

# Columbus Dispatch

## Growing burden

The productive bear brunt as discouraged workers besiege disability rolls

Tuesday July 10, 2012 5:58 AM

A record number of Americans say they can't work any more because of disabilities, dramatically shrinking the number of productive Americans to 16 for every person receiving Social Security disability payments.

That's an enormous change over just two decades: In June 1993, the Bureau of Labor Statistics reported that 35 workers paid taxes into the system for every one person getting a disability check.

If people keep jumping on the disability dole at this alarming rate, the Social Security system may run out of enough people who are paying into it to carry those being supported by it. This subset of the Social Security system mirrors problems in the program as a whole. In 1950, there were 16 workers for every person receiving Social Security retirement benefits. Now, it's down to fewer than 3 workers for every person collecting benefits.

While Social Security and Medicaid have gotten most of the attention for entitlement reform, the shrinking worker-to-beneficiary ratio for disability insurance makes this benefit equally unsustainable.

The Social Security Administration reports that a record 8,733,461 Americans received disability benefits in June. That's up from May, when 8,707,185 drew checks. To put these numbers in perspective, the number of people getting disability is greater than the population of entire states; Kentucky has 4.4 million residents and Indiana has 6.5 million.

Of course, some reasons for the rise in disability applications are legitimate: The baby-boom generation is aging; bodies and backs wear out, and arthritis and mental-health issues worsen.

But it's also clear that some people simply are giving up or gaming the system.

Modern medicine, psychiatry and physical therapy have made huge strides in treating conditions apt to sideline workers, which ought to reduce enrollment. But people appear to be using disability as an unemployment-benefit fund — one that doesn't run out.

"We see a lot of people applying for disability once their unemployment insurance expires," Matthew Rutledge, a research economist at Boston College's Center for Retirement Research recently told *Investor's Business Daily*.

That could explain why, as the paper reports, the number of disability applications is up 24 percent from 2008.

Disability insurance, started five decades ago, was supposed to be a failsafe to support those who were permanently disabled in their later working years. But like any other government entitlement program, it grew.

Tad DeHaven of the CATO Institute, in a 2010 article for the *Wall Street Journal* Online, calls it today “a gigantic budgetary burden that acts more like an unemployment program. Indeed, the number of individuals receiving SSDI benefits has jumped more than 10 percent in the last two recessionary years. So a large number of people seem to be abusing the system by claiming disability in order to get government benefits.”

The rapid shift from employed to disabled is further straining government budgets and creating an even larger group of permanently dependent Americans. Substantive reform is needed before the system — and those supporting an increasingly heavy burden — collapse.