

8 Milestones in the History of the SSDI Program

On August 14, 1935, President Franklin D. Roosevelt signed the Social Security Act into law, establishing the first social insurance system in the nation. Since enacted nearly 100 years ago, the Social Security Act has provided crucial financial support to retirees, widow(er)s, dependent children, and disabled workers. Social Security Disability Insurance (SSDI) benefits are a cornerstone of the Social Security program, providing financial stability to those unable to work because of a disabling condition. The SSDI program has evolved since its inception. Here are just a few of the many milestones throughout its history.

1 September 1, 1954: The Social Security Amendments of 1954 establishes the disability freeze.

An amendment to the Social Security Act in 1954 expanded coverage for retirees and survivors. Despite being recommended previously, a disability freeze protecting disabled workers had so far failed to pass Congress. In 1954, the disability freeze was included with the expansion of coverage, officially offering protection for future retirement benefits from any disability employment status or lack of wages. With the amendment, retirees would not lose their insured status because of a disability-related gap in employment due to a disability. Similarly, low wages and earnings would not count against an individual when calculating retirement payments, as long as it is because of a disability.

2 August 1, 1956: The 1956 Social Security Amendments Act establishes the SSDI program.

President Dwight D. Eisenhower created the SSDI program when he signed the 1956 Amendments Act. The earliest version of the SSDI program paid cash benefits to “permanently and totally disabled workers” between 50-64 after a six-month waiting period, as well as to children who became disabled prior to 18. The program has since reduced its waiting period to five months and extended benefits to disabled workers between 18 and full retirement age and children who became disabled before the age of 22.

3 August 28, 1958: Dependents of disabled workers become eligible for benefits.

Recognizing the family of a disabled worker has just as many needs as the family of a retiree, Social Security amendments in 1958 established dependent benefits for those receiving SSDI payments. These benefits extended to wives and dependent husbands at retirement age, wives with a dependent child in care, unmarried children, and children disabled before age 18. Social Security has since extended dependent benefits to a spouse who is 62 years or older or has a dependent child in care, dependent parents, and children disabled prior to 22. Child benefits now terminate at 18, only to continue as student benefits for a possible 14 additional months.

4 February 1, 1968: Individuals become eligible for disabled widow(er)s benefits.

Under subsequent amendments to the Social Security Act, widows and dependent widowers were eligible to receive cash benefits if they met age and dependency requirements. Younger widow(er)s and those unable to work due to a disabling condition, however, were not included in earlier adjustments to the program. In 1968, Amendments extended eligibility for reduced payments to qualifying disabled widow(er)s starting at age 50. This provision exists today, providing eligible widow(er)s the chance to receive additional benefits on a late spouse’s record.

5 October 9, 1984: The Social Security Disability Reform Act of 1984 establishes disability evaluation standards.

Facing criticism and failing credibility, the Social Security Administration needed an overhaul to reestablish its place as a key governmental agency. To help grow and rejuvenate the SSDI program, President Ronald Regan signed the Social Security Disability Reform Act of 1984. The Act established a standard process to determine ongoing eligibility for beneficiaries, placing much of the burden of a continuing disability review on Social Security instead of the beneficiary. If found to no longer be disabled, individuals would now have the right to continue payments while they appealed the decision, should they wish to do so. Additional changes included the move to view medical evidence from the treating provider more heavily than other medical evidence and the review of multiple conditions and their symptoms as a combination of impairments to help determine and establish severity.

6 December 17, 1999: The Ticket to Work and Work Incentives Improvement Act of 1999 incentives workforce reentry.

In early 1998, President Bill Clinton issued an Executive Order to establish a task force to help form policy to bring disabled adults back into the workforce at a substantially gainful level. After more than a year of work, the most significant change in disability policy since the Americans with Disability Act nearly ten years earlier was signed into law. The Ticket to Work program provides many employment-related services to disability beneficiaries, including vocational rehabilitation, career counseling, and training. Ticketholders can utilize the program at the speed that works and supports them and their disability while they continue to receive their cash benefits and Medicare healthcare coverage.

7 December 31, 2014: The number of disabled workers peaks at nearly 9 million.

Since being established in 1956, the SSDI program has provided benefits to millions of disabled workers and their families. As Amendments and legislative changes established more defined guidelines and the process became more regulated, higher numbers of individuals sought the financial security afforded by the program. By the end of 2014, the program seemed to reach its peak number of recipients; over 10 million individuals, including disabled workers, their spouses, and their children, received cash benefits from the SSDI program. Of that number, nearly 9 million individuals are disabled workers themselves.

8 January 18, 2017: Social Security publishes a change to the Evaluation of Medical Evidence Regulations.

In early 2017, Social Security published a final rule in the Federal Register detailing numerous revisions on how they intended to interpret medical evidence. The regulations would take effect 68 days after publication, on March 27, 2017. The rule included many changes, some more significant than others. The variety of providers considered Acceptable Medicare Sources expanded, providing additional opportunities to opine whether one has a medically determinable impairment. The elimination of the Treatment Source rule reduced the opinion of treating providers to equal that of all medical sources, including consultative examiners and other medical experts. Social Security also announced disability determinations from governmental and non-government agencies, including Workers’ Compensation carriers, disability insurance carriers, and even the Veteran’s Administration will no longer be considered.

Have questions? We can help.

Call toll-free: (877) 261-1947
bbabsence.com



ABSENCE SERVICES GROUP