

Absenteeism, Health, and Disability in a Large Working Cohort

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Key Findings and Policy Implications

This paper examines the patterns of absenteeism and health that are associated with short-term and long-term disability events in a working population. It uses a unique database of daily absenteeism records of 10,000 employees at a large manufacturing firm with a diversity of jobs and geographic locations. The paper finds that:

- Absenteeism is higher and more frequent among workers who eventually claim benefits from the firm's short-term disability insurance policy. In the full sample, 75 percent of those claiming short-term disability benefits had a prior absence of two or more consecutive days, compared with 46 percent of workers without a disability claim.
- Absenteeism is predictive of subsequent disability events. These effects are true for all diseases pooled; we also see some evidence of absenteeism being predictive for specific diseases such as hypertension and diabetes.
- Using a subset of workers whose claims for short-term disability benefits were denied, absenteeism increased substantially around the time of denial, but returned to levels near those of the rest of the sample within four years.

Transitions to disability are often the cumulative process of gradual health decline. An important early indicator of potential health decline is absenteeism at work; increased absenteeism may be a precursor to eventual DI application and enrollment. This paper provides evidence that patterns of absenteeism are indeed predictive of subsequent disability events.

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