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Research Brief

Long-Term Poverty and Disability Among Working-Age Adults

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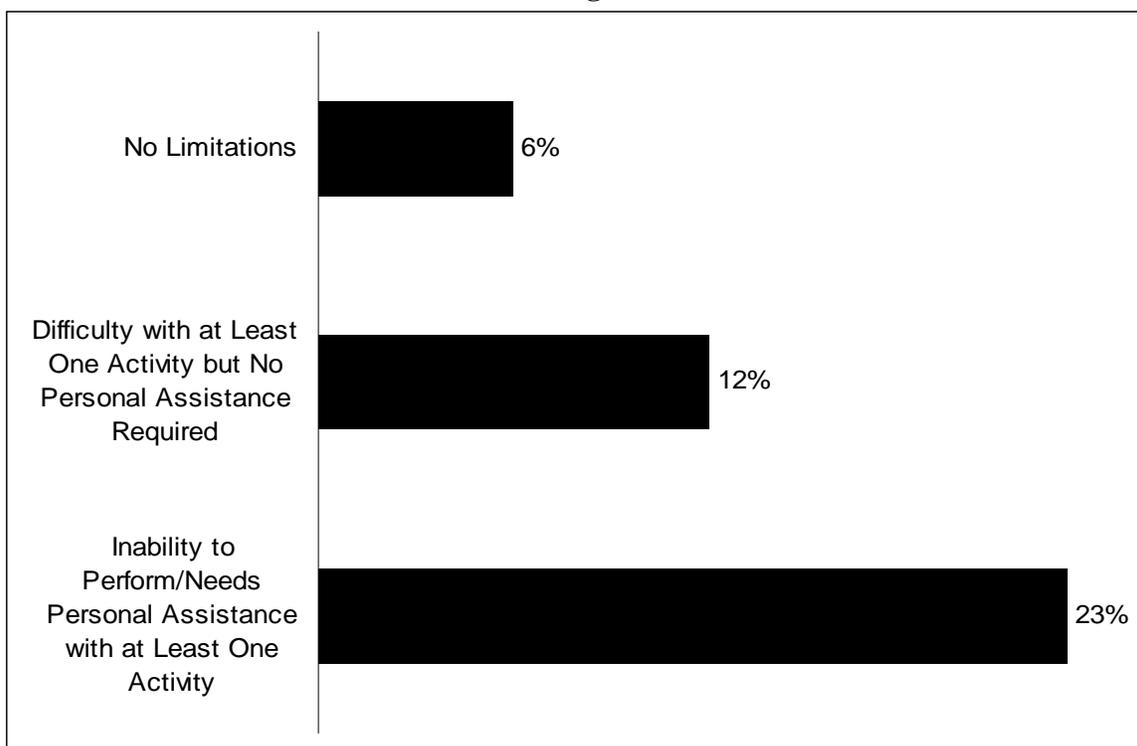
Previous studies have shown that people with disabilities experience higher rates of poverty than those without disabilities, but most studies have used short-term measures of poverty and disability. As long-term poverty is a better indicator of the well-being of a population and long-term measures of disability are also likely to be better predictors of long-term poverty than short-term indicators, it is of interest to examine the relationship between long-term poverty and disability. In She and Livermore (2006), we find that the relationship between long-term poverty and long-term disability is much stronger than the relationship between disability and poverty in a single year. We used longitudinal data from the Survey of Income and Program Participation (SIPP) spanning the 1996 to 1999 period to construct various short- and long-term poverty and disability measures and estimated the prevalence of short and long-term poverty among working-age people with and without disabilities. We also find that a majority of those in the working-age population who experience long-term poverty have a disability. This brief summarizes our key findings.

Annual Poverty by Current Year Functional/Activity Limitation Status

Annual poverty rates (the percent of individuals living in households with annual income below the federally-established poverty threshold, based on a household's size and composition) increase with severity of the functional/activity limitation(s). As shown in Exhibit 1, 1997 annual poverty rates are six percent among those reporting no functional/activity limitations, 12 percent among people experiencing difficulties with at least one activity, and 23 percent among those who are unable to perform or require personal assistance for at least one activity. When a work limitation measure of disability is used, annual poverty rates ranged from 10 percent among people indicating being work limited at some point during 1997 to 32 percent among those reporting being prevented from working during all months of the year.¹

¹ Statistics not shown. Work limitation status was based on responses to a question about whether the individual has a physical, mental, or other health condition that limits the amount or kind of work he/she can do, and if so, whether the condition prevented them from working at a job or business.

**Exhibit 1. Annual Poverty Rates by Functional/Activity Limitation Status in 1997,
Persons Ages 25-61**



Note: Functional/activity limitation status based on responses at 1997 interview about difficulties and the ability to perform the following activities without assistance due to a health condition: seeing, hearing, speaking, lifting/carrying something as heavy as 10 pounds, pushing/pulling large objects, standing for one hour, sitting for one hour, stooping, crouching, or kneeling, reaching over his/her head, using hands and fingers hold or grasp objects, walking up a flight of stairs, walking a quarter of a mile, preparing meals, doing light housework, going outside the home, using a telephone, keeping track of money, taking the right amount of prescribed medicine at the right time, eating, dressing, getting around inside the home, getting in and out of bed or a chair, taking a bath or shower, and using or getting to the toilet.

