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Your Social Security

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News and Information for SSDI and SSI Recipients

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Will the Social Security Disability Insurance Trust Fund Run Dry?

Nearly 11 million disabled Americans and their families rely on the critical lifeline of Social Security disability benefits to put food on the table, keep a roof over their heads and often to pay for vitally important medications.

Social Security Disability Insurance (SSDI) is funded by American workers and the companies they work for. A dedicated share of payroll tax contributions—0.9 percent of taxable wages — is paid by employees and the same amount is paid by employers. These insurance payments are held in trust by the federal government. For most Americans

this is a crucially important safety net because only about one in three employers provide disability insurance as a employee benefit and privately purchased disability insurance is just too expensive for many families. But the trust fund is in danger of running out of money. The Center of for American Progress reports that “since the mid-1990s the Social Security Administration has consistently projected that the Disability Insurance trust fund would have sufficient reserves to cover all scheduled benefits until 2016, but after that date, additional funds would be needed to avoid a shortfall in the necessary funds to continue paying full benefits.” This prediction is echoed in the Social Security’s own *2014 Annual Trustee Report* which states, “the Trustees project trust fund depletion late in 2016.”

So what does this mean if you or someone you care for relies on Social Security disability benefits? It means that without Congressional intervention a day of reckoning is coming soon. Unless there is additional funding, SSDI will only be able to pay out in benefits an amount equal to what it takes in, which would mean a sharp cut in benefits. Most Social Security experts project a devastating 20% reduction. Today, on average, SSDI



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recipients receive a monthly check of \$1,146 which would plummet to \$917 per month. If the DI trust fund is not replenished, a cut this deep would drop them below the national poverty level.

Washington must act. Congress has several options:

1. It can move money from payroll taxes paid into the regular Social Security trust fund into the SSDI trust fund. Congress has done this many times before, but it has a down side: it further depletes the funds for regular Social Security and puts added pressure on the entire Social Security program.

(Continued on Page 2)

Will the Social Security Disability Insurance Trust Fund Run Dry?



IN THIS

Issue

1 Will the Social Security Disability Insurance Trust Fund Run Dry?

2 FYI

2 Comfort Food: Spaghetti Pie

3 Connections: Community Alliance

3 Game Zone

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Trust Fund..continued from page 1.)

2. It can increase the payroll tax rate. The current rate is 1.8% (.9% from employees and .9% from employers). Accounting experts estimate that a modest .5% increase to 2.3% would solve the problem.
3. It can give the disability trust fund a "transfusion" of money from general tax revenues. According to the Heritage Foundation, a conservative think tank, it will take about \$27 billion a year to stabilize the disability trust fund, which would mean Congress would have to either cut that amount from other tax-funded programs or add it to the deficit.

Or, Congress could choose to do nothing and just let beneficiary payments decline. Some argue that because the disabled don't have a strong voice in Washington, it will be easier for Congress to ignore them.

Let your voice be heard. Contact your representatives and senators to let them know that urgent action is needed to fix the DI trust fund. As the Social Security Trustee's report says, "while legislation is needed to address all of Social Security's financial imbalances, the need has become most urgent with respect to the program's disability insurance component. Lawmakers need to act soon to avoid automatic reductions in

payments to DI beneficiaries in late 2016."



For Your Information

Have questions?
Here's where to start.

In Person: Tim Cuddigan will be presenting a free live seminar on **Social Security Disability for Individuals with Multiple Sclerosis, Thursday September 25 at 6:30 p.m. at Concordia University, 570 Fallbrook Blvd., Lincoln, NE.** Light refreshments will be served. Seating is limited so please call 402.933.5318 to reserve your place.



Online: Visit our web site at cuddiganlaw.com for an extensive free library of articles, videos and blogs

Here are some current articles you may find informative and useful:

Why Social Security may deny your MS disability application.
<http://www.cuddiganlaw.com/blog/why-social-security-may-deny-your-ms-disability-application.cfm>

Social Security disability: five steps to eligibility.
<http://www.cuddiganlaw.com/video/omaha-disability-lawyer-explains-the-5-step-disability-process.cfm>

"5 Deadly Mistakes That Can Destroy Your Social Security Disability Case" is the #1 guide to improving the odds of winning a disability case.

For a FREE copy for you or someone you care about call Cuddigan Law at 402.933.5318 or email us at lawteam@cuddiganlaw.com



Comfort Food

From the kitchen of
Janet Cuddigan

Who doesn't like Italian food (especially when it's this easy)?

Spaghetti Pie

1 pound ground beef
8 ounces sour cream
1 egg
1/2 cup mushrooms, optional
1 1/2 cups spaghetti sauce
6 ounces spaghetti, cooked and drained; may use more if desired
1/3 cup Parmesan cheese
1 small onion, chopped
1/2 cup green pepper, optional
1 cup mozzarella cheese, grated, plus some for top

Brown ground beef; drain. Saute onion in butter; mix with sour cream and Parmesan cheese. Mix egg and 1 cup mozzarella cheese with cooked spaghetti. Line a 10-inch pie pan (or 9 x 13 inch pan) as to form a crust. Pour in sour cream mixture, then sauce. Top with cooked ground beef, mushrooms and peppers. Bake at 350 degrees for 20 minutes. Cover with additional mozzarella cheese and bake until melted.



Connections

A spotlight on organizations who offer help and assistance in our community.

Organization: Community Alliance

Mission: Helping individuals with mental illness achieve their unique potential and to live, learn, work and contribute in a community of mutual support.



Help Offered: An Omaha organization, Community Alliance offers a range of options for the mentally ill including day rehabilitation programs, individualized work training and support, group living residences, family education, a helping hand for the homeless, peer crisis diversion services and more.

Contact Information: www.community-alliance.org, 4001 Leavenworth Street Omaha, Nebraska 68105, 402-341-5128

(Source: community-alliance.org)

(Cuddigan Law is a proud supporter of Community Alliance and a sponsor of Community Alliance's annual "Breaking the Silence" event.)



**This Month: Sudoku
Level: Easy**

For the puzzle solution go to cuddiganlaw.com/library/newsletters

For more puzzles visit www.sudoku.net

2	1		5	7			8	
9	4	7		1		2	5	3
		3			4		7	1
6	8		3	5			4	7
5	3			4		8	9	
4	7		1	8			6	5
			4	3	1		2	
3	9	5			7		1	8
1	2	4	8	9	5	7		6

We're in your corner.

We value the confidence and trust you have placed with us in the past.

If you or a family member or a friend could use our help now or in the future, please pass along our name.

Cuddigan Law.

Disability law is all we do.



Tim & Sean Cuddigan

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