

Reforms to reduce disability benefit dependency of young persons

Disability Studies Conference
'The art of belonging'

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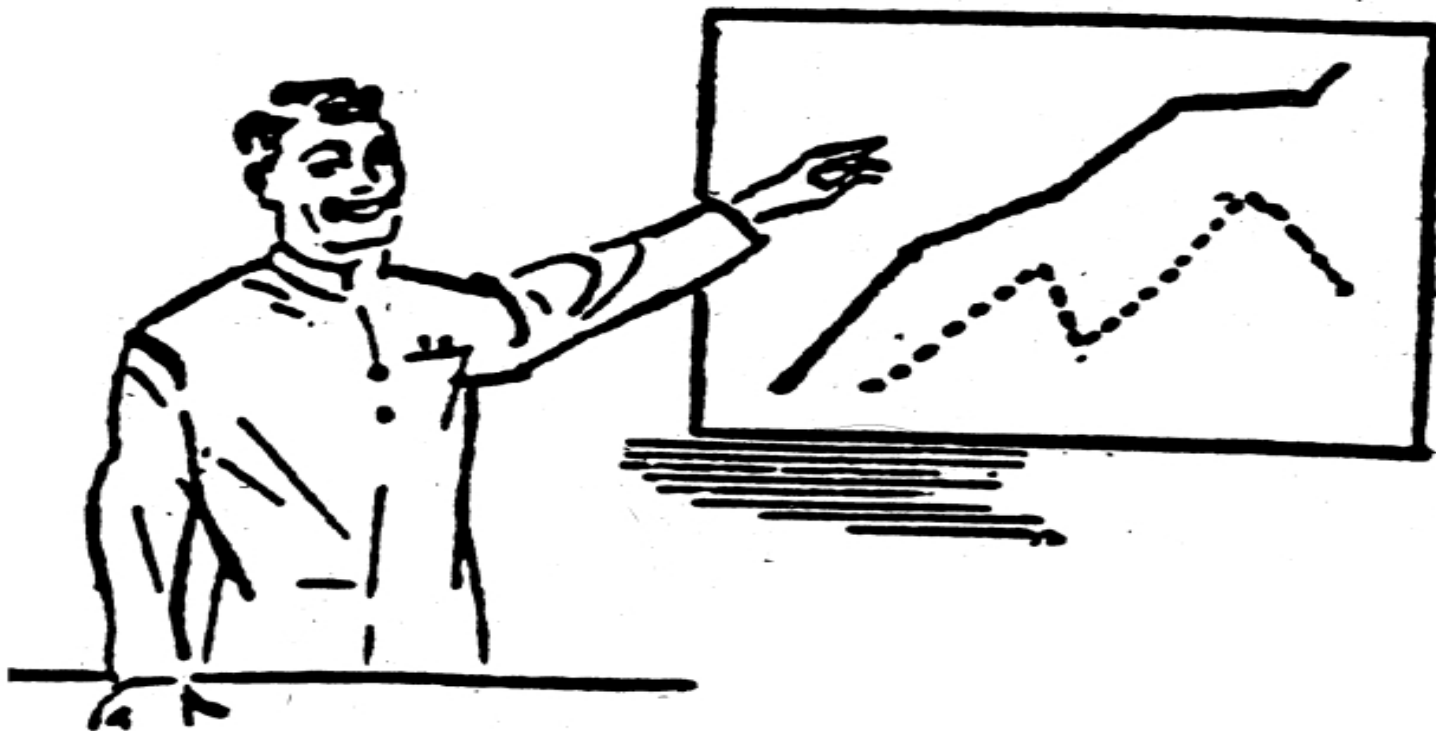
- Education, Work, Safety, Health & Disability
- Return to Work strategies
- Effects of Active Labor Market Policies
- Disability Studies
- Bundesamts für Sozialversicherungen. Schweiz

