



# DETERMINANTS OF THE USE OF SUPPLEMENTAL SECURITY INCOME BY AMERICAN INDIAN AND ALASKA NATIVES

*Research conducted by Christiana Stoddard, Montana State University  
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American Indians and Alaska Natives (AIAN) participate in the Supplemental Security Income (SSI) program at a higher rate (6 percent) than all other major racial or ethnic groups in the United States. Despite experiencing some of the worst poverty and mortality rates of demographic groups in the US, there is very little research examining specific use of social safety net programs for these individuals. How does access to health care services and economic opportunities affect SSI participation for this vulnerable group?

## **Effect of Health Care Access and Economic Opportunity on SSI Participation**

How does access to health care services change the probability that an individual enrolls in SSI? This question is normally intractable because higher disability rates in a region might attract more health care service providers, making the causal effect of access indeterminate. This paper examines the distribution of Indian Health Services (IHS) clinics and changes in federal policy regarding reimbursement for IHS services as sources of variation in health care services that are particularly salient for Native individuals.

Prior to state Medicaid expansions, SSI was one of the only ways childless adults could obtain public health insurance. Native individuals affiliated with tribes can also access public care through IHS. However, IHS funding is an annual appropriation of Congress, while Medicaid is a guaranteed entitlement without a budgetary limit. IHS services are not available in all areas, and care is often rationed due to funding limits.

This study exploits the fact that in some years, Congress has authorized IHS to bill Medicaid for services provided in clinics or hospitals. To the degree that the billing changes reduced budgetary pressure at IHS clinics, health of AIAN individuals using the clinics may have improved, potentially affecting disability rates. This project compiles a rich panel of the locations of IHS primary care providers across locations and over time and of IHS billing policies

Further, how do local economic opportunities affect SSI enrollment? SSI receipt is in some sense the intersection between a disability and low earnings opportunities. Native communities are frequently located in areas with high poverty rates and low employment rates, and the effects of broader economic development on participation in the social safety net is of interest both to Native communities and more generally. Again, this is a difficult question to address causally. However, the expansion of tribally run gaming operations constitutes a plausibly exogenous shock in the local economic climate, allowing estimation of the effects of changes in earnings opportunities on SSI participation.



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## IHS Clinics That Can Bill Medicaid and Tribally Run Casinos Reduce SSI Use

The expansion of Medicaid generally affected AIAN individuals in much the same way as other US residents, reducing SSI participation. More IHS care providers in a county does not appear to be associated with SSI participation. However, the combination of Medicaid funding and IHS services has a unique and sizeable effect on AIAN individuals. For a county with IHS facilities, allowing those facilities to bill Medicaid reduces SSI participation by about 1 percentage point (as compared to an average participation rate of 6 percent for AIAN individuals). No such effect is observed for non-Native individuals, implying that the effects are not picking up other geographic or time specific patterns.

Previous research has found that tribally run gaming operations improve employment and other economic outcomes for AIAN individuals. This study finds that each additional tribally run operations in a county reduce SSI participation by 0.02 percentage for AIAN individuals. No such effect is seen for non-AIAN individuals, nor do non-tribally run casinos in the area not affect AIAN participation in SSI.

### Implications

- American Indians and Alaska Natives often live in locations where health care access is constrained. Additional funding for Indian Health Services may reduce SSI participation for this vulnerable group.
- Providing more robust economic opportunities for American Indians and Alaska Native communities may further reduce reliance on SSI.

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