



Work Capacity Assessments for Disability Benefit Determinations: An International Comparison

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The way in which social protection systems establish eligibility for disability benefits has critical implications for millions of people. Different systems may be more or less susceptible to the rejection of claims from individuals whose disabilities truly prevent them from earning a living. In the United States, with its detailed, sequential process for determining disability benefit eligibility, there have been long-standing concerns about the inconsistent application of this process across the country. This paper examines differences in national disability determination procedures in order to provide insights into the systems and counterpoints to the U.S. Ideally, these insights will aid reflection on the American approach.

We selected eight Organization for Economic Co-operation and Development (OECD) countries for analysis, excluding the U.S.: Australia, New Zealand, Spain, Luxembourg, Iceland, United Kingdom, Ireland, and Canada. We examined only means-tested or contribution-based benefit programs given to people with disabilities as income substitution, comparable to U.S. Supplemental Social Insurance (SSI) and Social Security Disability Insurance

(SSDI) programs.

We observe important similarities and differences in the eight countries' disability determinations, specifically in their work capacity assessments. A significant common element across all countries' approaches to disability determination is the fundamental reliance on detailed medical information and health care providers' expertise to determine disability benefit eligibility, even as most of the countries have also shifted toward more comprehensive assessments. While relatively standard across all the countries in this study, this reliance on medical evidence and assessment highlights the importance of adequate training for health care professionals conducting effective evaluations of an individual's work capacity.

Moreover, the almost universal primary emphasis on the medical aspects of disability, even as countries have pivoted toward a greater focus on ability to perform work and away from purely medical diagnoses, has failed to consider both other individual needs and capacities, as well as environmental factors such as the functional requirements of jobs in the economy. On the other hand, the countries

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diverge in some key technical aspects of how work capacity is measured. In some countries (e.g., Luxembourg, Iceland), work capacity is measured in terms of a percent reduction relative to a nondisabled person's full capacity to work, but not relative to the individual applicant's own full capacity to work, which may be affected by psychological, behavioral, environmental, and other factors.

Other countries base the assessment solely on an overall score assigned to the applicant based on their functional capacity (e.g., U.K., Luxembourg). A related measure is the number of hours an individual is able to work; a threshold is set, below which an individual is deemed 'unable to work' and thus eligible for benefits (e.g., New Zealand). In a few countries, the point/scoring system is then translated either into hours an individual can work (e.g., Australia), or percent reduction in their work capacity (e.g., Luxembourg, Iceland). Yet other countries do not deploy a quantitative approach (in hours, percent reduction, and/or weekly hours) to determine residual work capacity (Canada, Ireland, the U.S.). Instead, these countries conduct a global assessment and arrive at a binary disability determination. Related to this, the instruments or guidelines used in these assessments vary as well, but we know very little about their relative effectiveness in measuring functional and work capacity. For instance, analysts have argued that certain tables of impairments may be especially susceptible to inadequate accounting of episodic or diagnostically challenging chronic health conditions.

Some of the countries included in this study take nonmedical, nonfunctional information about claimants into account in their assessment; most notably, work history,

education, qualifications, and skills. Such broader vocational information may be useful to disability determinations in a few ways, first, by providing additional evidence on an individual's real capacity to work as demonstrated over time rather than in a moment in time. This is the case in Canada, Iceland, Australia, and the U.S., where the information is used to understand whether prior work experience affects the claimant's ability to pursue any work. Second, this vocational information may be useful in assessments of rehabilitation or work-adaptation needs of claimants. However, for some of the countries in this study that explicitly consider this type of information in the process, it remains unclear what the exact purpose of this information is and how it is weighted against other kinds of evidence.

Environmental factors outside the workplace, such as the availability of jobs in the applicant's region or transportation to and from an individual and potential jobs, are seldom considered in work capacity assessments.

Questions remain about what lessons the U.S. can draw from international experiences. Partly, the optimal approach to disability determinations will depend to a significant degree on country-level contextual factors: politics, socioeconomic setting, resources, types of programs, and programmatic and policy goals. Ultimately, it is highly unlikely that a perfect system free of biases and weaknesses can be developed. Nonetheless, the availability of comparative overviews of different work capacity assessments is valuable as researchers and policymakers continue to search for answers. ❖

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