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The View from Michigan’s Office of Disability Determination

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I am going to be wearing two hats since I come from one trench as a Disability Determination Service (DDS) administrator, and I am now in another trench with respect to the disability process redesign. So I am going to be talking with you from both of those perspectives. What I want to do, though, is to describe to you a cartoon that I saw in Los Angeles earlier this year because it really put a lot of things into perspective for me that I had sort of been thinking about relative to social policy and how we tend to approach it in this country. The cartoon was a scene from Washington, D.C., and there was a well-dressed man who was walking down the street. Behind him you could see the Capitol dome and the Washington Monument in the background and in front of this man was an open manhole and there was a hand sticking out of the manhole and a voice was saying, “Help me out!” Well, as the man approached the manhole he reached into his pocket and pulled out some money and stood as far away from the hand as he possibly could and gave this hand some money. In the next scene the man was walking on past the manhole and the person was still saying, “Help me out!” When the man was past the manhole, the hand and the person were still down in the manhole. I think that is very descriptive in terms of how we tend to approach social policy in this country. We tend to think that we are helping people out of the hole, but once we do whatever it is that we do with them in whatever arena, most people are still stuck in that hole.

Yesterday, I heard a lot of very good things in terms of reasons why there is program growth, and I agreed with most of what I heard. In terms of being from the trench in DDS in Michigan, I didn’t hear anything that was new. It was not surprising that when the economy gets bad, people file for disability. It was not surprising that when govern-
ments become economically strapped, they cost-shift. It was not surprising that when we change the program to make it more attractive for people to receive disability benefits, they apply in greater numbers. And it was no surprise that, as Celeste Hemingson indicated, when we advertise, there is a growth in the number of applications. What I was a little bit surprised about yesterday was that there was no discussion regarding what it is that we are going to do with all of this valuable research and all of this valuable information. Are we going to use it to anticipate future workloads? Hopefully, that would allow us to better react to them. Or, are we going to use it to prevent future work loads? Probably, the information is going to be used in both ways, but not in the context of any overall social policy.

In terms of the view from the trench, in the Michigan DDS trench we always had this picture of a giant pendulum out there and this pendulum would swing from left to right, left to right, over the years. I don’t mean that necessarily to signify any political spectrum, but it does swing, and we never seemed to get that pendulum right in the middle where it would do the most good. We saw the pendulum swinging in the early 1980s with the Continuing Disability Review (CDR) debacle, where a decision was made that we need to get people off the roles because in fact there were, and still are, people on the disability rolls who should no longer be there. But there was no discussion, there was no thought of why they got there, who they were, and more important, what we were going to do with them once we got them off the rolls. The result was a knee-jerk reaction where we kicked a lot of people off the rolls and another knee-jerk reaction when we wound up putting them back on at the hearing level. Now we just have all these people on the rolls and everybody is screaming that we’ve got to get them off. We also saw the Zebley decision, which I personally thought was a good decision, but which resulted in putting a lot of kids on the rolls. We didn’t have any thought or discussion regarding that aspect of program growth and what we wanted to accomplish with these kids. What did we want them to do once they got on the rolls? Again, this knee-jerk reaction. Now we have another knee-jerk reaction that is going to swing the pendulum in the other direction, probably take a lot of kids off the rolls, or prevent them from getting on the rolls—kids who should be getting disability. And yet there is no discussion about
what's the best thing for the kids or what objectives we want for the kids.

We saw in Michigan these knee-jerk reactions with respect to cost-shifting, and I was a part of that. We were very successful and very good at what we did. We saved a lot of money for the state, we got a lot of people onto SSI, and hopefully people benefited from the money that they got and from the medical care they received. But in Michigan, we had no discussions of return-to-work, we had no discussions of whether or not we were actually helping people with disabilities meet their needs on a daily basis to help them live, and we had no discussions about what we expected in terms of educational outcomes for children. We just had a very successful cost-shifting effort. I am hopeful that we did help some people in the interim, but again all of this was done without any specific objectives for us to head toward. These knee-jerk reactions we have are temporary solutions that two or three or five years from now we spend millions of dollars trying to correct.

