

UNDER THE MICROSCOPE

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Update on Social Security Disability Programs for People Disabled by Mental Illnesses and ID/DD

ISSUE

As of 2019, Social Security disability benefits are a lifeline for 12.3 million Americans. This group includes about five million who are medically disabled by what the program categorizes as “mental disorders.” Though complex SSA regulations break these mental disorders into nine or ten categories, they roughly break down into what NACBHDD members and their communities would call serious or disabling mental illnesses (SMIs) and intellectual and developmental disabilities (ID/DDs).

After qualifying under the lengthy Social Security Administration (SSA) disability qualification process, individuals who are found to have mental disorders may qualify for benefits paid by two primary Social Security disability programs:

- The larger of these two programs, Social Security Disability Insurance (SSDI), provides benefits to workers who meet Social Security work requirements prior to a having a qualified medical disability that makes them unable to work for a year or more or is likely to result in death. SSDI benefits are also available to the disabled children of workers, to the widows or widowers of deceased workers, and to those with blindness or severe vision problems. Those who receive SSDI benefits for 24 months due to a qualifying disability become eligible for enrollment into Medicare.
- The second disability program, Supplemental Security Income (SSI), pays benefits to adults and [children](#) with qualifying medical disabilities who have limited incomes and assets. Therefore, all who qualify for SSI benefits are immediately eligible to receive Medicaid benefits as well. There is no work requirement to qualify for SSI benefits, however, some SSI beneficiaries have worked long enough to qualify for a small share of SSDI benefits.

So, based on work status, income, and the age at which they qualify, disabled Social Security beneficiaries fall into three categories, based on the source by which their benefits are paid: SSDI-Only, SSI-Only, or Both SSDI and SSI.

ANALYSIS

Statistically, the “mental disorders” diagnostic group has, for a couple of decades, been the largest and fastest growing category of SSDI/SSI disability recipients. Today, it comprises 41 percent of all Social Security disability beneficiaries (about 5.04 million), compared to just 20% in 1990. (Note: The next largest diagnostic group is comprised of individuals disabled due to musculoskeletal disorders, totaling 25.7% of SSA beneficiaries.) The mental disorders category has continued to grow rapidly since about 1990 for several reasons:

- There have been continued, rapid advances in understanding, diagnosis, and treatment of mental health disorders over the past 30 years. This has led to a substantial increase in the numbers of people with these diagnosed with these disabilities. Much of what we know about mental health “recovery” and autism-spectrum disorders, for example, has emerged during this time.
- Adults with a mental disorder that prevents or limits their ability to work typically apply for Social Security disability income as an initial step when entering community-based mental health treatment. Having some basic income is recognized as essential to obtaining a place to live, which in turn contributes to greater stability and better prospects for health and recovery.
- Mental health disorders and ID/DDs usually manifest and are diagnosed in earlier stages of life – from early childhood to early adulthood. So, compared to people disabled by chronic physical illnesses or degenerative musculoskeletal problems, those with mental disorders and ID/DDs qualify for disability sooner and younger and require it for many more years of life.

Of this population in the “mental disorders” diagnostic group, 29.6 percent (3.63 million) are disabled due to mental illnesses, while 11.4% (1.4 million) have ID/DDs. Because so many in this population are disabled as children or during early adulthood – before or shortly after their working years begin – they have little or no time to pay into the Social Security system for workers (SSDI), which provides the overall highest level of benefits due to its system of credits based on working years. So, many of these people end up qualifying for SSI-Only or Both (SSDI+SSI) disability, from which they receive a significantly lower monthly disability payment. As seen in Tables 1 and 2:

- 36% of those disabled with a mental illness (excluding ID/DD) receive SSI only.
- 46% of those disabled with an intellectual disorder (ID) receive SSI only.
- 67% of those disabled with a developmental disorder (DD) receive SSI only.

In total, then, 52.8 percent of all those disabled by mental health, intellectual, and developmental disorders receive Social Security disability benefits from SSI or SSDI+SSI. Because of the low levels of these benefits, about one-third of all SSI recipients live at near the poverty level.

Table 1. Number of Disabled Beneficiaries receiving Social Security (SSDI), Supplemental Security Income (SSI), or Both by selected diagnostic categories.

Disability group by diagnosis:	Beneficiaries by diagnosis	SSDI-Only		SSI-Only	Both (SSDI + SSI)	
		Workers/Widow(er)s	Adult Children		Workers/Widow(er)s	Adult Children
MI	3,632,984	1,727,977	157,885	1,305,386	340,867	100,599
DD	49,029	6,659	3,678	32,836	2,625	3,231
ID	1,356,454	218,415	260,707	610,466	105,305	161,561
Musculoskeletal	3,159,580	2,460,580	6,391	530,268	177,947	4,394
All others	4,094,243	2,660,471	142,573	967,379	233,599	70,198
Total - 2019	12,292,267	7,074,372	571,234	3,446,335	860,343	339,983

Source: Table 69: Distribution of beneficiaries aged 18-64, by diagnostic group, December 2019. *Annual Statistical Report on the Social Security Disability Insurance Program, 2019*, page 184. Accessed at https://www.ssa.gov/policy/docs/statcomps/di_asr/2019/di_asr19.pdf, Sept. 2021.

Table 2. Percentage of Disabled Beneficiaries receiving Social Security (SSDI), Supplemental Security Income (SSI), or Both within selected diagnostic categories.

