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SOCIAL SECURITY ADMINISTRATION DATA TRENDS: KEY FINDINGS ON WORK INCENTIVE PROGRAMS (2000–2021)

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Introduction

The Social Security Administration (SSA) manages two cash assistance programs for people with disabilities:

1. The Supplemental Security Income (SSI) program for individuals with low incomes who are seniors, blind, or have another disability.
2. The Social Security Disability Insurance (SSDI) program for individuals who have worked and become disabled or, in some cases, are the children of a worker who became disabled or is deceased.

While both programs support people who are found to be too disabled to work, they serve different purposes and have different rules and structures. For both programs, SSA provides programs and incentives designed to support people to work.

While individuals with an intellectual disability may receive SSI, SSDI, or both, it is most common for adults with intellectual disability to receive SSI. This Data Note Plus will focus on individuals with an intellectual disorder[1] (ID) as identified in SSA reporting, who are SSI recipients.

SSA's work incentives for SSI recipients include:

- Plan to Achieve Self-Support (PASS)
- Impairment-Related Work Expenses (IRWE)
- Blind Work Expenses (BWE)
- Section 1619(a) benefits
- Section 1619(b) benefits

PASS, IRWE, and BWE allow people to set aside money, resources, and expenses to be excluded from total earned income calculations. Learn more about these work incentives in Table 2.

Here are five key findings from our SSA dataset analysis:

1. The number of SSI recipients working increased from 2010–2019, decreased during the COVID-19 pandemic, and began to recover in 2021.
2. SSI recipients with disabilities do not often participate in work incentive programs.
3. SSI recipients with ID work more than their counterparts with other types of disabilities but participate in work incentive programs less often.
4. Older SSI recipients work less often than their younger counterparts but use work incentive 1619(b) at higher rates.
5. The rate of employment among SSI recipients varies by diagnostic group.

Methods

These data are from the Supplemental Security Income (SSI) Annual Statistical Reports from 2000 to 2021. The SSA reports work-incentive participation and the number of individuals receiving SSI who are working. For this Data Note Plus, we have extracted national data on SSI recipients ages 18–64 and SSI recipients who work ages 18–64 from Table 42 of the report. The number of SSI recipients and the number of SSI recipients who work are estimated using the percent distributions provided for each diagnostic category[2]. We extracted data on the use of work incentives from Tables 52 and 55[3].

Beginning in 2010, the SSI Annual Statistical Report provided more specific details for mental disorders by diagnostic group. Prior to 2010, the mental disorders category was composed of just three disorders. In 2020, SSI renamed the expanded categories. Please refer to Table 1 for a list of diagnostic groups.

Table 1. SSI Annual Statistical Report Mental Disorders Diagnostic Groups by Year

Prior to 2010	2010–2019	2020–2021
Retardation	Autistic disorders	Autism spectrum disorders
Schizophrenia	Developmental disorders	Developmental disorders
Other	Childhood and adolescent disorders not elsewhere classified	Childhood and adolescent disorders not elsewhere classified
	Intellectual disability	Intellectual disorders
	Mood disorders	Depressive, bipolar, and related disorders
	Organic mental disorders	Neurocognitive disorders
	Schizophrenic and other psychotic disorders	Schizophrenia spectrum and other psychotic disorders
	Other mental disorders	Other mental disorders

Table 2. SSI Work Incentive Program Definitions

Program	Definition
Plan for Achieving Self-Support (PASS)	Allows a person with a disability to set aside income or resources to support achieving a specific work goal. They can pay for education, vocational training, assistive technology that is used for employment-related purposes, and starting a business, if the expenses are related to achieving a work goal. Money set aside under a PASS is excluded both as current income and from the SSI resource limits.
Impairment-Related Work Expenses (IRWE)	Allows a person with a disability to exclude the cost of certain impairment-related services or items needed to earn income when determining the beneficiary's current earned income for SSI eligibility and benefits. Examples include attendant care services, transportation costs, service animals, medical devices, medication, and specialized equipment.
Blind Work Expenses (BWE)	BWE allows workers who are blind to exclude expenses related to earning income. These include service animal expenses, transportation to and from work, income taxes, attendant care services, visual/sensory aids, and professional or union dues.
Section 1619(a)	Allows people with disabilities to continue receiving SSI income even if their earned income is at or above Substantial Gainful Activity (SGA) levels (i.e., the amount that would normally make them ineligible for SSI).
Section 1619(b)	Allows people with disabilities to continue receiving Medicaid benefits if their earnings disqualify them from eligibility for SSI cash payments but are not enough to afford medical insurance.

