

The Role of Non-Attorney Representation in the SSDI Determination Process: A Case Study of One Prominent Intermediary

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Motivation

- For-profit, non-attorney intermediary organizations that help people apply for SSDI are a prominent but understudied part of the disability landscape
- Ideally, intermediaries:
 - Help applicants provide SSA with objective, complete information
 - Dissuade those who are not eligible from applying
- Less ideal:
 - Encourage applicants unlikely to be eligible
 - Submit subjective or incomplete information
- A better understanding of these intermediaries and their clients may have useful policy implications

Overview

- **Background and current knowledge**
- **Focus on one prominent intermediary**
 - Business model
 - Characteristics, outcomes of one client cohort
 - Comparison to SSDI applicants/awardees overall
- **Data**
 - Intermediary's administrative data, 2006 to 2016
 - SSDI Annual Statistical Report, 2007 to 2017

Representation in SSA's disability determination process

- **SSA allows applicants to appoint representatives to help them through the disability application process**
- **Representatives can be attorneys or non-attorneys (e.g. family members, friends, employees of non-profit or for-profit organizations)**
- **Representation fees are contingent on award—can be paid 25 percent of SSDI back payments up to \$6,000**

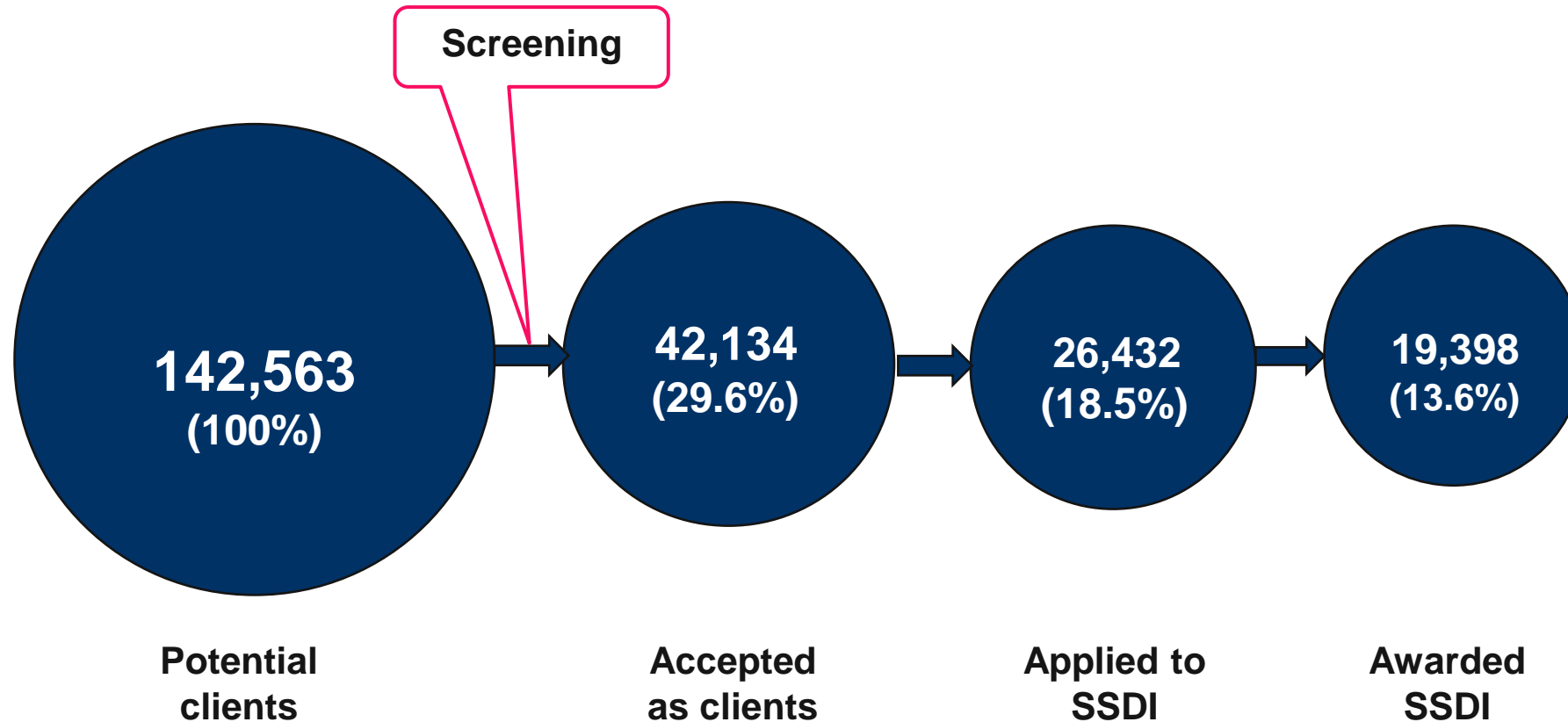
Current knowledge on role of representatives

- Limited public information; data on outcomes by type of non-attorney representative is non-existent
- Representatives were more commonly involved in appeals, but representation at initial levels is growing
 - Represented initial DI claims increased from 100,000 (8%) in 2004 to 413,000 (20%) in 2013 (GAO 2014)
 - 2/3 attorney, 1/3 non-attorney
- Attorney representation associated with higher allowance rates but takes longer to process and more likely to be denied for insufficient evidence (Hoynes et al. 2016)

