



CONSORTIUM FOR CITIZENS
WITH DISABILITIES

ENTITLEMENT REFORMS AND DISABILITY PREVENTION

More than 50% of persons over the age of 75 are disabled. Vulnerable seniors should be protected from macro budget policies that diminish fiscal resources and health.

A forum on “Taking Back Our Fiscal Future” was held by the Brookings Institution and The Heritage Foundation at the National Press Club. Presenters at the forum were the President and a Senior Fellow at the Urban Institute and Senior Fellows at both the Heritage Foundation and Brookings Institution.

Summary

The theme of the forum was the cost of entitlement programs are out of control. Recommended changes included: 1) the enactment of long-term budgets, 2) the setting of limits on automatic spending growth with a required review every five year, 3) the implementation of a trigger for making decisions about projected budget amounts, 4) the maintenance of visibility in the budget at all times when decisions are made. The conclusions of the paper were there would be “pain.” to address the fiscal issues.

Disability Prevention Issues

Policies have been imposed on seniors that reduce disposable income and force many to work late in life when they may be disabled. Fifty-two percent of seniors over the age of 75 are disabled and over 30% at age 65. Modifications to Social Security and Medicare have already been made that adversely impact on disposable income of low income and disabled seniors. Seniors’ Medicare Part B premiums have been raised 68% since 2004 to account for health care inflation. These increases in health care have been deducted from their Social Security checks. Many seniors will have to work two years longer before retiring since the retirement age has been raised from 65 to 67. In additions, seniors must deal with Medicare Part D inflation of prescription drugs. The average monthly benefit for Social Security is \$923 per month, which is near the poverty level. Thus, many seniors will have reductions in fiscal resources to the point where decisions may compromise their health and well-being and contribute to disability.

Intervention

A letter was sent to the President of the Urban Institute as a follow up to the floor discussion. The letter indicated that seniors, particularly those with disabilities, have already suffered adverse impact in recent remedies to Social Security and Medicare.

Recommendation

Entitlement reforms should not result in reduction of security income below poverty levels and reduction of health services for vulnerable people that would diminish their health and may lead to disability and secondary disabling conditions.