

March 14, 2018

Women and Disability Insurance: Five Facts You Should Know

By Kathy A. Ruffing

Social Security Disability Insurance (SSDI) — which provides modest but vital benefits to workers who can no longer support themselves due to a serious and long-lasting medical impairment — protects everybody who can meet its stringent work-history and medical criteria. SSDI doesn't discriminate by sex, but for many decades most of its beneficiaries were men. That's no longer true. By several measures, women have gradually reached near parity in SSDI. Many overall program trends — such as the growth in beneficiaries, the greater share with mental and musculoskeletal impairments, and their tendency to receive benefits for longer — that sometimes provoke criticism can be better understood in light of women's rising role in the program. Here are five facts you should know about women and SSDI.

1. Nearly equal numbers of men and women now collect SSDI.

Disability Insurance was added to Social Security in 1956, approved by large bipartisan majorities in both houses of Congress and signed by President Eisenhower.¹ The new program addressed a glaring need by providing cash benefits for workers who suffered a severe impairment before reaching retirement age. It thus augmented the program's original old-age benefits (enacted in 1935) for people who had passed their working years, and the protections (enacted in 1939) for widows and dependents of deceased workers; and it copied many features of those existing programs, like the requirement for past work and the benefit formula.

In SSDI's first three decades, its beneficiaries were overwhelmingly men.² Even by the late 1980s, male beneficiaries outnumbered females by 2 to 1. (See Figure 1.) But now nearly equal numbers of men and women collect SSDI. That result stems from two other facts. Due to women's growing importance in the paid labor force, women are now insured for disability benefits nearly on par with men. Moreover, women who are insured for disability benefits are now just as likely as men to receive them.

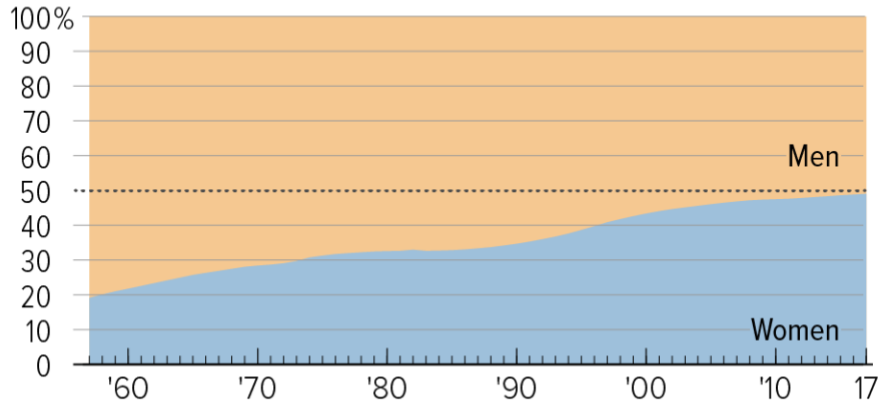
¹ Kathy Ruffing, "Happy Birthday, Social Security Disability Insurance!" Center on Budget and Policy Priorities, July 31, 2015, <https://www.cbpp.org/blog/happy-birthday-social-security-disability-insurance>.

² Benefits sometimes go to qualifying family members, chiefly minor children. Because spouses and children collect benefits as "auxiliaries," it's usual to focus on the number of so-called "primary," or disabled-worker, beneficiaries. In 2016, 1 million disabled workers (600,000 men and 400,000 women) had eligible children; see Social Security Administration (SSA), Office of Retirement and Disability Policy, *Annual Statistical Report on the Social Security Disability Insurance Program, 2016*, https://www.ssa.gov/policy/docs/statcomps/di_asr/2016/sect01d.html#table29.

