

Disability Benefits in New Hampshire

An Analysis of the Costs of Relaxing Eligibility Criteria

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EXECUTIVE SUMMARY

New Hampshire has the most restrictive duration requirements to receive state disability benefits in the nation. While all other states and the federal government only require that an applicant be unable to work for one year, New Hampshire requires that an applicant be unable to work for four years. House Bill 606, which is currently being considered in committee, proposes reducing the duration requirement to one year and accepting federal determinations of eligibility. As New Hampshire is facing a budget crisis, the debate over House Bill 606 centers on the cost of providing benefits to those who would become eligible.

This paper analyzes the costs of implementing House Bill 606, and finds that the cost estimates provided by the New Hampshire Department of Health and Human Services (DHHS) are a good starting point, but overestimate the cost of implementing the bill. While there would be an increase in the cost of providing medical coverage because of the newly eligible, the DHHS numbers do not account for the lower cost of providing benefits to people with less severe disabilities. In addition the DHHS numbers fail to factor in the potential benefits of increased federal support. More importantly, while the DHHS references the cost of uncompensated care, the inability to quantify the magnitude of the cost of uncompensated care means this factor is not fully analyzed by the DHHS. There are a few areas where the DHHS underestimates the cost of implementation, but the areas where the DHHS numbers are too high are generally of greater magnitude than those where the numbers are too low.

The analysis in this report is limited by the lack of available data. Much of the analysis is forced to use data from previous years that may no longer be applicable. The conclusions of this report could be strengthened through the conduction of a survey that provides more recent information on the situation of applicants who have been denied benefits because they do not meet the duration requirements. In addition there are organizations with further reports on the costs and benefits of implementing House Bill 606, which we were not able to contact in time for this report. However, the analysis in this report is able to provide a general overview of the fiscal consequences of implementing House Bill 606.

1. BACKGROUND

1.1 The Goal of this Report

The goal of this report is to provide information on the cost of implementing New Hampshire House Bill 606, which reduces the length of time an applicant must be disabled in order to receive benefits from the state of New Hampshire. The report will expand upon the analysis done in the University of Massachusetts Medical School report that analyzed House Bill 1549,¹ a previous attempt to change the eligibility requirements for state disability benefits.

1.2 New Hampshire Aid to the Permanently and Totally Disabled

New Hampshire's state disability benefits program is titled Aid to the Permanently and Totally Disabled (APTD), and has two parts. There is a cash assistance benefit that is paid for completely by the state of New Hampshire. There is also support for medical costs, half of which is paid for by the federal government while New Hampshire pays the other half. Both benefits are means tested.

An applicant for disability benefits must show that they have a disability and meet the state requirements to receive benefits. New Hampshire has the most restrictive duration requirement to receive state disability benefits in the nation. All other states require that a potential recipient have a disability that prevents them from working for at least a year or is likely to result in death. New Hampshire requires that a potential recipient of APTD have a disability that prevents them from working for four years or is likely to result in death. An applicant that does not qualify for state benefits might still qualify for federal support, but would receive no support from the state program.

New Hampshire has not always used a four-year duration requirement. Until 1993, only applicants with disabilities that were projected to last an entire lifetime could receive state benefits. Then until 1995, the requirement was set at one-year, and from June 29, 1995 on the requirement has been four years. Clark et al. conducted an analysis of the switch from a lifetime requirement to a one-year requirement and then to a four-year requirement.² During the 2008 legislative session, House Bill 1549 was proposed with the intent of switching to a one-year requirement, but it was sent to interim study.

1.3 The Federal Context

New Hampshire is able to maintain duration requirements that are more restrictive than the federal requirements because the 1972 federal law that established Supplemental Security Income (SSI) included an exception known as the 209(B) exception. The 1972 law offered states three ways to situate their disability benefits programs in relation to the federal expansion of Medicaid. A state could use the federal guidelines regarding eligibility and accept the decision of the federal Social Security Administration without carrying out an independent state evaluation. Alternatively, a state could adopt the federal eligibility rules, but maintain an independent state application process. Thirty-

nine states have opted for one of these two options to guide their state disability programs.³ Lastly, a state could opt to fall under the 209(B) exception and use eligibility criteria that are more restrictive than the federal guidelines if the criteria were no more restrictive than the state's criteria in 1972. In addition to New Hampshire Connecticut, Hawaii, Illinois, Indiana, Minnesota, Missouri, North Dakota, Ohio, Oklahoma, and Virginia are 209(B) states. However, New Hampshire is the only 209(B) state to have a stricter duration requirement than the federal guidelines.⁴ Only one state, Indiana, was found to have previously used duration requirements that resembled those used by New Hampshire, and at least seven of the 209(B) states have never had duration requirements that were more restrictive than the federal requirements.⁵

