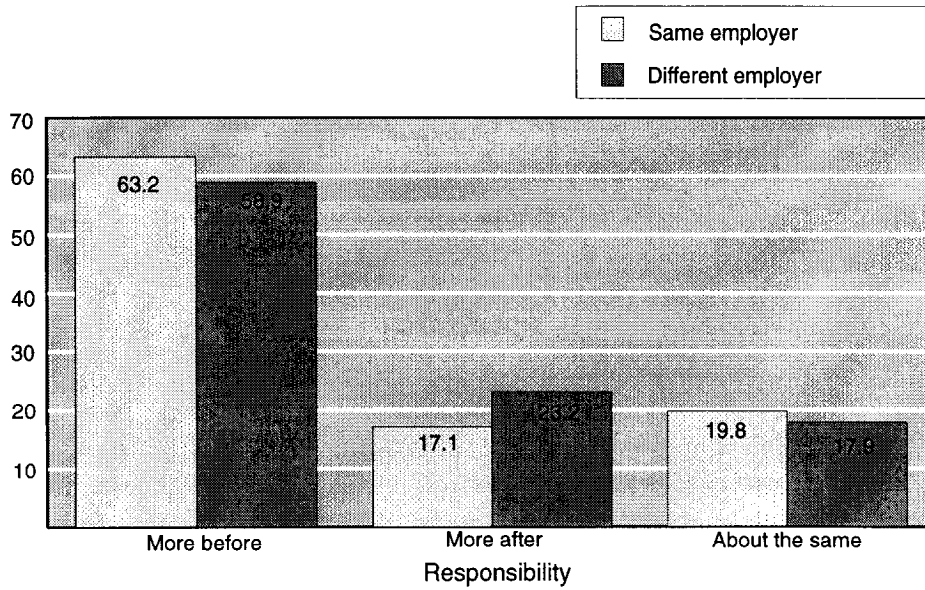
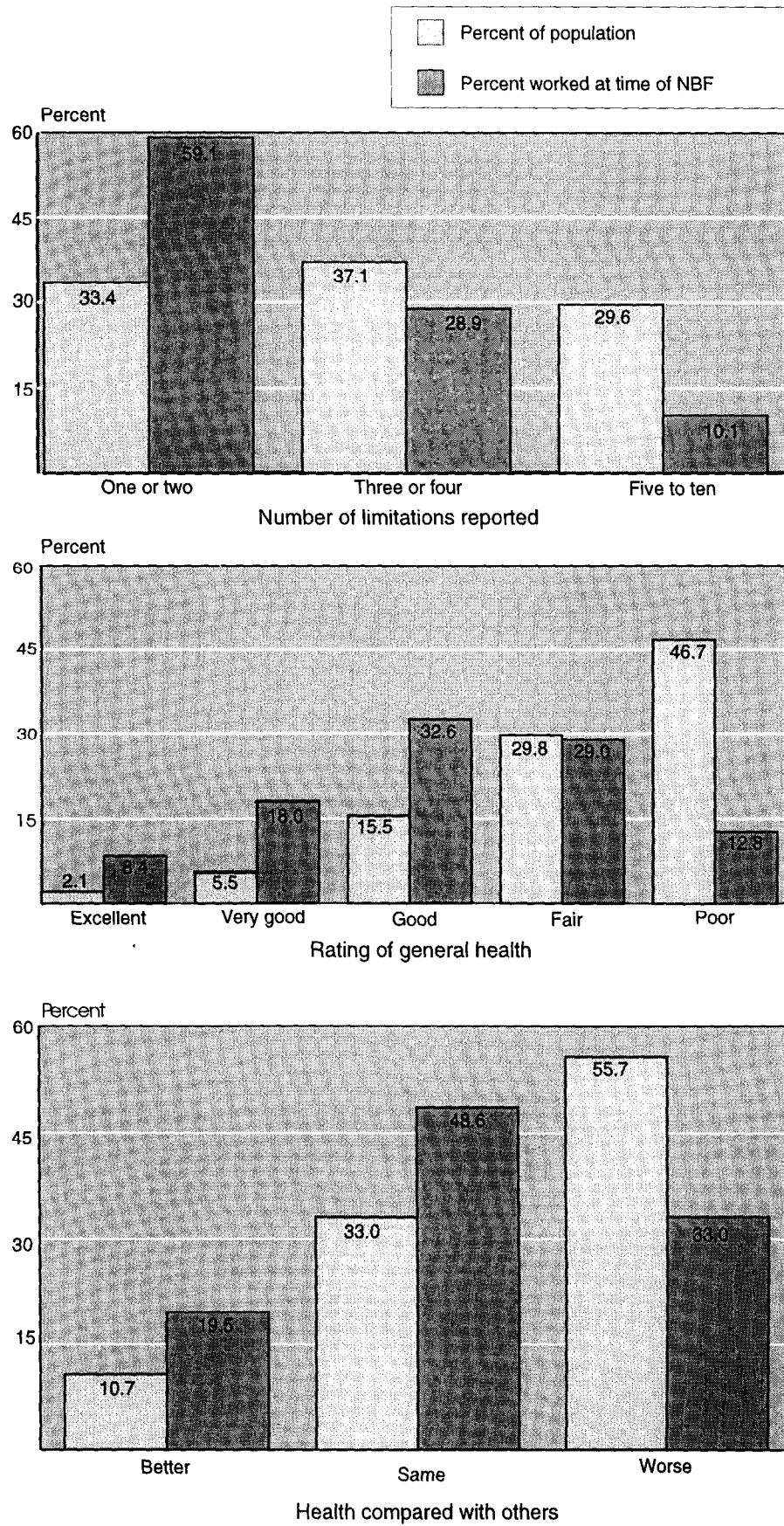


