



**Summary Report**  
**from the NTAR Leadership Center**  
**Roundtable on**  
**Disability Implications of an Aging Workforce:  
Developing an Action Strategy**  
**December 13, 2010**

With support from the U.S. Department of Labor's Office of Disability Employment Policy (ODEP), the NTAR Leadership Center, based at the John J. Heldrich Center for Workforce Development at Rutgers University, conducted a roundtable entitled **Disability Implications of an Aging Workforce: Developing an Action Strategy**. The December 13, 2010 event was held in Washington, D.C. and included 50 experts representing federal, state, and local policymakers, the public workforce development system, employers, and aging and disability employment researchers and advocates.

### **Purpose**

The roundtable's purpose was to draw upon a diverse and wide level of expertise to help in the development of an action plan that will serve to identify and advance the implementation of policies and practices that support the employment of mature workers, as well as the continued employment of mature workers, especially those at risk of prematurely leaving the labor market due to health and wellness barriers.

### **Framing Research — Summary of Key Issues**

Demographic trends — especially the aging of the Baby Boom generation — have profound implications for the American workforce. In 2009, mature workers (aged 55 and older) comprised 19% of the workforce, up from 12% in 1999. A decade from now, at the current rate of increase, mature workers are expected to make up a quarter of the labor force. Research shows that the incidence of disabilities increases with age. How public policymakers, employers, and the workforce development system should address the workplace implications of a maturing labor force was the central theme of the roundtable.

## **Demographic Trends: Health and Disability in Mid-Life (Presentation by Linda G. Martin, Ph.D., RAND Corporation)**

Linda Martin from the RAND Corporation presented a paper (co-authored by Robert Schoeni, Vicki Freedman, and Patricia Andreski). She discussed data on increasing life expectancy as well as measures of health and functioning, especially regarding the 40- to 65-year-old individuals who will make up the future elderly. The focus of their research, as it pertains to disability, is not work disability but disability as it relates to the activities of daily living. Key findings presented:

- What are the recent trends in life expectancy at age 50? On average men and women about the age of 50 can expect to live another 30 years, with women expected to live a bit longer.
- Are people who live longer spending time in good or bad health? Looking at biological risk factors in the age 40-64 age group, over time the data show a lowering of key risk factors with the exception of obesity, but even these risk factors are lower when comparing the obese and non-obese populations. Self-reports of chronic conditions in the age 40-59 group show a decline in musculoskeletal conditions but an increase in cardiovascular, lung, and diabetes, which may well reflect improved diagnosis and/or improved treatment and survival (i.e., even though they have the disease they are living longer with it). In terms of functional physical limitations affecting mobility and daily living activities for this age cohort, the research trends have remained fairly constant since 1997, with about 40% of the population having difficulty in at least one of nine areas, with the exception of lower body functions where there has been an increase over time.
- Key questions for the future include how will the management of biological risks and medical progress affect future health of this aging population? What will be the effect of longer-term obesity on the future health outcomes as younger obese people age? What interventions can be taken to ensure that fewer people move from a health problem to a functional limitation to a limitation in their daily activities? All in all, further research is needed to determine how these trends will affect older job seekers.

### ***Recommendations for further research (from post-presentation discussion)***

- There is a poor linkage between health data and employment data. There is a need for research that “re-links” research between health and work/employment.
- Research is needed that explores the relationships between physically demanding occupations and labor market retention.
- Research is needed that looks at disparities in health/employment outcomes by ethnicity (Martin noted that research to date has shown the widening disparities in disability by education and income, not necessarily ethnicity).

## **Disability, Aging, and Employment: Trends and Drivers (Presentation by Jennifer Tennant, Ph.D., Cornell University)**

Jennifer Tennant of Cornell University presented a paper (co-authored by Mary Daly and Richard Burkhauser). She noted that in the years since the Americans with Disabilities Act (ADA) was passed, with its emphasis on empowering people with disabilities to have equal access to the workplace, the economic wellbeing of people with disabilities has actually fallen further behind other Americans. Key findings presented:

- Employment rates remain low.
- Disability (SSDI) benefit rolls are rising rapidly to their highest levels ever, a trend that is likely to continue given the demographic trend of an aging population.
- What are the factors driving benefit growth? While the recession and high unemployment rates are significant factors, benefit growth overall is due less to the influences of health-based factors than to the structure of public policies affecting people with disabilities and how they make choices between work and benefits. In other words, employment is a key determinant of economic wellbeing, and the research suggests that whether someone chooses to work has a lot to do not only with his or her own health and functional impairments but also with disability policy.
- Recommendations include a need to follow the intent of the ADA and to make work the priority of U.S. disability policy, as well as to redirect resources from post-benefit work programs to pre-benefit work supports and incentives.