Findings

The number of SSI recipients working increased from 2010–2019, decreased during the COVID-19 pandemic, and began to recover in 2021.

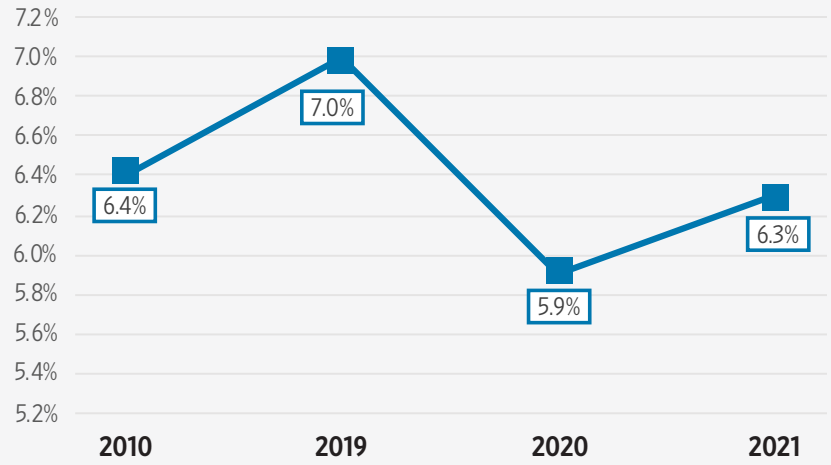
The number of blind and disabled SSI recipients between the ages of 18 and 64 who work ranged from 303,182 and 324,018 between 2010 and 2019, representing between 6.4% and 7.0% of all SSI recipients (SSI Statistical Annual Report, 2010 & 2019). This is a 0.6% increase in a 9-year span. Data reported for December 2020 and December 2021 suggest that there was a drop in the number and percentage of working SSI recipients during the COVID-19 pandemic.

In 2020, 275,560 (5.9%) recipients ages 18-64 were reported as working, and in 2021, 281,748 (6.3%) were reported as working (SSI Statistical Annual Report, 2020 & 2021). The 1.1% decrease in SSI recipients working from 2019–2020 is nearly double the increase from 2010–2019, reversing progress made in just one year. The data from 2020–2021 indicate that there was recovery from the COVID-19 pandemic, with the percentage

of SSI recipients improving 0.4% to nearly return to 2010 levels (see Figure 1).

Other projects have seen similar COVID-19 recovery trends in employment. Data from the National Core Indicators (NCI) project also reflects a return to work, although NCI did not collect data in 2019–2020 as the pandemic was starting. In 2018–2019, NCI reported that 21.5% of individuals worked in a paid community job. This fell to 14.4% in 2020–2021 and increased to 15.8% in 2021–2022 (National Core Indicators, 2019, 2021, 2022).

Figure 1. Percentage of SSI Recipients Ages 18-64 Working, 2010–2021



State-level data report similar trends when available. For example, the Massachusetts Department of Developmental Services reported that between 2019 and 2021 the number of individuals receiving supports to work in individual integrated jobs fell by 60% from 2,424 to 1,768 but increased to almost pre-pandemic levels in 2022 (2,338) (Massachusetts Employment Outcome Information System, n.d.).

SSI recipients with disabilities do not often participate in work incentive programs.

In 2020, the SSA reported that 275,560 (324,018 in 2019) blind and disabled SSI recipients ages 18-64 were working. In 2021, that number increased to 281,748. As shown in Table 3, the number of recipients enrolled nationally in any work incentive program between 2000 and 2021 remains low and has been declining. In particular, the PASS incentive program has seen decreased participation in the last 21 years—a 77% decrease from 2000–2021 in the number of individuals who enrolled. Overall, BWE program enrollment declined 85% from 2000–2021, and IRWE enrollment declined by 80% in the same time span.

