Testimony of Mike Zelley
President
The Disability Network

Good Morning Mr. Chairman and committee members. I am honored to speak to you today regarding barriers to work, that are caused by our nation's Social Security Disability Insurance (SSDI) policies.

My name is Mike Zelley. I am the President of The Disability Network, a company that provides services and supports to thousands of people with disabilities in Genesee County and Flint, Michigan.

I thought I would tell you a little about myself, explain my personal history with SSDI and offer my strong support for policy changes to remove the barriers to work, that you are considering.

By way of background, I am a T-3 level Spinal Cord Injured paraplegic who uses a wheelchair for mobility. Please excuse the distraction of weight-shifts that I will periodically do to prevent pressure sores. We all unconsciously move our bodies when we feel pressure. I need to do that in a specific way because I'm unable to feel that pressure. Nothing wrong, I am just adjusting in my position.

I was injured in an automobile accident 36 years ago. I was traveling from a meeting to my office in the dead of winter on January 18, 1979. When entering an expressway ramp, my car slid against a guardrail that was ramped with ice, causing my car to flip over the guardrail and land on an expressway 40 feet below, on its top, literally breaking my neck. I'm sure you remember that very caution from your mother to stop that, or you will break your neck. I did, and now have a spinal cord injury from the accident, paralyzed from the chest down.

I am thankful to this day for the emergency and medical workers who pried me from the car, swept me away to a nearby hospital where doctors performed an immediate surgery to save my life. That infamous day was also my 15th wedding anniversary to my bride, Lana.

To this day, I recall laying in the intensive care unit, strapped to a stryker frame after surgery, with bolts in my head that were holding a halo frame in place and thinking to myself, that my life was over.

I had a wonderful job and career as a Senior Vice President of Marketing for a large bank holding company, 6 beautiful children, with our 7th on the way. I wondered how I would ever again support my family, let alone have any kind of life that would include being a loving father, husband and provider for my family.

When tragedy occurs in our lives, and it always does in some fashion, we all depend upon our family, faith and friends to get us through. At that time, I was so doubtful, that I just couldn't see or comprehend what my life would look like as a 35 year old paraplegic, who would need to use a wheelchair for the rest of my life.

Then something remarkable happened. My brother-in-law, Gene Hamilton, brought a friend of his to visit me in the intensive care unit, who had the same level of spinal cord injury that I had. Like me, he was paralyzed from the chest down. After talking about life in a wheelchair, he explained to me that as a stockbroker, he was wealthy and made a lot of money. The feeling I had right then was like an epiphany for me. I felt a rush of emotion that said to me, if he can do it, if he can work, if he can make a living……so can I.

This was peer support in its purest form. His words and example mattered more to me at that time than the encouraging words from my family and friends…that they would love me forever…that I was still a valued and good person…..that as in the past, I could do anything I set my mind to.

This was proof positive that it was possible. Yes, I could be the father, husband, provider and successful businessman I had been in the past. I knew that I needed supports and to learn new skills, but it really was up to me.

I am very fortunate that I wasn't a plumber or an electrician or had some other job that would require learning a whole new set of skills. I worked for a company that valued my work performance, skills, leadership and business relationships. They knew that the only difference in ME was that I used a wheelchair to get around. They believed in me, valued me and wanted me back to work as soon as it was reasonably possible. God was watching out for me.

I started my rehabilitation to learn new skills, how to take care of myself and operate a wheelchair at Craig rehabilitation hospital in Denver, Colorado. They were very aggressive in their rehab regimen, requiring me to begin my day at 6 am and not stopping rehab work until time for dinner at 5 in the afternoon. Rehabilitation was my new job, until I could learn these new skills and return to my job and career.

Craig Hospital staff suggested that I apply for SSDI because I had a significant disability that could affect my ability to work, and that I had paid for this disability insurance coverage. Even though I wanted to return to work at the same position and performance level, nothing was certain after the serious spinal cord injury and 2 months in intensive care after surgery.

I applied for and was awarded SSDI and began receiving a cash benefit of about $800 per month. I was also offered Medicare coverage, but I did not need it because my company had short term disability policies that continued my work related health care coverage.