FIGURE 1

Nearly Equal Numbers of Men and Women Now Collect SSDI

Percent of beneficiaries



Note: SSDI = Social Security Disability Insurance

Source: Office of the Chief Actuary, Social Security Administration.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

2. Because of their work, increasingly more women have earned insurance protection from SSDI.

To qualify for SSDI, applicants must have a severe and well-documented medical impairment and a strong record of past work. Generally, they must have worked in one-fourth of all years after they reached 21, and in five of the last ten years before the onset of disability.³ In the program's first few decades, when "women's work" was mostly at home and unpaid, these rules effectively kept most women from qualifying for SSDI.

That changed with the great movement of women — particularly married women — into the paid workforce in the 1970s.⁴ For women under age 50, that growth in labor force participation essentially leveled off around 1990 (and even reversed direction slightly after 2000). But for women 50 and older, labor force participation kept rising well into the 2000s. That's important because the risk of disability is greatest for older workers: 70 percent of SSDI awards go to people 50 or older,

³ For the relatively few young people who qualify for SSDI by age 31, these work requirements are adjusted — essentially, such applicants must have worked in at least half of the years after they reached age 21.

⁴ For more analysis of the modern history of American women's labor force participation, see Timothy Taylor, "How to Increase Women's Labor Force Participation," *Conversable Economist*, October 27, 2017, <http://conversableeconomist.blogspot.com/2017/10/increasing-womens-labor-force.html>; Taylor, "Women in the US Labor Market," December 9, 2016, <http://conversableeconomist.blogspot.com/2016/12/women-in-us-labor-market.html>; and Social Security Advisory Board, "Technical Panel on Labor Force Participation, A Report to the Board, June 2017," <http://ssab.gov/Details-Page/ArticleID/1180/Technical-Panel-on-Labor-Force-Participation-A-Report-to-the-Board-June-2017> (especially Chart Appendix B, with detail by age group).

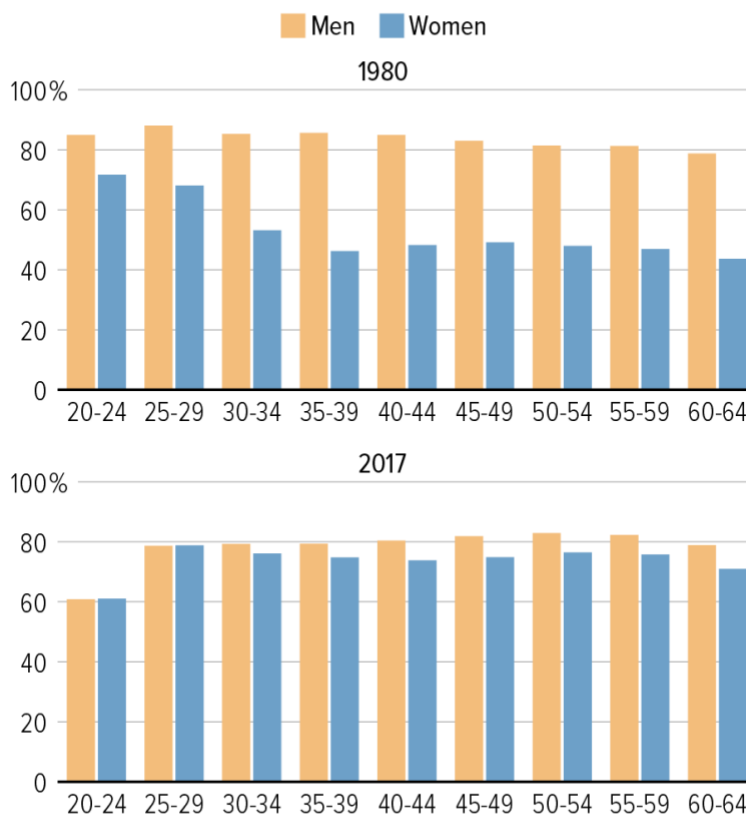
and half go to people 55 or older.⁵ Without a strong — and recent — work record, women historically faced being ineligible for SSDI just when their risk of a career-ending illness was highest.

Women are still less likely than men to be insured for SSDI but they have closed most of the gap. In 1980, women past their mid-30s were only about half as likely as men to meet SSDI’s insurance criteria. Now they’re about 90 percent as likely. (See Figure 2.) This is a tremendous boon to women’s financial security.