Table 3. Number of SSI Recipients Enrolled Nationally in Work Incentive Programs, 2000–2021[4].

	2000	2003	2006	2009	2012	2015	2018	2021
PASS	1,382	1,705	1,583	1,457	1,116	821	568	323
IRWE	9,402	7,604	5,650	3,862	3,157	3,188	2,942	1,913
BWE	3,895	3,074	2,370	1,643	1,410	1,161	955	576

SSI recipients with intellectual disorders (ID) work more than their counterparts with other types of disabilities but participate in work incentive programs less often.

Almost one-fifth of all SSI recipients with disabilities ages 18–64 in 2020 (18.9%) and 2021 (19.2%) were individuals with ID. With the expansion of additional "mental disorders" categories by the SSA, this is now the largest disability subgroup among SSI recipients. Please view the Methods section for more information.

In 2020, the number of SSI recipients with ID who worked was 89,833. In 2021, this decreased to 87,624. This group has had relative success with employment participation compared to recipients who do not have ID. As noted in Table 4, in 2020, SSI recipients with ID worked at a rate twice that of SSI recipients without ID (10.4% versus 5%). In 2021, the percentage of SSI recipients with ID who worked slightly increased to 10.5%.

In 2020, the rate of employment among SSI recipients with ID was fourth among all diagnostic groups and subcategories, behind people with autism (13.5%), people with congenital anomalies (12.1%), and people with developmental disorders (11.4%). In 2021, the rate of employment among SSI recipients with ID dropped to fifth behind people with autism (13.6%), people with childhood and adolescent disorders not elsewhere classified (12.9%), people with developmental disorders (12.3%), and people with congenital anomalies (11.4%).

Mann et al., (2015) support this finding with their analysis of SSI recipients by primary impairment. They found that "beneficiaries with certain primary impairments are consistently associated with relatively higher or lower employment across program types. Beneficiaries with intellectual disability, visual impairments, hearing impairments, neoplasms, and HIV/AIDS were most likely to be employed" (p. 32, 2015). The National Beneficiary Survey, of which the primary purpose was to provide information on the work-related activities of SSI and SSDI beneficiaries, found that SSI beneficiaries with ID were more likely to use employment-specific services and reported more interest in working than did beneficiaries with other impairments (Livermore et al., 2017). ICI researchers hypothesize that beneficiaries with ID also may have higher involvement with state agencies that encourage labor participation compared to individuals with other disabilities.

Table 4. Employment Outcomes and Participation in Work Incentives for SSI Recipients with Disabilities Ages 18–64, 2020 and 2021

	Intellectual Disorder		All Other Disabilities	
	Year	Percentage	Year	Percentage
Percentage of SSI recipients with disabilities who work	2020	10.4%	2020	5.0%
	2021	10.5%	2021	5.5%
Percentage of working SSI recipients who participate in 1619(a)	2020	3.1%	2020	4.3%
	2021	3.7%	2021	4.9%
Percentage of working SSI recipients who participate in 1619(b)	2020	23.7%	2020	36.0%
	2021	25.3%	2021	37.0%
Percentage of working SSI recipients who participate in IRWE	2020	0.8%	2020	0.8%
	2021	0.6%	2021	0.7%

Despite the higher employment rate, Table 4 also shows that SSI recipients with ID participate in the 1619(a) and 1619(b) work incentive programs at lower rates than SSI recipients with other disabilities: 3.1% vs 4.3% in 1619(a) and 23.7% vs. 36.0% in 1619(b) in 2020. A similar trend holds for 2021.

In 2020, SSI recipients with ID participate in the IRWE program at the same rates as recipients with other disabilities (0.8%). Mann et al., (2015) confirms this as well: "the primary impairments that are positively correlated with employment are not always positively correlated with being in a higher earnings category or with having earnings above the annualized SGA level. This result suggests heterogeneity across primary-impairment types in the ability to work a certain number of hours at a given wage level or the ability to obtain a higher wage level" (p. 32, 2015).

