



Updating Social Security Disability

Regulatory Changes Could Significantly Reduce Eligibility for Benefits, Particularly among Older Workers

Jack Smalligan

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The Social Security Administration directs two important disability programs: Social Security Disability Insurance (SSDI), which is vital for older workers with significant work-restricting impairments who have yet to reach full retirement age, and the Supplemental Security Income (SSI) program, which provides critical income support to the elderly and children and adults with severe disabilities earning little or no income or assets. SSDI and SSI share the same criteria for determining disability eligibility. However, these programs rely on outdated occupational data that threaten the validity and quality of disability decisions. To address this, SSA is drafting a proposed rule to adopt and implement modernized occupational data in the disability determination process. It is also considering changes to other standards and processes used to determine eligibility, including how much weight the age of a claimant should be given in the disability decision.¹ The forthcoming regulation could lead to substantial reductions in program eligibility, particularly among older working adults.

The Social Security Administration (SSA) has been working across administrations to update the occupational data needed to make disability claims decisions and to develop guidance and procedures for data use. Bipartisan consensus supports modernizing data on work in the economy and functional job requirements. However, the debate centers on how to apply those data and how age should influence eligibility. On some key questions, like the need to adopt modernized data on work in the economy and functional requirements of jobs, different Administrations have agreed on the need for change and source of new data to be used. However, on other questions, like how that data are used and

how age should be factored into disability decisions, the views and policy goals of policymakers differ significantly. These differing views could have enormous impact on program eligibility and benefit payments for millions of people, particularly workers over the age of 50.

The goal of this brief is to clarify the key technical issues under consideration by policymakers at the SSA. We discuss the alternative policy approaches to the forthcoming proposed rule, Improvements to the Disability Adjudication Process: Sequential Evaluation Process,² relevant research, and estimates of the potential impact on program participation and spending. Three primary components to the anticipated regulation follow:

- The replacement of the outdated Dictionary of Occupational Titles (DOT) with data from the Bureau of Labor Statistics' (BLS) Occupational Requirements Survey (ORS), which has been underway for many years with bipartisan support
- The implementation of the ORS, including establishment of various thresholds for determining how many jobs exist in the economy at different skill and exertional levels
- Changes to the treatment of age, education, and other elements as eligibility factors, which is separate from the transition from the DOT to ORS

These changes will involve nuanced judgments about how education and past work experience affect an individual's ability to work given their age, and whether enough jobs are available that match the individual's functional capabilities. Overall policy goals are likely to drive decisionmaking on these technical details. One view, championed by Mark Warshawsky, a former Trump administration policy official at SSA, argues that age should be given less weight in the determination process based on increases in longevity and changes in the nature of work (Warshawsky 2023). *Wall Street Journal* reporting based on a draft version of the rule under the first Trump administration, as well as SSA research (Rupp 2012) as analyzed by Warshawsky and Marchand (2015) and conversations with former SSA staff knowledgeable of the draft rule suggest the proposed regulation could reduce eligibility for new applicants to the SSDI program dramatically, potentially by as much as 20 percent overall, and up to 30 percent among older age groups through these changes.³ The potential impact on the SSI program is unclear. Conversely, Biden administration officials considered research on the negative outcomes for people denied benefits under the current process as evidence of the need to maintain or increase program eligibility, especially for older workers.⁴

To illustrate the potential impact of the anticipated regulation, we estimate the effect of a policy that reduces SSDI eligibility by 10 percent and find that it would result in roughly 500,000 people losing SSDI eligibility by the end of 10 years, including 80,000 widows and children. In addition, another 250,000 beneficiaries would lose eligibility for some of the 10-year period. This would result in approximately \$82 billion in benefits being denied over 10 years, as well as reductions in eligibility for Medicare, Medicaid, or both.⁵ The loss of health insurance is especially troubling for a population that disproportionately has serious medical challenges. These reductions would have implications not only for individual beneficiaries and applicants, but also broader effects on labor force participation, poverty rates, and the health and economic security of workers. For older workers denied benefits and unable to

earn a steady income, they may resort to claiming retirement benefits at the earliest age of 62, resulting in a lifetime benefit that is 30 percent lower than what they would have received had they qualified for SSDI.

