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Wyden Hearing Statement on Keeping the Promise of Social Security
As Prepared for Delivery

Today, the Committee takes a fresh look at Social Security Disability Insurance – a lifeline that keeps hard-working Americans afloat in the event of catastrophic illness or disability. Obviously, America’s workforce has changed dramatically since the program began, and SSDI has changed along with it. In recent decades, for example, more women have earned the protection of disability insurance, the baby boomer generation has gotten older, and the full retirement age for Social Security benefits has gone up.

On a bipartisan basis, Congress must ensure this safety net is not shredded. Where there is abuse, let’s find it and fight it. Let’s all focus on the vital goal, which is updating and protecting this essential program for generations to come.

Today’s hearing is about the realities of an evolving program that reflects changing demographics as well as the challenges of the current economy. As this committee contemplates the future of SSDI, as well as the rights of individuals with disabilities more broadly, it should:

- Address inequities that exist for women in both the workplace and in retirement.
- Create better tools for managing chronic illness and coordinating care.
- Provide adequate agency funding to manage the program, including resources aimed at targeting unscrupulous doctors and lawyers.
- Prioritize access to comprehensive mental health care at every age.
- Encourage greater job creation for individuals with disabilities by employers.

Fortunately, there’s a great deal of information about this critical program that will help to sustain it over the long-term.

First, the growth in SSDI over the last 20 years has been due to factors Congress expected. Policymakers – including many former Members of this Committee – planned for a fresh look at the SSDI program in 2016, based on the shifting winds of demographics. One of those changes I’ve already mentioned – more women earning disability insurance.

Just last week, during a hearing looking at chronic illnesses, the Finance Committee heard testimony from Stephanie Dempsey. Stephanie, a 44-year-old Georgia mother, had always worked. She owned her own home and was happily married.

But in her late 20s, Stephanie was diagnosed with a hereditary heart disease. The quadruple bypass surgery she had at age 30 was just the first of several operations she's undergone to place 27 stents in her arteries. In addition to heart disease, she now suffers the disabling effects of Lupus, arthritis, and a seizure disorder. Stephanie has to take 19 different prescription drugs every day. She had a mountain of prescription bottles stacked up on a tray when she came before the committee. This illness has cost Stephanie her home, her independence and her family.

She wants to work but can't due to her chronic illnesses. However, because she'd worked and earned the benefit, Stephanie was able to use her Social Security Disability Insurance. In the struggle to pay her bills, it has been a big help. It doesn't take care of everything, but it has made a difference.

Stephanie isn't alone – women now make up nearly half of the 9 million workers enrolled in SSDI. And, SSDI supports about 1 million veterans.

Second, let's recognize that Social Security Disability Insurance is not a giveaway. Workers earn coverage for themselves and their families by working. Applicants must have a physician document a medical impairment that renders them unable to do substantial work. Less than 40 percent of applications are approved for benefits, even after appeals.

For workers receiving Disability Insurance, it's usually more than half of their income. The average SSDI benefit for a disabled worker is \$1,146 a month, which is just above the individual poverty level. Without the benefit, half of the families receiving SSDI benefits would be in poverty.

Third, we know that it's critically important to make sure disability benefits are going to those who need them. Unfortunately, that's not always easy. A small number of bad apples, like unscrupulous doctors and lawyers, will always be willing to commit fraud. But according to the Social Security Administration's Inspector General, the program's front-line employees are highly skilled at identifying when things are not quite right. In the past 6 months, they've reported over 32,000 suspicious claims to the Inspector General. Disability Insurance payments are more than 99 percent accurate.

Let's not make budgetary changes at the Social Security Administration that result in less oversight and more money lost to overpayments or fraud. That would mean fewer resources for those who rely on the program today, which includes women and their families.

Finally, we know we have to act by 2016 to shore up the Disability Insurance trust fund for the future. In the past, reallocating resources within Social Security has always been routine and non-controversial. Since SSDI began, the combined tax rate has been reallocated 11 times. Some reallocations increased the tax rate going to the retirement trust fund and decreased the rate going to the disability insurance trust fund. Other reallocations did the opposite. The 1980 reforms to Social Security shifted money from disability to the retirement program. In 1994, the disability trust fund needed support, so policy makers decided to reallocate the tax rates to extend the SSDI program and to allow time for more data about the program to be collected. Congress now has 20 years of experience to assess how Disability Insurance is functioning, and maintaining this vital lifeline is critical.

I look forward to engaging in an active dialogue with colleagues on both sides of the aisle as we take a fresh look at the SSDI program and work toward long-term solutions that keep the promise of Social Security's earned benefits for many years to come.