Several factors could explain differences in 1619(a) and 1619(b) participation. Analysis of other data sources, (e.g., the RSA-911), has shown that people with ID often work fewer hours and earn less than individuals from other disability subgroups. Using the most recent data available, in 2022, people with ID worked an average of 23 hours per week while people with other disabilities worked an average of 31 hours per week. In 2022, people with ID earned $280 per week, and people with other disabilities earned $540 per week (Winsor et al., 2023). As a result, individuals with ID who work are less likely to have earnings close to SGA and may be less likely to lose access to benefits because of earnings.

The low rates of participation in work incentive programs by SSI recipients with ID should not overshadow the overall impact of these programs. For instance, in 2021, section 1619(b) benefits allowed 22,201 individuals with ID to work and to continue receiving Medicaid benefits. Better explanations of incentives and greater encouragement of participation in incentive programs by employment and disability services professionals could lead to higher rates of employment and better employment outcomes for individuals receiving SSI. While research on the value of work incentives for individuals with ID is scarce, the benefits of working outweigh the alternative of not working (Shapiro et al., 2017).

Older SSI recipients work less often than their younger counterparts but use work incentive 1619(b) at higher rates.

In 2020, according to the Social Security Administration (SSA), there were a total of 4,644,291 blind and disabled recipients (including section 1619(b) participants) ages 18–64 receiving SSI benefits (SSI Statistical Annual Report, 2020). Out of the almost 5 million people receiving benefits, 275,560 (5.9%) worked. Out of those who worked, 88,160 were enrolled in 1619(b) (Social Security Administration, 2020).

In 2021, the total number of blind and disabled recipients (including section 1619(b) participants) ages 18–64 receiving SSI benefits dropped to 4,457,969. The percentage who worked slightly increased to 6.3% (n = 281,748). There was also an increase in the number of SSI recipients who enrolled in 1619(b), from 88,160 to 94,071 (Social Security Administration, 2021).

Employment

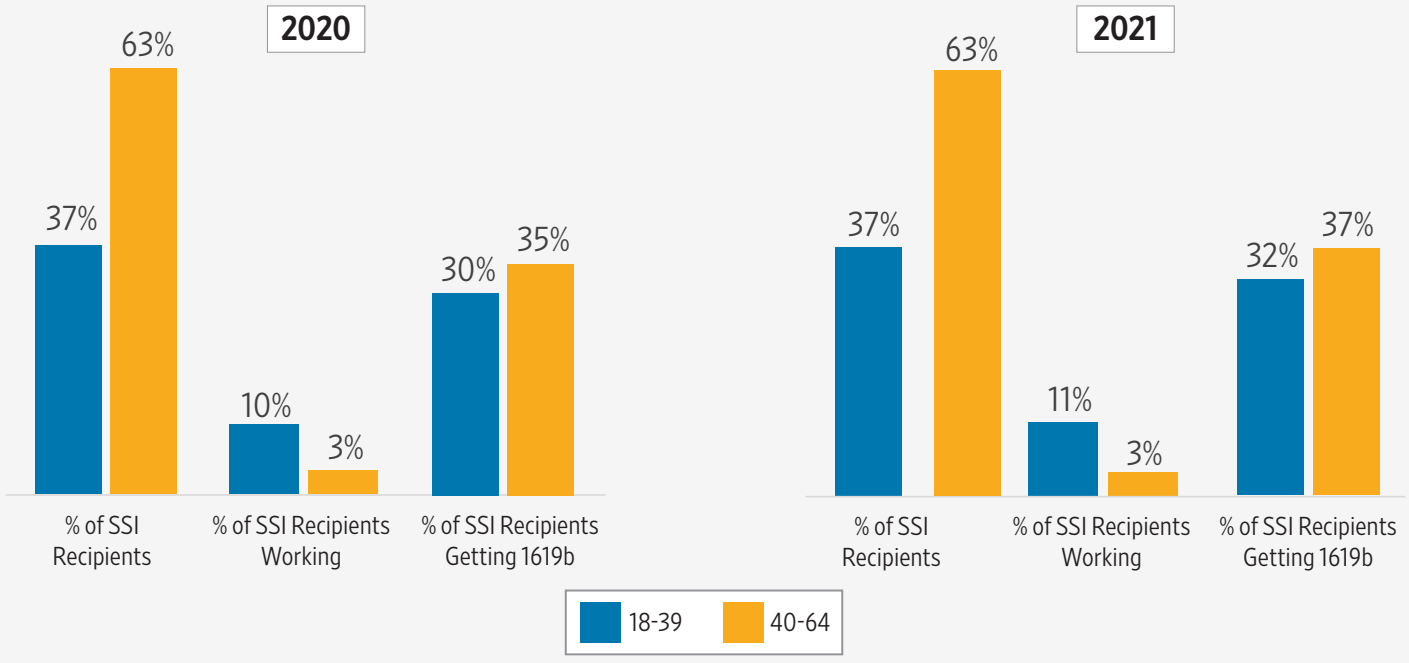
Adults with disabilities between the ages of 40 and 64 constituted almost two-thirds of SSI recipients in 2020 (n = 2,942,203, 63%). However, only 3.3% (n = 98,264) of SSI recipients with disabilities between the ages of 40 and 64 worked in 2020. Out of those recipients who worked, 35% participated in 1619(b). Younger SSI recipients—those between the ages of 18 and 39—were three times more likely to be working than SSI recipients 40 and older (10.4% compared to 3.3%) in 2020.