What Key Issues Surround Updating the Disability Eligibility Process?

Regulatory updates to the disability determination process would likely focus on how SSA implements requirements under the Social Security Act to consider an individual's age, education, and work experience in making eligibility decisions. It is likely that any proposed rule on this topic would be very large and complex, consisting of many interrelated and technical changes. However, the impact of the regulation will be guided by policy decisions on three key elements:

- Should SSA replace the DOT with data from the BLS's ORS?
- How should SSA implement data from the ORS to determine disability eligibility?
- How, and to what extent, should age be considered in assessing an individual's ability to perform work in the economy?

The overarching policy goals of the SSA in these three areas will determine how the regulation impacts the size of the program and its beneficiaries—namely whether it will increase, decrease, or achieve a net neutral impact on participation and spending. In the following sections, we discuss each of these areas and how alternative policy approaches would alter expected outcomes, including relevant research and evidence.

Issue 1: Adopting Modernized Data on Work in the Economy

To determine whether an individual is considered disabled (see box 1 on the next page), SSA needs current data on occupations in the economy and their requirements. The Social Security Act's definition of disability includes both medical and vocational criteria. To qualify, applicants must have a severe and long-lasting or terminal medical condition that renders them unable to work above a subsistence wage. The final step of deciding whether a claimant is eligible for benefits requires SSA to determine the individual's residual functional capacity (RFC), essentially what types of mental and physical activities the claimant could still perform given their age, education, and work experience. Once that determination is reached, SSA attempts to find "work which exists in the national economy," including "work which exists in significant numbers either in the region where such individual lives or in several regions of the country."⁶

Currently, SSA relies primarily on the Department of Labor's (DOL) DOT to determine what work exists. In this step of the process, SSA evaluates if a person is capable of doing the same work they

previously did. If they are determined to be unable to do their prior work, SSA uses the person's RFC to assess whether they can perform a comparable or less physically or mentally demanding job. However, using the DOT does not provide a modern catalog of today's jobs because DOL stopped updating it over 30 years ago.⁷ Using outdated data poses risks to the integrity of the disability determination process and validity of its decisions. An adjudicator can use the presence or absence of jobs to incorrectly deny or grant benefits to an applicant. The issue has been highlighted in the media, where for example, individuals were reportedly denied benefits because of the availability of jobs like nut-sorter and dowel inspector, which do not exist in large numbers in the national economy anymore, if at all.⁸ SSA has taken action to remove some of the most obviously out-of-date jobs from the DOT.⁹ Aside from this, the DOT also excludes any new occupations that have emerged since 1991, which is before the advent of the internet, the modern tech sector, and other major employment shifts.

BOX 1

Social Security Disability Determination Process

The Social Security Administration (SSA) uses a **five-step sequential evaluation process** to determine whether an individual qualifies for disability benefits under the Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) programs. Before beginning this process, SSA determines whether an individual is eligible for SSDI, SSI, or both programs based on past work history, recent earnings, total income, and assets, depending on the program.

- **Step 1.** SSA assesses whether the applicant is engaging in substantial gainful activity (SGA). SSA defines SGA as earnings above \$1,620 a month in 2025 for non-blind individuals, an amount that is indexed annually to average wage growth.¹⁰ Individuals engaging in SGA are generally not considered disabled.
- **Step 2.** An applicant's claim is reviewed to determine whether the applicant has a severe medically determinable disability that significantly limits their ability to perform basic work activities.
- **Step 3.** SSA checks whether it meets or equals a listing in the SSA's Listing of Impairments, which would automatically qualify the applicant for disability and allow SSA to approve the claim without the need to advance to steps 4 and 5. The medical listings expedite the approval of applicants whose impairment can be judged to be disabling based on medical evidence alone, avoiding the need for an individualized assessment of their ability to work.
- **Step 4.** If the disability does not meet or equal a listing, SSA evaluates the applicant's residual functional capacity (RFC) to determine whether they can perform any of their past relevant work.
- **Step 5.** If the disability does not meet or equal a listing, the final step assesses whether they can adjust to other work that exists in significant numbers in the national economy, considering their age, education, and work experience. This step involves a vocational analysis and may include input from vocational experts.