FIGURE 2

Share of Women Protected by SSDI Has Risen Significantly

Percent of population insured for SSDI benefits, by age



Note: SSDI = Social Security Disability Insurance

Source: Office of the Chief Actuary, Social Security Administration.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

As more women qualify for SSDI based on their past work, that relieves pressure on other programs. Supplemental Security Income (SSI) is a needs-tested program for elderly and disabled people with little or no income and assets. It’s a program of last resort for those who lack enough

⁵ SSA, *Annual Statistical Report, 2016*, https://www.ssa.gov/policy/docs/statcomps/di_asr/2016/sect03c.html#table39. The median age at award, about 55, is well above the average shown there (about 51), because the average is tugged down by the small number of awards to people in their 20s and 30s.

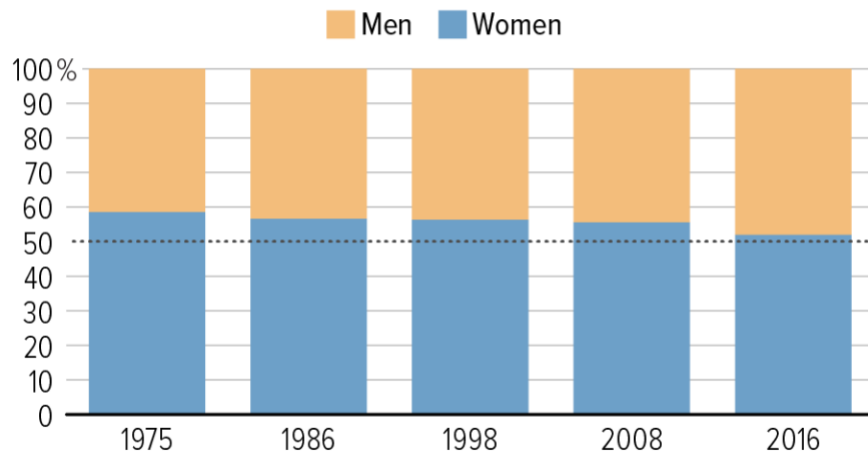
work history for Social Security, or who qualify only for a paltry benefit below even SSI's modest standard (about three-fourths of the poverty level). Not surprisingly, for many years nearly 60 percent of working-age SSI beneficiaries were women. That figure has now slipped to just over 50 percent. (See Figure 3.)

Similarly, a relatively small part of Social Security, the benefits program for vulnerable people 50 or older who suffer a severe disability within seven years after widowhood, has faded from its mid-1990s peak. Then, it paid benefits to 0.9 percent of women age 50-64. Today that figure has slipped below 0.7 percent — and in well over half of cases, today's recipients also qualify for an SSDI benefit on their own work record, so that their disabled-widow benefit is essentially a supplement.⁶

FIGURE 3

Women Make Up a Declining Share of SSI Beneficiaries

Percent of recipients, age 18-64



Note: SSI = Supplemental Security Income
Source: CBPP analysis of Social Security Administration data.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

⁶ Based on SSA, *Annual Statistical Report, 2016*, (https://www.ssa.gov/policy/docs/statcomps/di_asr/2016/sect01c.html#table26, and corresponding tables in earlier editions), we calculate that 31 percent of disabled-widow beneficiaries in 2000, 38 percent in 2005, and 52 percent in 2016 also got a disabled-worker benefit, which their widow benefit merely supplemented. We can't find data before 2000, but the benefit was originally created to help women who were widowed in their 50s and who had previously been homemakers. See Eric Kingson *et al.*, "The Evolution of Social Security Disabled Widow(er)s' Benefits," May 2003, Center for Retirement Research at Boston College, <http://crr.bc.edu/working-papers/the-evolution-of-social-security-disabled-widowers-benefits/>; and David A. Weaver, "Widows and Social Security," *Social Security Bulletin*, Vol. 70, No. 3, 2010, <https://www.ssa.gov/policy/docs/ssb/v70n3/v70n3p89.html>.