A similar trend follows in 2021. Adults with disabilities between the ages of 40 and 64 constituted 63% of SSI recipients (n = 2,808,754) and only 3.5% worked (n = 98,072). Out of those who worked, 37% participated in 1619(b), 2% more than in 2020. Eleven percent of SSI recipients between the ages of 18 and 39 were working, and at a higher rate compared to SSI recipients 40 and older (3.5%). The number of recipients working in all age groups increased slightly in 2021 compared to 2020.

Incentive Use

Interestingly, younger workers' participation in 1619(b) was slightly lower (30.4%) compared to the 40–64 age group (35%) (See Figure 2). The youngest adults (ages 18–21) reported the lowest participation at 15% but increased to 28% for the 22–25 age group. The highest use of section 1619(b) is among the 40–49 age group at 36% but it is followed closely by everyone between ages 30–64 at 35% participation in 1619(b). In 2021, incentive use among the 18–39 and 40–64 age groups increased by 2%. There is not sufficient research to conclude why this age group has the highest usage of 1619(b). Researchers should consider examining the reasons for these phenomena.

Figure 2. SSI Recipients' Employment and Incentive Use, 2020 and 2021



The rate of employment among SSI recipients varies by diagnostic group (2010–2021).

We conducted a trend analysis to explore the rate of employment among SSI recipients ages 18–64 from the mental disorders diagnostic group by the following subcategories: intellectual disorders (ID), developmental disorders (DD), and autism spectrum disorders. In addition, we grouped depressive, bipolar, and related disorders (formerly mood disorders), neurocognitive disorders (formerly organic mental disorders), and schizophrenia spectrum and other psychotic disorders together to represent mental health disorders to view trends going back to 2010 and compare the pattern to SSI recipients with ID. We then compared the rate of employment of these diagnostic subcategories to each group's overall proportion of all blind and disabled SSI recipients. To reference the findings, please view Table 5 and Figures 3 and 4.

Intellectual Disorders

For the past 11 years, the rate of employment among SSI recipients with ID has been decreasing. This group's proportion of total SSI recipients has also been trending downward. Since 2010, the rate of employment has decreased from 13.2% to 10.5%, while total recipients decreased from 20.2% to 19.2%. There was a 2.1% decrease from 2019–2020 in the employment rate that could be attributed to job losses caused by the COVID-19 pandemic, however 2021 saw a slight uptick in the employment rate for individuals in this category. The 2022 and 2023 data will paint a more complete picture of whether this group is on a path to recovery.

Developmental Disability

The developmental disability (DD) subcategory under mental disorders has seen an overall increase in both its proportion of total SSI recipients ages 18–64 and the rate of employment in the last eleven years. From 2010–2019, the rate of employment has increased at a higher rate than this group's total percentage of SSI recipients (3% compared to 0.2%), possibly indicating that current enrollees have been moved from unemployed to employed status. In 2019, the group had its highest employment rate at almost 14% but it dipped to 11.4% in 2020 most likely due to COVID-19 pandemic job losses. From 2020–2021 this group had the highest rebound in employment rate compared to the other three groups with a 0.9% increase.