Source: Wixon, Bernard and Alexander Strand, "Identifying SSA's Sequential Disability Determination Steps Using Administrative Data," Research and Statistics Note No. 2013-01 (released June 2013), <https://www.ssa.gov/policy/docs/rsnotes/rsn2013-01.html>.

Beginning in 2012, SSA contracted with the BLS to survey employers and explore creation of a new survey, database of occupations, and physical and mental job requirements to increase accuracy in disability determinations based on legal requirements.¹¹ The goal was to create a database flexible enough to accommodate future changes to jobs and their associated occupational and vocational requirements. To achieve these objectives, BLS fielded the ORS,¹² which includes three phases of data collection, including an initial proof of concept test and two national waves of employer surveys to collect the physical, mental, and vocational job requirements SSA needs. BLS releases ORS data to the public, with limitations to protect the confidentiality of employers.

Although there is broad agreement on the need for this update, its impact will depend on its implementation. The DOT and ORS are different enough from each other in origin, methodology, and application that the use of ORS could dramatically affect overall eligibility as well as the composition of the beneficiary population but in the aggregate, it is unclear that shifting from the DOT to the ORS will alone significantly impact base eligibility.

Issue 2: Implementing the Occupational Requirements Survey

Replacing the DOT with the ORS will involve many technical decisions that, together, could be used to significantly alter the number and type of approved claims for disability benefits. These technical decisions will be guided by high-level policy decisions and goals. However, research that examines outcomes among applicants who are denied disability benefits under current program rules shows that most go on to experience worsening employment, health, and financial outcomes. In addition, the lengthy application and appeals process itself often keeps people out of work for months.

Below we identify four issues involved in implementing ORS that will likely be addressed the regulation and could be used to alter the net effect of the regulation on disability eligibility. We then discuss research on outcomes for denied applicants.

Number and Mix of Jobs Available in the Economy

Eliminating the DOT and incorporating ORS would remove outdated jobs and add newer ones and provide more data on which jobs are available in significant numbers. SSA must determine whether a given job exists in sufficient numbers in the economy for it to be included in the list of available jobs used in step 5 of the disability determination process. To do that, SSA must decide how many available jobs is “sufficient,” how to define the job categories, and whether being able to perform only one job available in sufficient numbers is enough to deny someone benefits. SSA can also change how it defines the region in which a person works; some jobs may only be available in isolated geographic areas. How should those be treated?

Cognitive Requirements

ORS provides more granular data on the mental and cognitive demands of jobs. After the first wave of the ORS survey, SSA realized that it did not have enough data on the mental requirements of jobs to implement the ORS. SSA defines two types of functional limitations—exertional and nonexertional. SSA defines an exertional limitation as “an impairment-related limitation that reduces the capacity to sit, stand, walk, lift, carry, push, or pull” (Social Security Administration 2014d). It considers all other limitations “nonexertional” limitations, which relate to cognitive tasks, emotional and psychological functioning, sensory abilities, manipulative or postural tasks, and environmental tolerances. In 2024, BLS published the second wave with the additional needed details. This enhanced detail, along with new adjudication guidance, may influence how SSA evaluates claims involving mental health conditions—either as a primary impairment or as a co-occurring condition with physical disabilities. Improved data on mental requirements could lead to more accurate and equitable determinations.

Thresholds for Functional Requirements

ORS offers detailed information on functional job demands, but SSA must establish thresholds and decision rules to determine when an individual’s RFC is sufficient to do a particular job. This could greatly affect how many people are found to be disabled. If a claimant has an exertional limitation that prevents them from being able to perform heavy lifting, should they be considered capable of getting a job where 50 percent of the positions require it? What about an occupation where heavy lifting is required in 25 percent of positions? Or 75 percent? These thresholds can be adjusted to make the program eligibility more or less strict.

