

Poverty and Hardship Among Working-Age People with Disabilities

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Disability and Poverty: What is the Connection and What Should We Do About It?

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Topics

- **Poverty rates among working-age people with disabilities**
- **Share of working-age people experiencing annual and longer-term poverty who have disabilities**
- **Material hardship among working-age people with disabilities**

Defining Poverty

- **Official U.S. measure is based on a measure developed in the mid-1960s, adjusted annually for cost of living increases**
 - Based on the cost of minimum necessary food consumption and assumption that families spend 1/3 of income on food
 - Annual family income is judged relative to the poverty threshold
- **2008 Census Bureau poverty thresholds**
 - \$11,201 for individual under age 65
 - \$22,025 for a 4-person household

Poverty Rates in Selected Subpopulations

Subgroup	Poverty Rate	Number in Poverty
All persons	13%	37.3 million
Age 16 – 64 no disability	10%	17.0 million
Age 16 – 64 with disability	25%	5.9 million
DI-only beneficiaries age 18-64	31%	1.6 million
SSI beneficiaries age 18-64	72%	3.3 million
Age 18-64 in single female-headed households with children	34%	4.7 million

Sources: Census Bureau (undated), using the 2008 the Current Population Survey;
Rehabilitation Research and Training Center on Disability Statistics and Demographics
(2009), using the 2008 American Community Survey;
Livermore et al. (2009), using the 2006 National Beneficiary Survey



1997 Poverty Rates for Different Disability Measures, Age 25-61

Disability Measure	Poverty Rate
No work limitation	5%
No functional/activity limitation	6%
Work limited only (not prevented)	10%
Difficulty with at least 1 activity, no assistance needed	12%
Inability to perform/needs assistance with at least one activity	23%
Prevented from working all months of 1997	32%

Source: She and Livermore (2009), using the 1997 Survey of Income and Program Participation.

Poverty Rates Over a 48-Month Period by Duration of Limitation

Disability (duration measures)	Poverty >12 months	Poverty >36 months
No functional limitations	10%	3%
Functional limitation in 1997 or 1999	17%	5%
Functional limitation in 1997 and 1999	29%	14%
Work limitation > 36 months	40%	21%

Source: She and Livermore (2009), using the 1996-1999 Survey of Income and Program Participation.

Those with Long-term Disabilities are More Likely to Experience Long-Term Poverty

Disability (duration measures)	Percent of those in poverty at least 12 months who remain in poverty >36 months
No functional limitations	27%
Functional limitation in 1997 or 1999	28%
Functional limitation in 1997 and 1999	48%
Work limitation >36 months	51%

Source: She and Livermore (2009), using the 1996-1999 Survey of Income and Program Participation.

Disability Prevalence in the Working-Age Poverty Population

Annual Poverty (8%)	Percent of those age 25-61 in poverty in 1997
Any disability reported in 1997	47%
Longer-term Poverty (4%)	Percent of those age 25-61 in poverty > 36 months
Any disability reported during 1996-1999	65%

Source: She and Livermore (2009) based on the 1996-1999 Survey of Income and Program Participation.

Material Hardship Indicators

- **Hardship with respect to consumption of material items necessary to meet basic needs**
 - Unable to meet expenses
 - Unable to pay rent or mortgage
 - Unable to pay utility bills
 - Unable to get needed medical care
 - Unable to get needed dental care
 - Food insecurity (with or without hunger)



Hardship Prevalence by Disability Duration, Age 25-61

Income Below Poverty Level

	No Work Limitation	Work Limitation ≤ 12 Months	Work Limitation > 12 Months
Didn't get needed medical care	12%	20%	21%
Food insecurity with hunger	8%	20%	20%
Any of 6 hardships	45%	69%	62%

Source: She and Livermore (2007), using the 1996-1999 Survey of Income and Program Participation.

Hardship Prevalence by Disability Duration, Age 25-61 (con't.)

