MICHIGAN RETIREMENT AND DISABILITY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

Promoting research on retirement, disability, and Social Security policy

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Director's corner

John Laitner

This newsletter discusses recent MRDRC projects using mixed-mode data inputs. Here, we note two recently released MRDRC working papers based upon updated components of the Health and Retirement Study (HRS).

The MRDRC has a longstanding interest in modeling households' life-cycle behavior. The basic modeling structure was developed in the last decades of the 20th century by Franco Modigliani and others. However, the data needed to analyze and quantify the

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MRDRC projects incorporate mixed-method research

Research questions and methods have evolved since MRDRC's original 10 projects in 1999, which largely used quantitative analysis on large-scale survey data. As the link between research and complex policy questions has strengthened, a more granular look at a particular subpopulation has sometimes become desirable. A number of the center's projects have added qualitative methods, such as focus group interviews and natural language processing, to the mix. Combining analysis of big data sets with focus group interviews, for example, can offer a map of the forest, as well as a more detailed look at some of the forest's trees of interest.

Here is an overview of some of MRDRC's recent mixed-methods projects.

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model in detail has become available only more recently — and indeed continues to progress.

In the simplest life-cycle model, a household saves during working years to sustain its consumption level after retirement. In **"Explanations for the Decline in Spending at Older Ages,"** Susann Rohwedder, Michael Hurd, and Péter Hudomiet study Consumption and Activities Mail Survey (CAMS) consumption data, which has been added to the HRS since 2001. The authors find that, on average, per capita consumption tends to tail off after age 65. Importantly, this seems to be consistent with household intentions in most cases: Households' life satisfaction does not seem to suffer. Moreover, the specific categories of consumption where declines are most apparent — such as travel — seem complementary to declining health status.

The preceding work excludes health care expenditures paid by insurance. **"How Redistributive Are Public Health Care Schemes?"** by Karolos Arapakis, Eric French, John Bailey Jones, and Jeremy McCauley, on the other hand, uses Medicare and Medicaid records, which are now linked to the HRS, as well as HRS data itself, to study health expenditures at older ages explicitly. The expenditures, including long-term nursing home care are, of course, substantial. The paper shows, however, that there are interesting differences by life span, and in the ratio of expenditures-to-taxes for Medicare and Medicaid by lifetime earnings. As with the CAMS paper, expanding data resources make the new research possible.

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Data identifying self-employment roles has been limited to date. Because self-employment increases with age, understanding when, why, and how people choose it can shed light on their retirement outcomes. Using machine learning and natural language processing methods on Health and Retirement Study (HRS) respondents' narrative descriptions of their industry and occupation, Joelle Abramowitz and Jinseok Kim (University of Michigan) categorize self-employment roles in **"What We Talk about When We Talk about Self-employment: Examining Self-employment and the Transition to Retirement among Older Adults in the United States"** (UM21-14). The researchers identify separate categories for business owners, business managers, and independent, self-employed workers. They then explore demographic characteristics, work characteristics, income, benefits, quality of life, and retirement expectations across those roles.

Marguerite DeLiema (University of Minnesota) also combines a large database, the Federal Trade

Commission's Consumer Sentinel, with natural language processing in **"Mixed-methods Analysis of Consumer Fraud Reports of the Social Security Impostor Scam"** (UM21-Q1). DeLiema's qualitative analyses of 600 victim case narratives identified SSA impostors' most frequently used pressure tactics. The project then used a quantitative analysis of more than 200,000 consumer reports to confirm those results. The study found that, while older adult consumers were less likely to fall for the imposter scam than those 30 and younger, they lost significantly more money when they did succumb.

Large surveys work hard at recruiting and retaining a representative respondent group, but sometimes research benefits from a closer look at a specific minority group. In **"Disparities in Social Security Knowledge and the Role of Social Capital"** (UM22-12 — forthcoming), Katherine Carman (RAND) and Jhacova Williams (American University) join existing Understanding America Survey modules (those focusing on Social Security knowledge) to their new module on where people look for Social Security information. The new module includes room for write-in answers, and the authors are using natural language processing to include those in their analysis, allowing them to look at information sources particular to diverse groups. Such write-in answers may capture information that researchers did not know to look for.

In **"Mixed-methods Study to Understand Use of the *my* Social Security Online Platform,"** Lila Rabinovich and Francisco Perez-Arce (University of Southern California) combine existing UAS data with 24 individual interviews on general internet use and *my* Social Security in particular. While some interviewees had pre-existing *my* Social Security accounts, others were walked through the process of opening one. The authors collected the respondents' impressions of their interactions with the platform, and the reasons why they would/wouldn't use their account.

FY23 projects using mixed methods

So far, FY23 has two projects using mixed methods. Perez-Arce and Rabinovich team up again for **"Understanding the Social Security Communication Needs of Hispanics with Limited English Language Proficiency"** (UM23-09). They will use existing UAS data to identify gaps in knowledge among those with limited English. Then they will use that information to guide eight focus groups with Spanish speakers, with the goal of identifying some of the community's perceptions of SSA and preferred information channels.

