Does Parental Disability Insurance Receipt influence the Future Success of Children?

In 2016 the Master Beneficiary Record reported that over 1,400,000 non-disabled children were dependents of an SSDI beneficiary. However, little is understood about how income receipt from disability insurance influences the outcomes and wellbeing of these children. On one hand research suggest that additional resources in childhood improve long term outcomes. For example, several studies find that safety-net income for children in late high school is important for their future labor market success, in part through increasing the likelihood of attending post-secondary school. On the other hand, to the degree that disability insurance discourages parental work, there could be negative effects on children in the household. I propose using linked SSA data to understand the intergenerational impacts of Disability Insurance (DI) income. I hope to be allowed/able to link the disability analysis file (DAF) data on DI recipients to the Detailed Earnings Records (DER) data on the future W2 earnings of children in households who had a parent that qualified for DI.

Relationship to Focal Areas of Interest:

- **Understanding Long Term Projections and Models**: Typical projections have paid less attention to the non-disabled members of beneficiary households. However, understanding intra-household spillovers of DI is an important part of projections as it is necessary for capturing the full range of costs and benefits of the program.
- **Risks and Resources in Older Ages**: One source of financial support for older workers is their working age children. This project will help shed light on if the intergenerational effects of the program provide more/fewer resources that children will have to help support their older parents.

Conditional on access to the data, I believe I could take the following three steps within a year:

1) Replicate an earlier literature that the DAF to estimate a Regression Kink Design (RKD) on the impact of being on a kink in the DI schedule on additional income. This would be a replication of the "first stage" found in Gelber, Moore and Strand (2017); and Gelber, Moore, and Strand (2018).
2) Link reported dependents of the beneficiaries in the Disability Analysis file to those dependents' annual taxable W2s from the Detailed Earnings Record (DES) going through 2014. This step would require having the right information on the dependents in order to perform a link between the two datasets. I am unsure if this is feasible and was specifically looking for feedback on this point.
3) After a simple descriptive analysis of the correlation of SSDI and the future earnings of Dependents, I would implement an RKD to uncover the causal impact of additional DI income on the future labor market earnings of children as they enter early adulthood.

Thank you for consideration. As point 2 mentions, I was hoping for additional feedback on the feasibility of linking the data in the way I suggest. If this project is feasible, I would likely add a co-author to help with the analysis/data work.