Intersecting Functional Requirements

SSA must account for wide variation in the functional requirements of jobs: jobs with the same title can require very different functions. The ORS occupation dataset that SSA is using is challenging because while it shows what proportion of jobs that require each skill in isolation, it does not show how they might combine in a particular position. So, for example, if a person can perform light work but cannot work outdoors, and a position requires both, job prevalence data alone may not provide a clear answer to whether they can perform the job. More broadly, ORS data show a substantial number of “unskilled” jobs in the economy in terms of educational or training requirements, with 34.1 percent having job requirements that can be learned in one month or less. ORS data also show that 29.3 percent of jobs require only sedentary demands, but SSA often needs to know whether a substantial number of jobs are both unskilled and sedentary. These types of jobs are the ones that individuals with disabilities are most often able to perform in the economy. In preliminary findings, Weaver (2025) examines the ORS data and finds that a simple assumption that the unskilled and sedentary job characteristics are uncorrelated would lead to an erroneous assumption that 10.0 percent of jobs are unskilled and sedentary, whereas BLS has published findings that only 3.6 percent of jobs are unskilled and sedentary.¹³

Outcomes among Denied Disability Claimants and Similar Disabled Workers

Existing research shows that applicants denied disability benefits under the current process experience very poor health and economic outcomes, and raising eligibility standards would likely worsen these harms. Using 2014 survey data on adults ages 18 to 66, Weaver (2021, p. 1) estimates that about 24 million people have applied for Social Security disability benefits at some point, with roughly equal shares ultimately allowed and denied. Denied applicants were found to have only slightly better health than beneficiaries and relative to the overall working-age population, much higher rates of poor health, poverty, and limited earnings.

Denied applicants are unlikely to return to work. Hyde, Wu, and Gill (2018) specifically look at individuals ages 50 and older who are denied at steps 4 and 5 of the eligibility process. They find that five years after the initial decision, only 10 to 20 percent of denied applicants are working, whereas five years prior to the initial denial decision, between 85 and 95 percent of these claimants were working. Johnson and Gosselin (2018) use the Health and Retirement Study to track older individuals and find that about one-half of fully employed workers ages 51 to 54 experience an employer-related involuntary job separation after age 50. The separation substantially reduces earnings for years or leads to long-term unemployment, often draining their retirement savings and leading to long-term economic hardship.

Adults who develop a work-limiting disability are also more likely to exit the labor market and experience financial hardship and poverty. For the overall working-age population, Mudrazija and Smalligan (2019) find that each year, on average, 4.2 percent of adults ages 18 to 62 who are in the labor force report developing a new work-limiting health condition or experience a new health shock. Within two years, these workers are three times more likely to have left the labor force than other workers. More than half of them do not receive any form of public assistance and do not report being retired. Within six years, over one-third of this group does not receive any public assistance. Poverty rates almost double within two years following the onset of their health issue. Those who do receive some form of public assistance are more likely to see their incomes stabilize while those who do not receive benefits see their economic status erode.

Deshpande, Gross, and Su (2021, p. 151) use SSA administrative records and the variations in disability determination rules related to age to consider key markers of financial distress, including bankruptcy, foreclosure, eviction, and home sale. They find these adverse financial events peak around the time of disability application. They also estimate that a “disability allowance reduces the likelihood of bankruptcy by 20 percent, foreclosure by 33 percent, and home sale by 15 percent.”

A denial for disability benefits can also impact the work requirements in other support programs. Some applicants rely on means-tested assistance, such as the Supplemental Nutrition Assistance Program. However, the Supplemental Nutrition Assistance Program has work requirements that a disability applicant may be unable to satisfy. While the Supplemental Nutrition Assistance Program provides an exemption for people with disabilities, in many states, the person must have qualified for a

disability benefit like SSDI or SSI to automatically meet the standard for the exemption (Bergh and Rosenbaum 2023).

Issue 3: Factoring Age into Disability Determinations

In addition to updating data and thresholds used in the disability determination process, it is likely that SSA will propose changes to the way the age of a claimant is factored into disability determinations. The Social Security Act explicitly requires SSA to consider age as a factor in determining disability. While the occupational requirements of jobs and the role of age in an individual's ability to work are related, SSA could implement changes solely to the occupational requirements without changing any of its age thresholds. However, changes to reduce the role of age as a determination factor, via changes to the "grids" we discuss below, are expected to be one of the main issues in SSA's rulemaking under the Trump administration. This approach has been written about by a former SSA policy official who has argued that age should be given very little, if any, weight in disability decisions (Warshawsky 2023) and reported by the *Wall Street Journal*, which obtained a copy of the unpublished rule during the first Trump administration.¹⁴

