



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

**Oppose Cuts to Concurrent SSDI and UI Benefits:
Proposals Would Hurt SSDI Beneficiaries and Their Families, Discourage Work**

Congress should reject proposals to reduce or eliminate benefits for individuals who concurrently receive Social Security Disability Insurance (SSDI) and Unemployment Insurance (UI):

- **Social Security should not be cut. Cutting extremely modest SSDI benefits for people who also qualify for UI could worsen the financial security of workers with disabilities and their families.**
- **UI should be there for all American workers, including workers with some of the most significant disabilities who receive SSDI – it’s a question of fairness.** SSDI beneficiaries who qualify for UI should not be treated differently from other workers under the UI program.
- **SSDI and UI are earned benefits, paid for by workers and their employers.** Workers who qualify for both should be able to receive the insurance benefits they have earned.
- **Encouraging SSDI beneficiaries to work has long been a cornerstone of bipartisan Congressional policy.** Cutting or eliminating benefits for SSDI beneficiaries who have tried to work but have been laid off through no fault of their own, and qualify for UI, could penalize beneficiaries and discourage attempts to work.
- **Questions exist about how the Social Security Administration would administer such proposals** at a time of serious underfunding of SSA’s administrative budget, particularly within the already-complex SSDI work incentives framework.

Concurrent receipt of SSDI and UI is legal and appropriate

- **SSDI and UI were established for different purposes and largely serve different populations.** UI insures workers against the loss of a job through no fault of their own. SSDI insures workers against a significant disability that prevents substantial work (but not all work). As highlighted in a 2012 Government Accountability Office report, less than one percent of individuals served by SSDI and UI receive concurrent benefits.
- **By law, SSDI beneficiaries are encouraged to work. Receiving UI and SSDI is consistent, legal, and appropriate.** This is the long-standing position of the Social Security Administration and of the courts. Congress has enacted many provisions that encourage SSDI beneficiaries to work, commonly referred to as “work incentives.” One important provision allows people to earn up to “Substantial Gainful Activity”, or \$1,090 per month in 2015, and continue to keep their SSDI benefits. This allows SSDI beneficiaries to try to work while maintaining SSDI and Medicare if a work attempt fails. SSDI beneficiaries with earnings under \$1,090 per month may qualify for UI if they lose their job through no fault of their own.

- **Like all Americans, SSDI beneficiaries who work seek greater economic security for themselves and their families.** To qualify, SSDI beneficiaries must meet one of the strictest standards in the industrialized world. At the same time, some people with significant disabilities who receive SSDI may be able to work part-time to help them get by, may lose their part-time job and then receive UI. Additionally, the disability and health status of people who receive SSDI benefits can change, and some people who see their situation improve a little may attempt work (such as people attempting to see if they are able to return to full-time work), and may qualify for UI if laid off.

Concurrent SSDI and UI benefits are modest, but vital

- **Concurrent benefits are extremely modest.** GAO estimated that in FY 2010 the average *quarterly* overlapping benefit was only about \$1,100 in SSDI and \$2,200 in UI, for a *quarterly* average of about \$3,300 in total benefits – amounting to an average of ***\$1,100 per month***.
- **Concurrent benefits can be a lifeline to workers who receive them and their families.** Benefits can be essential to helping workers and their families pay for rent, utilities, food, and out-of-pocket medical expenses in the event of job loss or during the often-lengthy SSDI application process.

Congress should reject proposals to cut concurrent SSDI and UI benefits

Proposals previously introduced include:

- Reducing SSDI to zero in any month in which an individual is eligible for UI;
- Deeming an individual to have engaged in SGA in any month the beneficiary is entitled to UI;
- Reducing DI in any month in which that person also UI; and
- Prohibiting use of federal funds to pay UI for a week in which an individual receives SSDI.

Case Example -- *Here is a hypothetical example of how not allowing a SSDI beneficiary to receive both SSDI and UI could put financial security at risk and become a counterproductive work disincentive.*

A 50 year old mechanic was hit by a drunk driver, resulting in a spinal cord injury with multiple complications. He is approved for and receives SSDI while completing physical and vocational rehabilitation. He receives SSDI for several years. When his rehabilitation is complete, he participates in a Social Security work incentive program, receives some retraining, and finds a job working part-time 20 hours a week for \$9.25/hour as a sales clerk. However, due to ongoing fatigue, other complications related to his disability, and limited access to personal care attendant services, he cannot work more than 20 hours per week. He earns \$740 per month from his job; with an SSDI benefit of \$1,050 his total income is \$1,790 per month. With this income, he is barely able to afford an apartment on his own. His \$740 from work also allows him to contribute to his personal care and transportation costs. He could not maintain his independence without this extra money.

If his job is eliminated and he is laid off, any reduction or elimination in his SSDI or UI benefits could cause him to lose his apartment and leave him unable to meet his basic needs.