1.4 House Bill 606

The New Hampshire House of Representatives is currently considering House Bill 606, which changes the eligibility criteria for APTD. The old rule stated:

“a person shall be eligible for aid to the permanently and totally disabled who is between the ages of 18 and 64 years of age inclusive; is a resident of the state; and is disabled as defined in the federal Social Security Act, Titles II and XVI and the regulations adopted under such act, except that the minimum required duration of the impairment shall be 48 months.”⁶

House Bill 606 would change the name of the program to Aid to the Disabled and remove the four-year requirement, aligning New Hampshire's eligibility criteria with the one-year duration requirement used by the federal Social Security Act. The new language would read:

“a person shall be eligible for aid to the [~~permanently and totally~~] disabled who is between the ages of 18 and 64 years of age inclusive; is a resident of the state; and is disabled as defined in the federal Social Security Act, Titles II and XVI and the regulations adopted under such act[~~, except that the minimum required duration of the impairment shall be 48 months~~].”⁷

The debate over whether to pass House Bill 606 appears to be centered on the cost of implementing the new eligibility criteria, there is little debate over the desirability of providing benefits to people with disabilities expected to last between one and four years if it can be done at little or no cost. However, there is a lack of data on projected costs. The New Hampshire Department of Health and Human Services fiscal note for House Bill 606 states that the costs are indeterminable.⁸

2. COST FACTORS

2.1 Medical Assistance Payments

Under the current system APTD medical payments are part of the State of New Hampshire's Medicaid program. The Fiscal note of House Bill 1549, which proposes legislation similar to House Bill 606, includes DHHS estimates of the potential impact of

a reduction in disability duration from 48 months to 12 months. The estimates for FY2009 to FY2012 are shown in Table 1.

Table 1. DHHS APTD Medical Assistance (MA) Estimates

	Number of Newly Eligible Recipients	Average Monthly	Annual Total Cost
FY2009	888	\$1723	\$18,360,288
FY2010	1,057	\$1723	\$21,854,532
FY2011	1,239	\$1723	\$25,617,564
FY2012	1,435	\$1723	\$29,670,060

Source: Fiscal Note HB 1549, generalcourt.state.nh.us/legislation/2008/HB1549

The DHHS medical cost estimates above are based on the assumption that the weighted average monthly medical cost per APTD-MA recipient is going to remain the same as the current average cost. It uses the average costs from 2006-2007 to come up with the average monthly medical cost estimate of \$1723. The actual average monthly cost is will be significantly lower as newly eligible recipients are likely to have less severe disabilities than those currently eligible under 48 month requirement; so their monthly health costs will be lower. The impact of HB 606 on APTD-MA will be an increase to General Fund costs; however, this increase will be less than projected by DHHS.

2.2 Assistance Payments

Assistance payments are supplemental cash payments under APTD, financed by the State and administered through DHHS. House Bill 606 would change the disability requirements to make them consistent with Social Security Insurance standards. This would make the disability determination process simpler as those eligible for SSI and SSDI would automatically be eligible for state cash benefits as well. The DHHS estimates for monthly and annual costs of APTD Assistance Payments (AP) recipients are shown in the Table 2.