This presentation

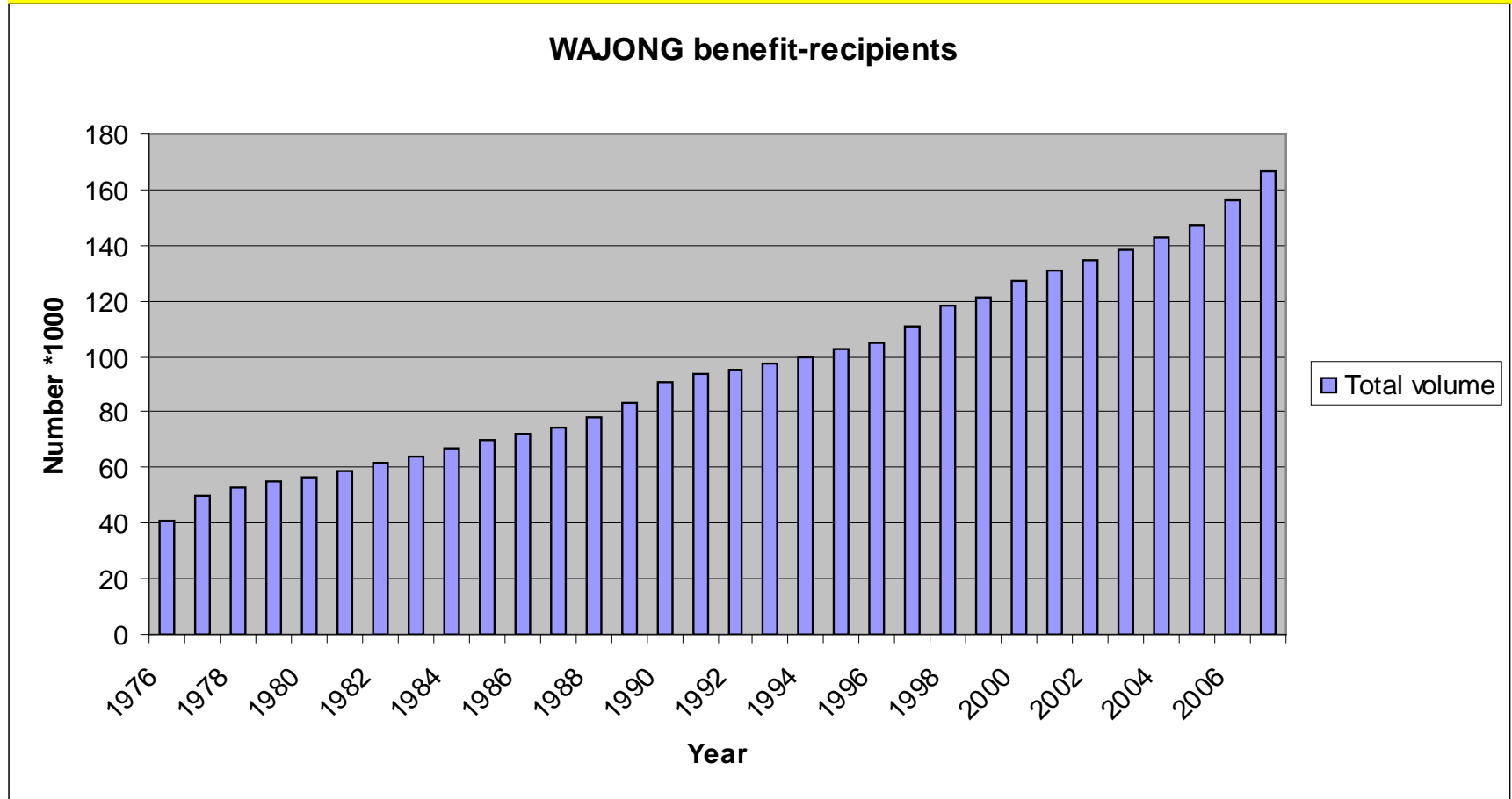
Study:

