I am pleased to join my distinguished colleague from Michigan, Senator Riegel in introducing the "Social Security Work Incentives Act". The purpose of this legislation is to provide work incentives for beneficiaries of Social Security Disability Insurance (SSDI) similar to those provided under Section 1619 of the Supplemental Security Income (SSI) Program.

Unfortunately the current work incentives in the SSDI have not been successful. Under current law beneficiaries of this program risk loss of their cash benefits and most important access to health insurance under Medicare. Encouraging retirement from the workplace by these individuals is not the intent of Congress.

The provisions of this legislation are similar to the work incentive provisions of Section 1619, which I worked with Representative Bartlett to enact during the 99th Congress. That program has proven its effectiveness through returning SSI recipients to work. The Social Security Work Incentives Act will extend the 1619 work incentive provisions (of continued cash assistance and access to health insurance under Medicare) to adult disabled children (DAC's) and a small population of eligible SSDI beneficiaries who have developed an earnings record while on SSI, and achieved insured status.

The applicability of the basic work incentive provisions which offers a benefit offset of $1 for every $2 earned above the disregard of $85 plus impairment-related work expenses will reach over 500,000 DAC's who are eligible for SSDI as disabled individuals age 18 or older, whose disability began before age 22, and who is a son, daughter, or eligible grandson/daughter of an insured, retired, deceased, or disabled worker.

Many individuals who became DAC's were previously on SSI, which already entitled them to 1619 work provisions. Because of a change in family circumstances (e.g. the death of a parent), this vulnerable group of individuals with their changed status into the SSDI program will now have the opportunity to continue working and receiving cash assistance and access to health care.

Evidence suggests that disincentives to work eminate from loss of medical benefits. Currently, all individuals on SSDI would no longer receive Medicare once they exhaust the trial work period and the extended period of work eligibility totaling 48 months. Under this legislation, recipients would be given the option to continue to receive health insurance as a second payor under Medicare. All individuals with incomes below or at 150% of the poverty level would have Medicare Part A and Part B premiums paid for entirely by Medicaid.
INDIVIDUALS WITH INCOME BETWEEN 150% AND 350% OF THE POVERTY LEVEL WOULD ALSO BE ELIGIBLE FOR MEDICAID PAYMENT OF THE MEDICARE PREMIUMS GIVING STATES THE OPTION OF IMPOSING A COPAYMENT BASED ON INCOME.

A FINAL OPTION FOR SSDI BENEFICIARIES WHO FACE LOSS OF SSDI BENEFITS DUE TO RETURN TO EMPLOYMENT -- IS AN ALLOWANCE TO BE TREATED AS SSI RECIPIENTS AND PARTICIPATE IN THE SECTION 1619 PROGRAM AS LONG AS THEY REMAIN DISABLED. THIS OPTION WOULD ONLY BE AVAILABLE TO INDIVIDUALS WHO ARE NOT ELIGIBLE UNDER PART A AND MEET RESOURCE TESTS REQUIRED FOR SSI ELIGIBILITY.

I AM PLEASED THAT REP. BARTLETT AND I WORKED TO ENACT THAT LAW DURING THE 99TH CONGRESS WHICH HAS PROVEN ITS EFFECTIVENESS BY SUCCESSFULLY RETURNING DISABLED RECIPIENTS TO WORK THUS CONTRIBUTING TO THE TAX BASE. THE LEGISLATION I AM INTRODUCING WITH SENATOR RIEGLER TODAY WILL PROVIDE PEOPLE WITH DISABILITIES THE 1619 GOAL OF EQUAL OPPORTUNITY AND EMPLOYMENT WITHOUT THE LOSS OF ONE'S ECONOMIC OR MEDICAL SECURITY.

INCREASING EMPLOYMENT OPPORTUNITIES FOR PERSONS WITH DISABILITIES IS HIGH ON THE AGENDA FOR THE 101ST CONGRESS. WE ARE ALL AWARE OF THE HARRIS POLL INDICATING THAT 2/3 OF ALL DISABLED PERSONS IN THIS COUNTRY BETWEEN THE AGES OF 16 AND 64 ARE NOT WORKING -- DESPITE THE FACT THEY WANT TO WORK.

