Public Housing Assistance and Social Security Disability Program Participation

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The Department of Housing and Urban Development (HUD) and the Social Security Administration (SSA) both administer programs providing support to non-elderly individuals with disabilities. There is a range of research examining the causal of effects of SSA program participation on individual outcomes, as well as factors causing individuals to apply for these programs. However, research on HUD housing assistance programs' effects on the disabled population and the SSDI/SSI population in particular is sparse and descriptive in nature (Brucker and Garrison 2021), despite HUD including SSDI/SSI receipt as an indication of a qualifying disability condition. One result of this programmatic interaction is that 82% of HUD-assisted families with non-elderly members with disabilities rely on Social Security benefits for the majority of their income. Furthermore, individuals experiencing homelessness or seeking homelessness-related housing assistance are often encouraged to apply for SSDI/SSI benefits and assisted in doing so by caseworkers (e.g., SAMHSA's SOAR program). Additionally, qualitative research based on interviews with 35 low-income SSDI beneficiaries showed a substantial fraction sought out public housing to make ends meet, some remaining unhoused while on the waiting list (Gettens and Henry 2019). Yet the causal program interactions – how public housing assistance affects SSDI/SSI participation and how SSDI/SSI participation affects public housing assistance participation – remain unexplored.

This proposed project seeks to provide initial causal evidence on one of these program interactions: the impact of expansion/contractions in local voucher funding on SSDI and SSI program participation. We will draw on quasi-experimental variation in HUD policy affecting Housing Choice Vouchers (HCVs); as quick background, HUD provides fixed amounts of HCV funds to local public housing authorities. These authorities can earmark HCVs for a range of priority groups (e.g., veterans, very low-income families), then allow eligible individuals or families to join the corresponding waitlist. Once a family receives a voucher and secures housing, they pay approximately 30% of their income in rent, with the housing authority covering the remainder, up to a local rent ceiling. As a result, an individual who increases income through an award of SSDI benefits effectively "costs" the housing authority less, potentially allowing the authority to issue more vouchers, incentivizing case workers to encourage individuals to apply to SSDI/SSI. Identifying variation therefore comes from periodic updates to rent ceilings, based on decennial Census data, updated annually based on forecast models, then substantially "corrected" when new decennial data becomes available (see Collinson and Ganong 2015 for use of the 2005 correction to estimate housing voucher generosity incidence), as well as a 2016 change to rent ceilings in 24 MSAs. Lower rent ceilings effectively increase the number of vouchers available, since the per-voucher cost has a lower cap. In a difference-in-differences framework, we propose to use variation, both temporal and geographic, in rent ceiling corrections to examine how counties that experienced corresponding increases in the number of housing vouchers affected county-level SSDI/SSI application and award rates, and how this effect varied by county-level characteristics, most notably race and ethnicity.

Focal Areas: Disparities by race and ethnicity, Economic security of SSA beneficiaries