3. And, insured women’s rate of SSDI receipt has caught up with men’s.

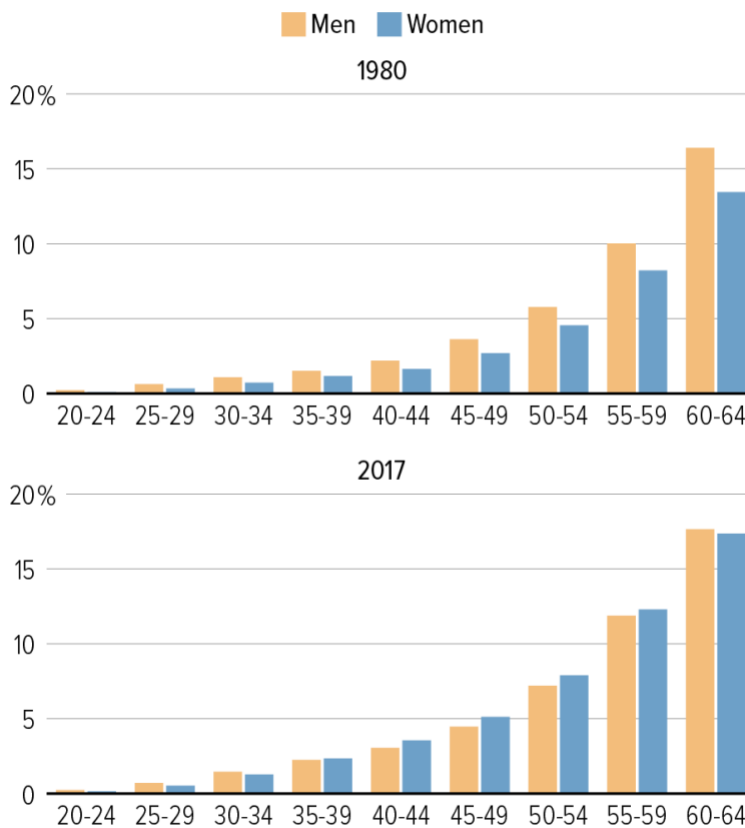
Not only are today’s women nearly as likely as men to be insured for SSDI; they’re just as likely to collect it, if insured. That’s a subtle and recent development.

Until the mid-1990s, insured women of any age — that is, women who had worked enough to qualify for SSDI in the event of disability — were only about three-fourths as likely as insured men to receive SSDI benefits. Now they’re equally likely to do so; in fact, in middle age, slightly more so. (See Figure 4.)

FIGURE 4

SSDI-Insured Women’s Rate of Receiving Benefits Has Caught Up With Men’s

Percent of insured workers receiving SSDI benefits, by age



Note: SSDI = Social Security Disability Insurance

Source: Office of the Chief Actuary, Social Security Administration.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

The puzzle isn’t why women have “caught up.” Rather, it’s why they lagged so far behind for so long. Because the comparison is limited to workers with the required years of employment, this change is not directly due to women’s rising labor force participation. Researchers — who have overwhelmingly focused on what influences men’s enrollment in SSDI — have not always noticed this trend, which is dubbed “women’s catch-up,” and even fewer have studied it.

What might explain this now-vanished gender gap? Past generations of women may have been less likely to know about SSDI and more likely to turn to family members or needs-tested programs if stricken by a severe medical impairment. In the 1970s, agency researchers noted the paradox that women reported higher rates of disability but were less likely even to apply for SSDI. The researchers also found that compared to men with disabilities, women with disabilities were less likely to collect Social Security, more likely to rely on a spouse's earnings, and more likely to collect public assistance.⁷

