

Federal Program Expenditures for Working-Age People With Disabilities

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The authors estimated that the federal government spent \$226 billion in 2002 on working-age people with disabilities, including both cash and in-kind benefits. These expenditures accounted for about 2.2% of the nation's gross domestic product and 11.3% of all federal outlays. States contributed an additional \$50 billion under federal-state programs. The bulk of these expenditures provided income support and health care to working-age people with disabilities who were not employed or who had very low earnings. They provide a detailed accounting of the expenditures and question whether the distribution of expenditures is properly aligned with the evolving disability paradigm.

Publicly funded programs are important sources of support for working-age people with disabilities in the United States. Government expenditures to support this population are poorly documented, however, in large part because they are scattered across an array of federal and state agencies. As we demonstrate, aggregate federal and state expenditures to support this population are very large; federal expenditures alone accounted for 2.2% of the nation's gross domestic product (GDP) in 2002, or 11.3% of all federal outlays. Furthermore, expenditures for the largest two components of federal and state supports—income support and health care—are growing much faster than the GDP and all federal outlays (see Note 1).

Even with these large expenditures and a wide array of federal programs targeting people with disabilities, the economic well-being of this group is falling further behind that of others (Stapleton & Burkhauser, 2003). This has prompted increased attention to how the government is spending money to support people with disabilities and whether there are any significant policy reforms that officials should pursue. This scrutiny may become particularly pressing given the rising federal deficit and the growing prevalence of disability as the baby boom generation ages.

These circumstances make it an opportune time to re-evaluate the structure of federal disability programs and determine whether they are properly aligned with the evolving disability paradigm—a paradigm that stresses giving people with disabilities the supports and opportunities necessary to help themselves and be full members of the economic and social lives of their communities, rather than objects of charity (Stapleton, O'Day, Livermore, & Imparato, 2006).

We next explain the methodology used to construct our estimates of federal expenditures, then lay out the various cat-

egories of those expenditures, and finally conclude with a discussion of the policy implications of our findings.

Method

Using an iterative process, we identified programs intended primarily for people with disabilities and other programs that are extensively used by people with disabilities. We began with the most prominent programs specifically designed to serve people with disabilities, and then we identified other programs administered by the same agencies or mentioned in the literature.

We limited our analysis to expenditures for working-age people with disabilities (ages 18–64) but included expenditures for their spouses and children. For example, we included Social Security payments made for the benefit of the spouses and children of workers with disabilities, regardless of the spouses' and children's ages, but excluded expenditures for the support of children with disabilities.

Some programs designed for low-income individuals provide substantial support for people with disabilities. We included expenditures for these programs only for the support of people with disabilities. Because such programs typically do not report expenditures for people with disabilities separately from other expenditures, we had to estimate these outlays. For example, total federal expenditures for cash assistance in the Temporary Assistance for Needy Families (TANF) program in 2002 were \$5.8 billion. We included \$2.0 billion of this amount in our calculations, because estimates indicated that 34% of adults receiving TANF have disabilities (Zedlewski, 2003). We used a similar approach to estimate expenditures of federal prisons and homeless programs (see Notes 2 and 3).

Although we captured the expenditures for people with disabilities in the larger means-tested programs—Supplemental Security Income (SSI), Medicaid, TANF, the Food Stamp Program, and Section 8 housing—we were not able to estimate expenditures for people with disabilities in a number of smaller means-tested programs, including the Supplemental Nutrition Program for Women, Infants, and Children; the Low Income Home Energy Assistance Program; the Home Ownership Assistance Program; the Vocational Education and Adult Literacy Program; and higher education programs and grants (e.g., Pell grants, Stafford loans).

The federal expenditure figures include only those expenditures for federal programs that are paid by the federal government. A number of federal programs require states, or give them the option, to provide additional support from state funds. We report separately state expenditures for the major federal–state programs with such provisions (Medicaid, TANF, Vocational Rehabilitation, and SSI). We did not include state and local expenditures for programs that do not fall under the purview of the federal government. Nor did we include private expenditures targeted to this same group under workers compensation insurance, private disability insurance, and a variety of organizations and programs sponsored by private funds. We also omitted some federal expenditures that we might arguably have included, such as the following:

- Administrative costs;
- Programs that do not provide direct services:
 - Research programs (e.g., Rehabilitation Research and Training Centers; the Rehabilitation Engineering Research Centers; the University Centers for Excellence in Developmental Disabilities Education, Research, and Service; or the federal funds used to support biological and medical research),
 - Technical assistance centers (e.g., Employer Assistance Referral Network, Job Accommodation Network, Projects With Industry, National Center on Workforce Disability for Adults),
 - Government agencies (e.g., National Council on Disability, National Taskforce on the Employment of Adults With Disabilities, President’s Committee for People With Intellectual Disabilities),
 - Regulatory programs (e.g., Equal Employment Opportunities Commission, the Architectural and Transportation Barriers Compliance Board), and
 - Grants and tax incentives to improve accessibility in businesses and non-profit organizations;
- Services for Native American populations other than those funded for vocational rehabilitation (e.g., mental health and social services, health services);

- Programs for which no data were available to develop an estimate of the portion that was spent on people with disabilities ages 18 to 64:
 - Transportation assistance,
 - Tax Credit for Elderly and Disabled,
 - Work Opportunity Tax Credit,
 - Workforce Investment Act programs,
 - Federal employment and training programs other than Vocational Rehabilitation and Veterans Vocational Rehabilitation (see Note 4),
 - Federal funding for military medical facilities,
 - Disability payment on life insurance policies for veterans and federal civilian workers,
 - TRICARE (health insurance for military families), and
- Expenditures that programs would have incurred regardless of individuals’ disability status (i.e., wages and health insurance premiums for federal government employees with disabilities).

Results

Federal expenditures for adults with disabilities totaled \$226 billion in 2002. These expenditures accounted for 2.2% of the GDP, or 11.3% of federal government outlays, in 2002 (see Notes 5 and 6).

The two largest categories of expenditures—income security and health care—accounted for 97% of total expenditures. Half of the expenditures were for income security programs, including SSI, Social Security Disability Insurance (SSDI), adult children with disabilities, veterans compensation and pension programs, and TANF. Health expenditures accounted for \$105 billion or 47% of total expenditures (see Table 1).

As shown in Appendix A, eligibility for several of the programs, most notably Medicare and Medicaid, was tied to eligibility for SSI or SSDI. Together, cash assistance and health care

TABLE 1
Federal Expenditures on Working-Age People With Disabilities in Fiscal Year 2002, by Category of Expenditure

Category	Expenditures (in \$ millions)	% of total
Income maintenance	111,004	49.1
Health-care programs	105,018	46.4
Housing & food	5,545	2.5
Education, training, & employment	3,412	1.5
Other	1,295	0.6
Total	226,274	100.0

Note. Details provided in the appendices of this article.



for the 8.7 million beneficiaries of these two programs cost the federal government \$169 billion, or \$19,500 per beneficiary (see Note 7).

In Appendix A we indicate which programs are limited to people with low incomes; 43% of expenditures were for these mean-tested programs.

Many of the programs served SSI and SSDI beneficiaries but were not specifically limited to that population. There was no way to estimate accurately the number of individuals with disabilities who received at least some federal benefit. Based on the data from the 2002 American Community Survey, there were 26.9 million working-age people with at least one of the disabilities identified by that survey (see Note 8). Spread over that group, the \$226 billion in federal expenditures amounts to \$8,400 per person.

State Expenditures for Federal–State Programs

States contributed \$50 billion to programs serving working-age people with disabilities that were operated under the purview of federal programs and funded jointly by federal and state governments (see Table 2). Most of these expenditures (\$45 billion) were state matching funds for Medicaid (see Note 9).

The state expenditures shown in Table 2 included only those that supported federal–state programs. We did not attempt a complete accounting of state and local expenditures for working-age people with disabilities under nonfederal programs, but they are substantial. For instance, they would include \$12.4 billion for mental health (Lutterman, Hollen, & Shaw, 2003) and \$4.9 billion for mental retardation and developmental disabilities (Rizzolo, Hemp, Braddock, & Pomeranz-Essley, 2004; see Note 10).

Policy Implications

The Americans With Disabilities Act (1990) states that “the nation’s proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals.” The Americans With Disabilities Act represents a significant departure from an earlier era, in which the goal of public policy was largely to provide income maintenance to those who were not able to work because of a medically determinable impairment. The Ticket to Work and Work Incentives Improvement Act of 1999 reiterated these goals, as did the Bush administration’s New Freedom Initiative. These initiatives, however, are limited in scope and appear to be inadequate to achieve the goals they advocate. Consequently, there is much interest in policy reforms that would result in substantial progress toward independence, opportunity, and self-sufficiency for people with disabilities.