- growing numbers of young persons who claim and receive a permanent or long term disability benefit (pension)
- explore reforms, actually implemented and evaluated
- reforms focused on measures to address and prevent benefit dependency young persons
- Conclusions

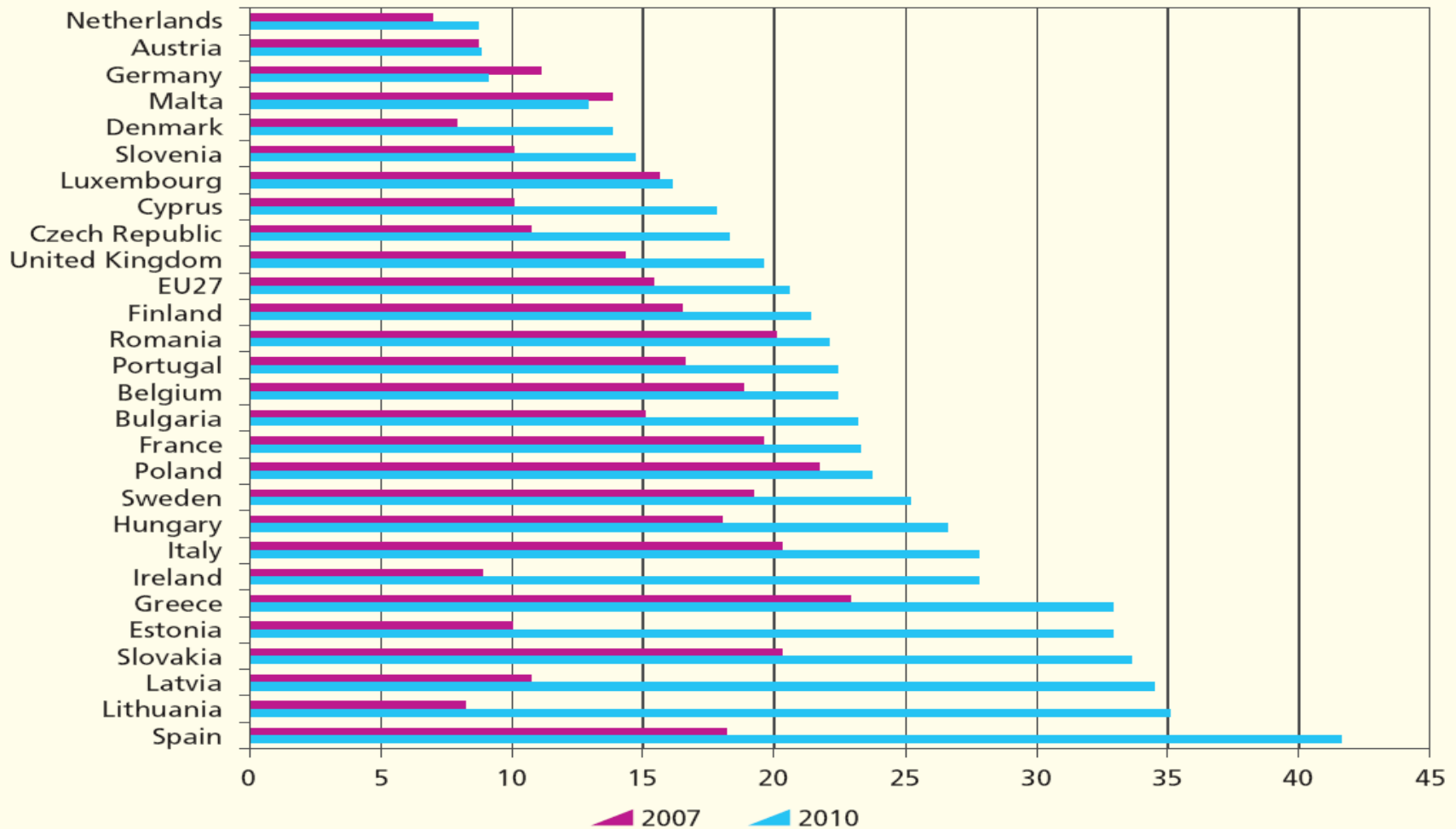
Developments: Rise in young people with (mental) disabilities in most EU-countries