Currently, SSA considers how an individual's education, age, and skills interact with the residual functional capacity they have due to their serious disability through use of Medical-Vocational Guidelines, often called the vocational "grids."¹⁵

SSA's grids form a framework used in the final step of the disability determination process—after a person has been found to have a significant medical impairment—to assess whether a claimant can adjust to other work in the national economy. With the adjudicator having found the claimant to be *medically* eligible in these steps, they determine *vocational* eligibility (i.e., whether those medical impairments preclude substantial work). These guidelines help adjudicators evaluate claims by considering a combination of factors: RFC, age, education, and work experience. The grids are structured as tables that outline different vocational profiles and indicate whether a person is eligible for benefits based on these characteristics.

Age plays a critical role in the grids because SSA recognizes that the ability to adapt to new work decreases with age. The guidelines divide age into categories using terminology that has not been updated in many years:

- Younger person (under 50)
- Closely approaching advanced age (50–54)
- Advanced age (55–59)
- Closely approaching retirement age (60 and older)

For example, a disabled person age 55 with limited education and no transferable skills may be found eligible for benefits even if they could technically perform sedentary work because the grids

presume that older individuals face greater barriers to vocational adjustment. In contrast, a younger person with the same limitations might be expected to adapt to other work and thus be denied benefits.

The grids also categorize physical limits of an individual into five categories from “sedentary” to “very heavy” and an individual’s education into categories from “unable to read” to “being a high school graduate or having more education.” For jobs, the educational grid also categorizes jobs in terms of the amount of training required from “unskilled” (i.e., only a short demonstration needed) to “over 10 years of training.”¹⁶

The grids provide guidance on how to incrementally consider different types of factors at once. For example, the grid recommends that a disabled person 50 or older with seven or fewer years of education who can only do sedentary, unskilled work should be awarded benefits. However, the grid does not recommend that an individual with the same age and education who can do nontransferable semi-skilled work be awarded benefits. The grid provides recommendations for over 80 configurations of these factors.¹⁷ It gets progressively easier for people with physical limitations and limited education or skilled work to get benefits as they get older.

There are many cases where the grid cannot give guidance on a determination, particularly when nonexertional limitations are present. In addition, the grids have been criticized as overly simplistic and out of date. However, it is unclear that the fundamental framework of the grids is dated, as the grids provide a simplified framework for making complicated eligibility decisions in the context of a large federal agency where adjudicators are considering several million individuals a year. And while the grids may increase consistency and efficiency, decisions are ultimately left to the adjudicators reviewing the cases.

While SSA may propose to reduce age as a factor in the forthcoming rule, others have argued that eligibility should be increased for workers with disabilities who are approaching age 62, the early retirement eligibility age (Primus, Watson, and Smalligan 2025).

Age and Disability

As the population ages, the *number* of older Americans with work-related limitations has grown even as the *share* of older people with a limitation remains stable. From 1997 to 2017, the number of adults reporting a health-related work limitation increased from 2.8 million to 5.4 million for people ages 55 to 61 and from 1.7 million to 3.1 million for people ages 62 to 65 (Smalligan, Williams, and Boyens 2019).

Disparities persist in the proportion of older workers with disabilities based on racial and ethnic background and education level. For people who were 62 to 65 in 2017, 27 percent of non-Hispanic Black people and 26 percent of Hispanic people reported health-related work limitations, compared with 19 percent of non-Hispanic white people (Johnson 2018).

While SSDI protects many older disabled workers, many others take early retirement with dramatically reduced monthly benefits. Roughly 15 percent of retirees between 1992 and 2011 reported that they involuntarily retired, with half of this group attributing the decision to poor health (Seligman 2014). Moreover, people who retired early because of a health issue were just as likely to be

receiving retirement benefits rather than disability benefits. A substantial portion of early retirees who had health issues were very similar to those receiving SSDI or SSI (Bound and Waidmann 2011). Frietag (forthcoming) uses administrative data in Washington State to track SSI applicants in the years before being affected by the grid-related age adjustments and finds two-thirds of older SSI recipients were detached from the formal labor force in the five years prior to being awarded SSI benefits and 40 percent experienced at least three months of homelessness.