In considering such reforms, it is critical to be aware of the size and distribution of current expenditures to support

working-age people with disabilities. Most (75%) of the \$226 billion in expenditures was for cash support and health care for working-age people who, based on a disability determination from the Social Security Administration, “cannot work,” if we are to accept the Social Security Administration’s definition of inability to work at face value (see Note 11). Relatively little was spent on programs that are designed to attain the goals embodied in the new paradigm. For example, only 1.5% of federal funding for disability programs was spent on education, training, and employment.

To promote independence and productivity, officials could increase expenditures on programs that promote these goals and leave other outlays largely intact. This approach is unrealistic, however, because of current and projected federal deficits. The federal government ran a \$248 billion deficit in 2006 (Congressional Budget Office, 2007). Furthermore, in the absence of major policy change, deficits are expected to grow rapidly in the long term, driven partly by the entry of the baby boom generation into its retirement years (Bernanke, 2007).

In this fiscal climate, there seems to be little hope of increased expenditures on programs for people with disabilities; it is more realistic to expect cuts in disability programs as deficit pressures increase. The fact that expenditures for the major disability programs have been growing at a rate that is much faster than overall growth in federal expenditures makes them particularly vulnerable. Over a decade and a half, federal expenditures on working-age people with disabilities have grown from 6.1% to 11.3% of federal outlays and from 1.4% to 2.2% of the GDP (see Notes 12 and 13). Such relatively rapid growth cannot sustain itself indefinitely.

Realistically, the federal government is not likely to adopt policy reforms that promote independence and enable more people with disabilities to share in the benefits of a growing economy unless it (a) changes how taxpayer dollars are spent to support people with disabilities, and (b) reduces the growth of government expenditures to a sustainable rate. Given the

TABLE 2
State Expenditures Under Federal–State Programs
for People With Disabilities, Fiscal Year 2002

Program	State expenditures (in \$ millions)
Medicaid	44,572 ^a
Temporary Assistance for Needy Families	1,560 ^b
Supplemental Security Income state supplement	2,943 ^c
Vocational Rehabilitation	680 ^d

^aAuthors’ calculation based on Centers for Medicare and Medicaid Services (2003), Table 34; General Accounting Office (2004); and Zedlewski (2003). For further description, see sources for Appendices. ^bAuthors’ calculation based on Administration for Children and Families (2002a), Table B; and Zedlewski (2003). For further description, see sources for Appendices. ^cSocial Security Administration (2003), Tables 7a2, 7a4. ^dCouncil of State Administrators of Vocational Rehabilitation (n.d.).

current distribution of federal and state expenditures for this population, such policies would almost certainly have to reduce expenditures for cash assistance and health care.

There are compelling arguments for making a host of incremental changes that could reduce expenditures and promote independence. For example, expenditures for expensive medical rehabilitation, residential programs, and long-term care could be reallocated to low-cost personal assistance and support services; additional work incentives such as a benefit offset could be added to SSDI in an effort to move people off the rolls and reduce expenditures; and greater investments could be made in the education, training, and retraining of people with disabilities. What Newt Gingrich (2005, p. A17) said about Medicaid—"Transform it, don't reform it"—should perhaps apply to the disability support system as a whole. However, Stapleton et al. (2006) argued that incremental changes are not enough and that society must fundamentally change the way it defines disability and the way it provides support to maximize economic self-sufficiency and ensure a reasonable standard of living for every person facing a significant challenge to employment because of functional limitations.

The formidable challenge is to do this in a way that is fiscally sustainable and that does not substantially harm the 8.7 million people with significant disabilities who have come to rely heavily on existing cash assistance and health insurance programs. If society does not address this challenge, it seems likely that the economic and social well-being of working-age people with disabilities will continue to fall further behind those of the remainder of the working-age population.

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NOTES

1. Earlier efforts to account for federal and state expenditures for people with disabilities include Berkowitz and Greene (1989), who also considered nongovernment expenditures, and Berkowitz (1996).

