

## Forced Poverty in Disability Policies

### Summary

Minnesota's current system of services for people with disabilities forces them to live in poverty because of restrictive financial policies. These restrictions apply to people with disabilities themselves and some of their family members.

These forced poverty measures have many unjust outcomes. Many people face a constant threat of losing their housing, healthcare, and other safety net supports.

When people with disabilities are barely allowed to survive, they are not allowed to thrive and flourish as valued and respected members of society.

People with disabilities should not be forced into poverty just to get basic supports. State policies should support them to thrive, not force them to stay in a constant cycle of survival.

We must eliminate all forced poverty measures in disability policy at the state and federal levels.

### Issue

Minnesota's current system of services for people with disabilities forces them to live in poverty because of restrictive financial policies. These restrictions apply to people with disabilities themselves and some of their family members.

People experience poverty when they do not have enough money to meet basic needs like healthcare, food, clothing, and shelter.<sup>i</sup> Poverty is often defined according to the Federal Poverty Guideline (FPG). The US Census Bureau, which sets the FPG, states that it is not a complete description of what people and families need to live.<sup>ii</sup> In addition, the FPG does not vary geographically, although the cost of living does.

Some of the current policies that force people to live in poverty include:

- Income limits
  - Income limits are a cap on how much money a person can make in order to access services. These limits are based on the FPG.<sup>iii</sup>
  - These limits force people to live in life-long poverty to access community services through Medical Assistance (MA). After paying the monthly cost of rent, food, utilities, medicine, and other essentials, people do not have enough income to live with dignity.
  - There is no excuse to force people to live in poverty to access the supports they need.
- MA-EPD premiums

- Some adults with disabilities in Minnesota access Medical Assistance for Employed Persons with Disabilities (MA-EPD).
- This program is a lifeline, because it allows people to work without fear of losing important safety net supports.
- There are premiums for MA-EPD which are often more than people can afford.<sup>iv</sup> Due to these penalties, some people are deterred from accessing the MA-EPD option and keeping their employment.
- Asset limits
  - People accessing MA based on their disability are subject to asset limits. Asset limits are a cap on how much money a person can save in order to access services. Assets also include things like checking and savings accounts, and financial investments.<sup>v</sup>
  - Limited assets leave people without full capacity to save for emergencies, future goals, or retirement.
  - There are some options that can help people with disabilities save money and build assets, but there are many administrative and bureaucratic barriers that make these options inaccessible.
- Public housing
  - Some people with disabilities rely on public housing. These are types of housing that are partially paid for with government funding.
  - With rent prices so high, it is very hard for many people with disabilities to afford the cost of housing. Some turn to public housing and other housing benefits in order to have a stable place to live.
  - Public housing and housing benefits also have income thresholds, with strict income reporting requirements. These policies force people to live in poverty and make it even harder to afford rent on their own.
- Marriage penalties
  - Marriage penalties are rules that make it difficult for married adults who have disabilities to access benefits like Social Security, Medicare, and Medicaid.<sup>vi</sup>
  - Some examples of these penalties include:
    - Different Medicaid income limits for married people versus single people
    - Different Supplemental Security Income (SSI) income and asset limits for married people versus single people.
    - Loss of benefits for people who are getting Social Security as a Disabled Adult Child, unless they marry another person who is getting the same benefit.
  - Millions of people with disabilities face these marriage penalties that can result in total or partial loss of their safety net supports.
  - For many people, marriage is a central relationship that creates a meaningful life. For people with disabilities, these penalties prevent people from being able

to experience a critically important long-term, loving, and supportive relationship.

These forced poverty measures have many unjust outcomes. Many people live in fear of losing their services if they earn too much money. They face a constant threat of losing basic needs like housing, food, and healthcare.

These policies are especially hard on disabled adults who are parents or caregivers for others. Hardships are compounded for single parents with disabilities.

These policies prevent people from having economic stability. They make it difficult for people who have disabilities to start their own business or get a high paying job. Some families even disinherit individuals with disabilities because of the risk of losing safety net supports, even for a small inheritance.

Policies that force people with disabilities to live in poverty in order to access services and supports are ableist and dehumanizing. They imply that people who have disabilities do not deserve financial stability, let alone prosperity. When people with disabilities are barely allowed to survive, they are not allowed to thrive and flourish as valued and respected members of society.

Administrative processes that monitor income and asset limits take away money that could be spent to help people thrive. They create barriers and put unnecessary burden on people accessing services.

### **Position**

People with disabilities should not be forced into poverty just to get basic supports. State policies should support them to thrive, not force them to stay in a constant cycle of survival.

People with disabilities should be able to live without fear of losing health care, benefits, supports, and services while they:

- Get married
- Have a job with livable wages
- Build and keep assets to save for emergencies and retirement
- Invest in their futures
- Live in a safe, stable, and accessible home
- Have opportunities to make choices and enjoy life

To make sure people with disabilities have the resources they need to live and thrive, we must eliminate all forced poverty measures in disability policy at the state and federal levels.

Approved by The Arc Minnesota Position Statements Work Group on 11/16/2022.

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<sup>i</sup> What is Poverty? (n.d.). *Government of New Brunswick*.

[https://www2.gnb.ca/content/gnb/en/departments/esic/overview/content/what\\_is\\_poverty.html](https://www2.gnb.ca/content/gnb/en/departments/esic/overview/content/what_is_poverty.html)

<sup>ii</sup> How the Census Bureau Measures Poverty. (n.d.). *United States Census Bureau*.

<https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>

<sup>iii</sup> Income and Asset Guidelines. (2022, July 1). *Minnesota Department of Human Services*.

<https://edocs.dhs.state.mn.us/lfservlet/Public/DHS-3461A-ENG>

<sup>iv</sup> ME-EPD What You Pay. (n.d.). *Disability Hub MN*.

[https://mn.db101.org/mn/programs/health\\_coverage/ma-epd/program2a.htm](https://mn.db101.org/mn/programs/health_coverage/ma-epd/program2a.htm)

<sup>v</sup> Ibid.

<sup>vi</sup> Stasio, B.J. (n.d.). People with Disabilities and the Federal Marriage Penalties. *Institute on Community Integration*.

<https://publications.ici.umn.edu/impact/23-2/people-with-disabilities-and-the-federal-marriage-penalties> ; Kim, S.

(2021, September 22). Marriage Penalty Prevents Marriage Equity for People with Disabilities. *World Institute on*

*Disability*. <https://wid.org/marriage-penalty-prevents-marriage-equity-for-people-with-disabilities/#:~:text=In%20this%20context%2C%20%E2%80%9Cmarriage%20penalty%E2%80%9D%20refers%20to%20a,benefits%20such%20as%20Social%20Security%20benefits%20and%20Medicaid>