Table 2. APTD Assistance Payments (AP)

	Number of Newly Eligible Recipients	Average Monthly	Annual Total Cost
FY2009	430	\$193.34	\$997,634
FY2010	512	\$203.20	\$1,248,461
FY2011	600	\$213.56	\$1,537,632
FY2012	695	\$224.46	\$1,871,996

Source: Fiscal Note HB 1549, generalcourt.state.nh.us/legislation/2008/HB1549

According to the DHHS the impact of HB 606 on APTD-AP will be an increase in costs to the general fund as there would be a greater number of persons eligible for cash benefits. The New Hampshire Council on Developmental Disabilities generated its own estimates of the effect of the shorter 12 month eligibility criteria. The Council's estimates suggest that there would be a net decrease in costs to the general fund because of an increase in persons receiving federally funded SSI or SSDI, as well as the state cash supplement. This would reduce the average monthly grant to each recipient under APTD-AP because the federal cash supplement would be factored into the state cash benefit.

Table 3 shows the projected grant costs for FY2009 given the assumption that 100 percent of APTD- AP recipients are also beneficiaries of the Federal social security programs.

Table 3. APTD Potential Cash Grant Savings for FY2009

	FY2009 under Current Law	FY2009 under HB 606
Number of Recipients	6,674	6,674
Average Monthly Grant	\$193.34	\$83.51
Total of APTD Grants	\$15,484,214	\$6,688,206

Source: HB606 handout prepared by NH Council on Developmental Disabilities

The NH Council on Developmental Disabilities estimates that the State could potentially save up to \$8,796,008 under HB 606. These savings would be in the state funded APTD- Assistance Payments program and the savings would be coming from the increased number of people who would be on both the Federal SSI/SSDI programs and the state program. DHHS would be required to assist individuals with their federal applications for benefits which would potentially result in reduced cost to the general fund as individuals would have their “federal benefits determined more quickly.”⁹ Unfortunately much of this benefit is offset by the increased cost of providing federal application assistance.

Overall the impact of HB 606 on Assistance Payments is dependent on the estimates of newly eligible recipients under the new rules and the average monthly grants those recipients receive. Table 3 shows how a reduction in those monthly costs could result in a net decrease in costs to the general fund but it fails to take into account the increased number of recipients that is likely to occur if the disability duration was changed to 12 months.

2.3 Uncompensated Care

2.3.1 Increase in the Number of Ineligible Participants

ATPD provides Medicaid coverage and cash supplements to the federal Supplemental Security Income (SSI) payments. The original New Hampshire law, passed in 1972, required that recipients possess a disability that would prohibit the individual from working for life. 1993, the eligibility standards were changed from a lifetime disability to an inability to work for one year. This was the same standard to determine federal eligibility for SSI benefits. In 1995, the definition of eligibility changed from one-year to four-years. This law is titled Chapter 308:13-14, Laws of 1995.

A report conducted in 1996 by the New Hampshire-Dartmouth Psychiatric Research Center, a program affiliated with Dartmouth Medical School, analyzed the effects of changing the eligibility requirements, evaluating the net costs to the state general fund