2. An estimated 7% of federal prisoners have a mental or emotional disorder (Ditton, 1999).
3. An estimated 25% of homeless people have mental disorders (Substance Abuse and Mental Health Services Administration, National Resource Center on Homelessness and Mental Illness, 2003).
4. In 2003, the Government Accountability Office reported that there were 44 federally funded employment and training programs totaling \$30 billion in 2003. Although people with disabilities may have taken advantage of many of these programs, we report expenditures only for those programs that are designed for people with disabilities.
5. Based on a GDP of \$10.5 trillion in 2002, reported by the Bureau of Economic Analysis (2007).
6. Based on a \$2.011 trillion budget in 2002 (on-budget and off-budget outlays), reported by the Office of Management and Budget (2004).
7. This estimate assumes 8,669,771 SSI and/or SSDI disability insurance beneficiaries. We calculated this as SSI recipients plus SSDI disability insurance beneficiaries minus enrollees in both programs using data from the Social Security Administration (2002).
8. Data provided by Andrew Houtenville, Rehabilitation Research and Training Center on Disability Demographics and Statistics at Cornell University.
9. There are several small programs that require a state match for which we did not include state expenditures, such as Access to Telework grants and Projects for Assistance in Transition from Homelessness.
10. This figure does not include the state Medicaid match because it was counted in Table 2.
11. See Social Security Advisory Board (2003) for a discussion of this definition.
12. Berkowitz and Greene (1989) estimated that total (federal, state, local, and nongovernmental) expenditures for the 18- to 64-year-old population with disabilities in 1986 were \$169.4 billion. Of these, \$61 billion were federal expenditures. We do not draw any comparisons with the 1995 estimates of Berkowitz (1996) because his figures included expenditures for people with disabilities of all ages.
13. Total federal outlays in 1986 were \$990.5 billion (U.S. Census Bureau 2004, Section No. 461) and GDP was \$4.5 trillion (Bureau of Economic Analysis, 2004).

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Appendix A

Federal Expenditures on Working-Age People With Disabilities in Fiscal Year 2002: Income Maintenance Programs

Program	Expenditures (in \$ millions)	Description	Target population
Social Security Administration Programs			
SSDI-Disabled Worker	55,412 ^a	Insures workers against loss of income due to disability; payments based on individual's lifetime avg. earnings covered by Social Security	Adults w/ disabilities & sufficient SSDI-covered earnings history
SSDI payments to spouse & children of disabled worker	4,892 ^a	Provides cash benefits	Spouses (ages 62+, caring for child under age 16 or disabled), children (under age 18 or over 18 w/disability that started prior to age 22) of SSDI beneficiaries
Supplemental Security Income federal payments (means tested)	22,016 ^b	Provides monthly cash income	People ages 65+ and people under age 65 who are blind & have disabilities w/limited income
Social Security for adult children w/disabilities	4,918 ^c	Provides monthly cash income. Amount of benefit based on parent's Social Security-covered earnings	Adult children w/disabilities who became disabled prior to age 22 & whose parent is insured by the Social Security Administration and has retired, died, or become disabled
Social Security for disabled widow(er)s	1,363 ^d	Cash benefit	Widow(er)s w/disability of covered worker ages 50-60
Veterans' Programs			
Veterans' Compensation (service-connected disability)	11,222 ^e	Benefit paid due to injuries or diseases that (a) occurred while on active duty or (b) were made worse by active military service; amount based on degree of disability severity	Veteran w/service-related disability
Veterans' Disability Pension (nonservice-connected disability; means tested)	1,108 ^f	Benefit paid to wartime veterans no longer able to work	Low-income veterans w/nonservice-related disability

(Appendix A continues)



(Appendix A continued)

Program	Expenditures (in \$ millions)	Description	Target population
Other Federal Retirement & Disability Compensation Programs			
Federal Employee Retirement System & Civil Service Retirement System	2,930 ^g	Benefit paid to retired federal employees; figure includes employees who retired as result of a disability	Federal employees w/disabilities & sufficient no. yrs' federal employment
Federal Employees Compensation Act	1,651 ^h	Provides compensation benefits for disability due to personal injury sustained while performing job	Injured federal civilian employees
Railroad Retirement (disability annuity)	930 ⁱ	Insures against loss of income due to disability—similar to SSDI	Railroad workers w/sufficient creditable railroad services
Longshore & Harbor Workers' Compensation	527 ^j	Provides compensation for lost wages & rehabilitation services	Injured longshore & harbor workers (a) injured during course of employment or (b) who contract occupational disease related to employment
Radiation Exposure Compensation Act	143 ^k	Lump-sum compensation	Individuals w/certain cancers resulting from nuclear weapons testing
Energy Employee Compensation	364 ^l	Lump-sum compensation	Employees of atomic weapons-related facilities who contract certain illnesses after having worked in facilities
Black Lung Benefits (2000)	14 ^m	Monthly benefit; expenditure figure includes only payments made to coal miners under age 65 disabled by the disease	Coal miners totally disabled by pneumoconiosis; widows & dependents of coal miners who died as result of disease
Means-Tested Assistance Programs			
Temporary Assistance to Needy Families (TANF)—federal share (means tested)	2,014 ⁿ	Provides time-limited cash benefits	Low-income families w/children
Earned Income Tax Credit (means tested)	1,500 ^o	Refundable federal income tax credit	Low-income workers

Note. SSDI = Social Security Disability Insurance.

