February 15, 2019

The UW Center for Financial Security (CFS) is a Social Security Administration (SSA) Retirement and Disability Research Consortium (RDRC) Center, an interdisciplinary extramural policy research program funded through a 5-year cooperative agreement.

The CFS plan of work is focused on ongoing studies that explore issues related to economically vulnerable populations, including people with disabilities, low-wealth households and children.

CFS is currently seeking investigator driven applied research studies. This is an applied research program designed to assist policymakers, the public, and the media in understanding Social Security, retirement, and disability policy issues.   Broadly, RDRC priorities include:

- **Research, evaluation and data development**. Studies should cover issues related to Social Security programs, *in addition* to broader retirement and disability policy. This can include developing and expanding access to data.
- **Dissemination**. Disseminate research findings using a variety of media to inform the academic community, policymakers, and the public.
- **Training**. Support for graduate students and postgraduates to conduct research on retirement and disability policy related matters

All proposed research and activities must be relevant to at least one of SSA's program areas or populations: Old-Age and Survivors Insurance (OASI). Disability Insurance (DI), or Supplemental Security Income (SSI). Some research may speak directly to one or two programs and the distributional, behavioral, or adequacy issues related to those programs.

Other research, including changes in mortality, fertility, immigration, health, and marital status, is foundational and may support policy evaluation for all three programs.

Proposed research activities may employ a variety of approaches to contribute to the evidence base for policy, including descriptive and causal studies, simulations, and international comparisons.

Focal Areas: SSA has issued the following as priorities for funding for Federal FY 2020 (October 1 2019 to September 30 2020):

Trends in Disability and Survey Issues
Understanding cohort trends in health and function can provide important insights about the level and composition of the insured population that could seek benefits, their duration on the program if they receive an award and the potential for work if they do not. Measuring function and interpreting survey data intended to capture the concept is a challenge.   While the broader context of this focal area is to investigate methodological and policy issues related to the conceptualization, definition, and measurement of disability over time, SSA specifically has the following questions:
- Are there distinguishable demographic trends in function (e.g., physical, mental, and cognitive), and what are the factors driving changes in the composition of function in the population?

- What are the factors of geographic variation among the disabled population (e.g., health status, unemployment rates)?
- How do surveys inform our understanding of claiming behavior, particularly in light of the recent divergence between self-reported disability prevalence and DI applications?

Informing Long-Term Projections and Models
SSA is seeking research informing economic and demographic assumptions underlying Trust Fund projections are of ongoing interest to SSA and the Social Security Trustees. This includes:
- Labor force participation
- Immigration
- Fertility
- Marital status
- Interest rate projection methodologies
- Stochastic methodology: transitions from short-term to long-run, both in basic and stochastic projections

State and Local Pensions for Non-Covered Workers
Underfunding of state and local government pension plans creates financial risk for plan participants, which could have spillover effects on Social Security. Benefit reductions to improve pension plan solvency could impact Social Security solvency due to interactions with the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) as well as jeopardize the FICA tax exemption for non-covered workers under Section 218 "safe harbor" rules. SSA seeks further analyses of how changes in pension plan provisions can affect individual workers and retirees, as well as overall pension plan and Social Security solvency:
- Sustainability of state and local government plans and their potential impact on Social Security.
- Evaluation of the "comparable benefit" requirements for FICA exemption under Section 218 and "safe harbor" rules under current conditions (e.g., employment tenure and vesting) as compared to when these requirements were enacted.
- The potential impact on Social Security solvency of non-covered pension benefit reductions through the interaction between non-covered pensions and the WEP and GPO.

Actuarial Adjustment of Benefits
The various calculations and adjustments to calculate benefits paid to individuals are complex and may produce disparities among beneficiaries. Workers who retire before the full retirement age (FRA) receive actuarially reduced benefits immediately, but workers who retire after FRA receive delayed retirement credits (DRCs) that may not be paid until the following year. Workers may qualify for their own benefit, as well as a spouse or survivor benefit. Instead of receiving the highest benefit to which they are eligible, one benefit is offset against the other. The actuarial assumptions specified in the 1983 legislation were based on contemporaneous economic and demographic conditions—which today may not be applicable.
- Assessing the interaction between benefit claiming rules and actuarial adjustments and their impact on the optimal claiming decision.
- Evaluating different options for standardizing benefit calculations and actuarial adjustments for all workers, spouses, and survivors.
- Comparing the economic and demographic conditions that underlay the actuarial assumptions legislated in 1983 versus more recent conditions.

Economic Effects of Totalization Agreements

The United States has bilateral social security ("totalization") agreements in force with 26 countries, with four more in the process of coming into force (See: https://www.ssa.gov/international/agreements_overview.html). These agreements have three main purposes: eliminate dual social security taxation where a person would be covered under the social security systems of two countries on the same earnings; permit payment of partial benefits based on combined coverage earned in two countries for people who worked in two countries, but do not have enough coverage in one or both countries to meet the ordinary minimum coverage requirements; and remove payment restrictions that apply to residents of both countries. Because totalization agreements remove impediments to temporary, overseas work assignments, there may be quantifiable effects on capital investment, trade, and labor markets.

