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## Edward V. Roberts

### Testimony on Social Security Benefits

May 21, 1982

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## Testimony by Edward V. Roberts Director - California Department of Rehabilitation U. S. House of Representatives - Select Committee on Aging

MAY 21, 1982

### Introduction

My name is Ed Roberts, and I am Director of the California Department of Rehabilitation and an individual with a severe disability as a result of polio. For many years, I was recipient of social security disability benefits. I have come here today to tell you what is happening to people with severe disabilities in my State as a result of the 1980 Social Security Amendments and the Administration's decision to speed up the Continuing Disability Investigations (CDI).

The California Department of Rehabilitation is proud of its strong record of rehabilitating social security benefit recipients into gainful employment. My agency has for many years rehabilitated three times as many SSI/SSDI recipients as any other state. In fact, whereas only 18% of the rehabilitation caseload nationally is made up of SSI/SSDI recipients, in California they represent 34% of our caseload. Therefore, I believe I can speak from the perspective of an agency that knows a great deal about the rehabilitation potential of this population, and that works vigorously to help people achieve that potential.

I am here today to tell you that thousands of Californians who are too disabled to go to work are being dropped from social security benefits as a result of the CDI speed-up. In April, the Western Law Center for the Handicapped, Protection and Advocacy, Inc., and the Department of Rehabilitation

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held a hearing in Los Angeles to hear public comment about the process. I attended the hearing as did Marion Woods, the Director of the California Department of Social Services, who is also here today to testify before this committee. I heard about the person with chronic schizophrenia who received a termination notice at the mental hospital where he had been living on and off for many years. I heard about the woman who committed suicide because she couldn't understand how she could live without her monthly benefits. I heard from an individual who was almost finished with a vocational training program as a rehab client and who was dropped from social security benefits even though there is a section, 301, in the Social Security Amendments that specifically allows the retention of benefits if the person is in a rehabilitation plan. In a little more than 3 hours, I heard close to 40 examples of the agony of people who have lost everything they depended upon to survive.

This is happening all over the country, not only in California.

I shall speak about the CDI process and the SSI/SSDI rehabilitation program. I have some general comments about what it means to be disabled and the factors that determine an individual's capacity for rehabilitation, and how we can influence those factors. I also shall suggest changes in the present legislation that would greatly enhance our ability to achieve these goals.

## **CDI Process**

1. The process as it is now conducted is inhumane and cruel. Disability Examiners never see the individual face-to-face, decisions are made on information that is inadequate or incomplete, and the medical consultants who review the cases have little experience with the multiply disabling conditions of many of the benefit recipients. The CDI process should be

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- done with even more care than the application process because of the possibility that the individual may lose everything he depends on for survival (including Social Security disability benefits, Medi-Cal and California In-Home Supportive Services).
2. Congress knew that state agencies couldn't speed up the CDI process by 300% in so short a time span. In California, over the last 9 months CDI's have increased by 182% and staffing by only 30%. The principal result of such a speed-up has been a staggering level of reversals by administrative law judges.
3. In California, 40,000 SSI/SSDI recipients will undergo a CDI review in FY 82. Of these, 50% (20,000) will be terminated, approximately one half will appeal and up to 70%, depending on whose figures you use, will be reinstated. That means that roughly 14,000 persons will be terminated from benefits. (See Attachment A) Many of these will go on general relief.
4. The phase-down provision is miserably inadequate. It has imposed an extreme hardship on the SSDI recipient who would lose his benefits immediately—without even the few months grace period allowed the terminated SSI recipient.
5. The accelerated CDI review is a poor way to correct the societal problem of unemployment of persons with a history of severe disability. (The criteria for determining eligibility for disability benefits has grown more stringent in recent years. This is one of the reasons for the accelerated review. But, even after acknowledging the change in criteria, the CDI process is a woefully ineffective way of getting people off benefits and into the work force.)
6. I contend that very many of the people now terminated are too disabled to go to work. I also assert that many on disability roles

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are like myself—very capable of gainful employment but needing rehabilitation services in order to make that potential a reality.

