

A Double Safety Net? Understanding Interactions between Disability Benefits, Formal Assistance, and the Role of the Family

STEPHANIE RENNANE

Key Findings and Policy Implications

This paper examines patterns of informal family assistance over the course of disability onset, and how DI benefits affect informal assistance within families. It uses data from the health and retirement study. The paper finds that:

- Household income declines by 20-40 percent following disability onset, while both formal income transfers and informal transfers within families increase.
- Interestingly, disability benefits crowd-in family assistance, increasing the probability of a family transfer by 7 percent, and nearly doubling the amount of assistance provided.
- Family support is especially important for SSI beneficiaries. Indeed, SSI benefits may be used to offset some of the costs of providing informal care, thus enabling families to increase the amount of assistance provided.

Informal assistance within families is a key component of the support system available to people with disabilities. This study helps to understand how informal caregiving interacts with publicly funded sources of disability income and caregiving support. The findings suggest that these support mechanisms may be complementary, with disability benefits being used to offset some of the costs to adult children in caring for parents with disabilities.

STEPHANIE RENNANE is an Associate Economist at the RAND Corporation.

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