^aSocial Security Administration (SSA; 2003), Table 5.J4. ^bSSA (2003), Table 7.a2. ^cSSA (2003), Table 5.f4. ^dSSA (2003), Table 5.f8. ^eAuthors' calculation based on age distribution of veterans receiving disability compensation from U.S. Department of Veterans Affairs, Veterans Benefits Administration (VBA; 2002), p. 99; and total disability compensation in FY 02 from VBA (2003), pp. 2–16. ^fVBA (2003), pp. 2–41. ^gAuthors' calculation based on 10,540 new additions to the retirement system because of disability, an average of 12 years before employee would have retired without a disability and an average payment of \$1,931 (U.S. Office of Personnel Management, 2003). ^hWilliams, Reno, & Burton (2004), Table H1. ⁱAuthors' calculation based on U.S.A. Railroad Retirement Board (2004), Tables b6, b10. ^jWilliams et al. (2004), Table H2. ^kWilliams et al. (2004), Table H5. ^lWilliams et al. (2004), Table H4. ^mSSA (2001), Table 9.d3 (2000 rather than 2002 figure was used because of the availability of the age distribution of beneficiaries). ⁿAuthors' calculation based on TANF expenditures (Administration for Children and Families, 2002a) multiplied by the percentage of TANF recipients who are in very poor physical or mental health (34.5%) from Zedlewski (2003); TANF expenditures did not include nonassistance activities (e.g., work-related activities, education and training, transportation). ^oEstimate developed by Elaine Maag, The Urban Institute, using data from the TRIM3 microsimulation model, federal tax module.

Appendix B

Federal Expenditures on Working-Age People With Disabilities in Fiscal Year 2002: Housing and Food Assistance Programs

Program	Expenditures (in \$ millions)	Description	Target population
Housing Assistance			
Section 8 Housing Vouchers ^a	2,265 ^b	Vouchers subsidize housing in private market; federally funded; vouchers distributed by network of state, regional, & local housing agencies	Low-income families, elders, & people w/disabilities
Housing & Urban Development—Section 811 ^a	217 ^c	Program funds development of supportive housing by nonprofit organizations through no-interest capital advances & rental assistance; also funds tenant-based rental assistance through Section 8 Mainstream Housing Opportunities for Persons With Disabilities program	Very-low-income (below 50% of area median income) people w/disabilities
McKinney/Vento Homeless Assistance Act ^a	280 ^d	Range of permanent housing & service programs, such as Shelter Plus Care, Supportive Housing Program, emergency shelter grants, Section 8 Moderate Rehab, & Single Room Occupancy	Homeless individuals, an estimated 20%–25% of whom have mental disorders
Projects for Assistance in Transition from Homeless, federal ^a	35 ^e	Federal grant program, funds state & local agencies to provide community-based outreach, mental health, substance-abuse, case management, & other support services, as well as a limited set of housing services	People who are homeless & have mental illnesses
Housing Opportunities for Persons With AIDS ^a	295 ^c	Funds housing information & referral services; acquisition, rehabilitation, & leasing of property; project based or tenant based; rental assistance; homeless prevention activities; supportive services; housing operating costs; technical assistance, including resource identification	People living with HIV/AIDS & their families whose incomes are at or below 80% of area median income
Programs for homeless veterans (2001) ^a	65 ^f	Includes Domiciliary Care for Homeless Veterans, Veterans Administration–Supported Housing Program, Homeless Providers Grant & Per Diem Program; figure reflects estimated expenditures on homeless veterans w/mental illness	Homeless veterans
Veterans Administration—Specially Adapted Housing Programs	16 ^g	Includes (a) Specially Adapted Housing grants (maximum of \$50,000, or 50% of the cost) to purchase adaptive housing & (b) Special Homes Adaptation Grant (maximum \$10,000) for actual cost to adapt a house	Veterans w/service-connected permanent & total disability
Food Assistance			
Food Stamps ^a	2,373 ^h	Increases food purchasing power by subsidizing food purchases through coupons that can be used like cash at the grocery store	Low-income households