Intermediary's screening process

- Integral part of business model
- Two-part process
 1. Identify those who are likely to meet SSDI's medical criteria and work history requirements
 2. Gather more extensive data necessary to confirm eligibility and complete SSDI application

Intermediary's 2013 cohort



Referral sources of 2013 cohort

Referral source (%)	Potential clients N = 142,563	Clients N = 42,131	Clients	
			SSDI Applicants N = 26,432	SSDI Awardees N = 19,398
Family or friends	14.7	5.1	6.6	5.8
Company advertising	55.6	5.2	5.8	4.2
Disability organization	0.2	0.2	0.2	0.2
Health care provider	3.0	4.4	5.4	5.0
LTDI or employer	23.0	77.5	72.3	76.3
Other	3.4	7.6	9.7	8.5

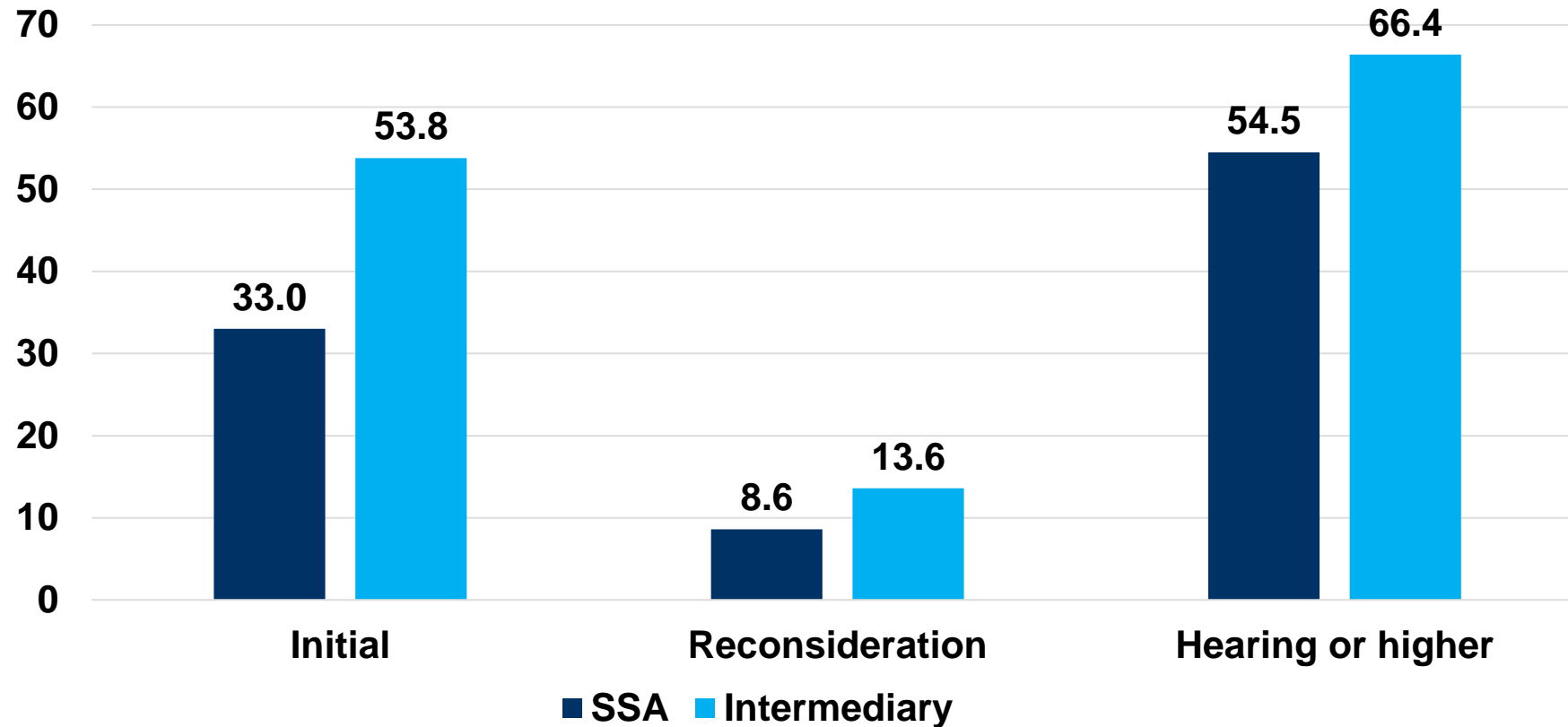
Source: Administrative data from the intermediary

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Allowance rates of 2013 cohort: intermediary vs. SSA



Comparison of intermediary awardees to all awardees

- Ratio of intermediary's awardees to all SSDI awardees has grown
 - 1.4% in 2006 to 2.4% in 2016
- Intermediary's awardees more likely to be female, older; have higher benefit amounts
- Over time, average age and benefit amount of both groups have increased

Key takeaways

- Intermediary performs thorough screening
- Clients/awardees are a select population
 - Older, access to LTDI, higher benefits
- Intermediary serving a larger population over time
 - 1.4 percent of all initial claims in 2013
 - 6 percent of all *represented* initial claims in 2013
 - 2.4 percent of all awardees in 2016

Potential policy implications

- **Screening process before application could help cut down SSA caseload**
- **Potential for intermediaries to steer prospective SSDI applicants toward the labor force**

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Ratio of intermediary awardees to all SSDI awardees, 2006 to 2016