CONGRESS SHOULD FOCUS ON CREATING INCENTIVES FOR EMPLOYMENT OF THE DISABLED AND EQUALLY IMPORTANT ELIMINATING THE DISINCENTIVES THAT CURRENTLY EXIST. THE LEGISLATION I AM INTRODUCING WITH SENATOR RIEGLER TODAY WILL ALLOW INDIVIDUALS RECEIVING SOCIAL SECURITY DISABILITY INSURANCE (SSDI) AND WHO EARN ABOVE THE SUBSTANTIAL GAINFUL ACTIVITY (SGA) TO CONTINUE TO WORK AND OBTAIN SECURED ACCESS TO HEALTH CARE. I BELIEVE THAT THE PROVISIONS TARGETING THE DAC POPULATION AND CERTAIN SSDI BENEFICIARIES WILL SERVE A VULNERABLE GROUP AND PROMOTE THEIR RETURN TO WORK.

A RECENT CBO PRELIMINARY ESTIMATE OF THE COST PERTAINING TO THE PROVISIONS OF THIS BILL PROJECT THE COST TO $120 MILLION OVER FIVE YEARS WITH THE EXPANSION OF HEALTH INSURANCE TO ALL SSDI RECIPIENTS. THE FINANCIAL ADVANTAGES OF ENABLING A SSDI RECIPIENT TO WORK ARE SUBSTANTIAL. IN THE 1984 REPORT TO CONGRESS BY THE REHABILITATION SERVICES ADMINISTRATION -- IT WAS INDICATED THAT FOR EVERY $1 SPENT TO RETURN A DISABLED PERSON TO WORK, 18 WERE RETURNED TO THE TAX BASE UPON THEIR PLACEMENT. THIS WOULD INCLUDE NOT ONLY TAXES PAID BY THE INDIVIDUAL BUT MONEY SAVED BY THE REMOVAL OF PUBLIC EXPENDITURES.
THE COST EFFECTIVENESS OF THIS PROGRAM SEEMS EASILY EVIDENT, CONSIDERING THE HIGH COSTS OF FEDERAL AND STATE SOCIAL SECURITY AND WELFARE BENEFITS WHICH ARE REDUCED THROUGH PROVIDED WORK OPPORTUNITIES.

THESE PROVISIONS CAN SAVE MONEY, NOT TO MENTION THE HUMAN DIGNITY PROVIDED BY BEING A CONTRIBUTING MEMBER OF SOCIETY. PROVIDING ACCESS, OPPORTUNITY, INDEPENDENCE, AND INTEGRATION OF PEOPLE WITH DISABILITIES IS WHAT ITS ALL ABOUT. RETURNING PEOPLE WITH DISABILITIES TO THE WORKFORCE WILL CONTRIBUTE TO A VISION OF AMERICA WHERE PERSONS ARE JUDGED BY THEIR ABILITIES NOT THEIR DISABILITIES.

MR. PRESIDENT, IN CONCLUDING, I WOULD LIKE TO SHARE ONE OF MANY LETTERS THAT I HAVE RECEIVED FROM THOSE AFFECTED BY THE CURRENT DISINCENTIVES UNDER THIS PROGRAM. SHE WRITES:

"MY PROBLEM IS MY SOCIAL SECURITY DISABILITY INCOME. I AM CURRENTLY NOT ALLOWED TO EARN OVER $300.00 PER MONTH. I STARTED AT $3.64 AN HOUR AND WILL SOON GET A RAISE BUT THAT MEANS DROPPING BACK MY HOURS MORE OR LOSE MY BENEFITS. IF I GIVE UP MY BENEFITS AND TRIED TO WORK FULL TIME BY THE TIME I PAID INCOME TAX ON MY EARNING AND PAID FOR MEDICAL INSURANCE I WOULD NOT BE ANY BETTER OFF THAN I AM NOW.

I DON'T KNOW OF ANY HANDICAPPED PERSON WHO WANTS TO BE PITYED. MOST WANT A CHANCE TO LIVE AS NORMAL A LIFE AS POSSIBLE. WE CAN BE PRODUCTIVE CITIZENS AND NEED A CHANCE TO PROVE IT."

"I LOOK FORWARD TO PASSING THIS IMPORTANT PIECE OF LEGISLATION DURING THE 101ST CONGRESS AND WRITING HER TO SHARE THE NEWS THAT SHE CAN DO JUST THAT.

I ASK THAT THE ENTIRE TEXT OF HER LETTER BE INCLUDED IN THE RECORD."