^aMeans tested. ^bAuthors' calculation based on \$15.1 billion appropriation for all Section 8 vouchers from U.S. Department of Housing and Urban Development (HUD; 2002) and 15% of vouchers used by people with disabilities (Center for Budget and Policy Priorities, 2003). ^cHUD (2002), Table 4, p. 23. ^dAuthors' calculation based on \$1.123 billion in total program expenditures (HUD, 2002) and 25% of homeless people have mental disorders (Substance Abuse and Mental Health Services Administration, National Resource Center on Homelessness and Mental Illness, 2003). ^eSubstance Abuse and Mental Health Services Administration, Projects for Assistance in Transition from Homelessness (2002). ^fAuthors' calculation based on \$150.6 million in expenditures for homeless veterans and 43% of homeless veterans have serious mental illness (House Committee on Veterans' Affairs, 2000). ^gU.S. Department of Veterans Affairs (2002), Table 22. ^hAuthors' calculation based on \$18.2 billion total Food Stamp benefits (Food and Nutrition Service, 2004) and 13% of Food Stamp beneficiaries have disabilities (Rosso, 2003).

(continues with Appendix C)



Appendix C

Federal Expenditures on Working-Age People With Disabilities in Fiscal Year 2002: Health-Care Programs

Program	Expenditures (in \$ millions)	Description	Target population
Medicaid & Medicare			
Medicaid (federal share) for groups w/disabilities (2001) ^a	47,766 ^b	Federal-state matching entitlement program; provides medical assistance	Primarily low-income individuals, including people w/disabilities; eligibility may be linked to SSI or TANF
Medicaid (federal share) for people w/disabilities in TANF groups (2001) ^a	11,318 ^c	Federal-state matching entitlement program; provides medical assistance	Primarily low-income individuals, including people w/disabilities; eligibility may be linked to SSI or TANF
Medicare (2002)	34,400 ^d	Public health insurance program; provides both hospital coverage (Part A) & supplementary medical insurance (Part B)	People ages 65+, DI beneficiaries, some former DI beneficiaries
Veterans' Programs			
Veterans' Medical Care (2002) ^e	7,782 ^f	Provides a full range of health-care services; eligibility & copayments based on disability severity & income	Veterans
Veterans Prosthetic Appliances (2003)	633 ^g	Provides prosthetic & related appliances, equipment, & services	Veterans w/disabilities
Medical Costs Associated w/Workers Compensation			
Federal Employees Compensation Act	665 ^h	Medical benefits (see Appendix A)	Disabled federal employees w/sufficient no. yrs federal employment
Longshore & Harbor-workers Compensation Act	169 ^h	Medical benefits (see Appendix A)	Injured longshore & harbor workers
Energy Employees Compensation Act	5 ^h	Medical benefits	Injured employees of atomic weapons-related facilities
Other Federal Health Programs			
Ryan White Care Act (2002) ^a	1,910 ⁱ	Funds state & local programs; provides primarily health care & support services	Medically underserved individuals w/ HIV/AIDS
Center for Mental Health Services Block Grant (2001)	370 ^j	Grants to states to provide mental health services	People w/mental disorders

Note. SSI = Supplemental Security Income; TANF = Temporary Assistance for Needy Families; DI = disability insurance.

^aMeans tested. ^bAuthors' calculation based on \$83.8 billion total (federal and state) Medicaid expenditures for people of blind/disabled eligibility (Centers for Medicare and Medicaid Services [CMS], 2003), Table 34; and 57% of all Medicaid expenditures are federal (General Accounting Office, 2004). ^cAuthors' calculation based on \$58.8 billion expenditures for adults and children on TANF (CMS, 2003), Table 34; and 34% of adults on TANF have disabilities (Zedlewski, 2003). ^dCMS (2003), Table 29. ^ePartially means tested. ^fAuthors' calculation based on National Center for Health Statistics (2003), Table 139; and applying the percentage of inpatients/outpatients with disabilities to total inpatient/outpatient expenditures. ^gCatalog of Federal Domestic Assistance (n.d.), CFDA #64.013. ^hWilliams, Reno, & Burton (2004), Tables H1-H4. ⁱHealth Resources and Services Administration, HIV/AIDS Bureau (n.d.). ^jLutterman, Hollen, & Shaw (2003), Table 25.

