
DECLINE IN SOCIAL SECURITY DISABILITY RECIPIENTS

Applications for Social Security Disability (SSD) and the numbers of people who receive SSD have been falling. *The Wall Street Journal* recently reported that Social Security Administration actuaries have pushed back the date upon which the SSD trust fund is expected to become exhausted by 20 years to 2052.

The primary reason for this change has been the burgeoning economy. SSD applications have been falling since 2010, along with the numbers of people receiving SSD benefits. Since 2014, the number of disabled workers receiving SSD has declined by 260,000. Many people using SSD as a form of unemployment insurance have instead opted to return to the work force.

The *WSJ* reported that the uptick in the national labor force participation rate has been driven largely by disabled workers who have gone back to work. Part of this trend has involved employers becoming more accommodating to disabled workers based on the number of available jobs exceeding the numbers of qualified applicants.

Enforcement of SSD regulations and investigation of fraud have also helped reduce the numbers of people receiving SSD. The Social Security Administration has been undertaking an analysis similar to the vocational analysis in workers' compensation claims to determine whether people are capable of returning to work, in consideration of their vocational skills and physical restrictions. Social Security investigators have also rolled out their plan to investigate social media accounts of people receiving SSD.

ANALYSIS:

The connection between workers' compensation and SSD has been apparent for many years. Although the statute no longer states that an award of SSD is proof of permanent total disability, the award of SSD is often one of the elements of proof an injured worker uses in helping to establish entitlement to PTD benefits. An award of SSD also allows an injured worker time to wait out the legal process of litigating his or her PTD claim since the award of SSD benefits provides the claimant with a stream of income until his or her claim winds its way through the workers' compensation litigation process. A reduction in SSD awards and SSD recipients should help with the stated legislative intent of the workers' compensation system to return injured workers back to the work force as quickly and efficiently as possible.

--Thomas P Vecchio, Esquire, BCS, CPCU