

**Board Meeting Minutes**  
**February 23, 2017**

**Location:** 400 Virginia Avenue SW, Suite 625  
Washington, D.C. 20024

**Time:** 8:30 am – 4:00 pm

**SSAB Members:** Henry Aaron, Chair  
Lanhee Chen  
Bernadette Franks-Ongoy  
Jagadeesh Gokhale  
Kim Hildred  
Barbara Kennelly

**SSAB Staff:** Claire Green, Staff Director  
Anita Grant, Senior Advisor  
Jenn Rigger, Senior Advisor  
David Warner, Management Chief  
Joel Feinleib, Staff Economist  
Matthew Comey, Policy Analyst  
Caitlyn Tateishi, Management Analyst  
Bethel Dejene, Management Analyst  
Matthew Graves, Research Analyst  
Fran Huber, Senior Policy Analyst, SSA  
Detailee  
Joyce Nicholas, Senior Policy Analyst, SSA  
Detailee

**Presenters**

**Technical Panel on Labor Supply:** Robert Moffitt, Chair, Technical Panel on Labor  
Supply and Krieger-Eisenhower Professor of  
Economics, Johns Hopkins University

**SSA Senior Attorney Program:** Iona Dotterer, Senior Attorney Advisor, Office  
of Disability Adjudication and Review, Social  
Security Administration and National Treasury  
Employees Union (NTEU) Senior Steward for  
Region 8/Denver  
and Christie Saunders, President National  
Treasury Employees Union (NTEU) and Senior  
Attorney, Social Security Administration,  
Charleston, West Virginia Hearing Office

**Executive Session:** Nancy Berryhill, Acting Commissioner of Social  
Security

**Mercatus Center:** Jason Fichtner, Senior Research Fellow, Mercatus  
Center, George Mason University

The Board met with Robert Moffitt, who is Chair of SSAB's technical panel charged with studying the labor supply portion of the Social Security actuaries' trust fund projection model. Dr. Moffitt discussed the preliminary findings of the Panel and provided a preview of the recommendations the Panel is considering for its final report. Dr. Moffitt explained that, overall, the Office of the Chief Actuary's (OCACT's) labor force participation rate (LFPR) projection model produces results that are similar to those of other analysts, such as the Congressional Budget Office (CBO). When broken down by demographic groups, the actuaries' model produces anomalous results for some groups. In particular, the model does not fully account for certain factors such as the declining demand for the labor of unskilled young men and the decline in wages for this group, both of which are associated with long-term declines in the group's LFPR. OCACT's near-term LFPR projection for prime age men increases as they anticipate a recovery of labor markets from the effects of the Great Recession. The Panel sees nothing in the data to indicate such the recovery projected by OCACT. The Panel believes that the downward trend in participation rates of prime aged men before the Great Recession needs to be better explained, and that there is no convincing reason to think the forces behind those trends have stopped operating. The Panel will likely recommend that OCACT consider additional data from the post-recession experience, and introduce certain additional factors into the model, including measures of wages rates and skill/education.

Ilona Dotterer and Christie Saunders met with the Board to discuss the state of the Senior Attorney (SA) program within Social Security's Office of Disability Adjudication and Review (ODAR). The presenters described the scale of the backlog in determining disability cases facing ODAR and suggested that an enhanced role for SAs could help to reduce the backlog. In the past, SAs could make favorable disability determinations "on-the-record" before the case made its way to an administrative law judge (ALJ) for a hearing. However, this authorization was withdrawn following a scandal involving ALJs at one hearing office. SSA shifted the priority from timeliness to thoroughness in decision-making, which resulted in the current reduction in the responsibility of SAs. The presenters proposed that either the previous authority of SAs to make decisions "on-the-record" be reinstated, or that SAs be permitted to screen cases and to make a recommendation to the ALJ.

During lunch, the Board met in closed executive session with Nancy Berryhill, the incoming acting commissioner of SSA.

Jason Fichtner presented to the Board a proposal to reform of the Social Security Disability Insurance (SSDI) program. The proposal is composed of three parts: temporary disability awards; partial disability awards; and incentives to encourage employers to offer short-term private disability insurance (PDI). Dr. Fichtner urged separate evaluation of each of these three components. He proposed a pilot project to test the temporary and partial components. The option for a worker to be evaluated based on partial disability would be offered on a voluntary basis at the time of application for benefits, with the understanding that benefits would be temporary and subject to reevaluation. The second component, involving PDI, is envisioned as providing an on-

ramp to the SSDI system. Employers of a certain size would be required to carry PDI, which would have the same eligibility requirements as SSDI. PDI would cover all workers for the first two years of their disability to encourage private insurers and employers to help workers return to work within that time.

I certify that the minutes written for the February 23, 2017 meeting of the Social Security Advisory Board are correct.

A handwritten signature in black ink that reads "Henry Aaron". The signature is written in a cursive style with a long horizontal flourish at the end.

---

Henry J. Aaron