Reducing age as a factor would push more older disabled workers to take early retirement benefits instead of SSDI, which can significantly reduce their monthly benefit, permanently undermining their retirement security. SSDI is based on past earnings and is intended to provide an unreduced benefit to workers who are forced to stop working and would otherwise have been penalized for experiencing a severe disability late in life. Without SSDI, older workers who claim retirement benefits at age 62, the earliest eligibility age, would have their benefit reduced by 30 percent compared with their SSDI benefit for the rest of their life, a reduction that also affects benefits paid to eligible spouses, widows, and dependent children.

Potential Impact on Eligibility and Spending

SSA's expected rule could substantially reduce the size of the SSDI program.¹⁸ Warshawsky and Marchand (2015) analyzed research by a senior SSA economist (Rupp 2012) and estimated that this change in the criteria could reduce SSDI eligibility by as much as 20 percent overall, and as much as 30 percent among older age groups. We modeled the effects of a hypothetical 10 percent reduction in allowance rates on applicants for SSDI, an intermediate scenario that could occur if SSA tightens the eligibility criteria for claimants who are ages 50 or older. The expected impact of the regulatory changes would grow over time as more new applicants are subject to the new rules. We used data and projections from SSA's statistical reports and SSA's Office of the Chief Actuary¹⁹ to estimate the number of beneficiaries entering and exiting the program each year from 2026 to 2035. We then estimated the impact of a 10 percent lower allowance rate and found that it would result in 500,000 fewer beneficiaries on SSDI and 80,000 fewer widows and children would be receiving benefits due to the SSDI eligibility of a spouse or parent.²⁰ Additionally, there would have been another 250,000 people denied SSDI benefits who would have otherwise received SSDI beneficiaries during *some* portion of the 10 years (even if they would have exited the program before the 10th year due to death, medical improvement, increased work activity, or transition to Social Security retirement benefits). Overall, the affected beneficiaries would have been denied over \$82 billion in benefits over this period, as well as eligibility for Medicare, Medicaid, or both. For many individuals, loss of this health insurance would have even greater impact on their quality of life than the loss of cash benefits.

These estimates focus on new applicants because current beneficiaries are usually protected from changes in eligibility rules because the Social Security Act requires that SSA determine a beneficiary has medically improved compared with when originally determined eligible. However, SSA may decide to modify how this requirement is executed, and that could mean many current beneficiaries would also be affected. Given the uncertainty on this point, the impact is not included in our estimates.

The last time an administration attempted to significantly restrict eligibility occurred in the early 1980s, when the Reagan administration initiated more reviews of existing recipients and sent termination notices to hundreds of thousands of beneficiaries. The proposed restrictions being considered would likely represent an even larger change in the number of SSDI recipients, the biggest change to SSDI since the program was established. Despite the Reagan administration efforts to reduce the programs in the 1980s, a combination of court decisions protecting beneficiaries and legislation enacted by Congress ultimately resulted in a substantial expansion of the programs (Berkowitz and DeWitt 2013).

Disability Programs Participation Has Declined, and Denial Rates Are High

The disability rule changes would be introduced after years of declining participation, historically high backlogs of people waiting for claims decisions, and research showing poor outcomes for workers denied benefits. New claims for SSI and SSDI declined from a peak of 3.3 million in 2011 to 2.3 million in 2024. Overall program participation has declined as a consequence. For SSDI, the number of worker beneficiaries reached a peak of nearly 8.6 million in 2011 and decreased to fewer than 7.4 million by the end of 2023.²¹ For SSI, adult disabled beneficiaries peaked at more than 5.6 million in 2011 and decreased to fewer than 5.3 million by the end of 2023.²²

In the current determination process, two-thirds of claimants are denied at the initial review stage, yet approximately 44 percent of those denied claimants who appeal are ultimately awarded benefits.²³ The awards are not made until after several additional levels of review and months or years of delay. In addition, SSA currently faces a backlog of nearly 1 million claims waiting review at the initial stage, roughly twice as many claims as before the COVID-19 pandemic, and hundreds of thousands more claims are waiting to have an initial denial reconsidered (Boyens and Smalligan 2024). These long wait times for claims decisions impose costs on beneficiaries and the agency.