The rehabilitation was remarkable. I learned to operate a wheelchair up and down escalators, drive a car with hand controls, roll down a 45 degree ramp while angled back into a wheelie, engage a wheelie to roll over curbs at a fast pace and even the skills to properly fall out of a wheelchair.….they actually made me purposely fall out of a perfectly working wheelchair in order to learn how to fall and avoid serious injury.

After 3 months of rehab, oversight of changes to my home to make it accessible and small changes at work to accommodate my wheelchair (raising my desk an inch for clearance), I slowly returned to work from part time for 3 months and then full time to continue my career.

When I informed Social Security (SS) that I was returning to work and earning wages, they told me that I was now beginning a 9 month trial work period and if successful, all of my benefits related to SSDI would stop. It didn’t make much sense to me because like any insurance (fire, car, house, etc.), that I had paid premiums for many years, why wouldn't I just receive the benefit associated with the disability until I was no longer disabled?

It didn't make much sense to me that the SS disability benefit only applied if I DIDN'T work. And the remarkable paradox was that SS strongly encouraged me to return to work, right after I had to declare to them that I was injured serious enough that I could not (or may not) be able to return to work. I was even offered very confusing options by SS to help me return to work like a PASS plan and IRWE deductions. The options were very complex, confusing and didn't seem to apply to me or really matter much, because I had real people in my life (employer, family, friends, rehab specialists, co-workers and more) who were assisting me in any way they could to get back to work and living life using a wheelchair. Besides, there was no way that I could provide for my family on $800/month.

After 9 months of working, the SS disability checks kept coming. I called SS to remind them I was working and that they had placed me on a so-called "trial work period" after which, my benefits would stop. They didn't, so I accepted the checks as I figured there may be a different interpretation by SS of the SSDI benefit. I didn't mind. After about a year, I was informed that I had been overpaid by SS and owed the funds back to them. Although frustrated with the system, they explained the rules and we worked out a monthly re-payment system and the overpayment was returned.

After continuing my career and enjoying further success, I formed my own company in 1990 when the bank holding corporation sold off the company I worked for to position itself for acquisition. This is just part of how corporate America works. After a negotiated and generous separation agreement, the sad news was that I lost my job, the great news was that I could do anything I wanted to….and I also had the ability to fall back on SSDI for Medicare and a small cash stipend. Of course, this led to another overpayment of checks that I then handled through another SS re-payment plan.

The company I co-founded is called The Disability Network. We believe that the best way to help people not be poor is to have a job. People with disabilities need supports and public policies that encourage employment. We need your help. We need SSDI policies that have an expectation of work.

The policies of our current SSDI system just do not make any sense. They are incredibly complex for the average person to comprehend and navigate. Why would we require people to pay federal disability insurance coverage from their paycheck in order to help them in the event of a disabling condition that may affect their ability to work and then penalize them if they do make a livable wage? When people awarded SSDI return to work as I did, they are improving our economy, paying federal & state taxes, living independently and paying into the very SSDI insurance they are receiving. Penalizing people on SSDI who want to work is bad public policy because it discourages work.

To further explain the paradox, when people with a significant disability access the very benefit we require them to pay for, we immediately take it away, if they earn more than a so called “Substantial Gainful Activity”, about $1,000/mo on average. Most people would call this “cliff” amount a “Poverty Wage Activity” rather than “Substantial Gainful Activity”, because it does not provide for a meaningful wage. This is especially true when the SSDI cash benefit is most likely used for products or services related to the disability, like aids to daily living, personal assistant services or prescriptions.

I strongly encourage you to consider proposals to ramp off the current wage cliff associated with the Substantial Gainful Activity. The rules surrounding SGA are “in the way” of people returning to meaningful and productive work that helps them achieve the American Dream of independence and freedom.

I support any policy change that “moves the needle” towards employment by assisting and encouraging people to return to work after acquiring a significant disability. The sooner people hear the “you can” message from peers and policies, the better the life awaits them after recovery from a devastating disability.