Chart 5.—Health of persons working at time of New Beneficiary Followup Survey



general health, the proportion of those who replied that their health was “excellent” or “good” was close to four times greater among the 1992 working beneficiaries, as compared with their proportion in the entire NBF population. Additionally, those in “poor” health made up almost one-half (46.7 percent) of the NBF population, yet only slightly more than one-tenth (12.8 percent) of the 1992 working population. In another self-assessment measure, the respondent compared his or her health to other disabled persons. Proportionately, more persons who said their health was “better” or the “same” were working in 1992 than were found in the NBF population. Those who reported their health as “worse” than others made up one-third (33.0 percent) of the 1992 workers, while comprising over one-half (55.7 percent) of the total NBF population.

For the period during which the NBF questionnaire was administered, it is possible to provide data that address the question of how many persons worked with certain health limiting conditions. With persons checking as many conditions as they felt they had, the first column of table 14 shows the proportion of the NBF population with each disabling condition. The most prevalent condition was arthritis/rheumatism, affecting 69.1 percent of the population. The second column shows that of those persons who reported having arthritis/rheumatism conditions in 1992, 8.5 percent were working. The other entries in the second column are interpreted in a similar manner, as a percentage of the first column figure. Overall, only a small fraction of persons with any given health condition reported work activity in 1992. While the proportion of persons with missing limbs had the highest proportion of workers (15.5 percent), their number was quite small, as the percentage is based on only 3.1 percent of the 137,144 persons in the NBF. It appears that for a single point in the postentitlement period no single health condition was associated with extensive work activity, and there were no health limitations that were substantially more likely to permit work activity than any other.

## Summary and Conclusions

From the foregoing analyses, the following picture emerges about persons who work after award of DI benefits:

- Almost one-quarter of the sample population attempted to reenter the labor force in the 10-year NBS-NBF period.
- The higher the level of education, the greater the proportion of persons who worked.
- Younger beneficiaries were more likely to work than older beneficiaries.
- About half of the beneficiaries who worked did so on a full-time (40-hour-or-more per week) basis.

- Most beneficiaries worked because of financial need. The profile of reasons for working did not vary across demographic groups and aspects of the first job held.
- Most beneficiaries began working without attributing this decision to an improvement in their health.
- Individuals pursued different methods of job search. No single approach emerged as the most successful. Job search modes did not vary for different groups and different jobs.
- Four activities were most likely to lead to job offers: persons checking where they had worked before, asking a friend, answering an ad, and following up a vocational rehabilitation lead. These findings were not conclusive because small numbers of persons engaged in these activities.
- Thirty percent of DI workers returned to their preentitlement employer.
- The beneficiaries’ first postentitlement jobs had less exertion, fewer hours, and lower pay than did their job held prior to award.
- The likelihood of working was the same across a broad range of disabling health conditions.

In terms of work return policy, formal work return programs aimed at young beneficiaries and those with higher levels of educational attainment would produce the greatest number of job placements. It appears that no targeting of programs is necessary along gender lines. The anomalous finding of an absence of the relationship between improvement in health and labor-force reentry requires further investigation. Any followup in this area of inquiry should plan to have the data collected close to the time of postentitlement job entry.

## Notes

<sup>1</sup>John C. Hennessey and L. Scott Muller, 1994, “Work Efforts of Disabled-Worker Beneficiaries: Preliminary Findings From the New Beneficiary Followup Survey,” *Social Security Bulletin*, Vol. 57, No. 3, (Fall), pp. 42-51.

<sup>2</sup>Ibid. pp. 42-51.

<sup>3</sup>Ibid. pp. 42-51.

<sup>4</sup>It is possible that the job at the time of the NBF was the same as the first job. In these cases, the responses were included in each set of distributions.