Also, even as late as the 1980s, it was the norm for many women to leave the labor force in their late 20s through early 40s, and then return. Middle age, though, also marks the onset or worsening of many disabilities, and perhaps women in poor health simply didn't return to the workforce — so that insured women were healthier than insured men. Researchers at the Federal Reserve Bank of San Francisco note this possible explanation: “Some argue [the former gender gap in SSDI receipt] reflects underlying health differences between men and women. Others maintain that women eligible for [SSDI] were not representative of the entire population of women in 1980 and that a representative sample of women would have had a reciprocity rate similar to men's.”⁸

Whatever the explanations — and they're hard to pin down, after the lapse of decades — so-called “women's catch-up” is an important factor in SSDI's growth. We wrote in 2014 that five demographic factors — population growth, the aging of the baby boomers, the growth in women's labor force participation, the rise in Social Security's full retirement age, and the catch-up in women's rate of receipt — explained nearly 70 percent of SSDI's growth between 1980 and 2013.⁹ Updating that analysis today would yield an even higher fraction, over 75 percent. And, to the extent that enrollment growth simply reflects women achieving parity with men, it seems unfair to view that as grounds for criticism or alarm.

⁷ Mordechai E. Lando, “Demographic Characteristics of Disability Applicants: Relationship to Allowances,” *Social Security Bulletin*, May 1976, <https://www.ssa.gov/policy/docs/ssb/v39n5/v39n5p15.pdf>; Lando *et al.*, *1978 Survey of Disability and Work: Data Book*, Social Security Administration, 1982, <https://catalog.hathitrust.org/Record/003003500>. Women workers in the 1980s were far less likely than men to be union members, and more likely to work part time and to hold clerical or service jobs. See U.S. Department of Labor, *Women in the Labor Force: A Databook*, February 2004, <https://www.bls.gov/cps/wlf-databook.htm>. It's possible that women's job characteristics made them less familiar with the program. In fact, recognizing that many people who might qualify for disability benefits simply didn't know about them, SSA conducted extensive advertising and outreach in the early 1990s. That effort was chiefly aimed at people eligible for SSI, but its impacts spilled over to Title II disability programs as well. Furthermore, in 2000 SSA started sending Social Security Statements to workers showing their potential benefits in the disability as well as retirement programs. Before then, there was no regular, individual communication to working-age people about their prospective benefits.

⁸ Mary C. Daly, Brian Lucking, and Jonathan Schwabish, “The Future of Social Security Disability Insurance,” *Federal Reserve Bank of San Francisco Economic Letter*, June 24, 2013, <http://www.frbsf.org/economic-research/publications/economic-letter/2013/june/future-social-security-disability-insurance-ssdi/>.

⁹ Kathy Ruffing, “How Much of the Growth in Disability Insurance Stems From Demographic Changes?” Center on Budget and Policy Priorities, January 27, 2014, <https://www.cbpp.org/research/how-much-of-the-growth-in-disability-insurance-stems-from-demographic-changes>.

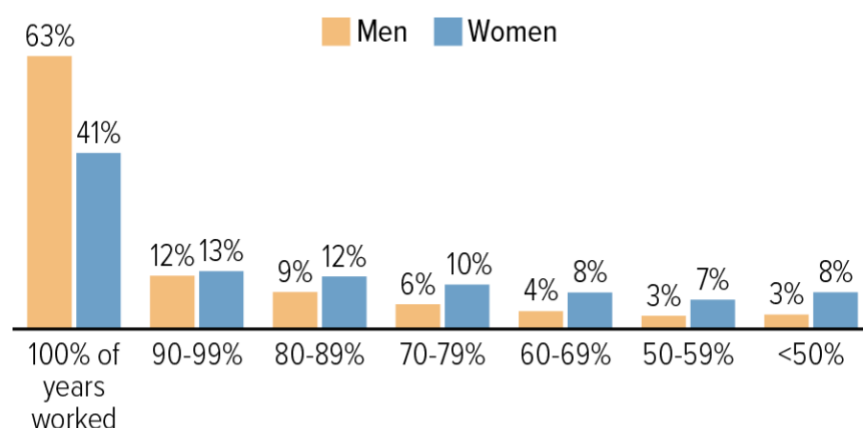
4. On average, women get lower SSDI benefits than men.

