

# Disability Statistics



## It happens more often than you'd imagine

- Just over 1 in 4 of today's 20 year-olds will become disabled before they retire.<sup>1</sup>
- Over 37 million Americans are classified as disabled; about 12% of the total population. More than 50% of those disabled Americans are in their working years, from 18-64.<sup>2</sup>
- 8.8 million disabled wage earners, over 5% of U.S. workers, were receiving Social Security Disability (SSDI) benefits at the end of 2012.<sup>3</sup>
- In December of 2012, there were over 2.5 million disabled workers in their 20s, 30s, and 40s receiving SSDI benefits.<sup>3</sup>

## Chances of becoming disabled

The following statistics come from CDA's PDQ disability risk calculator:<sup>4</sup>

- A typical female, age 35, 5'4", 125 pounds, non-smoker, who works mostly an office job, with some outdoor physical responsibilities, and who leads a healthy lifestyle has the following risks:
  - A 24% chance of becoming disabled for 3 months or longer during her working career;
    - with a 38% chance that the disability would last 5 years or longer
    - and with the average disability for someone like her lasting 82 months.
  - If this same person used tobacco and weighed 160 pounds, the risk would increase to a 41% chance of becoming disabled for 3 months or longer.

- A typical male, age 35, 5'10", 170 pounds, non-smoker, who works an office job, with some outdoor physical responsibilities, and who leads a healthy lifestyle has the following risks:
  - A 21% chance of becoming disabled for 3 months or longer during his working career;
    - with a 38% chance that the disability would last 5 years or longer
    - and with the average disability for someone like him lasting 82 months.
  - If this same person used tobacco and weighed 210 pounds, the risk would increase to a 45% chance of becoming disabled for 3 months or longer.

A sample of factors that increase the risk of disability:

Excess body weight, tobacco use, high risk activities or behaviors, chronic conditions such as; diabetes, high blood pressure, back pain, anxiety or depression, frequent alcohol consumption or substance abuse.

A sample of factors that decrease the risk of disability:

Maintaining a healthy body weight, no tobacco use, healthy diet and sleep habits, regular exercise, moderate to no alcohol consumption, avoidance of high risk behaviors including substance abuse, maintaining a healthy stress level, and effective treatment of chronic health conditions.

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To calculate your own Personal Disability Quotient (PDQ), go to:

[http://www.disabilitycanhappen.org/chances\\_disability/pdq.asp](http://www.disabilitycanhappen.org/chances_disability/pdq.asp)

To learn more about risk factors and ways to help reduce your risk, go to:

<http://www.whatsmypdq.org>.

## Disability prevents people from earning a living:

- There were over 2.8 million new Social Security Disability Insurance (SSDI) applications in 2012, slightly lower than in the two previous years, but still 29% higher than in 2007, and 68% higher than 2002 levels.<sup>3</sup>
- 61% of surveyed wage earners personally know someone who has been disabled and unable to work for 3 months or longer.<sup>5</sup>
- Wage earners who know someone who has been disabled predict their own odds to be higher than respondents who do not.<sup>5</sup>
- The average group long-term disability claim lasts 34.6 months.<sup>6</sup>
- The average individual disability claim lasts 31.6 months.<sup>7</sup>
- One in eight workers will be disabled for five years or more during their working careers.<sup>8</sup>

## Working Americans underestimate their risk of disability:

- 64% of wage earners believe they have a 2% or less chance of being disabled for 3 months or more during their working career.<sup>5</sup> The actual

odds for a worker entering the workforce today are about 25%.<sup>1</sup>

- Most working Americans estimate that their own chances of experiencing a long term disability are substantially lower than the average worker's.<sup>5</sup>

