

## **Amendment #420 – Eliminate overlapping disability and unemployment benefits**

**Protects the solvency of Social Security by eliminating overlapping payments made by the Social Security Disability Insurance (SSDI) and Unemployment Insurance (UI) programs.**

Both the DI and UI programs face enormous financial challenges. Just three years from now, the Social Security Trustees predict the DI Trust Fund will be exhausted. Yet, despite being intended for different populations, each year these programs pay hundreds of millions of dollars in overlapping benefits.

This amendment calls upon Congress and the President to enact legislation to protect the solvency of the DI and UI trust funds and return these programs to their intended purposes by eliminating overlapping and improper payments.

**In fiscal year 2010, 117,000 individuals received concurrent Disability Insurance (DI) and Unemployment Insurance (UI) benefits totaling more than \$850 million, according to the Government Accountability Office (GAO).**<sup>1</sup>

These concurrent benefits cost the SSDI program over \$281 million and the UI program more than \$575 million. “One individual GAO selected for further investigation received over \$62,000 in overlapping benefits in a [*single*] year,” according to GAO’s July 2012 report.<sup>2</sup>

**The DI and UI programs were designed to serve separate populations.**

The DI program was designed as a safety net of last resort for disabled Americans who cannot work. On the other hand, the UI program was designed as a safety net for unemployed Americans who are actively seeking work.

---

<sup>1</sup> Government Accountability Office, “Overlapping Disability and Unemployment Benefits Should be Evaluated for Potential Savings,” July 2012, <http://www.gao.gov/assets/600/593203.pdf>.

<sup>2</sup> Ibid.

Nonetheless, inconsistent criteria allow individuals to be simultaneously classified as both “able and available” for work under the UI program and “disabled” under the DI program. In fact, neither the Social Security Administration nor the Department of Labor has any mechanism to identify overlapping DI and UI payments.

**The enormous financial challenges SSDI faces are threatening the sustainability of a program on which millions of disabled Americans depend.**

From 1990 to 2012, the percentage of working-age Americans receiving DI benefits more than doubled from 2.3 percent to 5.3 percent. During this time, growth in DI spending has far outpaced all other Social Security spending. In fact, since 1990, DI spending as a share of total Social Security spending has increased from 10 percent to roughly 20 percent.

As a result, the DI program is now running substantial cash-flow deficits that are bringing the entire Social Security system closer to insolvency. According to the Social Security Trustees, the DI trust fund will be exhausted as early as 2016.

**Eliminating overlapping DI and UI benefits is a common-sense way to protect the solvency of both the DI and UI trust funds and help return these programs to their intended purposes.**