Appendix D

Federal Expenditures on Working-Age People With Disabilities in Fiscal Year 2002: Education, Training, and Employment Readiness

Program	Expenditures (in \$ millions)	Description	Target population
Vocational Rehabilitation			
Vocational Rehabilitation–Rehabilitation Services Administration (RSA)	2,481 ^a	Federal–state program; provides counseling, education, training, & job placement assistance	People w/disabilities; priority given to individuals w/significant disabilities
Other programs in the RSA	110 ^a	Services promote independent living, community integration, protection, advocacy; RSA programs provide technical assistance, training, support, research, or evaluation but do not provide direct services are not included in expenditure figure	People w/disabilities
Veterans Vocational Rehabilitation	472 ^b	Program similar to the state vocational rehabilitation program; includes Homeless Veterans re-integration program, Disabled Veterans outreach program, Veterans Administration Compensated Work Therapy, & others	Veterans w/service-related disabilities
Education			
Individuals With Disabilities Education Act Special Education	99 ^c	Federal law authorizing special education; figure includes spending for students ages 19–22 only	(a) All students w/disabilities ages 5–18; & (b) students w/disabilities, ages 19–22, if enrolled in special education program prior to 19th birthday & if not yet graduated from prescribed course of study
Gallaudet	89 ^d	Federally chartered, private, nonprofit educational institution providing elementary, secondary, -undergraduate, & continuing education programs	Postsecondary school students who are deaf
National Technical Institute for the Deaf	52 ^d	Residential facility (at Rochester Institute of Technology) for postsecondary technical training & education	Postsecondary school students who are deaf
Other Employment-Related Programs			
Department of Labor–Employment & Training Administration grants (2003)	23 ^e	Work incentive, disability employment, & disability information technology grants to enhance the One-Stop Career Center system & develop training options & intensive information technology programs	Employment service providers
Benefits planning assistance & outreach	23 ^f	Provides work incentives planning & assistance; conducts outreach efforts	Social Security beneficiaries w/disabilities & those potentially eligible to participate in federal or state work incentives programs
Department of Labor Office of Disability & Employment programs & grants	43 ^g	Includes programs such as the Employer Assistance Referral Network, Job Accommodation Network, & Workforce Recruitment Program; seven grant programs to promote employment, including Working for Freedom, Opportunity & Real Choice Through Community Employment (WorkFORCE) Action, Customized Employment, & Ending Chronic Homelessness Through Employment & Housing Cooperative Agreements	People w/disabilities

(Appendix D continues)

(Appendix D continued)

Program	Expenditures (in \$ millions)	Description	Target population
New Freedom Initiative Access to Telework Fund	20 ^h	Provides federal matching funds to states to guarantee low-interest loans to purchase computers & other equipment necessary to telework from home	People w/disabilities via state programs

^aU.S. Census Bureau (2003), Appendix A. ^bU.S. Department of Veterans Affairs (2002), House Committee on Veterans' Affairs (2000). ^cAuthors' calculation based on \$6.2 billion expenditures for Individuals With Disabilities Education Act § 611 (U.S. Department of Education, 2002, Table ag1), and 5% of students are ages 18–21 (U.S. Department of Education, 2002, Table aa8). ^dHouse Subcommittee on Labor, Health and Human Services, and Education Appropriations (2001). ^eAuthors' calculation based on U.S. Department of Labor, Employment and Training Administration (n.d.). ^fSocial Security Administration, Ticket to Work and Work Incentives Advisory Panel (2004). ^gU.S. Department of Labor, Office of the Secretary (2002). ^hWhite House Office of the Press Secretary (2001).

Appendix E

Federal Expenditures on Working-Age People With Disabilities in Fiscal Year 2002: Other Services

Program	Expenditures (in \$ millions)	Description	Target population
Social Services Block Grant ^a	328 ^b	Capped entitlement program; provides federal funds to assist states w/provision of social services; funds appropriated in proportion to each state's population; expenditure amount includes only block grant \$ for "special services-disabled"	Adults & children needing social services
Technology			
Assistive Technology Act—Title I: State Grant Programs	31 ^c	Provides grants to states that may be used to provide assistive technology (AT) devices to individuals, as well as to increase public awareness of available AT; provides cash loans to buy needed AT devices & services	People w/disabilities & older Americans in need of AT
Alternative Financing Program for Assistive Technology	40 ^d	Federal matching funds to states to finance low-interest loans to help purchase needed AT	People w/disabilities in need of AT
Veterans Affairs Auto- mobiles & Other Conveyances for Disabled Veterans	30 ^e	Provides specially equipped vehicles & transportation services	Veterans w/disabilities
AgrAbility Project	3 ^f	AT program	Farmers w/disabilities
Transportation			
New Freedom alter- native transportation grants	100 ^d	Matching grants for alternative transportation methods	Specialized, community, & local transportation providers
Transportation—Formula Grants for Special Needs of Elderly Individuals & Individuals w/Disabilities	84 ^g	Grants provide transit capital assistance, through states, to organizations that provide specialized transportation services	Specialized transportation providers for elderly persons & individuals w/disabilities
New Freedom Trans- portation pilot programs	45 ^d	10 new pilot programs to develop innovative transportation programs	Specialized transportation providers for people w/disabilities