Source: She and Livermore (2006).

Long-term Poverty by Long-Term Work Disability Status

Poverty rates increase with the period of time that individuals experience work disability or limitation, regardless of the poverty measure used. Among those with no work limitations over the four-year period studied, nine percent were poor for more than 12 months, compared with 19, 26, and 40 percent among those experiencing work limitation for 1-12 months, 13-36 months, and more than 36 months, respectively (Exhibit 2).

Working-age adults who experience work limitations for longer periods are also much more likely to experience poverty for long periods than those with no work limitations or short-term limitations (Exhibit 2). While long-term poverty is relatively rare for all groups, the relative prevalence of long-term poverty among those with and without limitations is much greater than the relative prevalence of short-term poverty. For example, the likelihood of being in poverty for more than 12 months among those with work limitations lasting more than 36 months is about 4.5 times the likelihood for those with no work limitations (40 percent versus 9 percent), and the likelihood of being in poverty in *every* month of the 48 month period studied is about 14 times the likelihood for those with no work limitation (7 percent versus 0.5 percent).

Exhibit 2. Long-term Poverty Rates by Long-Term Work Limitation Status, Persons Ages 25-61, 1996 – 1999



Note: Work limitation status was based on responses to a question about whether the individual has a physical, mental, or other health condition that limits the amount or kind of work he/she can do.

Source: She and Livermore (2006).

Disability Prevalence in the Working-Age Poverty Population

In Exhibit 3, we show estimates of disability prevalence among those in poverty using a functional/activity limitation measure of disability. Disability prevalence in the general working-age population is also shown for reference. People with disabilities make up a very large share of the working-age poverty population, especially when a long-term measure of poverty is used. People with disabilities represented about 38 percent of those in poverty in 1997 when an annual measure of poverty is used; 51 percent of those in poverty for at least 36 months of the 48-month period have a disability.

Exhibit 3. Functional/Activity Limitations Status of Those in Poverty, Based on Annual and Long-Term Measures, Persons Ages 25-61

	% of Those in Poverty	% of All Persons Ages 25-61
Percent in Poverty in 1997	100.0	7.9
Functional/Activity Limitations at 1997 Interview		
No limitation at 1997 interview	62.4	81.5
Limitation at 1997 interview	37.6	18.5
Percent in Poverty >36 Months During 1996-1999	100.0	4.1
Functional/Activity Limitations at 1997 and 1999 Interviews		
No Limitation at either 1997 or 1999 interview	48.9	75.7
Limitation at either 1997 or 1999 interview, but not both	16.1	13.9
Limitation at both 1997 and 1999 interviews	35.0	10.4

Note: Functional/activity limitation status based on responses at the 1997 and 1999 interviews about difficulties and the ability to perform the following activities without assistance due to a health condition: seeing, hearing, speaking, lifting/carrying something as heavy as 10 pounds, pushing/pulling large objects, standing for one hour, sitting for one hour, stooping, crouching, or kneeling, reaching over his/her head, using hands and fingers hold or grasp objects, walking up a flight of stairs, walking a quarter of a mile, preparing meals, doing light housework, going outside the home, using a telephone, keeping track of money, taking the right amount of prescribed medicine at the right time, eating, dressing, getting around inside the home, getting in and out of bed or a chair, taking a bath or shower, and using or getting to the toilet.

Source: She and Livermore (2006).

Discussion

Despite the fact that disability is an extremely important risk factor for long-term poverty among working-age adults, it often receives little attention in the poverty literature and policy efforts to alleviate poverty. One reason may be that most statistics are based on short-term poverty and disability measures, which partially mask the strong relationship between long-term poverty and long-term disability. Another reason may be outdated perceptions about the relationship between disability and the ability to work. The presumption that people with disabilities cannot work is still inherent in the design of the major assistance programs serving people with disabilities, and this presumption limits the ability of these programs to promote employment and reduce poverty among people with disabilities. Recent changes implemented under the 1999 Ticket to Work and Work Incentives Improvement Act and other legislative initiatives have attempted to address some of these issues, and have also raised expectations that, with the appropriate incentives and supports, people with disabilities participating in the Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) programs can work and achieve greater levels of economic well-being. Much improvement is still needed, however. Acknowledging disability as an important risk factor for long-term poverty that can be addressed by public programs and policies is an important and necessary step.

Reference

She, P. and G. Livermore (2006). Long-Term Poverty and Disability Among Working-Age Adults. Rehabilitation Research and Training Center on Employment Policy for Persons with Disabilities, Cornell University, Ithaca, NY.



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