Deshpande and Li 2019 Outline

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* Background context
  + SSDI is expanding
  + Application process
  + How the application process is related to targeting of disability
* State question: How do application costs affect the targeting of disability programs?
* Previous literature
  + Nichols and Zeckhauser (1982) – hypothesize that application costs may improve targeting by screening out high-ability individuals with a high opportunity cost of time
  + Bertrand, Mullainathan and Shafir (2004) – Hassles may discourage those most in need
* Analysis part 1
  + Data
    - Administrative data on applications and applicant characteristics
    - SSA data on field office characteristics
  + Methods
    - DID
  + Findings
    - Field office closings reduce the number of applications by 10% and the number of recipients by 16%
* Analysis part 2
  + Data
    - Walk-in wait time and application processing time as proxies for congestion
  + Methods
    - IV
  + Findings
    - 54% of the reduction in applications is attributable to increased congestion at neighboring offices, 4% to increased driving distance, and 42% to the other costs of switching field offices
    - Potential applicants are willing to forgo $670 in benefits to avoid increased congestion, $50 to avoid greater driving distance, and $510 to avoid other costs of switching offices
  + Comparison with literature
    - Contrast to Nichols and Zeckhauser (1982) that field office closings reduce productive efficiency and targeting efficiency
* Analysis part 3
  + Methods
    - Cost benefit analysis of field office closings
    - Loss in social welfare
    - Administrative savings from processing fewer applications and shuttering field offices
  + Findings
    - Estimate a ratio of social costs to social benefits of field closings of 5.4 to 1 and a total net social cost of all 118 losings of $1.2 billion