- SSA is interested in studies examining the macroeconomic effects of totalization agreements through analyses such as event studies focused on implementation in particular countries, (e.g. Iceland, Slovenia, Brazil etc.).

Measuring Sources of Income

One of the main purposes of Social Security is to provide assured basic income during retirement. There is a considerable amount yet to learn about the measurement of retirement income. SSA is interested in studies that:

- Providing comparisons of various data sources on income and in-kind resources.
- Assessing the quality of self-reported income and wealth data income data collected in surveys.
- Identifying the specific areas of measurement that may be deficient and recommend remedies.

Risks and Resources in Older Age

We are interested in learning more about the evolving risks to economic security and how future beneficiary cohorts will fare. Research should take a broad view of the retirement portfolio, looking at all sources of economic security, as well as the spectrum of resource needs to address financial risks, including long-term care.. Particular areas of interest include:

- Use of housing as a resource
- Role of other government programs
- Effects of age and actual/proposed related policy (e.g., age-85 super COLAs, SSI aged)

Induced entry into SSDI

"Induced entry" refers to people who are medically eligible for but not currently receiving SSDI benefits who apply for SSDI benefits due to changes in policy. If the implementation of a policy causes sufficient induced entry (or reduced exit), SSDI program costs could increase, possibly substantially. Induced entry has been a concern for recent SSA demonstrations, including the Benefit Offset National Demonstration and the Work Incentives Simplification Pilot. SSA is interested in evidence of induced entry due to policy change.

Opioids

SSA is interested in research investigating the causal connections between treatment of pain, opioid use, and disability program application and participation. Due to the large amount of recent work in this area, PIs should be sure to place their proposed work in context and explain the contribution of their work and its significance to disability policy.

Claimant Representatives

Claimant representatives support applicants while they pursue Social Security claims. Fees are usually determined as the smaller of 25 percent of past-due benefits and $6,000. We would be interested in research exploring how this fee formula affects the alignment of interests between the principal and the agent. What alternative fee structures could increase incentives for a higher representative participation rate and level of service? We would also be interested in research on similar relationships outside the Social Security context that could inform this issue.

Other Topics of Interest

- *Disability and economically vulnerable families.* What are the family and geographic characteristics of people across programs in households with a person with a disability> (e.g., health status, income, wealth, education, marriage, employment etc)? How might state or national program policies influence these sub-groups? What are the dynamic interactions or programs?
- *Labor force participation.* What factors associated with not participating in the labor force—the driving causes of the current relatively low labor force participation rate? How have demographic trends in marriage, health and disability, fertility and other factors influenced work?
- *Measuring sources of income and adequacy*. Using a broad view of the retirement portfolio, are key sources of economic security, as well as the spectrum of resource needs to address financial risks, including long-term care and other shocks.
- *Communication and behavior.* SSA communicates with workers, claimants, and beneficiaries through many modes and channels (e.g. the ssa.gov website, the Social Security statement, etc.). Beneficiary comprehension of program rules can drive behavior (i.e. claiming and employment decisions) in important ways that can influence long-term welfare. How can knowledge be better used in key decisions related to retirement and disability issues?
- *Program interactions with the health care coverage.* The ACA expanded access to Medicaid and provided incentives for uncovered individuals to purchase health insurance. More insured people has had little measurable change in outcomes such as DI applications or OASI claims. What are the dynamics of health coverage and social insurance?

Planning Your Project

This is a standardized online form that will be used to create a consolidated proposal to SSA. CFS will select up to $2.75 million in total proposed projects to submit to SSA in May. SSA will make the final determination on which projects are funded by August 2019. SSA plans to provide a total of approximately $8.7 million across four centers in the upcoming award cycle. All proposed research projects should be completed in one year, or able to be broken down into incremental phases completed in one year.

Proposal Due Date April 15, 2019 (TBD)

Submission:
Online Submission Form https://centerforfinancialsecurity.formstack.com/forms/proposal

Title: A concise title for the project that describes the analysis.

PI(s): Anyone providing significant effort towards the completion of the project. Include a short bio and web link for a CV. **(100 words max per PI)**

Focal Areas: Identify the relevant program and focal area
- ✓ Trends in Disability and Survey Issues
- ✓ Informing Long-Term Projections and Models
- ✓ State and Local Pensions for Non-Covered Workers
- ✓ Actuarial Adjustment of Benefits
- ✓ Economic Effects of Totalization Agreements
- ✓ Measuring Sources of Income
- ✓ Risks and Resources in Older Age
- ✓ Induced entry into SSDI
- ✓ Opioids and Disability
- ✓ Claimant Representatives
- ✓ Other Topics of Interest

Focal Policies/programs: Identify the relevant program(s)
- ✓ Old-Age and Survivors Insurance (OASI)
- ✓ Disability Insurance (DI)
- ✓ Supplemental Security Income (SSI)
- ✓ Old-Age and Disability (Dual OASI and DI)
- ✓ Disability Support (DI or SSI and non-SSA programs) —including Veterans' benefits, privately organized programs, rehabilitation centers, return-to-work initiatives
- ✓ Dual Income Support in Old Age (OASI and SSI) - retirement security and poverty

Keywords: 3-4 words that capture the general topic or approach

Data Sources (250 words): Identify the data source and dates of data coverage. Do not provide extensive details on well-used public datasets; only include unusual features of the data or details on data that has not been used in prior studies. Projects requiring direct access to earnings records at SSA should specify whether and which SSA researcher has agreed to work with the earnings data on the RDRC researchers' behalf. CFS can facilitate consults with SSA staff to discuss specific your data/research needs prior to the submission of a proposal.