### ***Recommendations for further research (from post-presentation discussion)***

- Research on disability policy and employment compared to other countries such as Finland that looks at the notion of combining work and social security in an effort to prevent a decrease in work.
- Research that looks at the types of occupations of the people applying for SSDI.
- Research that explores the connection between disability income benefits and health benefits and whether isolating cash benefits from health benefits can improve incentives to work (e.g., TANF model of de-linking cash welfare benefits from Medicaid benefits).

## Impact of Federal Policies — Discussion Leader, Richard Johnson, Ph.D., Urban Institute

Richard Johnson of the Urban Institute stated that the purpose of the facilitated discussion was to focus on how federal policies affect the employment of older people with disabilities and then engage in an interactive discussion with a goal of offering ideas for strategies that can reform policies. As noted by Dr. Johnson, key factors driving policy discussions and a need for change include:

- What is a disability and how has our notion of disability and work ability changed for the past 25 years that necessitates a change in policy?
- What is an older worker? There is some consensus that 50+ maybe qualifies as a threshold for an older worker because it is at or about this age that employment data suggest that reemployment rates for a layoff are much lower for people in their 50s and the wage losses associated with losing a job at age 50 or older is much greater than younger workers.
- Changing demographics and the aging of the U.S. workforce. We know that the share of the workforce age 50 plus is increasing now that 30 percent of the workforce is 50 years and older (up from 20 percent just 15 years ago). What is unknown is what percent of this group that is currently in the labor market will have physical or other limitations. The old paradigm is that the retirement of the Baby Boomers will generate labor shortages; however, given the current labor market, the new paradigm is now to keep people in the labor market and working longer.
- Growing reliance on public benefits such as Social Security and SSDI (as well as workers' compensation, veteran's benefits, Medicaid, and Medicare). Supports for people with disabilities and SSDI/SSI are costing the government a substantial amount of money yet older people with disabilities are not well served by these programs economically (i.e., well-documented high poverty rates among people with disabilities). The new paradigm driving the need for policy reform is that many if not all of these public benefit programs are under severe financial pressure.
- People with disabilities are not a monolithic group. There are people receiving disability benefits and there are also many who do not receive benefits. Precise data estimates are hard to come by but some estimates state that 25 percent of people in their 50s with work limitations actually receive SSDI. Fundamentally, there are a lot of people with needs who are not getting benefits, leaving us with both the disincentives that SSDI currently creates but also what to do about people who need help and are not receiving it. The key policy question is how to structure federal policy to provide income to those who cannot work while at the same time providing incentives for those who can.

Participants discussed whether the Social Security Administration's Ticket to Work creates the wrong incentives, only encouraging work after individuals with disabilities spend several years trying to prove they are not employable in order to qualify for benefits. Others, however, cautioned against ascribing the employment problems of people with disabilities to SSDI, noting a recent University of Michigan paper<sup>1</sup> that found that people with disabilities who never applied for SSDI or SSI also had low labor

force participation rates. As noted by many participants, a key issue in any policy discussion vis-à-vis public benefit programs is the reality that the demand for labor for people with disabilities is simply lacking. Another concern raised about the Ticket to Work program is that it stops at age 64, when in the current economy and into the future, many older adults will need to continue to work well past that age.

