

Crapo Statement at Hearing on Social Security Administration Disability Benefits
June 18, 2024

Washington, D.C.—U.S. Senate Finance Committee Ranking Member Mike Crapo (R-Idaho) delivered the following remarks at a hearing entitled “Work and Social Security Disability Benefits: Addressing Challenges and Creating Opportunities.”

As prepared for delivery:

“Thank you, Mr. Chairman, for holding today’s hearing examining how work can affect eligibility for Social Security Disability Insurance (SSDI) benefits and Supplemental Security Income (SSI) payments. This is an important topic and one that the Finance Committee has not examined in many years.

“Individuals who receive Social Security disability benefits and want to work should be afforded that opportunity. Unfortunately, that is not always the case, and these individuals often face multiple challenges when attempting to rejoin the workforce.

“One of the challenges stems from the concern that if they resume working, they will lose access to their disability benefits and health insurance. There are provisions in place intended to help the transition, such as allowing SSDI beneficiaries to try working without immediately losing their benefits and extensions for health insurance coverage if their disability benefits stop due to work. However, these work incentives are complex and not well understood.

“I look forward to a discussion about what more can be done to improve awareness and understanding of the current work-related rules and incentives.

“Proposals to modify disability program rules to reduce barriers to work also merit serious review. However, we must be clear on the costs and other trade-offs that come with a given simplification proposal. The Social Security Administration’s recent track record of finalizing rules that increase mandatory spending by billions of dollars should not be the framework for program reforms.

“Work-related overpayments represent another challenge that many individuals with disabilities face if they try returning to work. Work-related overpayments can occur when the Social Security Administration does not receive or process earnings information in a timely manner and adjust an individual’s benefit amount accordingly.

“To help reduce the reporting burden on individuals and provide the Social Security Administration with timely earnings information, the Bipartisan Budget Act of 2015 allowed the agency to enter into an information exchange with a payroll data provider. In February, after years of delay, the Social Security Administration issued a proposed rule describing the agency’s planned implementation of this provision.

“The proposed rule represents progress and I urge the Social Security Administration to continue taking the steps necessary to implement this exchange. Although this new payroll information exchange will help, it will not include earnings information for all disability beneficiaries. The SSA must continue identifying ways to prevent--or limit--work-related overpayments *before* they occur.

“While barriers to returning to work are an important part of today’s hearing, this is not the only way an individual’s work activity can affect the individual’s eligibility for disability benefits. The Social Security Administration uses a five-step process to determine eligibility for disability benefits. The fourth step in this process evaluates whether an individual can still perform past relevant work. If not, then the fifth step evaluates whether the individual can perform any other work that exists in the national economy.

“The SSA continues to rely on woefully outdated occupational data to make these determinations. This data both includes jobs that no longer exist in significant numbers and excludes jobs that do. It also does not accurately reflect how jobs are actually performed in today’s economy. The Social Security Administration has already invested substantial time and resources into developing an alternative to this outdated occupational data and I continue to urge the agency to move this project forward, as it is vital to ensuring applicants get an accurate disability decision.

“Thank you to the witnesses for being here today, and I look forward to your testimony.

“Thank you, Mr. Chairman. I yield back.”