Conclusion

SSA is considering the most significant changes to the SSDI and SSI programs to date. While widespread agreement has been reached on the need to update data on jobs available in the economy and their functional requirements, adopting that data involves numerous technical policy updates that, taken together, can act to significantly alter program eligibility. In addition, the SSA may change the extent to which age is factored into the disability decision, which would have a dramatic negative impact on the number of applicants granted disability benefits.

If repeated, the approach begun in the Trump administration's first term could result in unprecedented cuts to disability eligibility and benefits—especially for those over age 50—on the premise that longer life expectancy extends working years. Evidence from denied applicants shows many do not return to work, receive little other income support, and experience declines in health and financial stability. Because gains in life expectancy are uneven, further tightening of an already strict program would likely worsen outcomes overall and increase poverty, hardship, and mortality.

Policymakers must also consider how tightening the Social Security disability program will affect older workers and retirement security. Reducing SSDI and SSI means more people will be forced to claim Social Security earlier, reducing not only their own retirement benefits but also those of their spouses, widows, and dependent children.

Notes

- ¹ For background on the programs see the following publications from the Center on Budget and Policy Priorities, “Chart Book: Social Security Disability Insurance,” updated February 28, 2025, <https://www.cbpp.org/research/social-security/social-security-disability-insurance-0>; and “Policy Basics: Supplemental Security Income,” updated March 20, 2024, <https://www.cbpp.org/research/social-security/supplemental-security-income>.
- ² Improvements to the Disability Adjudication Process: Sequential Evaluation Process (RIN: 0960-AI67), accessed September 10, 2025, <https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202504&RIN=0960-AI67>.
- ³ Kate Davidson, “Trump Administration Weighs Tighter Requirements for Disability Payments,” *Wall Street Journal*, January 10, 2020, <https://www.wsj.com/articles/trump-administration-weighs-tighter-requirements-for-disability-payments-11578686424>.
- ⁴ Information on the policy options under consideration during the prior Trump and Biden administrations was obtained through confidential interviews with former SSA staff who worked on the draft regulations.
- ⁵ Author’s estimate based on a hypothetical reduction in allowances of 10 percent in new allowances for SSDI. Estimate used data on awards, denials, allowances and program terminations from SSA including “Actuarial Study No. 125,” Office of the Chief Actuary, Social Security Administration, August 2020, https://www.ssa.gov/OACT/NOTES/pdf_studies/study125.pdf; “Annual Statistical Report on the Social Security Disability Insurance Program, 2023,” Social Security Administration, Office of Retirement and Disability Policy, October 2024, https://www.ssa.gov/policy/docs/statcomps/di_asr/2023/di_asr23.pdf; “The 2025 Annual Report of the Board of Trustees of the Federal OASDI Trust Funds,” Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, Social Security Administration, June 18, 2025, <https://www.ssa.gov/OACT/TR/2025/index.html>; and “Annual Statistical Supplement to the Social Security Bulletin,” Social Security Administration, December 2024, <https://www.ssa.gov/policy/docs/statcomps/supplement/2024/supplement24.pdf>.
Given a range of uncertainties a similar estimate was not made for SSI.
- ⁶ Social Security Act, Title II, §223. [42 U.S.C. 423]. https://www.ssa.gov/OP_Home/ssact/title02/0223.htm.
- ⁷ “Dictionary of Occupational Titles (DOT) Library,” US Department of Labor, Office of Administrative Law Judges, accessed August 1, 2025, <https://www.dol.gov/agencies/oalj/topics/libraries/LIBDOT>.
- ⁸ Lisa Rein, “Social Security Denies Disability Benefits Based on List with Jobs from 1977,” *Washington Post*, December 27, 2022, <https://www.washingtonpost.com/politics/2022/12/27/social-security-job-titles-disabled-applicants-obsolete/>.
- ⁹ Jeffrey Buckner, “Social Security Updates Occupations List Used in Disability Evaluation Process.” SSA Blog, June 24, 2024, <https://blog.ssa.gov/social-security-updates-occupations-list-used-in-disability-evaluation-process/>.
- ¹⁰ Blind claimants have a higher SGA level of \$2,700. Both levels are indexed to wage growth.
- ¹¹ “Occupational Information Systems Project,” Social Security Administration, accessed August 1, 2025, https://www.ssa.gov/disabilityresearch/occupational_info_systems.html.
- ¹² “Occupational Requirements Survey (ORS),” US Bureau of Labor Statistics, accessed August 1, 2025, <https://www.bls.gov/ors/>.