Participants also raised issues in connection with late onset disabilities for older workers. It was suggested that perhaps benefits could be offered on a temporary basis to these individuals, with the expectation being that they would return to work as they adapt to their disabilities and access appropriate accommodations. Other key points articulated by participants included:

- The importance and reality of workplace flexibility, and the idea discussed in the older worker literature about whether (and how) federal policy can be used to encourage employers to allow workers to work in a more flexible environment (e.g., more flexible schedules and working off site).
- The nexus between skills, education, and labor force attachment and how the changing nature of work and skill requirements affect (positively or negatively) both an aging workforce and individuals with disabilities.
- The contradictions and inconsistencies in federal policy regarding expectations of work especially seen in the Ticket to Work program and, without some major policy reforms and innovations, the program will continue to struggle.
- The issue of benefits counseling and how to better inform people with disabilities about their options and choices about work/no work in lieu of any short-term policy changes.
- The lack of focus of federal programs on long-term job retention (e.g., Vocational Rehabilitation, Workforce Investment Act) and how incorporating a strong retention strategy could possibly help to keep people working.
- There is a current disconnect between the “aging system” (such as area offices on aging) and the employment/workforce system in this nation. There needs to be a stronger connection (and greater awareness at the local level) of the importance of bridging a connection between these two systems.
- The concern that culturally disability is so fundamentally associated with not working and that this notion is embedded in our public policy. Therefore, fundamental policy reforms will require tackling the cultural issues associated with disability identity and our historical construct around disability.
- The observation that disability is not an “on/off switch.” As noted, many individuals incrementally decline in work ability before they even apply for SSDI. There is a need to incorporate an element of earlier intervention in our systems to help people rejuvenate and rehabilitate before they get a stage where they believe they cannot work.

### ***Recommendations for further research and/or policy discussion***

- Research that examines whether current federal policy governing cash and medical benefits for people with disabilities clearly creates the wrong incentives (to go to work or stay at work) or whether the increase in caseloads as seen in the data is driven by a larger problem in the labor market (or both).
- Research that explores the true demand for labor for older workers and older workers with disabilities and what are the clear labor market issues and opportunities for an aging workforce (e.g., is it a skill and education issue? Is it an accommodation issue? Other?).
- Research that focuses on those outside of the labor force and who aren't employed. It was noted that a serious problem is not only the employment among people already in the labor force, but people who perhaps can work but are not (or never have been) in the labor force. What can federal policy do to incentivize and reward people to go to work when returning to work for many means a lifetime of low-wage employment? As noted by the participants, the reality is that low-income workers who develop a disability are unlikely to stay in the labor force and more likely to seek public benefits if they can since their labor market prospects are not very good.
- Further policy discussions are needed that look at the issue of expectation of work, and the possibility of offering temporary benefits or cash and supports for a short period of time to help someone get to the point where they go or return to work.
- Research that looks more closely at the SSDI population — what are their biggest factors in applying for benefits (e.g., Health insurance? Could not find a job? Others?).
- A comprehensive analysis of what has been learned to date from Ticket to Work research, research on state Medicaid Buy-In programs, and other evaluations and demonstrations (such as in the TANF and workforce literature as well) that could inform further policy discussions in the area of work incentives and expectations.

### **The Public Workforce System's Ability to Serve Older Workers with Disabilities — Discussion Leader, Richard Hobbie, Ph.D, National Association of State Workforce Agencies**

Richard Hobbie stated that the purpose of the facilitated discussion was to look at the ability of the public workforce system to serve older workers and people with disabilities, and what recommendations can be made to improve the labor market attachment of older workers, especially those with disabilities. Participants raised the issue of the Workforce Investment Act performance standards. Representatives from the U.S. Department of Labor (USDOL) noted that USDOL is currently addressing this issue through a pilot project. Other key points noted by participants included:

- Given the current labor market, with approximately five job seekers per job opening, there was considerable pessimism about the ability of the public workforce system to provide employment

opportunities for older job seekers with disabilities. Several suggestions were made that apply to improving reemployment prospects for all job seekers, including making closer connections between Unemployment Insurance and reemployment programs, as well as expanding opportunities for self-employment and entrepreneurship, and for on-the-job training, citing programs such as Georgia Works.<sup>2</sup> There is strong evidence to suggest that early intervention results in a quicker return to work.