## Disability causes severe financial hardship:

- 90% of wage earners rated their "ability to earn an income" as "valuable" or "very valuable" in helping them achieve long-term financial security — wage earners perceive their ability to earn an income as even more valuable than retirement savings, medical insurance, personal possessions, other forms of savings or their homes.<sup>5</sup>
- Medical problems contributed to 62%<sup>9</sup> of all personal bankruptcies filed in the U.S. in 2007—an estimate of over 500,000.<sup>10</sup> This is a 50% increase over results from a similar 2001 study.
- Medical problems contributed to half of all home foreclosure filings in 2006.<sup>11</sup>

## Common causes of disability:

- According to CDA's 2013 Long Term Disability Claims Review<sup>12</sup>, the following were the leading causes of new disability claims in 2012:
  - Musculoskeletal / connective tissue disorders (28.5%) \*
  - Cancer (14.6%)
  - Injuries and poisoning (10.6%)
  - Mental disorders (8.9%)
  - Cardiovascular/circulatory disorders (8.2%)

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- The most common causes of existing disability claims in 2012 were:
  - Musculoskeletal/connective tissue disorders (30.7%) \*
  - Disorders of the nervous system and sense organs (14.2%)
  - Cardiovascular/circulatory disorders (12.1%)
  - Cancer (9.0%)
  - Mental disorders (7.7%)
- Approximately 90% of disabilities are caused by illnesses rather than accidents.

*\* This category includes claims caused by neck and back pain; joint, muscle and tendon disorders; foot, ankle and hand disorders, etc.*

## Few American workers are financially prepared:

How long could you afford to be without a paycheck?

- Do you save any of your annual income? 48% of U.S. families don't.<sup>13</sup>
- Do you have private pension coverage? Most of us - over 50% - don't.<sup>1</sup>
- Retirement savings? One-third of us have none.<sup>1</sup>
- 68% of Americans would find it very difficult or somewhat difficult to meet their current financial obligations if their next paycheck were delayed for one week.<sup>14</sup>
- 65% of working Americans say they could not cover normal living expenses even for a year if their employment income was lost; 38% could not pay their bills for more than 3 months.<sup>5</sup>

- Nearly nine in ten workers (86%) surveyed believe that people should plan in their 20's or 30's in case an income limiting disability should occur;
- Only half (50%) of all workers have actually planned for this possibility.
- Fewer than half (46%) have even discussed disability planning.<sup>15</sup>

## Most American workers' incomes are not protected:

- About 100 million workers are without private disability income insurance.<sup>1</sup>
- 69% of workers in the private sector have no private long-term disability insurance.<sup>1</sup>

## Think Social Security or Workers' Compensation will cover it?

Better do your homework:

- 65% of initial SSDI claim applications were denied in 2012.<sup>3</sup>
- Can your family live on \$1,130 a month? That's the average monthly benefit paid by Social Security Disability Insurance (SSDI) at the end of 2012.<sup>16</sup>
  - The average SSDI monthly benefit payment for males was \$1,256
  - The average SSDI monthly benefit payment for females was \$993
- At the end of 2012:

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- 7.3% of SSDI recipients received less than \$500 monthly.
- 46% received less than \$1,000 per month.
- 93% received less than \$2,000 per month.<sup>17</sup>
- Less than 5% of disabling accidents and illnesses are work related. The other 95% are not, meaning Workers' Compensation doesn't cover them.<sup>12</sup>

For more information, please visit [www.disabilitycanhappen.org](http://www.disabilitycanhappen.org)

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  3. U.S. Social Security Administration, Disabled Worker Beneficiary Data, December 2012
  4. Council for Disability Awareness, Personal Disability Quotient (PDQ) calculator
  5. Council for Disability Awareness, Disability Divide Consumer Disability Awareness Study, 2010
  6. Gen Re, U.S. Group Disability Rate & Risk Management Survey 2012, based on claims closed in 2011
  7. Gen Re, U.S. Individual DI Risk Management Survey 2011, based on claims closed in 2010
  8. Commissioner's Disability Insurance Tables A and C, assuming equal weights by gender and occupation class
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  17. U.S. Social Security Administration, Disabled Worker Beneficiary Data, December 2012