

# *Social Security Disability Insurance: 1956–2006*

## *Statement by the Social Security Advisory Board*

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This year marks the 50th anniversary of the enactment of the Social Security program of Disability Insurance. The Social Security Advisory Board believes it is important not only to celebrate the contribution that the program has made and will continue to make to providing essential income support to Americans with disabilities but also to acknowledge the ongoing challenge it poses to our nation's administrative and policymaking capabilities.

The accomplishments of the Disability Insurance program are indeed substantial and have had a profound impact on the well-being of those who find themselves with major work-limiting impairments. Social Security is, of course, best known as a program that provides a foundation of retirement income for older Americans when they withdraw from employment. As significant as this is, the protection that Social Security provides for workers and their families against the uncertain and often devastating impact of disability can be even more important. On every day that Social Security offices are open, more than 6,000 new claims for Disability Insurance are filed throughout the nation. That is over a million and a half applications each year. As of July of this year, monthly benefits were being paid from the Disability Insurance Trust Fund to 8.4 million individuals including 6.7 million disabled workers and 1.7 million of their dependent family members, primarily minor children.

A little more than 10 years ago, the Congress created the Social Security Advisory Board. It gave us the responsibility of reviewing all aspects of America's Social Security programs and making recommendations to the Congress, the President, and the Commissioner of Social Security about how those programs could better serve the needs of the American public. We immediately realized that Disability Insurance and the other disability programs administered by the Social Security Administration posed particularly difficult administrative challenges because of the large and increasing volume of claims, the complexity of the eligibility standards, and the inherent difficulty of determining the severity and vocational and functional consequences of physical and mental impairments. What we have seen is that despite their deeply rooted commitment to excellent public service, the hard-working staff of the agency would not be able to continue meeting these challenges unless there were fundamental changes to improve the programs' operations.

The Commissioner of Social Security has now developed a comprehensive set of reforms of the disability adjudication system with the objective of providing quicker decisionmaking, eliminating unnecessary backlogs, and improving quality management. An advanced electronic processing system has been developed that will facilitate the structural changes to the process. These changes hold great promise for a significantly enhanced administrative capacity that will better serve applicants for disability benefits. The Board looks forward to evaluating the effectiveness of these reforms as their implementation progresses.

Important as these administrative changes are, they cannot be viewed as a sufficient answer to the large challenges ahead. With the baby-boom generation already moving into its disability prone years, the Disability Insurance program has experienced and will continue to experience rapid growth. The number of disabled-worker beneficiaries grew from 5 million at the end of 2000 to 6½ million at the end of 2005. It is projected to grow by an additional 2 million in the coming decade. At the same time, there has been a growing concern that the nation's overall approach to addressing the needs of people with severe impairments does not adequately reflect appropriate policy goals. Much has changed over the 50 years that the Disability Insurance program has been in operation. These years have seen extraordinary progress in medical science and therapy, substantial advances in rehabilitative technology, and, perhaps most importantly, a great shift in our national attitudes about the capabilities of persons with disabilities.

The Disability Insurance and Supplemental Security Income programs are fundamental elements in how this country supports persons with disabilities. The 21<sup>st</sup> century must address how these vital programs can be integrated into an overall system that encourages and supports the innate desire of all men and women, including those with significant limitations, to contribute to their own well-being to the fullest extent of their capabilities. Both persons with disabilities and our entire society will benefit when all of its members have the opportunity to achieve their individual maximum success.

The Social Security Advisory Board has undertaken a careful look at how our national disability system can better address these goals. We are committed to continuing this study and we also expect to learn from important research and demonstrations that are being carried out by the Social Security Administration. We have every reason to expect that through improved administration and the development and implementation of better policies we will see continuing progress in meeting the needs and aspirations of persons with disabilities in this country.

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