Doerte Junghaenel (USC) and Rabinovich will rely on qualitative interviews and quantitative survey analysis of UAS data for **"Mixed-methods Study on Work-disabled Adults Who Do Not Apply for Social Security Disability Benefits"** (UM23-08). The project aims to understand why work-disabled adults do not apply for DI and whether there are demographic, health, and socioeconomic disparities in decision-making.

News from MRDRC researchers

Journal publications

The November issue of *The Lancet, Regional Health — The Americas,* features **"How should we fund end-of-life care in the U.S.?"** by Karolos Arapakis, Eric French, John Jones, and Jeremy McCauley. The authors acknowledge MRDRC funding for **"On the Distribution and Dynamics of Medical Expenditure among the Elderly"** (UM19-11).

Presentations

Dawn Carr presented "Creating a Public Resource: O*NET Job Characteristics Data Set for Use with the Health and Retirement Study and Other Surveys," at a Gerontological Society of America preconference workshop in November. The presentation outlined the work accomplished by Carr's project with Amanda Sonnega and Brooke Helppie-McFall, **"Creating a Public Resource: O*NET Job Characteristics Data Set for Use with the Health and Retirement Study and Other Surveys"** (UM22-Q1). The presentation also covered how to link the O*NET to survey data and potential geronotological research using the linkage.

Media

Susann Rohwedder, Michael Hurd, and Péter Hudomiet's 2021 project, **"Explanations for the Decline in Spending at Older Ages,"** garnered a lot of media attention this quarter. In addition to financial advisory sites such as **Think Advisor** and **Wealth Professional,** the project's findings were discussed in **The New York Times, Barron's,** and **Forbes,** as well as other media outlets.

A November *Plan Sponsor* article, **"Older Workers in Physical Jobs Face Elevated Retirement Insecurity,"** discusses Italo Lopez Garcia, Kathleen J. Mullen, and Jeffrey Wenger's project, **"The Role of Physical and Cognitive Job Demands on Transitions into Retirement"** (UM21-05).

Researchers are encouraged to share academic publications, media coverage, and conference presentations of their MRRC/MRDRC-funded work. Please send announcements to **mrdrcumich@umich.edu**.

MRDRC announces 21 projects for FY23

Who Benefits from Retirement Saving Incentives in the U.S.? Evidence on Racial Gaps in Retirement Wealth Accumulation (UM23-01); Lawrence Schmidt, Taha Choukmane, Cormac O'Dea, Jonathan Rothbaum

Medical Spending Risk among the Elderly by Race and Gender (UM23-02); Eric French, Karolos Arapakis, John Bailey Jones, Jeremy McCauley

How Redistributive Is the U.S Social Security System Today? (UM23-03); Leora Friedberg, Irena Dushi, Anthony Webb

Racial, Ethnic, and Gender Disparities in Labor Market Outcomes in the Aftermath of the COVID-19 Pandemic (UM23-04); Marco Angrisani, Jeremy Burke, Francisco Perez-Arce

Estimating Racial Disparities in Economic Outcomes (UM23-05); Helen Levy

Racial and Ethnic Differences in Job Characteristics and Patterns in Disability Retirement and Social Security Retirement Wealth (UM23-06); Amanda Sonnega, Dawn Carr

Racial and Ethnic Disparities in the Effects of COVID-19 on Job Separation and Financial Precarity (UM23-07); Dawn Carr, Amanda Sonnega

Mixed-methods Study on Work-disabled Adults Who Do Not Apply for Social Security Disability Benefits (UM23-08); Lila Rabinovich, Doerte Junghaenel

Understanding the Social Security Communication Needs of Hispanics with Limited English Language Proficiency (UM23-09); Lila Rabinovich, Francisco Perez-Arce

The Mortality Impacts of the SSDI Waiting Periods (UM23-10); David Powell, Mireille Jacobson

Social Security's Role in Economic Security: Evidence and Insight from an Analysis of Multiprogram Participation (UM23-11); Jessie Coe, Kathryn Edwards

Inflation and Economic Security of the Older Population (UM23-12); Michael Hurd, Susann Rohwedder

The Enduring Impacts of COVID-19 on Americans' Economic and Retirement Security (UM23-13); Jeremy Burke, Marco Angrisani, Arie Kapteyn

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The Lifetime Earnings Effects of the Social Security Student Benefit (UM23-14); Melanie Zaber, Kathryn Edwards

Equity Implications of the Rising Full Retirement Age and Social Security Communications: An Analysis of Past and Future Disparities in the Economic Security of Retirees (UM23-15); Philip Armour, Avery Calkins

Saving Regret in the Wake of the COVID-19 Pandemic (UM23-16); Susann Rohwedder, Axel Borsch-Supan, Michael Hurd

The House: Is it an Asset or a Liability? (UM23-17); Leora Friedberg, Wei Sun, Anthony Webb

The Impact of Affordable and Accessible Broadband on SSDI and SSI Receipt (UM23-18); George Zuo, David Powell

Job Demands, Time Use, and the Timing of Retirement (UM23-19); Italo Lopez Garcia, Kathleen Mullen, Arie Kapteyn

Enhancing the RAND HRS CAMS Public Use File (UM23-20); Susann Rohwedder

Geographic Variation in Social Security Disability Insurance Beneficiaries' Mortality Rates (UM23-21); Timothy Moore, Amanda Michaud, David Wiczer

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