

SSI Cuts Would Increase Hardship For Families with Disabled Children



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Overview

The costs of raising children with disabilities in the United States are high. Every day in the United States, families of children with disabilities make difficult decisions about managing their budgets and meeting their children's care needs. Low-income families caring for children with disabilities often endure hardships like food insecurity, housing instability, and unmet medical care needs. And these families lack adequate savings to help in a crisis. Cutting SSI through a family cap or decreased benefits for multiple children would only make it harder for families to provide for the basic and special needs of their children with disabilities.

Raising Children with Disabilities is Expensive

It is expensive to raise children with disabilities in the United States. Medicaid and even most private insurance plans in the United States have limited or no coverage of many things children with disabilities need. For example, many plans do not cover, or do not fully cover, therapies to help children function in their families, communities, and schools. Many plans also fail to cover equipment and devices to help with communication, mobility, breathing and movement, and other functional needs.

Families with Disabled Children Are More Likely to Face Hardship

These high costs lead many families caring for a disabled child to experience serious material hardships such as food insecurity, housing instability, and unmet medical needs. Families with children with disabilities are more likely to run out of food or skip meals, have their phone service shut off, postpone needed medical care, be unable to pay rent, and to move in with others. **Over 70% of low-income families with children report facing such material hardships.**

*This **Lurie Institute for Disability Policy Brief** reports findings from an analysis of national data from the 2004 Survey of Income and Program Participation (SIPP).*

Families with Disabled Children Likely to Suffer Lost Parental Income

It can be particularly hard for both parents of disabled children to work, and generate more income to pay for the care needs of their disabled children. This is the case because childcare that is accessible to children with disabilities is very limited. And childcare is generally expensive. So mothers in these families often must stay home to care for their children and are unable to work, which further limits the families' income potential. Single-mother families are particularly vulnerable.

