

**United States Special Committee on Aging Hearing**

**“Building Wealth and Fostering Independence: Creating Opportunities to Save”**

**Testimony of: Dr. Josie Badger**

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**9:30 AM**

Good morning, I would like to thank Chairman Casey and Ranking Member Scott for holding this hearing and inviting me to speak. I would also like to thank all the Committee members in attendance. This is an extremely important issue for the largest minority group in America.

As you heard in my introduction, I have my doctorate and I'm a business owner; I am also a homeowner, a partner, daughter, friend, aunt, and dog mom. What you did not hear is that I am a person with a significant physical disability. I cannot put it in a category like I could with all of the other defining elements of my life because it affects every element of my being. It is the reason I don't walk or breathe on my own, my need for 24-hour care, my relationships, my work, and even how I earn and save money. It does not affect the way I work, earn, or save money in the way that you may think it would. I work over 40 hours a week, I can do all elements of my jobs without accommodations. My disability forces me to stay poor and not save for those big steps in life, the American dream, including retirement.

When I was growing up, I dreamed of being a marine biologist. Long story short, I don't swim, so a change of plans ensued. However, no one ever told me, “That's a great idea but you can't make that much money.” No one told me to not work so hard in school, to be valedictorian or to

not get my degrees and pursue my dreams. But that is exactly what the system is set up to do, to be prepared to be successful but to not actually be permitted to achieve success, at least financial success and stability.

As I was graduating with my doctorate, I was thinking, “Now what?” I had spent years completing higher education, volunteering, and working part-time. Most of my peers were applying to fantastic jobs and comparing offers for the best location, opportunity, salary, and benefits while I was trying to figure out how to not be too successful.

The reason I can't be too successful is that I rely on government insurance programs such as Medicaid and Medicare for my survival. No private insurance company will pay for the long-term supports and home and community-based services that I require to get out of bed every day. These amazing programs, however, have fairly strict income and asset limits. So, to be able to survive and work I have to keep myself poor.

To do so, I started a business so that I could be salaried and take job opportunities that I felt called to me. Such a structure has allowed me to work while still receiving the medical care that I could only otherwise receive in a nursing home because I can underpay myself. But I can honestly say that it is more work to be able to work, than the work itself.

Some of the barriers to working and economic stability changed with the passage of the ABLE Act. ABLE was my first opportunity to save more than \$2000 due to asset limits for Medicare and Medicaid that prohibit savings. In the past, I kept my income under the federal limits and I didn't really have money to save. However, I opened an ABLE account because it seemed like a good idea and all the cool kids were doing it. At that point I had no idea how useful it would be.

During the pandemic I realized how important having a space that I love mattered, as I'm sure it did for many of you. I decided that it was time to buy a house. I could easily make the mortgage payments, but I did not have enough savings set aside for a down payment. That is where the ABLE account made home ownership a possibility. Through the little bit of savings that I put into the account and a gift, I purchased a home exactly a year ago yesterday.

This was only possible because of my ABLE savings account. It is a wonderful program, but it is still not enough. Because of the strict age criteria for disability onset, 26 years of age, ABLE accounts don't serve all available people with disabilities, even though their financial needs are the same. We need to fix that problem.

And we need to address an even bigger issue: the limitation on earning money. The substantial gainful activity limit, SGA for short, restricts how much money a person receiving social security disability insurance can earn in a month. That limit is currently \$1,310 for a person with a disability. That is \$1,500 below the federal poverty level for a one person household. Earning more than the SGA means the possibility of losing life-sustaining medical and health care

coverage, in addition to the cash benefits. Because of such policies, people with disabilities, including me, are capping our employment and earnings opportunities and limiting our success in order to preserve life-sustaining services.

At one point in time these asset limitations and earning limits may have made sense. No taxpayer wants to be giving money to people who don't need it. However, with medical advancements, assistive technology and other workplace accommodations, asset limits and earnings restrictions have become barriers to employment and opportunities for economic self-sufficiency. People like myself, who receive high levels of supports and medical care would not have survived, let alone been able to work in previous decades. Now, not only are we surviving but we are capable of thriving. It is time to update disability support policies and to promote work, economic wealth and to remove the barriers for disabled people to be able to fully contribute to society.