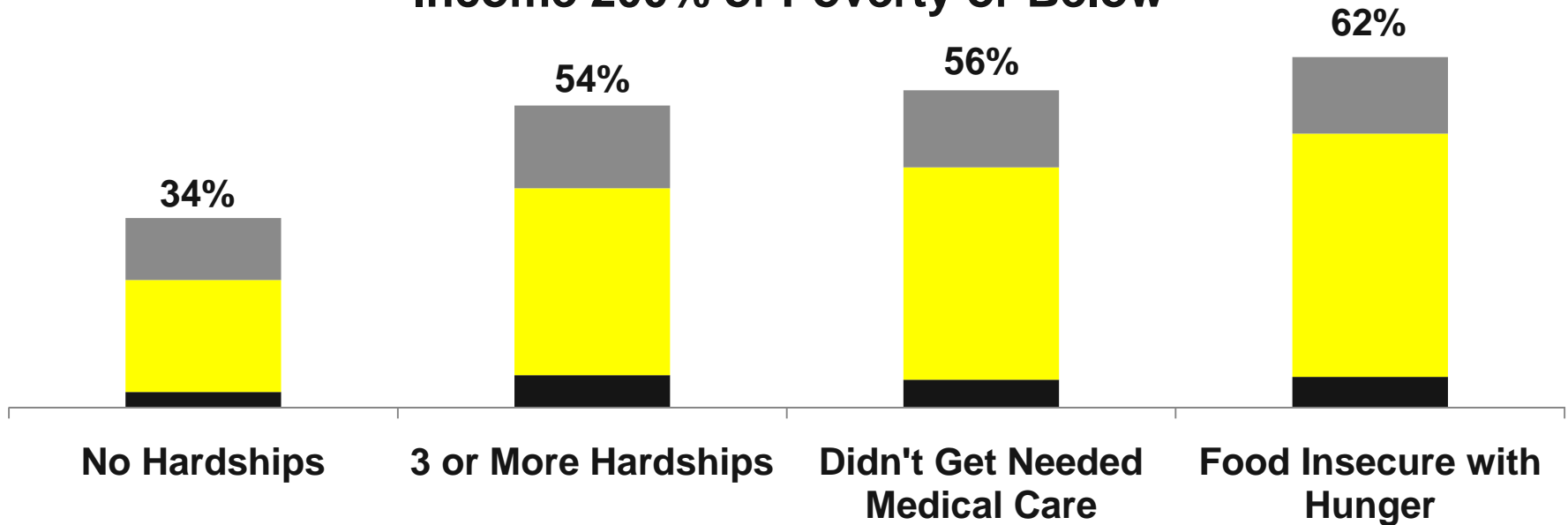
Income More Than Twice Poverty Level

	No Work Limitation	Work Limitation ≤ 12 Months	Work Limitation > 12 Months
Didn't get needed medical care	3%	8%	10%
Food insecurity with hunger	1%	2%	4%
Any of 6 hardships	14%	25%	31%

Source: She and Livermore (2007), using the 1996-1999 Survey of Income and Program Participation.

Disability Prevalence Among Those Age 25-61 Experiencing Hardships in 1998

Income 200% of Poverty or Below



- Limited in 1998 and limited \leq 12 months
- Limited in 1998 and limited $>$ 12 months
- Limited in other years only

Source: She and Livermore (2007), using the 1996-1999 Survey of Income and Program Participation.



Illustration of the Impact of Disability on the Likelihood of Hardship

Impact of Disability on the Likelihood of Reporting Any of the Six Hardships

	Disability-Adjusted Poverty Standard*
No limitations	\$10,160
Work limitation \leq 12 months	\$31,090
Work limitation $>$ 12 months	\$34,239

*Income needed to have equal probability of reporting hardship, all else held constant.

Source: She and Livermore (2007), using the 1996-1998 Survey of Income and Program Participation.

Conclusions

- **The poverty rate for people with disabilities is very high, especially among those with long-term disabilities**
- **A very large share of those living in poverty in any year have disabilities**
 - **That share is even larger when longer-term (48-month) poverty is considered**

Conclusions (con't.)

- **People with disabilities living in poverty are much more likely than others in poverty to experience material hardship**
- **If the official poverty standard reflected the effect of disability on the likelihood of material hardship, people with disabilities would constitute an even larger share of those living in poverty**

References

Census Bureau, Poverty 2007 Detailed Tables

<http://www.census.gov/hhes/www/poverty/poverty07.html>.

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