
Financial Health Network Research: 90% of Working-Age People with Disabilities Struggle Financially



The Financial Health of People with Disabilities: Key Obstacles and Opportunities, a report released today by the Financial Health Network in partnership with National Disability Institute (NDI), The Harkin Institute, and Principal® Foundation, finds a staggering 90% of working-age people with disabilities are not Financially Healthy. In fact, one-third of all working-age people with disabilities are characterized as “Financially Vulnerable.” Financially Vulnerable individuals typically struggle to meet expenses, have little to no emergency savings, and burdensome levels of debt. The research also finds that 93% of people with disabilities are unfamiliar with ABLÉ Accounts, the primary tax-advantaged asset-building tool available to people with disabilities.

The report, which leverages qualitative interviews and new survey data collected this year solely from people with disabilities coupled with 2022 Financial Health Pulse survey data, documents the vast disparity in financial health between people with and without disabilities. The findings suggest that barriers to financial health for people with disabilities are intertwined and multifaceted. The report also points to opportunities for greater inclusivity in employment, better financial services and public benefit design, improved credit access, and asset building opportunities as avenues to make financial health more accessible for all.

“Thirty-three years have passed since the Americans with Disabilities Act, yet it is an unfortunate reality that financial health remains inaccessible to so many people in America,” said Jennifer Tescher, founder and CEO of the Financial Health Network. “This study represents both a first-of-its-kind deep dive into the financial health challenges faced by the disability community and a wake-up call to business leaders, financial services organizations, and policymakers that we’re not doing enough.”

Key Findings from the Report Include:

- Just 10% of working-age people with disabilities are Financially Healthy, compared to 30% of working-age people without disabilities.
- Nearly half of working-age people with disabilities have annual household incomes under \$30,000, compared to just 21% of working-age non-disabled people.
- 40% of people with disabilities who are not working would like to be working, and 23% of those who are working would like to be working more.
- People with disabilities cite a wide variety of barriers to employment. Negative attitudes in workplaces, insufficient workplace accommodations, transportation difficulties, a lack of education and training, and concern about losing benefits are all commonly reported.
- People with disabilities are more likely to use costly alternative credit services (such as payday loans, pawn, title loans, and tax refund anticipation loans) than people without disabilities, even after accounting for income differences between the two groups.
- ABLÉ accounts – designed to allow eligible disabled individuals to accumulate assets without losing public benefits – remain rarely used and poorly understood.

“These findings confirm empirically what we had already suspected anecdotally – that ABLÉ accounts are not reaching nearly as many people as who could benefit from this lifechanging program,” said Thomas Foley, executive director of NDI. “We hope service providers and policymakers are motivated by these findings to expand the reach and impact of ABLÉ accounts.”

“The ADA changed the landscape of workplace accommodations in the United States,” said Daniel Van Sant, Director of Disability Policy at The Harkin Institute. “However, these data show that there is still so much more that employers could do to make their workplaces and the benefits of work fully accessible.”

While these challenges are complex with no single policy change or intervention as a solution, there is potential for greater inclusivity in employment, financial service design, credit access, and asset building opportunities to bolster the immediate financial wellbeing of people with disabilities as well as their long-term security, including:

Improved Public Benefits

Safety net programs designed to support people with disabilities don't appear to fill the gap left by employment barriers.

- Only 63% of those who had annual household incomes below \$30,000, were not employed, and who reported that their condition was preventing them from working were receiving SSDI or SSI.
- Interviewees described difficult application and enrollment processes for public benefits and asset limit requirements that leave them vulnerable to financial shocks and constrain their ability to build long term financial security.

Expanded Access to Affordable Borrowing

People with disabilities are underbanked at higher rates than people without disabilities even after accounting for income differences. Accessible, affordable credit appears to be a particular area of need for the disability community.

- Credit health may be a key reason that disabled people are using alternative credit services like payday loans, pawn, title loans, and refund anticipation loans. More than half (55%) of disabled survey respondents who used an alternative credit service said they did so because their "credit score was too low to get a loan at a bank."
- People with disabilities reported worse credit scores than those without disabilities at all income levels, suggesting they face distinct barriers to affordable credit.

Increased Uptake of ABLE Accounts

One promising solution to burdensome asset limits – the ABLE account – remains rarely used and poorly understood. SSI and Medicaid impose asset limits on their beneficiaries, but ABLE accounts allow eligible individuals to accumulate assets without losing these benefits.

- In our survey of individuals with disabilities, less than 1% had an ABLE account, and all of them had less than \$10,000 in their accounts.
- In addition to low account ownership, we find a near-universal lack of awareness or knowledge about ABLE accounts among the disability community: 93% of survey respondents said they were unfamiliar with ABLE accounts.

"This report reveals a concerning gap in financial opportunity between people with and without disabilities," said Jo Christine Miles, director of Principal Foundation and Principal Community Relations. "For Principal Foundation, this emphasizes the need for further investments to both meet the essential needs of people with disabilities and empower this community to achieve greater levels of financial health in the long term."

"There are over 40 million people with disabilities in the United States," said Andrew Warren, research lead and Senior Associate, Policy & Research at the Financial Health Network. "And despite the ubiquity and diversity of the disability community, they are still so often marginalized. Our data show that the structural barriers people with disabilities face in earning income, saving, and borrowing have profound implications for their financial health."

Methodology

The findings in this report are drawn from data collected from two surveys and ten individual in-depth interviews by the Financial Health Network in 2022 and 2023. The 2022 Financial Health Pulse survey, fielded using the Understanding America Study (UAS) online panel, is representative of the civilian, noninstitutionalized, adult population of the United States and asks a wide variety of financial health-related questions. In spring 2023, a separate survey to people with disabilities, again using the Understanding America Study panel, allowed Financial Health Network to ask questions specific to the experience of having a disability and its impact on financial health. The survey was conducted from March 6 to April 9, 2023 and yielded 1,663 responses (margin of error +/- 2.4%) for a cooperation rate of 83%. The data were weighted using U.S. Census Current Population Survey benchmarks and are representative of the disabled non-institutionalized adult population of the United States with regard to gender, race/ethnicity, age, education, and census region. For more background on the report's methodology visit [the report page](#).

Source: [Financial Health Network](#)

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