
Op-ed: America's Disability Programs Are in a Desperate State of Disrepair

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INTRODUCTION

In the United States, approximately 8.2 million people (CBPP 2021) collect benefits from Social Security Disability Insurance (SSDI), and 6.5 million people (CBPP 2023) collect benefits from Supplemental Security Income (SSI) due to disability. SSDI provides benefits to workers whose disability prevents them from pursuing gainful employment (NASI 2021), while SSI provides benefits to disabled people with little income and few assets (Musumeci and Orgera 2021). They are crucial programs for the millions who rely on them; however, it is increasingly evident that they are inadequate in meeting the needs of the nation's disabled population. Not only do the stringent requirements of SSDI and SSI disqualify millions of potential recipients, but their underwhelming benefits fail to provide a basic standard of living for those who qualify. SSDI and SSI need a complete transformation to ensure disabled people can have a dignified existence.

EXCLUSIONARY INSURANCE

Millions of people are denied access to disability insurance. 66% of SSDI applicants (CBPP 2021) and 60% of SSI applicants (CBPP 2023) are rejected due to these programs' strict eligibility constraints. SSDI claimants must meet three requirements to qualify. First, they must have "worked for at least one-fourth of their adult life and five of the last ten years," according to the Center on Budget and Policy Priorities (2021). Second, the claimant must have a medically determined impairment that will last at least one year or result in death. Third, they must be unable to perform "substantial gainful activity" (SGA). To meet this standard in 2023, an applicant's disabilities must prevent them from working a job that generates earnings of \$1,470 a month or \$2,460 a month if they are blind (SSA 2022a).

Unfortunately, the requirements of SSDI exclude many disabled individuals who need financial support. The first criterion shuts out many younger adults who have a disability

but have not worked long enough to qualify for SSDI. Secondly, the SGA requirement for non-blind people is too low. The limit is slightly above the poverty line but far below a living wage. Individuals who can earn between these thresholds are denied adequate support and must navigate being disabled in a precarious financial situation.

Those who are disqualified from SSDI due to a lack of work history can apply for SSI. SSI requires applicants to meet the medical test and SGA requirements SSDI mandates but places additional constraints on their income and assets. Any unearned income (e.g., old age insurance, pensions) is deducted from SSI benefits, and each dollar earned at work reduces benefits by 50 cents (CBPP 2023). The work phase-out disincentivizes SSI recipients from returning to the workforce if they can. Furthermore, asset limits are set at \$2,000 for an individual and \$3,000 for a couple with only a few exceptions for a house, one car, and sentimental items (SSA 2022b). The limits force families to sell the overwhelming majority of their valuable possessions or be ineligible. In the book *Trapped in America's Safety Net: One Family's Struggle*, Andrea Louise Campbell recounts the story of a young couple that goes through this exact process in order to qualify for SSI.

CYCLE OF POVERTY

Beneficiaries of SSDI and SSI usually receive meager benefits. The average SSDI benefit in 2022 is \$1,236 a month — only \$103 more than the individual poverty line of \$1,133 a month (CBPP 2021). Moreover, only 10% of SSDI recipients collect more than \$2,000 a month. For SSI, the average monthly benefit in 2022 is only \$625 (CBPP 2023). Living on such a low income is nearly impossible, and for those on SSI, with virtually no assets and unable to work without their payments reducing drastically, there is little they can do to change their circumstances. These paltry benefits are one of the reasons that one-fifth of SSDI recipients (CBPP 2021) and half of SSI recipients live under the poverty line (CBPP 2023).

Most disabled individuals have to find additional means to supplement their income even if they receive benefits. Many apply for SNAP or rely on family members to keep up with costs (Jones 2017). The failure of America's disability programs confines millions to poverty or homelessness for reasons they largely have no control over (Clasen-Kelly 2022). The effects of poverty are especially prevalent among children who will face reductions in physical and mental development, educational attainment and life expectancy (Children's Bureau 2019).

BREAKING THE CYCLE

There have been some modest reforms that have been proposed over the years. Senators Sherrod Brown and Rob Portman have called for an increase in the asset limits in SSI (Raderman 2022). The Bipartisan Policy Center has proposed additional work incentives to encourage individuals to return to work if they can (Bipartisan Policy Center 2015). However, these solutions do not sufficiently address the rigorous criteria that disqualify millions and the inadequate payments that keep disabled people near or in poverty. To truly fix America's disability programs, the federal government must overhaul the system.

First, there is no reason to have two programs: all disability insurance benefits should be housed in SSDI (Bruenig 2020). Having one program would reduce administrative costs (Nunez 2022), eliminate the painful income and asset tests in SSI and reduce stigmatization as there would no longer be a "lower tier" disability program. Next, policymakers should eliminate the work history requirements. Younger people are not less deserving of assistance just because they developed a disability before they could substantially contribute to the labor force. Another pivotal reform is setting the SGA limit to \$2,500 a month (tied to inflation) for all disabilities. If an individual cannot work a full-time job with

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earnings at a living wage (\$15/hour) because of a disability, they should be entitled to disability insurance. It is also crucial to eliminate the five-month waiting period for benefits and the two-year waiting period for Medicare enrollment (Bruenig 2020). Disabled people need support immediately after developing a disability; the waiting periods cruelly prevent them from receiving assistance right away. Finally, policymakers should set a minimum benefit for SSDI at 150 percent of the poverty line (\$1,698.75 a month); applicants can still earn more if they have a prior work history. This guarantees that all recipients are firmly above the poverty line. By taking these actions, the federal government can ensure that disabled people in the United States no longer need to suffer in or near poverty. They can now have a respectable livelihood.

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