The Dutch situation: Young people on disability benefit rising (6%)



Rising Youth unemployment rates EU 27, 2007 and 2010 (%)

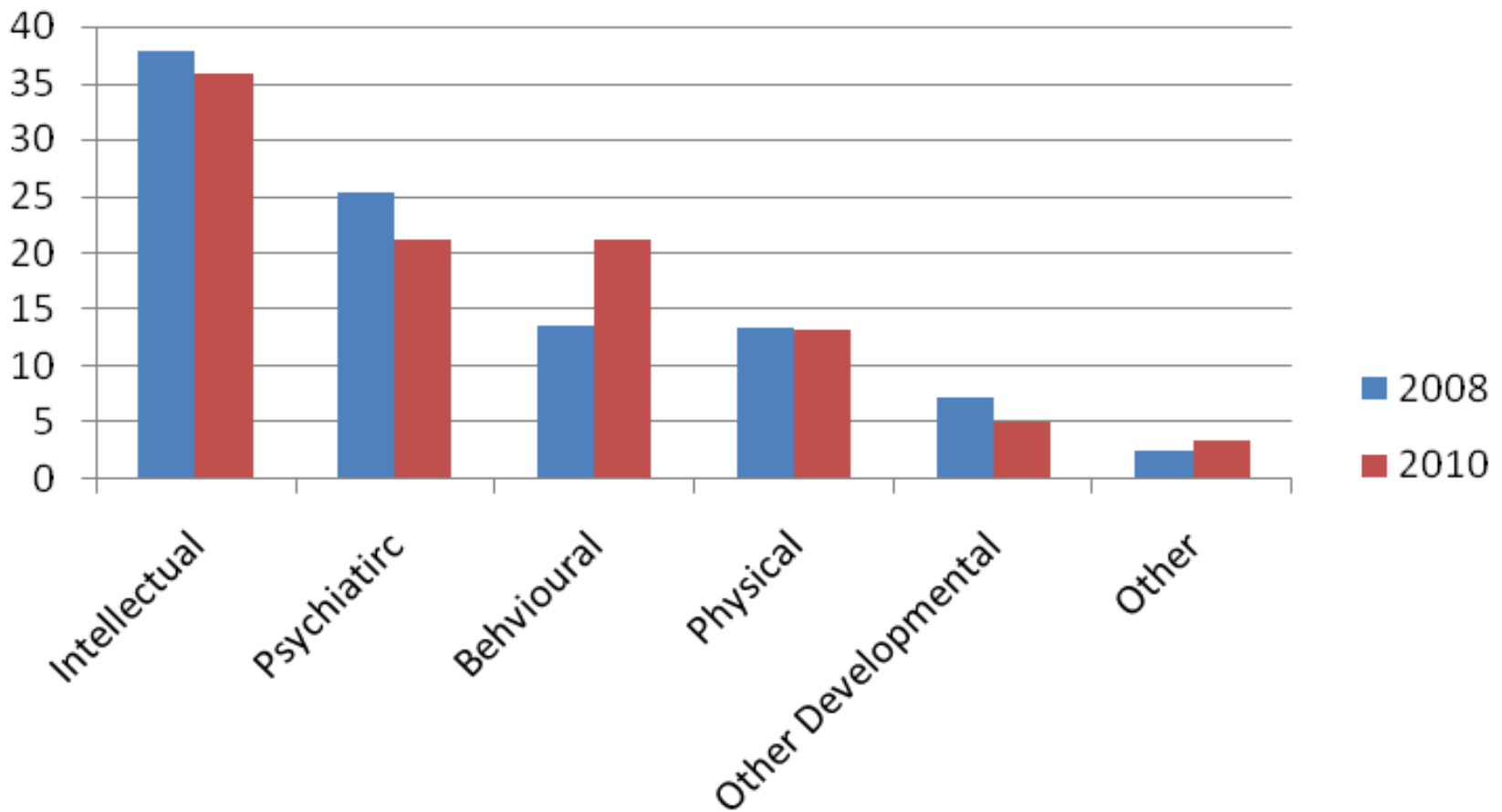


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Young disabled persons in EU