Families with Disabled Children More Likely to Lack Savings

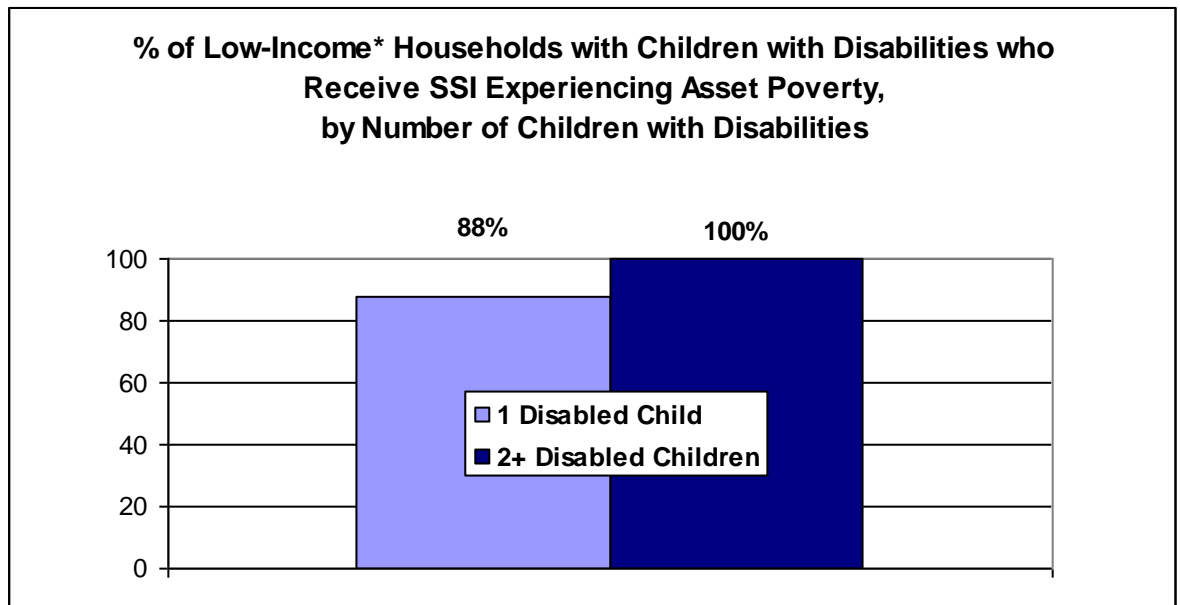
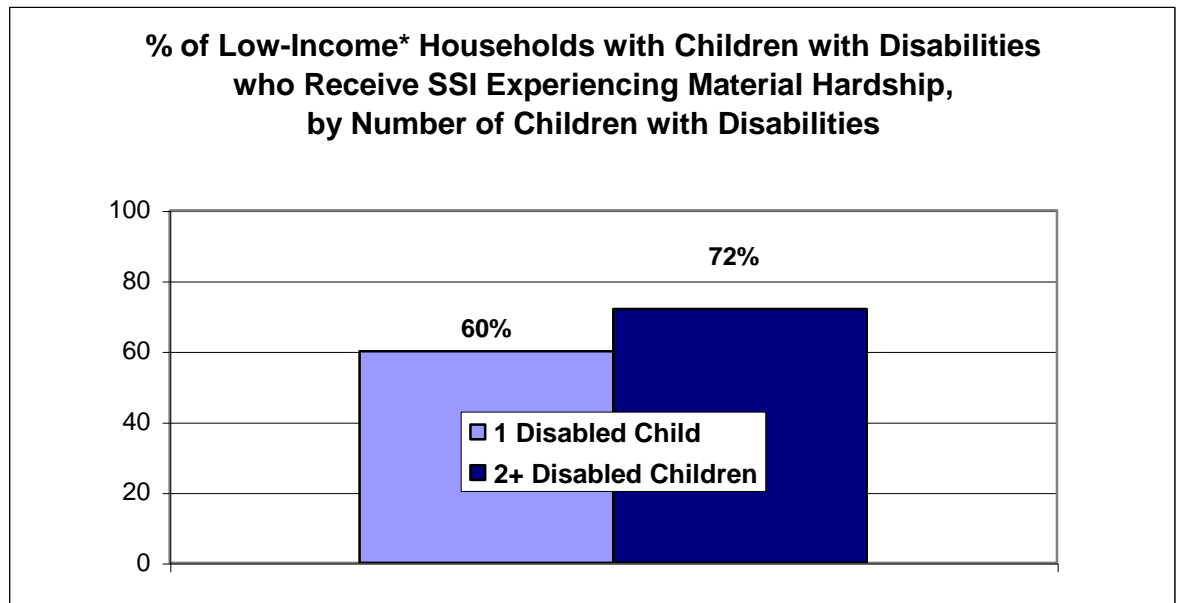
Families caring for a child with disabilities often lack financial savings to sustain them in case of crisis. Among low-income families, 100% of families with two or more children with disabilities were *asset-poor*, meaning that they did not have enough savings to weather a three-month period without income. Families on SSI are especially vulnerable to material hardship. In order for a child to qualify for SSI, his or her family must be low-income and meet incredibly low SSI asset limits, just \$3,000 for most families.

Research Does Not Support Cutting SSI Benefits for Families with Multiple Disabled Children

Limiting the number of children in a family that can receive Supplemental Security Income, or otherwise cutting benefits when there are multiple disabled children in a household, is not supported by our research. First, there is no credible research evidence to suggest that families incur economies of scale when they have more than 1 child with disabilities. Furthermore, there's no compelling logical reason to believe that costs incurred for one child with disabilities can be shared between two or more children. This is true for most of the disability-related expenditures families incur, for things like medication, adaptive equipment, therapies, or medical care.

Cutting SSI through a family cap or decreased benefits for multiple disabled children would only make it harder for families to provide for the basic and special needs of their children with disabilities. The existing research simply does not support the implementation of cuts to children's SSI for households with multiple children with disabilities.

Material hardship describes experiences of food insecurity, housing instability, and/or unmet medical needs. **Asset poverty** describes the condition of families whose financial savings could not sustain them for at least three months at the federal poverty level, if they lost their sources of income. For example, in 2011, the federal poverty level for a family of three was \$18,530. Families of three were considered asset poor if they had <3 months of savings accumulated, or \$4,633. **Material hardship and asset poverty are significant problems for low-income families with disabled children, even with the financial support provided by SSI.**



*Low-income denotes families with total household <200% FPL

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