Abstract/Specific Aims (500 words): This must be written so that a non-technical audience can understand the relevance to Social Security and/or retirement or disability policy. This serves as a summary of your overall proposal and should be at most one page. Abstracts for funded projects will be posted publicly and show importance and implications of the research.

- The first paragraph will clearly define the issue your proposal will address and its importance.
- The second paragraph should briefly summarize the "gap" this project will fill. In the case of research, this might be a gap or shortcoming in the existing literature that you will address.
- The third paragraph should explain how you intend to complete the work. Describe the project "deliverable" (e.g. a research manuscript, etc.). Then list the pieces of the project that will lead to the completion of the deliverable in bullet format. Each bullet should have a descriptive title and a brief explanation. The pieces can include items such as literature reviews, production of analytical data files, analysis on specific elements of a proposal, expert meetings, extramural requirements (RFP, SOW development, etc.), production of manuscripts, etc. The list will be the basis of your project timeline.

Significance (500 words): Use this section to both restate and elaborate on the specific aims. You should mention the significance of the question to SSA and the field of relevance. Why is this an important topic for SSA and how will completing the project have an impact? Does the project relate to specific ongoing SSA/government challenges/objectives? What are the shortcomings of existing analyses/data that you will overcome through this project (innovation)? Are you applying novel techniques? Cite literature to support your claims.

Methods (1000 words): Proposals should contain a fully developed research plan. Explain the tasks/activities you will conduct to complete the project. Describe the techniques you will use paying attention to features of your analysis cited in the significance section (e.g., if you note that a gap in the literature is the absence of data or a flawed technique, take time to explain how you will address the gap in your methods). This description should provide the supporting information to your timeline. Discuss the data source and any necessary data agreements or collaboration, or assistance required from SSA. Proposals without a sufficient description of planned methodology will likely be declined for funding by SSA's review panel.

Timeline :
The timeline will include significant analytical (e.g. complete literature review; develop analytical file; the completion of various stages of analysis) and process milestones (e.g. submit manuscript) that conclude with a "deliverable". The timeline will be in a tabular format on the form with completion of tasks coinciding with dates.

Activity	Completion Date
Secure data agreement	Nov 2019
Preliminary statistics	Jan 2020
Etc.	Etc.

Statement of Complementarity or Overlap: What other funding do you have or are you considering for this project? List any expected funding from federal and non-federal sources for this project (or list "none" if no other support expected).

Dissemination: SSA prioritizes research that is accessible to non-technical audiences, including policymakers and the public. Discuss any novel avenues for sharing your work. CFS will support a webinar and 1-page brief on each project. Most project will also present Work In Progress

seminars at SSA offices in Baltimore as well as at CFS seminars or trainings for graduate students. PIs may be eligible for additional CFS funding upon the acceptance of funded projects to conferences or peer-reviewed journals. If you have ideas for additional presentations or seminars, we encourage you to include them in this description.

Training: Describe how the project will employ students or junior scholars and how working on the project will support their development and expand the community of RDRC researchers. Note: SSA prioritizes RDRC projects that include Historically Black Colleges and Universities (HBCUs), Hispanic American Colleges and Universities (HACUs), and other Minority Serving Institutions (MSIs). Co-author arrangements are might be one avenue to achieve this goal. If this project includes a partnership or collaboration with MSIs, HBCUs and other institutions, be sure to include those details.

Budget Template: CFS will help you complete a budget before submission to SSA. Typical budgets range from $30,000 to $150,000 per award. Note: The budget period is September 30, 2019 through September 29, 2020. Projects can use other funds to cover PA salary and tuition the start of the semester; CFS can also explore other strategies to smooth funding. Projects should include at least a 5% Cost Sharing component from a non-federal source whenever possible. PI Salaries are based on 9-months. PA/RA based on 12 months.

Category	Number
PI Course Release	0-1
PI Course Summer Month	0-3
Co PI Course Release	0-1
Co PI Summer Month	0-3
Other PI Salary (Months or %)	
RA/PA 50% 12 Month	0-2
RA/PA additional 50% summer month (3 max)	0-3
Data Access or Purchase	Y or N
Cost Share (existing non-federal salary or other funding)	Y or N
Consultants / Contractors	Y or N
Subaward to other university or institution: If Yes: _____	Y or N