- Growth in benefit dependency young people
- In most EU countries
- Types of health problems:
 - developmental disorders (attention deficit hyperactivity/ADHD, disorders in the autism spectrum)
 - psychiatric disorders (schizophrenia, personality disorder)
 - NL: 42% multiple problems

Health conditions Young people as Disability Benefits entrants – NL First half 2008 and 2010



Causes growth

- More complex and demanding labor, society
- Relation with volume growth in special education and care
- Better diagnosing, 'Medicalization'
- Benefit-schemes more widely known and actively offered
- Adverse financial incentives in formal benefit

Extra costs on benefits, education and active inclusion measures (EU-27)

2010: 6.4 million young people (15-27) with disabilities

Estimated cost providing income and education and employment inclusion:

2011: 32 Billion Euro

2011- 2015: 160 Billion Euro

2016- 2020: 200 Billion Euro

Studied reforms 5 countries

- Denmark, introduced age related restrictions (40 years) as to claiming disability benefits and a special support programme (2013)
- Sweden introduced age restrictions for disability pension take up by insured aged under 30. Furthermore, new activation measures were introduced (2003)
- Austria strengthened the principle “Rehabilitation goes before disability pension”, tightened eligibility criteria for disability pension, introduced a “rehabilitation allowance” (2014)

Studied reforms 2

- United Kingdom various measures
 - change of eligibility thresholds and specific activation and support programmes, e.g. for young persons with mental health conditions
- Netherlands
 - have a special disability benefit programme for young persons with disabilities
 - was reformed in 2010, aiming at less benefit dependency, more activation and better (special) school - labour market transfer

Aims of Reforms

- Some explicitly a “social insurance aim”
 - stop/reduce inflow of young persons with health conditions into long term disability benefits: Sweden and Denmark
- lack of success of earlier measure
 - reduction of inflow into disability benefits
 - stopping drop out from the labour market
 - better use of the (remaining) working capacities of young persons with disabilities
 - better accessibility and use of existing instruments and services by (young) persons with disabilities

Aims of Reforms

- explicitly connected to growth of mental health problems in young persons
- underutilization of existing instruments and labour market problems of persons with mental health conditions
- austerity measures (Netherlands, United Kingdom) and the need for reduction of growing social insurance expenditures (Austria) reasons for new measures.

Considerable variations in measures 1

- strengthening of eligibility criteria for disability benefit (pension) receipt,
 - adaptations of payment conditions
- introduction (or improvement) of measures and provisions to support *young* persons with health conditions towards participation and employment

Considerable variations in measures: Examples

- Special support programmes,
- (multidisciplinary) assessment of needs and capacities
- provision of “tailor made” individual packages
- improve education and increase vocational capacities
- job search or in-work support

Conclusions:

Implementation needs time

- need for new operational teams or case managers and new tools
- reforms implemented by creating new structures, instruments, procedures and responsibilities
- starting up new procedures, tools or provisions went slowly
- initial organizational problems
 - lack of staff (or expertise)
 - insufficient public promotion (e.g. information campaigns) on new services

Conclusions on the outcomes of reforms

- tightening of eligibility criteria for access to disability benefits reduce the number of applications
- income support is needed for the young persons that are denied benefits
- income support is needed for the young persons that participate in activation programmes
- for those in work programmes dependency on benefits may last long (3 - 5 years)

Overall findings

- reforms are complex: they do not regard just one particular scheme, but comprise a change in more programmes
- medical rehabilitation measures still predominant in individual client programmes
- low use of vocational rehabilitation and training, or job search activities

Our research project

- Production of 5 national reports
- Consolidated report (2017)
- 3 articles

Questions?



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