Welfare Reform and Mortality

Shirlee Lichtman-Sadot & David Slusky

Social Security Administration
Retirement and Disability Research Consortium

Focal Area: Racial equity and support for underserved communities

Beginning in the 1990's, the US substantially limited disadvantaged families' access to the social safety net. Although these welfare programs are not under the direct responsibility of SSA, they are very strongly related to SSA programs – particularly SSI – by providing basic income supplements to economically disadvantaged individuals. In this project, we evaluate the effect of new benefit time limits on mortality, focusing on deaths of despair. These deaths are often from disabling conditions, including drug and alcohol addiction and poor mental health. We hypothesize that these changes can substantially erode disadvantaged households' psychological reliance on the social safety net and increase stress, thereby potentially leading to greater despair. Case and Deaton (2015) argue that rising trends in deaths of despair are a result of worsening economic and cultural factors. Empirical evidence, however, linking the increased mortality with economic or social conditions has been limited. Our analysis explores how mortality rates changed over time as a function of cohorts' exposure to time limits as parents, at the age group-commuting zone-state-year level.

We primarily address three questions in this project: 1) What are the effects of welfare payment time limits on deaths of despair? 2) Could these effects be heterogeneous for different population segments? 3) What are the dynamics of these effects? Our initial results suggest despair-related deaths increase in response to exposure to time limits as parents. This project will provide more granular evidence of the effects of welfare reform on mortality by using restricted mortality data, including rates by race, gender, and education. This will enable us to focus on mortality rates among populations more prone to be affected by welfare reform. Our initial results demonstrate that the social safety net provided by welfare payments can assist populations affected by persistent poverty overcome structural barriers for a longer lasting and healthier life, thus potentially contributing to greater equity.