Although women now essentially match men in terms of SSDI enrollment, they lag behind in average benefit. In December 2017, the average woman disabled worker received a monthly benefit of \$1,069 — nearly 20 percent smaller than men’s average amount, \$1,320. The gender gap has shrunk — in the 1980s and early 1990s it was closer to 30 percent — but not disappeared, nor will it. Nearly 14 percent of men, but only 5 percent of women, received \$2,000 a month or more.¹⁰

FIGURE 5

Women SSDI Beneficiaries Spent Smaller Fraction of Their Adult Lives in the Workforce

Share of beneficiaries by percent of years worked, December 2013



Note: SSDI = Social Security Disability Insurance. Potential years worked are those between age 21 and onset of disability. Percentages may not add to 100 due to rounding.

Source: Social Security Administration

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

There’s no mystery why women’s average benefit is lower than men’s. Women receiving SSDI benefits have spent a smaller fraction of their adult life in paid work than men, at lower pay. While three-quarters of men receiving SSDI in 2013 worked in at least 90 percent of the potential years between age 21 and the onset of disability, only slightly more than half of female beneficiaries did. (See Figure 5.) Their past earnings also differed — at the median, about \$43,000 for men versus \$31,000 for women (in 2014 dollars) in their top five years.¹¹ Social Security benefits are calculated by updating workers’ past earnings to today’s equivalents, dropping a limited number of the lowest

¹⁰ Historical data on average benefit from <https://www.ssa.gov/OACT/ProgData/icp.html>; distribution of benefits in December 2017 from https://www.ssa.gov/OACT/ProgData/benefits/da_mbc201712.html.

¹¹ Paul O’Leary, Elisa Walker, and Emily Roessel, “Social Security Disability Insurance at Age 60: Does It Still Reflect Congress’ Original Intent?” SSA, Issue Paper No. 2015-01 (September 2015), <https://www.ssa.gov/policy/docs/issuepapers/ip2015-01.html>. The authors provided CBPP with the gender breakdown for their Chart 1.

years, averaging the rest, and applying a progressive formula to the result.¹² Thus, low earnings and time outside the labor force — both of which are more common among women — hurt a worker’s eventual benefit.

Their lower benefit is probably a major reason that women SSDI beneficiaries are more likely to be poor than their male counterparts — 21 percent versus 15 percent — and to qualify for SSI.¹³

5. The mix of disabling impairments is somewhat different for men and women on SSDI.

Women’s and men’s bodies and minds are prey to many of the same afflictions. Yet there are well-known gender differences in health status and disability, and some of those are apparent in SSDI.

Compared with men, women SSDI beneficiaries are somewhat more likely to qualify because of a mental or musculoskeletal impairment. They’re more likely to have cancer, but less likely to have circulatory disease or to have suffered a catastrophic injury. (See Figure 6.)¹⁴

Perhaps related, women receiving SSDI experience lower mortality than do male beneficiaries. SSDI beneficiaries’ death rates far exceed those of the general population: among older SSDI beneficiaries — who dominate the program’s enrollment — mortality is three to six times the average for their age group.¹⁵ Many die within a few years of qualifying for SSDI. Yet even among SSDI beneficiaries, women have a mortality advantage. Their death rates are, on average, about

¹² Specifically, the averaging period is equal to the number of elapsed years (after age 21 and before onset of disability), with the lowest-earning one-fifth of years dropped. Thus, a 27-year-old applicant may drop one year, a 32-year-old two years, and so forth. At maximum, five years are dropped (for applicants 47 and older). For younger applicants, those so-called “dropout years” under the regular formula may be boosted by up to three child care years in which the worker had zero earnings and a child under age 3. As a practical matter, that provision only helps applicants under age 37. See SSA, *Annual Statistical Supplement to the Social Security Bulletin*, 2016, <https://www.ssa.gov/policy/docs/statcomps/supplement/2016/2a8-2a19.html#table2.a10>.