- Several issues were raised in connection with the effects of language and attitudes. The term “disability” is often linked in peoples’ minds to not working. People who are aging may not identify with acquiring a disability, even as their hearing or vision may be deteriorating. Awareness raising among workforce development professionals as well as among seniors themselves may help their employment prospects as they better understand accommodations that may be available. ODEP Assistant Secretary Kathleen Martinez noted, the term “accommodations,” which may scare some employers and sound too legalistic, might be replaced by a term such as “productivity enhancement tools.”
- In recent years, interventions funded through the public workforce system have been overwhelmed and under-resourced, a situation that does not appear likely to change given federal budget pressures and continued high demands on the system in the aftermath of the recession. USDOL should grant waivers to allow state and local workforce areas the flexibility to innovate with their programs and their service delivery in order to get beyond incremental changes. An alternative idea was to attempt more blending and braiding of funds from various sources, which can be done without waivers. Another recommendation was to provide opportunities for One-Stops to use the techniques of customized employment and job carving, which may improve prospects for people with more significant disabilities.
- There is a need for additional information on the impact of two U.S. Department of Labor, Employment and Training Administration initiatives: the Alternative Trade Adjustment Assistance (ATAA) program, which provides wage insurance for a limited number of older dislocated workers, as well as the Aging Worker Initiative pilot program. Evidence from these programs might serve to inform future policy discussions as it pertain to assisting older workers.
- It was recommended that the Senior Community Service Employment Program (SCSEP) provide subsidized employment opportunities for older and disabled dislocated and discouraged workers, at least until the economy rebounds. As it currently stands, SCSEP is able to serve only between one to two percent of those who meet the program’s strict income eligibility requirements.
- The system needs to create a stronger platform of “readiness” so that the public workforce system serves the minds and the needs of people that are long-term unemployed — be they people with disabilities or not. The system needs to recognize that the longer an individual is out of work, the longer they are separated from their skills and education. The key to a responsive public workforce and education system is to help individuals keep their skills fresh and ready so when the economy recovers they can be ready to participate in the labor market.

- Given the disparate set of work-related services for older workers, it is important to have better integration and a discussion of how to create a smoother and broader range of employment-related services that incorporates the different needs and abilities of all older workers, but that should always include an element of (paid or volunteer) work.
- Additional efforts are needed around better training and stronger and more appropriate career counseling for job seekers over 50, including how to brand oneself and how to keep skills current by volunteering or participating in community college education and training courses.

### ***Recommendations for further research and/or policy discussion***

- Modification of the SCSEP program to provide subsidized employment opportunities for older and disabled dislocated workers.
- Public policy changes to the Workforce Investment Act that recognize and fund retention activities, as well as put more teeth into universal design requirements (and that go beyond physical access to programmatic and communications access as well).
- The federal government should establish a more dedicated cross-agency waiver effort that would allow states to experiment with existing resources across program lines with different strategies (similar to welfare reform waiver efforts in the late 1980s) or in lieu of that, more dedicated federal support for local blending and braiding of resources as well as looking at the pockets of excellence in practice around the nation and figure out how to get these recognized and replicated.
- Research that analyzes evidence from the ATTA and the Aging Worker Initiative to see how it can inform policy directions.
- Rethinking and reframing current language especially as it pertains to “disability” and “accommodation” and incorporating new language into future policy.

### **Employer Strategies: Responding to an Aging Workforce — Discussion Leader, Susanne Bruyere, Ph.D., Employment and Disability Institute, Cornell University**

Susanne Bruyere stated that the purpose of the final facilitated discussion related to employer strategies is to respond to the aging workforce, noting that in the short term, there is a need for an up-to-date national survey on employers’ use of workplace accommodations for people with disabilities. As noted by Dr. Bruyere, research conducted by Cornell University has found that:

- When employers accommodate, people tend to stay longer in the workforce and are less likely to go out on leave and apply for SSDI. More national survey data are needed, however, that capture data on accommodation and people’s experience with accommodation.



- Research using EEOC data shows that people with disabilities have four to five times the number of employment discrimination claims of other protected populations. Most of these claims are in the 40- to 54-year-old group. Claims for the 55+ year-old group are growing as well, as this age cohort expands. Disability claimants were more likely to have behavioral (depression and anxiety-related disorders) issues followed by medical disabilities. More research is needed to look at where these are occurring in these industries, especially by occupation.
- The research conducted also demonstrates that, across the board, people feel a sense of discrimination as it relates to their interpersonal relationships with people around them. This may speak to the importance or necessity of supervisor and co-worker awareness of disability and accommodation.
- Finally, in surveys conducted of both public and private employers, Cornell found that when asked about barriers, the top barriers in both sectors were the skills of individuals, not the cost of accommodation. Therefore, the skill sets of individuals **and** the preparation of the workplace to be able to take them in (knowledge of accommodation and supervisory and co-worker attitudes) are critical areas to address.