Disability group by diagnosis:	Percent of All SSA Disability Beneficiaries by diagnosis	SSA Benefit Source for Beneficiaries, by diagnostic group				
		SSDI-Only		SSI-Only	Both (SSDI + SSI)	
		Workers/Widow(er)s	Adult Children	All	Workers/Widow(er)s	Adult Children
MI	29.6	47.6	4.3	35.9	9.3	2.7
DD	0.4	13.6	7.5	67	5.3	6.6
ID	11.0	16.1	19.2	45	7.7	11.9
Musculoskeletal	25.7	77.8	2	16.7	5.6	1.4
All Others	33.3	64.9	3.5	23.6	5.7	1.7

Source: Table 69: Distribution of beneficiaries aged 18-64, by diagnostic group, December 2019. *Annual Statistical Report on the Social Security Disability Insurance Program, 2019*, pg. 184. Accessed at https://www.ssa.gov/policy/docs/statcomps/di_asr/2019/di_asr19.pdf, Sept. 2021.

Table 3. Average monthly benefit amounts by diagnosis vs average benefits received by disabled beneficiaries by program type.

Disability group by diagnosis:	Average mo. benefits paid, by diagnosis	Average benefit received, by SSA benefit source				
		SSDI-Only		SSI-Only	Both (SSDI + SSI)	
		Workers/Widow(er)s	Adult Children	All	Workers/Widow(er)s	Adult Children
MI	\$824-1205					
DD	\$783	\$1,174-1,343	\$1072	\$711	\$823-827	\$817
ID	\$783					
Musculoskeletal	\$1,321					
Avg. (All groups)	\$1,195					

Sources: Table 7: Average monthly benefit by sex and diagnostic group, December 2013 (pg. 27) and Table 66: Number aged 18-64, by program, December 1996-2019, and Total Monthly Benefits, pg. 179. *Annual Statistical Report on the Social Security Disability Insurance Program, 2019*. Accessed at https://www.ssa.gov/policy/docs/statcomps/di_asr/2019/di_asr19.pdf, Sept 2021. Because diagnosis-specific benefit amounts were not available for each set of beneficiaries receiving SSDI + SSI or SSI-Only, average monthly benefit amounts are used to illustrate the benefit differences between programs.

Table 3 lists average benefit levels, by diagnostic group/diagnosis, followed by the average monthly benefits paid to disabled beneficiaries receiving each of the types of Social Security disability benefits. It shows that within the range of benefits paid for a particular diagnosis, the average benefits received by disabled workers and/or family members out of the SSDI program skew higher, while average benefits paid for the same diagnosis skew significantly lower for those paid from SSI-Only or Both SSDI + SSI.

For any disabled individuals dependent on Social Security benefits as their sole source of income, the typical benefits are quite modest across the board, even including the availability of Medicaid benefits for SSI recipients and Medicare eligibility (after two years of disability) for those in the SSDI program. The large numbers of people with mental illnesses and ID/DDs who rely on SSI are of particular concern to NACBHDD members.

Proposed SSI Reform. The low-income levels paid by the SSI program has led to calls for its reform. The maximum monthly SSI benefit of \$794 is \$297 below the current FPL, and, except for modest annual inflation adjustments, its base level has not been adjusted since 1972. Legislation called *The Supplemental Security Income Restoration Act of 2021* (HR 3824 and S 2065) proposes to change that, by:

- Increasing the SSI federal benefit rate to 100% of the FPL (\$1,073 for singles, \$1,610 for couples, \$2146 for couples who both qualify for SSI), then adjusting annually for inflation;
- Increasing the income exclusion for non-wage income from \$20/month to \$128/month, and for earned wage income from \$65/month to \$416 in 2021;

- Eliminate the policy of a one-third benefit reduction for SSI beneficiaries who receive “in-kind support and maintenance,” including housing and food, from members of the same household.
- Increasing the asset limit beyond \$2,000 for singles and \$3,000 for couples.

According to a [recent study by the Urban Institute](#), this legislation would reduce the number of people in poverty by 3.3 million, including 1.2 million people over age 65, 1.2 million adults with disabilities, 558,000 adults who live with an SSI recipient, and 402,000 children. It would also reduce the number of SSI recipients in who live in poverty from 35.7 percent to 16.1 percent.

This bill, which has been reintroduced repeatedly in recent years, now has 54 co-sponsors in the House and 20 in the Senate. Unfortunately, the bill lacks bipartisan support: except for independent Sen. Bernie Sanders, all the current co-sponsors are Democrats. So, although SSI reform appears to be needed to enable the program to serve its original objective of keeping low-income Americans out of poverty, no immediate reforms appear to be in sight.

ACTION

The disability funds administered by the Social Security Administration play an essential role in providing financial resources to disabled Americans, including those disabled by mental health disorders and ID/DDs. The fact that most mentally disabled persons receive benefits from SSI puts them at significant risk of poverty. Therefore, it is important for NACBHDD members and other community-level stakeholders to advocate for improved disability benefits, anti-poverty supports, and community care resources. You can do this by:

- 1) Educating others about the size and composition of the disabled population who depend on SSI program benefits in your state, region, county, or community.
- 2) Identifying and explaining the needs of individual disabled beneficiaries to increase local understanding and appreciation of beneficiaries’ ongoing needs and their contributions to life in the community.
- 3) Joining with concerned leaders and organizations, including NACBHDD, in calling for action to reform SSI benefits and rules for disabled Americans, especially those with mental illnesses and intellectual or developmental disabilities who represent nearly 53% of all SSI disability recipients.

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