- ¹³ “Strength and SVP 1–2: ORS Factsheet,” US Bureau of Labor Statistics, accessed Month Day, 2025, <https://www.bls.gov/ors/factsheet/strength-svp-1-and-2.htm>.
- ¹⁴ Kate Davidson, “Trump Administration Weighs Tighter Requirements for Disability Payments,” *Wall Street Journal*, January 10, 2020, <https://www.wsj.com/articles/trump-administration-weighs-tighter-requirements-for-disability-payments-11578686424>.
- ¹⁵ Social Security Administration, “Appendix 2 to Subpart P of Part 404—Medical-Vocational Guidelines,” accessed September 10, 2025, https://www.ssa.gov/OP_Home/cfr20/404/404-app-p02.htm; and “DI 25025.035 Tables No. 1, 2, 3, and Rule 204.00,” accessed September 10, 2025, <https://secure.ssa.gov/apps10/poms.nsf/lnx/0425025035>.
- ¹⁶ Social Security Administration, “Appendix 2 to Subpart P of Part 404—Medical-Vocational Guidelines.”
- ¹⁷ There are many cases where the grid cannot direct a determination, particularly when non-exertional limitations are present.
- ¹⁸ The potential impact of the regulation on SSI is unclear and not estimated here.
- ¹⁹ Author’s estimates. See “Actuarial Study No. 125,” Office of the Chief Actuary, Social Security Administration, August 2020, https://www.ssa.gov/OACT/NOTES/pdf_studies/study125.pdf; “Annual Statistical Report on the Social Security Disability Insurance Program, 2023,” Social Security Administration, Office of Retirement and Disability Policy, October 2024, https://www.ssa.gov/policy/docs/statcomps/di_asr/2023/di_asr23.pdf; “The 2025 Annual Report of the Board of Trustees of the Federal OASDI Trust Funds,” Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, Social Security Administration, June 18, 2025, <https://www.ssa.gov/OACT/TR/2025/index.html>; “Annual Statistical Supplement to the Social Security Bulletin,” Social Security Administration, December 2024, <https://www.ssa.gov/policy/docs/statcomps/supplement/2024/supplement24.pdf>.
- ²⁰ Some individuals are concurrently eligible for both SSDI and SSI. For purposes of these estimates these individuals are included in the SSDI impacts.
- ²¹ “Annual Statistical Report on the Social Security Disability Insurance Program, 2023,” Section 1.B, Table 3, Social Security Administration, August 13, 2025, https://www.ssa.gov/policy/docs/statcomps/di_asr/2023/sect01b.html#table3
- ²² “Annual Report of the Supplemental Security Income Program, 2024,” Table IV.B9, Social Security Administration, May 30, 2024, <https://www.ssa.gov/OACT/ssir/SSI24/ssi2024.pdf>.
- ²³ Author’s estimates using data from Table 3.22 in the SSA FY 2026 Congressional Justification as well as prior research.

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Errata

This brief was corrected on October 29, 2025, to clarify the content of two cited works. First, Warshawsky and Marchand (2015) analyze research by Rupp (2012) when estimating the eligibility impact of SSA's expected rule; the Rupp document has been added to the references. Second,

Warshawsky (2023) discusses age as a factor in eligibility determination and proposes policy changes that would result in savings to the program. However, the stated goal of these proposals is to reform the program, not to achieve spending reductions.

About the Author

Jack Smalligan is a senior policy fellow in the Tax and Income Supports Division of the Urban Institute. He analyzes the interactions across disability, retirement, and paid leave policy. Previously, he was deputy associate director at the Office of Management and Budget. Serving five administrations since 1990, Smalligan developed policies that have been incorporated into many pieces of legislation. In 2012, he was a visiting fellow at the Brookings Institution, where he analyzed the Social Security Disability Insurance program. Smalligan received a master's degree in public policy from the University of Michigan.

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500 L'Enfant Plaza SW
Washington, DC 20024
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