Autism Spectrum Disorders

As the rate of individuals with autism ages 18–64 who receive SSI has increased four-fold from 2010 to 2021, the rate of employment has decreased. Participation of individuals with ID and DD in SSI has remained flat from around 2013–2014 to the present, while participation of individuals with autism more than doubled from 2013 to 2019. In 2013, 88,817 out of 4,934,272 SSI recipients had autism. Compared to 2019, 171,923 out of a total of 4,646,559 SSI recipients ages 18–64 had autism. The increase in overall participation in the SSA system could be attributed to an increase in proper diagnoses as has been observed in other datasets. Individuals with autism may have been categorized as having ID or DD by SSA; however, in the last several years they are being properly diagnosed and put in the autistic disorders category. The COVID-19 pandemic had a similar effect on the employment rate for this group decreasing by almost 4% from 2019–2020. The year 2021 saw a slight increase, but we need more data to see if this recovery holds for 2022 and beyond.

Mental Health Disorders

The rate of employment among SSI recipients with mental health disorders has only increased minimally since 2010 to the present day, while this group's proportion of total SSI recipients has been trending down (30.2% in 2010 to 25.9% in 2021). Compared to individuals with ID, DD, and autism, people with mental health disorders have much lower rates of employment. In 2019, only 5.2% of SSI recipients from this diagnostic group were employed compared to the other three groups: individuals with autism were employed at a rate of 3.3 times more and individuals with ID and DD at rates of 2.5 times more than this group. Similar to the other three groups, the pandemic influenced the employment rate for people with mental health disorders decreasing from 2019–2020. However, it bounced back to almost pre-pandemic levels in 2021.

Table 5. Percent of SSI Recipients and Rate of Employment Among SSI Recipients by Diagnostic Group, 2010–2021

Diagnostic Groups	% of SSI Recipients	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Autism spectrum disorders	% Employed	19.1%	18.3%	18%	17.7%	18.3%	18.6%	18.5%	17.6%	17.5%	17.3%	13.5%	13.6%
	Total SSI Recipients %	1.2%	1.4%	1.6%	1.8%	2%	2.3%	2.60%	3%	3.3%	3.7%	4.2%	4.7%
Developmental disability	% Employed	10.9%	8.9%	9.6%	9.5%	9.2%	10.4%	12.40%	13.5%	13.8%	13.9%	11.4%	12.3%
	Total SSI Recipients %	0.6%	0.7%	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.9%	1%
Intellectual disorders	% Employed	13.2%	12.8%	12.8%	12.5%	12.4%	12.6%	12.6%	12.4%	12.6%	12.5%	10.4%	10.5%
	Total SSI Recipients %	20.2%	19.8%	19.1%	18.9%	18.8%	18.8%	18.8%	18.8%	18.9%	18.9%	18.9%	19.2%
Mental health disorders	% Employed	3.9%	3.7%	3.8%	3.7%	3.9%	4.2%	4.6%	4.8%	5%	5.2%	4.6%	5.1%
	Total SSI Recipients %	30.2%	30%	29.4%	29.2%	29%	28.7%	28.4%	27.8%	27.4%	26.8%	26.4%	25.9%