## **SSI/SSDI Rehabilitation**

1. The phase out of this program began in the Carter administration, and continues today in the Reagan administration. \$124 million was provided for this program in 1980-81 and approximately \$3 million in 1981-82. The reason given was lack of cost effectiveness even though in California we have as high a success rate with this population as with any we serve (over 40%). I am an example of this success.
2. As soon as state rehabilitation agencies realized that Congress would decide to only provide for retroactive payment for the rehabilitation services to an SSI/SSDI recipient who was successfully rehabilitated and working for 9 months, they began to wind down their SSI/SSDI rehabilitation programs. Most rehabilitation agencies no longer serve this population at anywhere near the level served previously.
3. Last year (before the cutback in SSI/SSDI rehabilitation funds) the California rehabilitation program

provided services to 31,000 SSI/SSDI recipients in order to assess their feasibility for rehabilitation toward employment. Of those, we placed 20,000 in rehabilitation plans. These plans vary from one to several years in length, and each year we place approximately 1/4 of the SSI/SSDI caseload into gainful employment. Our success rate with this population has averaged 40%. (See Attachment B)  
Those who do not enter employment are, in our opinion, too disabled at this point in time to work or our system is not adequately equipped to help them overcome their formidable handicaps to employment.

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## **When is Severe Disability Too Severe**

The CDI process, as it is now being conducted, fails to adequately weight the factors that determine an individual's feasibility for employment. These factors include: the combination of circumstances that further cripple an individual above and beyond his "disability listing"; the reality of pain; the impact of age, lack of training and absence of work experience; the absence of motivation or even hope, the fear of losing benefits if their effort to work fails, societal attitudes toward disability. On top of these, there are the tremendous adjustment problems faced by an individual who has been receiving disability benefits for many years and who sincerely believes that he is "too disabled to work."

I ask you, who is more qualified to make the determination that an individual is or is not "too disabled to work"? The CDI Reviewer or the Vocational Rehabilitation Counselor?

## **Recommendations for Change**

I do not quarrel with the intent of Congress to terminate from disability benefits people who can work. But, I do assert that the CDI process, as it is now being conducted, is extremely ineffective. All the CDI process is accomplishing is forcing many people onto general relief and very few into jobs.

The Pickle bill (H.R. 6181) begins to correct some of the problems but it does not go far enough toward making the process more realistic and actually, in Section 5, makes the process less fair.

I recommend that Congress immediately declare a moratorium on the accelerated CDI process while a new procedure is developed which more adequately assesses the severity of an individual's disabilities as these disabilities impact on his ability to work. I further recommend that the SSI/SSDI rehabilitation

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system be reinstated with a funding level that is adequate to serve both those on benefits and those to-be-terminated. My use of "to-be-terminated" is purposeful. I urge you to allow a person, who would otherwise be terminated, to retain disability benefits if accepted into a rehabilitation plan. By doing so, you will be providing people with a powerful incentive to move from a position of dependency to independence—a process that is often difficult, demanding and threatening. Finally, I ask you to remove the employment disincentives that now exist in the disability benefit program and that actually work against people achieving their full employment potential.

## **Conclusion**

The funds for SSI/SSDI rehabilitation have disappeared. Instead, additional federal dollars are going into accelerated CDI reviews.

Is that where Congress wants federal funds to go? Into forcing people onto general relief, rather than helping them become gainfully employed, taxpaying citizens?

It doesn't make sense to drop people from benefits and to discontinue their only resource for rehabilitation at the same time.

I urge Congress to rethink the entire process. I suggest that you continue the review process in a manner that is more fair, thorough and thoughtful, and that if you find people who are no longer too severely disabled to work that you provide them with the wherewithal to return to the work force: rehabilitation. I also urge you to allow them to continue benefits while in plan.