Participants gave examples of efforts to educate businesses about the Americans with Disabilities Act, and about how to create a workplace culture and supervisory attitudes that support workplace diversity. However, it was again suggested that there is a need to move away from the language emphasizing “disability accommodations” to terms such as “workplace flexibility” and “talent management strategies.”

Assistant Secretary Martinez credited companies such as AT&T for recognizing that aging and disability populations have some commonalities. Employer representatives reminded the group that employers are not a “monolithic entity” but are as diverse as individual employees. It was also noted that the majority of employers in the United States have fewer than 50 employees, with many having fewer than 15, and that many smaller employers may be unaware of government services that support hiring and retention of older workers and workers with disabilities. The Society for Human Resource Management is currently co-sponsoring and promoting among its 250,000 members the use of AARP’s Workforce Assessment Tool, which is designed to help employers develop a picture of how they will be affected by the demographics of their workforce as well as ideas for programs to attract and retain talent.<sup>3</sup> In terms of identifying promising practices, AARP gives annual awards to Best Employers for Workers Over 50 for organizations in the United States and abroad that have implemented creative and promising practices to meet their workforce needs.<sup>4</sup> Other key issues raised by participants included:

- Businesses in general are leaner than they used to be and that it will be critical to make the bottom line, business case around productivity of older workers and workers with disabilities.
- Some firms in fields such as health care have begun to feel labor shortages, and the federal government is expected to lose over five million retiring employees in the near future. One participant described a new initiative launched by the Partnership for Public Service called the FedExperience, which includes partnerships with federal agencies, corporations, and others to

help fill critical government hiring needs with older, experienced workers. A first partnership has been set up with IBM to help employees and retirees transition to jobs at the **U.S. Department of Treasury, the Federal Aviation Administration, the Department of Energy- Environmental Management, and the Department of State.**<sup>5</sup> The U.S. Business Leadership Network was another source of information mentioned by participants as useful to employers.<sup>6</sup>

- Stereotypes and myths about older workers and workers with disabilities continue to exist. There is a need to be more serious about addressing the myths as well as addressing the discrimination issues. Changing language away from “accommodation” to incorporating language that is more universal such as accessibility, health and wellness, and diversity.
- There is a need to better understand and examine the concept of how people are “differently productive.” People work in different ways and they use different tools to get to the same end and if we could think about the simplicity of that idea as it pertains to our workforce. There are no employers anymore where one size fits all so there is a need to re-message — whether it is in terms of workplace flexibility or productivity. Fundamentally, this speaks to a need for a frank national conversation on what makes employment work for all people given the economic and cultural changes that we are living through.

#### ***Recommendations for further research and/or policy discussion***

- More robust national research (employer surveys) that captures data on accommodations.
- Research examining the concepts of how people are differently productive and how federal policy and resources could be used to support a shift away from accommodation being a tool for people with disabilities, to a more universal perspective of flexibility and accommodation to improve the labor market attachment of a diverse set of job seekers.

## Endnotes

<sup>1</sup> John Bound, Stephan Lindner, and Timothy Waidmann, *Reconciling Findings on the Employment Effect of Disability Insurance*, University of Michigan Retirement Research Center, Working Paper WP 2010-239, retrieved from: <http://www.mrrc.isr.umich.edu/publications/papers/pdf/wp239.pdf>.

<sup>2</sup> For information on Georgia Works, see: [http://www.dol.state.ga.us/spotlight/sp\\_georgia\\_works.htm](http://www.dol.state.ga.us/spotlight/sp_georgia_works.htm).

<sup>3</sup> AARP's Workforce Assessment Tool can be accessed at: <http://www.aarpworkforceassessment.org/us/index.cfm>.

<sup>4</sup> See: [http://www.aarp.org/work/employee-benefits/info-09-2009/about\\_the\\_best\\_employers\\_program.html](http://www.aarp.org/work/employee-benefits/info-09-2009/about_the_best_employers_program.html).

<sup>5</sup> See: <http://www.ourpublicservice.org/OPS/programs/fedexperience/index.shtml>. See also related publication: *A Golden Opportunity: Recruiting Baby Boomers Into Government*, at: <http://ourpublicservice.org/OPS/publications/viewcontentdetails.php?id=122>.

<sup>6</sup> See: <http://www.usbln.org/>.