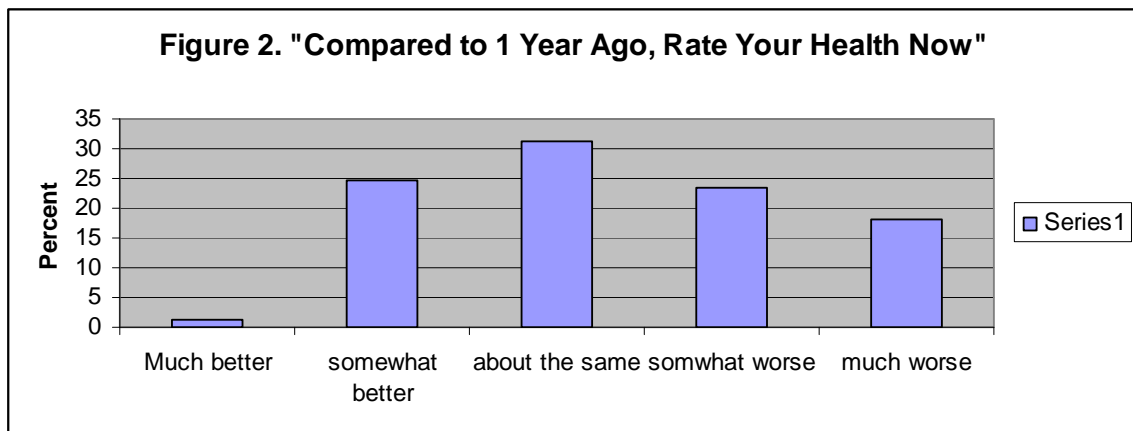
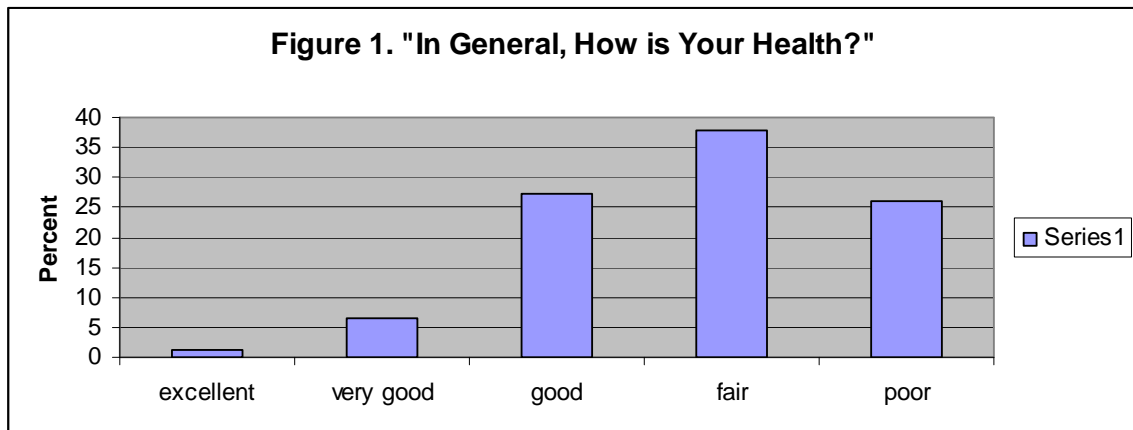
and determining the cost consequences for municipalities. The report accounted for applicants from fiscal years 1993-1996. These applicants were divided into four categories: does not have a qualifying disability expected to last at least one year, has a disability expected to last more than one but less than four years, has a disability expected to last at least four years but not for a lifetime, and has a lifetime disability. Based on changes in number of applications and recipients of aid, the report determined that 2,127 cases (323 more than the actual number of cases) would have been accepted in 1996 if the one-year eligibility standards had remained in effect.¹⁰ These numbers have little predictive value in determining the effect of HB 606 on number of eligible cases. With that said, these numbers lead us to believe that relaxing the eligibility standards from 4-years to 1-year would increase the number of disabled individuals receiving APTD benefits.

2.3.2 The Question of Self-Sufficiency

When predicting the costs that the state would incur from the implementation of HB 606, it is important to consider the state of the individuals who would have been eligible for APTD benefits under the one-year, but not under the four-year standard. In compiling their report, The New Hampshire-Dartmouth Psychiatric Research Center conducted interviews with 77 one-year disabled people who were denied benefits in 1996.¹¹ Only 35 percent of interviewees had worked for pay since their rejection. Of those who worked, an average income of \$3.57 per hour was earned, placing them well below the poverty line.¹² It is fair to assume from these numbers that many of the one-year disabled individuals currently not receiving benefits are unemployed, are not self-sufficient, and therefore need to be supported by outside sources. These costs must be taken into consideration when predicting the effects of HB 606 on the state general fund. HB 606 would most likely shift costs from municipal sources to the APTD, instead of simply increasing state funds as DHHS suggested.

2.3.3 Mental and Physical State of the Ineligible

The majority of one-year disabled individuals rated their health as fair or poor. In addition, very few of the respondents' health status's had improved since their denial of benefits.



Source: Robin Clark et al, *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire, 1996*.

The majority of respondents reported that their state of health limited them in daily activities, had interfered with work both inside and outside the home, and had been at a moderate or severe level.

Table 4. General Health

Does your health now limit you in:	Yes, Limited
Vigorous activities, such as moving, lifting heavy objects, participating in strenuous sports?	87%
Moderate activities such as moving a table, pushing a vacuum cleaner, bowling, or playing golf?	66%
Lifting or carrying groceries	62%
Climbing several flights of stairs	72%
Climbing one flight of stairs	49%
Bending, kneeling, or stooping	68%
Walking more than a mile	73%
Walking several blocks	68%
Walking one block	43%
Bathing or dressing yourself	30%

Source: Robin Clark et al, *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire, 1996*.