Now, the program growth discussion, in my opinion, has to be combined with a larger discussion in our country on a comprehensive public policy of what disability programs should achieve. We have a lot of excellent efforts that are going on right now that are looking at various aspects of the disability program or disability in general. We have the National Academy of Social Insurance Disability Panel, we have the Childhood Commission, there are a lot of congressional efforts going on, there is proposed legislation that will have even new committees and new groups looking at the area of disability, and of course we have internal efforts within Social Security Administration. I know that in the private sector, private insurers are also struggling with this issue. All of these efforts are very good, but all of them really need to be done after a national decision is made about what it is we want to achieve with disability policy. That way, all of our efforts, whether we are talking about disability redesign, whether we are talking about doing more CDRs, whether we are talking about program growth or childhood disability, will all be working toward the same end and for the same objective and hopefully for the betterment of everyone. Again, my view from the trench, if I were still in the Michigan DDS, is that the pendulum is still swinging and that five years from now we are going to be spending millions of dollars and hundreds of work-years trying to correct whatever problems we are correcting today.
Now the people in the trenches don’t have time to ponder why applications have grown. In Michigan, when our caseloads were going up, we didn’t have time to think about what the reasons were. The issue was how were we going to handle it, and how were we going to do it with inadequate resources? The view from the trenches was also what mess am I going to get blamed for and how am I going to clean it up, because the policymakers were, once again, overreacting. One facet of addressing program growth is to improve the process, and the other trench that I am in is intended to try to do that. The disability process redesign is not a panacea for the disability program; we need to decide where we are headed with disability. But I think there are some features in the redesign that will help in this area of program growth. One of them is our comprehensive public relations program, which is really focused not on a “come on down and file” kind of a message, but on a message that will give our customers better information and more realistic information about the process. It is also focused on providing third parties with information they need to get the information we need. We want to couple that comprehensive public relations campaign with working with and expanding the use of third parties.

Our experience in Michigan was very successful with this, and despite the fact that we doubled the number of SSI applications and the rolls increased because of a tremendous amount of advocacy and outreach, the fact of the matter is that our application growth could have been much greater had we not gone out and worked with other state departments, advocates, and others who were helping people to file. What we were able to do to was to prevent a lot of frivolous applications from being filed, because the initial reaction of the Michigan Department of Social Services to cutting off General Assistance was going to be to tell all 83,000 to go file for social security disability. So there are some benefits to having a very focused, a very tailored public relations process that would get you “good claims.” When I say “good claims,” I am not necessarily meaning to differentiate between good claims and bad claims, but we have a very high allowance rates on our SSI efforts in Michigan. There were a lot of reasons for that—primarily because we did go out and work with other people to focus on those applicants who were most likely to be disabled—that saved everybody time and money, and we think it was beneficial to the customers we were trying to serve.
Another thing we are trying to do with the disability redesign is to unify the process so the cases that should be allowed will be allowed as early in the process as possible. We need to restore a sense of fairness to the program and to eliminate the tremendous growth at the hearing level. One observation that I do have about yesterday was that all the discussion of growth focused on initial applications and not on recons and hearings. I think this is also a very significant issue that needs to be dealt with.

There are some other features in the disability process redesign that I hope to be able to return and discuss with you in the future, but I really do want to leave you with this thought: what is needed is a comprehensive public policy debate and decisions regarding the goals that we as a society want to achieve in assisting persons with disabilities. Until that takes place, the vast majority of people who apply for disability benefits, no matter what we do, are going to continue to remain in that hole. And I am hopeful that through a lot of discussion and making some decisions about where we want to go, the next time we approach a hole and someone is reaching out to us saying "Help me out," that when we are past that hole we leave with that person traveling beside us and not still left in the hole.