Public policies that discourage work, force people into the spectator stands and watch the world go by. We need people in the game, on the field. They are not even on our talent bench. The ACS-Cornell 2013 study shows that 500,000 working age Michigan citizens with disabilities are not working, even when 43% of them have a college education or degree. What is wrong with this picture when so many companies are looking for talent?

Business leaders across the nation need talent now. Many business people, like Randy Lewis from Walgreens, Rick Keyes, SVP of Supply Chain Manufacturing from Michigan's Meijer Corporation and Jeannie Stone, VP of Human Resources from Michigan's Trijicon are publicly stating that they are seeking to hire qualified and talented people with disabilities to represent 20% of their workforce. They see the talent, dependability motivation and improved workplace culture that occurs when people with disabilities are hired.

Employers will tell you that it is frustrating when talented workers with disabilities purposely turn down extra hours, promotions and increased performance pay, for fear of losing SSDI benefits. They want policy change too.

It's not only businesses that want to tap the hidden talent of people with disabilities. Like many other state Governors, Michigan's Governor Snyder implemented a new executive directive to specifically hire state employees with disabilities. With thousands of state employees, Governors also see the talent and value in hiring qualified workers with disabilities.

Business and government leaders have changed their perceptions of people with disabilities. We can too. Many times our perceptions and feelings get in the way of the truth and reality. Please picture the international symbol for disability. You have all seen it on the handicap parking signs at government and commercial parking lots, because it's part of the Americans with Disabilities Act. When you look at that symbol, what do you see?

A parking spot, someone who needs help, a person who is dependent, sick, limited, a drain on society, special …and think, there but for the grace of God, go I.

Or, do you see a person who is talented, educated, skilled, has work experience, has courage and motivated, wants to work, has a family, loves their country and community…….and think, there WITH the grace of God, go I.

Change is perceptions and policy is possible. You can do this. because you've done it before. It's simple and it makes sense. Congress provides a SS early retirement option with an annual earnings test for SS beneficiaries. When their earnings limit is reached, a 2 for 1 recollection ratio (or ramp off feature) is implemented. When people reach full retirement, their benefits are not reduced or taken away when they work. They are required to pay taxes on a portion of their SS benefits. I am one of those SS retirement beneficiaries who does not mind paying taxes on my SS retirement benefits because, just like when I acquired my disability, I chose to keep working. I accepted the SS retirement benefit I paid into, for all of my working career. You are being asked now to do the same for SSDI beneficiaries. Don't take away all of the SSDI benefits when a beneficiary exceeds a specific earnings limit (which is SGA in the case of SSDI).

A ramp off cash benefits will encourage and help people with disabilities return to work with a new policy that supports your goal of employment for all Americans.

When you think about the work you wake up every day, committed to do, it's incredibly disheartening to see policies which are intended to be a "safety net", actually trap people in a "poverty net", like a spider web, rather than help them bounce back to work, like a trampoline.

Our current SSDI system is complex, inefficient and discourages work. It makes sense that few beneficiaries are considering work because of policies that generate fear and jeopardy of losing benefits.

It's hard to imagine a cost neutral, simple way to change policies and at the same time it seems like common sense that working people on SSDI will pay back at least a portion of the 2 to 1 sliding scale ramp off policy.

In spite of noble efforts to offer work incentives, the options created by SSDI are unfortunately complex, inflexible, regulation bound and structurally create inefficiencies, distrust and barriers to work for people with disabilities. People are afraid to even open a letter from SSDI for fear of changes to their eligibility status. We seem unwilling to change policies that are stuck in unceasing bureaucracy.

Please act now while you have the opportunity to make a difference and replace a fear driven, barrier loaded, poverty entrapping system with a simple work incentive system. Do it for working people and our youth who need to have high expectations for work.

Thank you for this opportunity to speak on behalf of people with disabilities on SSDI who simply want to achieve the dignity of work without the fear of losing their SSDI benefits. I am hopeful that with your leadership, both perceptions of people with disabilities and policies to help them return to work, will change.

Mike Zelley, President

The Disability Network