¹³ Michelle Stegman Bailey and Jeffrey Hemmeter, “Characteristics of Noninstitutionalized DI and SSI Program Participants, 2013 Update,” SSA, Research and Statistics Note No. 2015-02 (September 2015), <https://www.ssa.gov/policy/docs/rsnotes/rsn2015-02.html>.

¹⁴ SSA, *Annual Statistical Report*, 2016, https://www.ssa.gov/policy/docs/statcomps/di_asr/2016/sect03c.html#table44, and corresponding table from earlier editions. It’s important to note that these are the primary diagnosis; many SSDI beneficiaries have multiple medical conditions, and mental impairments in particular often coexist with serious physical illness. See, for example, *Morbidity and Mortality in People with Serious Mental Illness*, National Association of State Mental Health Program Directors, 2006, <https://www.nasmhpd.org/content/morbidity-and-mortality-people-serious-mental-illness>; Bill Gardner, “The Physical Reality of Mental Illness,” *Incidental Economist*, May 28, 2013, <http://theincidentaleconomist.com/wordpress/the-physical-reality-of-mental-illness/>; William Frey *et al.*, *Mental Health Treatment Study: Final Report*, prepared for the Social Security Administration by Westat, July 2011, https://www.ssa.gov/disabilityresearch/documents/MHTS_Final_Report_508.pdf.

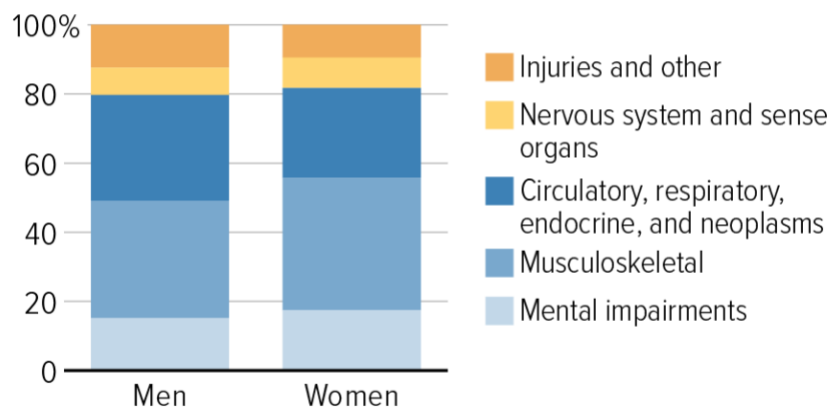
¹⁵ Kathy Ruffing, “No Surprise: Disability Beneficiaries Experience High Death Rates,” Center on Budget and Policy Priorities, April 4, 2013, <https://www.cbpp.org/blog/no-surprise-disability-beneficiaries-experience-high-death-rates>; updated chart at CBPP, “Chart Book: Social Security Disability Insurance,” updated August 1, 2017, https://www.cbpp.org/research/social-security/chart-book-social-security-disability-insurance#Section_three. See also Lakshmi K. Raut, “Exits from the Disability Insurance Rolls: Estimates from a Competing-Risks Model,” *Social Security Bulletin*, Vol. 77, No. 3, 2017, <https://www.ssa.gov/policy/docs/ssb/v77n3/v77n3p15.html>.

three-fourths as high as males' of the same age. That has translated into longer stays on SSDI, further boosting women's share of the program.

FIGURE 6

Women Receiving SSDI Likelier to Qualify Due to Mental or Musculoskeletal Impairment

Percent of SSDI awards by diagnosis, 2007-2016



Note: SSDI = Social Security Disability Insurance
Source: Social Security Administration

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

In sum, SSDI has changed from a predominantly male program to one that is roughly half female. That fact ripples through many aspects of the program. “Unisex” analyses of trends in SSDI risk being biased and misleading. More profoundly, SSDI is an important element of financial security for women workers and those who depend on them. Poor health and work incapacity are no reason to celebrate, but women as well as men now benefit almost equally from Social Security’s protection in the event of such a blow.