Table 5. Health, Mental and Physical Limitations

Question	Not at all	Slightly	Moderately	Quite a Bit	Extremely
During the past 4 weeks, to what extent has your physical health or emotional problems interfered with your normal social activities with family, friends, neighbors, or groups?	9.1%	7.8%	24.7%	24.7%	31.2%
During the past 4 weeks. How much did pain interfere with your normal work (including both work outside the home and housework?)	18.2%	13.0%	18.2%	32.5%	15.6%

Source: Robin Clark et al, *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire*, 1996.

Table 6. Health, Bodily Pain

	Question	None	Very Mild	Mild	Moderate	Severe	Very Severe
Row A Heading	How much bodily pain have you had during the past 4 weeks?	15.6%	3.9%	11.7%	33.8%	26.0%	6.5%

Source: Clark, Robin E. *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire*. Rep. Dartmouth Medical School, 1996. p.45.

Along with these physical limitations, respondents displayed symptoms of a depressed mental state.

Table 7. Health, Energy Levels and Mood

How much of the time during the past 4 weeks	All of the time	Most of the time	A good bit of the time	Some of the time	A little of the time	None of the time
Did you feel full of pep?	2.6%	1.3%	3.9%	28.6%	32.5%	28.6%
Have you been a very nervous person?	20.8%	27.3%	16.9%	16.9%	10.4%	5.2%
Have you felt so down in the dumps that nothing could cheer you up?	9.1%	16.9%	22.1%	16.9%	22.1%	10.4%
Have you felt calm and peaceful?	2.6%	5.2%	3.9%	19.5%	40.3%	26.0%
Did you have a lot of energy?	3.9%	5.2%	29.9%	35.1%	23.4%	2.6%
Have you felt downhearted and blue?	10.4%	20.8%	16.9%	28.6%	14.3%	6.5%
Did you feel worn out?	18.2%	28.6%	20.8%	19.5%	7.8%	2.6%
Have you been a happy person?	5.2%	7.8%	6.5%	26.0%	36.4%	15.6%
Did you feel tired?	20.8%	26.0%	26.0%	19.5%	5.2%	2.6%
During the past 4 weeks, how much of the time has your physical health or emotional problems interfered with your normal social activities (like visiting with friends, relatives, etc.)?	18.2%	29.9%	32.5%	9.1%	7.8%	2.6%

Source: Robin Clark et al, The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire, 1996.

Overall, rejected applicants appeared to be in an overwhelmingly negative mental and physical state after their denial of benefits. This is most likely the case for one-year disabled individuals currently not receiving benefits. If these individuals are unable to work and are in poor health, they are most likely costing the state money. HB 606 would provide benefits to these individuals, thereby redirecting costs from outside sources to the APTD.

2.3.4 Health Care Provision

The majority of respondents reported having visited a medical facility since their denial of benefits.

Table 8. Medical Visits

Type of Care	% Interviewees (Since Date of Denial)	Number of Visits in the Past Month (Mean, Maximum)
Emergency Room Visit	26%	1,4
Physical (Any visit with a MD)	57%	2,22
Other Physical (Any non-MD visit, incl. nurse practitioner, chiropractor, dietitian, physical therapist, other)	22%	2,6
Mental Health Professional Including psychiatrist, psychologist, therapist, case manager, other	64%	4,16

Source Robin Clark et al, *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire, 1996*.

And while most interviewees were residing in private residences, a sizable minority had spent time in public facilities since their rejection of benefits. 5 percent of respondents had lived in a shelter or motel, 10 percent had been in a hospital or treatment facility, and 5 percent had lived in a correctional facility.

2.3.5 Who Pays for the Care

It is important to note that while the majority of respondents had received medical treatment since their rejection, only 34 percent possessed any form of health insurance.

Table 9. Percentage of Interviewees with Health Insurance

Type of Insurance	Percent
Any kind	34%
Medicaid	10%
Medicare	14%
Private	9%
Veterans Assistance	1%
Other Insurance	3%

Source: Robin Clark et al, The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire, 1996.