Don't go halfway. When people lose their benefits and, in California, their Medi-Cal and IHSS, they are destroyed. Allow them to retain their benefits while in plan and I assert that you will accomplish the same savings or more

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as many become employed and taxpaying citizens.

This is the more humane method of cutting our disability benefit costs—by opening up a better life for people rather than reducing them to indigent wards of society.

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## Attachment A

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<b>ADDITIONAL DATA Source: Disability Evaluation Division Department of Social Services</b>			
	<u>FY 1980</u>	<u>FY 1981</u>	<u>FY 1982 (Projected)</u>
<u>1. CONTINUING DISABILITY INVESTIGATIONS</u>			
a. Number of CDI's Processed— Title II (SSDI)	14,760	27,978	48,008
b. Number of CDI's Processed— Title XVI (SSI)	11,071	17,415	24,832
c. Cessation Rate Title II	5,409 (36.6%)	10,859 (38.8%)	19,152 (39.9%)
d. Cessation Rate Title XVI	3,808 (34.4%)	7,339 (42.1%)	9,414 (37.9%)
<u>2. MEAN PROCESSING TIME— INITIAL CASES</u>	5 mos. <u>ending 2/81</u>	5 mos. <u>ending 2/82</u>	Federal <u>Goals</u>
Title II	45.5 days	58.5 days	49.5 days
Title XVI	62.0 days	75.0 days	57.9 days
<u>3. AVERAGE ANALYST CASELOAD</u>	<u>February '81</u>	<u>May '81</u>	
Number of initials, reconsiderations, and CDI's per analyst	140 cases	170 Cases	
		<u>6 mos ending 3/82</u>	
<u>4. TOTAL CASELOAD</u>	<u>FFY 1981</u>	<u>(Cases Pending)</u>	<u>(Processed)</u>

<b>ADDITIONAL DATA Source: Disability Evaluation Division Department of Social Services</b>			
	<b>FY 1980</b>	<b>FY 1981</b>	<b>FY 1982 (Projected)</b>
Initial Application	23,958	31,846	90,141
	(71.5%)	(53.0%)	(59.5%)
Reconsideration	55,418	7,490	25,541
	(17.7%)	(12.6%)	(16.9%)
Continuing	25,831	19,476	32,398
Disability	(8.3%)	(32.6%)	(21.4%)
Investigations			
Total (inc. "other")	313,242	59,655	151,469
<b>5. TOTAL CASES PROCESSED</b>	<b>FFY 1982</b>	<b>FFY 1981</b>	<b>FFY 1980</b>
	313,242	346,584 Increase of 18.4%	370,907 (Projected)
<b>6. TOTAL NUMBER OF DISABILITY EXAMINERS</b>	<b>1980</b>	<b>1982</b>	
	306	416 (increase of 36%)	

There has been an 18.4% increase in total cases, but the number of CDI's has increased 182% and the number of initial evaluations has increased by 1.8%. The allocated staffing went up 30%.

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## Attachment B

<b>Number of Clients Receiving SSDI/SSI Benefits Who Were Served, Accepted for Services, Closed After Plan, and Success Ratios Fiscal Years 1979-80, 1980-81, and 1981-82</b>					
Fiscal year	SSDI/SSI clients served (statuses 02-30)	SSDI/SSI clients accepted for VR services, including plans (statuses 10-30)	SSDI/SSI clients closed after plan		Success ratio <sup>1</sup>
			Not rehabilitated (status 28)	Rehabilitated (status 26)	
FY 1979-80	33,980	21,441	3,603	3,756	.51
FY 1980-81	30,950	19,906	5,797	3,047	.34
FY 1981-82 (estimat) <sup>2</sup>	27,250	18,000	3,650	2,350	.39

1. 2/ Number of rehabilitations divided by total number of closures after plan initiated.

2. 1/ Projected through June 30, 1982 based on data from July 1981 through April 1982.