(Appendix E continues)

(Appendix E continued)

Program	Expenditures (in \$ millions)	Description	Target population
Protection & Advocacy			
Americans With Disabilities Act Technical Assistance Program	16 ^h	Ensure that public accommodations, commercial facilities, & state & local governments learn the requirements of Titles II & III of the Americans With Disabilities Act & acquire knowledge needed to comply voluntarily w/these requirements	People w/disabilities
Protection & Advocacy for People w/Mental Illness	33 ^h	Grants to expand protection & advocacy system in each state to protect & advocate for the rights & safety of individuals w/mental illness in public & private treatment facilities as well as in the community	People w/mental illness
Protection & Advocacy for Beneficiaries of Social Security	7 ^h	Established under Ticket to Work & Work Incentives Improvement Act to protect legal rights during efforts to return to work; includes issues related to benefits, vocational rehabilitation services, & employers	Social Security beneficiaries
State Grants for Protection & Advocacy Services for Traumatic Brain Injury	3 ^h	Grants to protection & advocacy systems as established in each state to provide services	Individuals w/traumatic brain injury
Demonstrations/Systems Change			
Developmental Disabilities Basic Support & Advocacy Grants	107 ^h	Funding to assist states in developing plan for comprehensive & coordinated system of services & other activities to enhance lives of individuals w/developmental disabilities & their families, & to support a system that protects the legal & human rights of individuals w/developmental disabilities	Individuals w/developmental disabilities
Developmental Disabilities Projects of National Significance	12 ^h	Grants to promote & increase the independence, productivity, inclusion, & integration into the community of persons w/developmental disabilities; & to support the development of national & state policies that enhance the independence, productivity, inclusion, & integration of these individuals into the community	Individuals w/developmental disabilities
Medicaid Infrastructure Grants	20 ^h	Grants to states to (a) modify their health care delivery systems to meet the needs of people w/disabilities who want to work & (b) support people w/disabilities in securing & sustaining competitive employment in an integrated setting	People w/disabilities
Demonstration Projects to Ensure Students w/Disabilities Receive a Higher Education	7 ⁱ	Grants to develop innovative & effective teaching methods to train faculty to teach students w/disabilities	College students w/disabilities
Other			
Voting Access for Individuals w/Disabilities	15 ^h	Grants to make polling places accessible	Voters w/disabilities

(Appendix E continues)

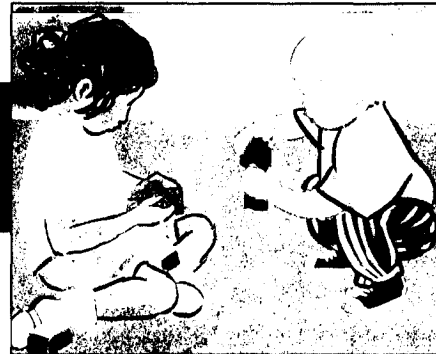
(Appendix E continued)

Program	Expenditures (in \$ millions)	Description	Target population
U.S. Library of Congress, National Library Ser- vice for the Blind & Physically Handi- capped	50 ^j	Provides books on cassette, on compact disc, or in Braille, & talking book & recorded cassette machines through 57 regional libraries & 81 sub- regional libraries	People who are blind, have low vision, or have a severe reading or physical disability that prevents them from reading typical printed material
Federal prisons (2001)	364 ^k	Correctional facilities	Inmates convicted of violating federal laws

^aMeans tested. ^bAdministration for Children and Families (2002b), Figures 3-6. ^cU.S. Senate (2003). ^dWhite House Office of the Press Secretary (2001). ^eU.S. Department of Veterans Affairs (2002), Table 22. ^fU.S. Senate (2001). ^gAmerican Public Transportation Association (2003). ^h*Catalog of Federal Domestic Assistance* (n.d.). ⁱU.S. Department of Education (n.d.) ^jU.S. House of Representatives (2003), No. 107-576. ^kAuthors' calculation based on \$5.2 billion total expenditures for federal prisons (Bauer & Owens, 2004), and 7% of federal prisoners have mental illness (Ditton, 1999).

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