Over half of rejected applicants reported a reliance on family members for financial assistance or an inability to pay for treatment at all. Because of a lack of access to private insurance, many rejected applicants could not longer afford to take their prescription medication. But many individuals are still receiving health care, despite their lack of insurance. In these cases, financial responsibility of these people is shifted to various municipal and state services.

Table 10. Benefits Received Since Date of Denial

Type of Benefit	% Interviewees
Food Stamps	68%
Supplemental Security Income (SSI)	18%
Social Security Disability Insurance (SSDI)	36%
Other Social Security (SSA)	1%
Aid to Families with Dependent Children (AFDC)	8%
Veterans Administration Benefits (VA)	1%
Vocational Rehabilitation	10%
Other (including unemployment, worker's compensation, or private disability benefits)	4%
Section 8 or Other Federal Housing Assistance	14%
Local Welfare Assistance from Salvation Army, churches, or other organizations	33%
	30%

Source: Robin Clark et al, *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire*, 1996.

Table 11. Payment of Medical Visits Since Date of Denial

Who will pay the bill	Medical Visit-Physical	Medical Visit-Mental
Public Payers (Medicaid, Medicare, Local Welfare)	17%	13%
Private Insurance	6%	4%
Other Insurance (Including workers compensation)	5%	0)
Other (Self, Family, Friends)	38%	27%
Unknown (No other source of payment)	17%	29%

Source: Robin Clark et al, *The Impact of Changes in Aid to the Permanently and Totally Disabled in New Hampshire, 1996*.

In order to calculate the amount of medical and total assistance provided at the municipal level, the report multiplied the percentage of interviewees receiving assistance by the number of one-year disabled applicants who lost eligibility when the restrictions were changed from 1-year to 4-years (559). The report determined from this calculation that \$508,872 was spent at the municipal level in 1996 on these individuals.¹³

The majority of local welfare cash and vouchers that interviewees received was used to purchase medical care, followed by assistance in rent payment. Municipal funds were also directed about paying for food, fuel, utility bills, clothing, and other items. On average, recipients received \$233 per month, \$161 of which was used for medical costs.¹⁴

Denying APTD benefits to one-year disability applicants in 1996 did not save the state nearly as much money as originally expected. Costs to compensate the 520 rejected one-year disability cases were shifted to individuals, families, local welfare offices, and community mental health centers. These costs are relevant to determining how much money HB 606 would cost New Hampshire. The Department of Health and Human Services has failed to include the costs of uncompensated care in their predictions. By failing to account for the costs of rejected applicants, DHHS is overestimating the amount that it would cost the state to change the eligibility requirements from 4-years to 1-year. Using the figures compiled in the Dartmouth Medical School report, it is evident that the state is placing the burden of supporting those with 1-year disabilities to families and municipal services. These figures allow us to provide DHHS with a more accurate estimate of what HB 606 would cost the state.

With that said, these numbers can only be used as a rough prediction of what effect HB 606 would have on the state of New Hampshire. This report was completed in 1996 and is therefore out-of-date. The current economic state, health care system, and demographic of the population has changed. While these figures make it evident that the cost of uncompensated care is a major player in determining the costs of HB 606, the effect that HB 606 would have on New Hampshire state costs remains undeterminable. A second report, modeled after the Dartmouth Medical School report, would have to be administered in order to accurately determine the costs of uncompensated care in 2009 and the effects that HB 606 would have on those costs.

2.4 Administrative Costs

2.4.1 Disability Determination Services

House Bill 606 would make the eligibility requirements for the Disability Determination Unit (DDU) the same as those used by the SSA, eliminating the need for separate disability determination processes for SSI/SSDI and APTD. This will provide some cost savings to the DDU as it will be able to “accept SSI/SSDI disability approvals as determination of disability for APTD”.¹⁰ That said there will most likely be an increase in the number of disability determinations done by the DDU as they will still have to perform determinations for APTD-MA applicants as they cannot be “made to apply for SSI/SSDI as a condition of APTD eligibility”¹¹. For this reason there will likely be an increase in the number of DDU cases “resulting in an indeterminable cost increase.”¹²

2.4.2 Administrative Appeals Unit

The increase in DDU cases and the “fact that SSA will not make timely eligibility determinations”¹³ will result in an increase in the number of denials and in turn an “increase in the number of requests for appeals.”¹⁴ In order to deal with the increased number of appeals hearings the Administrative Appeals Unit (AAU) and MLSU will require additional resources that will increase State costs.