Figure 3. Percent of SSI Recipients by Diagnostic Group, 2010–2021

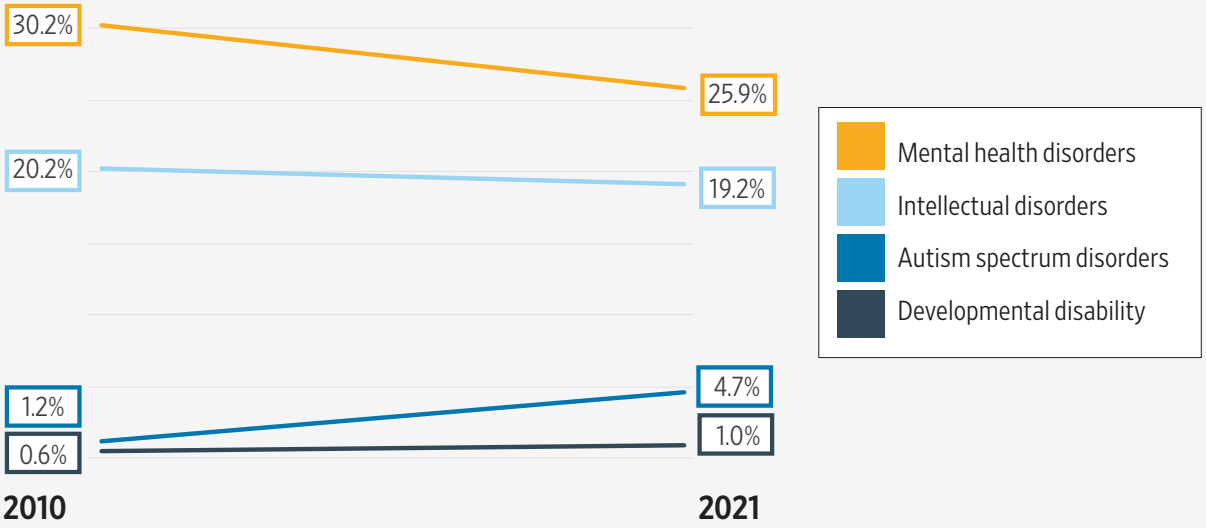
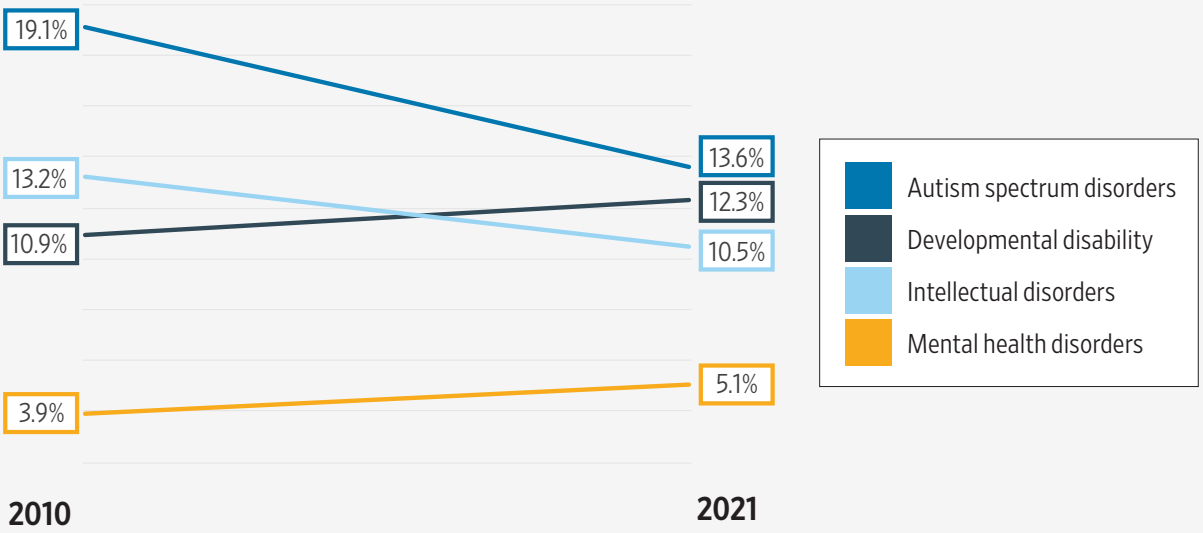


Figure 4. Employment Rates of SSI Recipients by Diagnostic Group, 2010–2021



Endnotes

[1] Prior to 2020, intellectual disorder was labelled intellectual disability in SSA reporting.

[2] The numbers reported differ from the number of recipients and number working reported in Table 41 and on Statedata.info because they emphasize working age adults ages 18-64. SSA does not provide state level data for ages 18-64.

[3] Table 55 does not include data about adults specifically ages 18-64.

[4] Includes data from SSA Annual Statistical Reports data table 55 (2009–2021), table 33 (2003), and table 30 (2006) which does not include data specific to adults ages 18-64.

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