2.4.3 Redeterminations

Redeterminations are done by the DDU which is funded by the State with some Federal participation. The increased number of DDU cases and the shorter disability durations will likely result in an increase in the number of redeterminations done by the DDU which will increase the State costs. These costs may be mitigated by the indeterminable cost avoidance from identifying those APTD recipients “whose medical improvement since their initial review would allow a cessation of benefits.”¹⁵

2.5 Assistance from New Hampshire Towns

Under RSA 165 assistance those individuals who are currently ineligible for APTD and SSI/SSDI benefits are eligible for assistance from NH towns. Changing the disability duration to 12 months would reduce the number of people in this category, decreasing local welfare costs.

3. POTENTIAL FOR FURTHER RESEARCH AND ANALYSIS

3.1 The Need for Further Research

The analysis in this report is limited by the lack of available data on New Hampshire disability benefits. While there was a thorough report on the impact of the transitions between lifetime, one-year, and four-year requirements in the 1990s, this data is over a decade old and may not be applicable to today's context. The more recent University of Massachusetts Medical School report does not provide newer numbers on uncompensated care. Further research and collection of data are necessary in order to make more confident statements about the fiscal impact of House Bill 606.

3.2 Methods for Further Research and Analysis

A stronger set of data can be acquired to allow for better supported conclusions can be acquired without exceeding the means of the Policy Research Shop. A survey could be conducted of New Hampshire residents who were denied state disability benefits because they did not meet the duration requirement. There may be privacy issues surrounding the acquisition of contact information for applicants, but the Clark Report surveyed them suggesting that the information is available. The survey would be composed of the same questions that the Clark Report's survey was composed of. This would allow for a newer dataset addressing the costs of uncompensated care. Comparison of the new survey results with the Clark Report's results would help determine how circumstances have changed since 1990s. A better understanding of these changes would enable an application of data on the transitions between duration requirements that more thoroughly accounts for the passage of time. Interviews with representatives of DHHS, the New Hampshire Developmental Disabilities Council, and other organizations that may have data on the fiscal impact of House Bill 606 could provide new sources of data and avenues for research. Lastly, interviews with representatives of agencies and organizations that have been identified as paying the costs of uncompensated care would provide more information to what extent they perceive the costs of uncompensated care from the denial of disability benefits to applicants.

4. CONCLUSION

New Hampshire currently has the most restrictive duration requirements to receive state disability benefits in the nation. House Bill 606 would align the state requirements with the federal requirements. The New Hampshire Department of Health and Human Services fiscal report on the impact of this change is a useful starting point for fiscal analysis, but overestimates the cost of implementing a switch to a one year duration requirement. Implementing House Bill 606 will result in increased costs, but the DHHS numbers on increased assistance and medical payments are too high while uncompensated care is not adequately accounted for. This report is not able to determine the effect of House Bill 606 on administrative costs, but these costs are of low magnitude compared to the millions of dollars involved in the actual payments and uncompensated

care costs. Table 12 shows the direction and magnitude of the impact of implementing House Bill 606 on the cost factors explored in this report.

Table 12. Impact of House Bill 606 on Cost Factors

Cost Factor	Impact of HB 606	Magnitude
Medical Payments	The cost of providing medical payments will increase but the DHHS numbers overestimate the additional cost.	High
Assistance Payments	Assistance payments will increase, but the DHHS numbers are too high because they ignore the benefits of increased federal funding.	High
Uncompensated Care	The cost of uncompensated care will decrease.	High
Disability Determination Services	Indeterminable	Low
Administrative Appeals Unit	Indeterminable	Low
Redeterminations	Indeterminable	Low
Assistance for NH Towns	The cost to towns will be lower	Indeterminable

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- ¹⁹ Fiscal Note House Bill 606, <http://www.gencourt.state.nh.us/legislation/2009/HB0606.html>
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