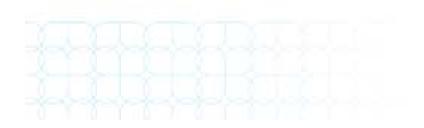
Examining income risk factors for people with disabilities

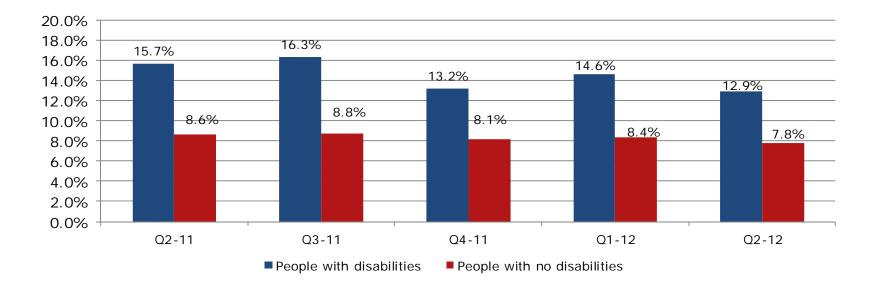
2012 Second Quarter Report July 2012





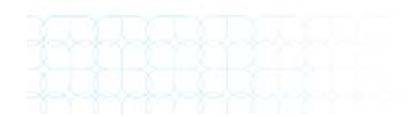
The quarterly unemployment rate for people with disabilities continues to be much higher than for those with no disabilities.

Quarterly unemployment rates



The second-quarter unemployment rate for people with disabilities reached its lowest rate since fourth quarter 2008. It also declined nearly 2 percent compared to second quarter 2011. However, for second quarter 2012, people with disabilities experienced an unemployment rate nearly 65 percent higher than people with no disabilities.

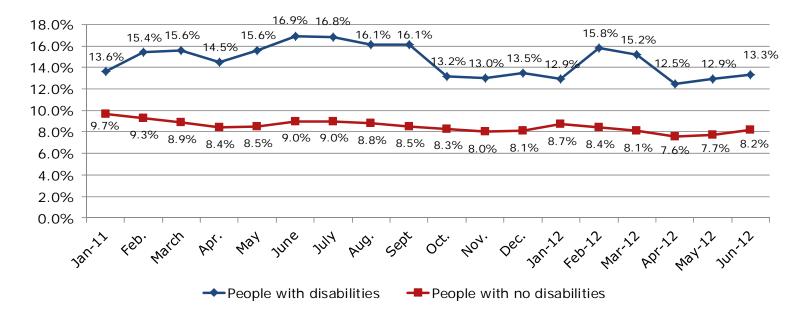
Source: Allsup analysis based on U.S. Bureau of Labor Statistics data; not seasonally adjusted and includes those 16 and older.





The monthly unemployment rate for people with disabilities dropped sharply at the start of the second quarter of 2012 before beginning another slow climb.

18-month unemployment rates



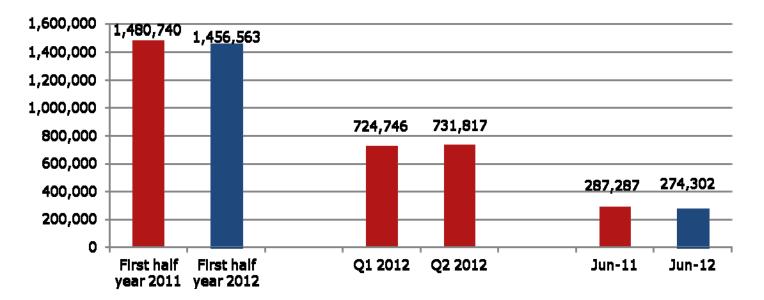
After a couple months of recording 15-percent plus rates of unemployment in early 2012, the unemployment rate for people with disabilities in April dipped to its lowest rate in more than three years. Then it rose slightly in the last two months of the second quarter. People with disabilities consistently had greater volatility and higher rates of unemployment than those without disabilities throughout 2011 and the first part of 2012.

Source: Allsup analysis based on U.S. Bureau of Labor Statistics data; not seasonally adjusted and includes those 16 and older.



Social Security Disability Insurance applications for the first half of 2012 decreased nearly 2 percent compared to the same period 2011.

SSDI applications



The number of people applying for Social Security Disability Insurance benefits increased about 1 percent from the first quarter to the second quarter of 2012.

However, for the first six months of 2012, SSDI applications are nearly 2 percent lower than for the first six months of 2011. Additionally, in the last month of the second quarter there was an almost 5 percent drop in applications year to year. Specifically, the number of applicants shrunk by about 13,000 from 287,287 in June 2011 to 274,302 in June 2012.

Source: Allsup analysis based on Social Security Administration data.



Background information

About Allsup:

Allsup is a nationwide provider of Social Security disability, Medicare and Medicare Secondary Payer compliance services for individuals, employers and insurance carriers. Founded in 1984, Allsup employs more than 800 professionals who deliver specialized services supporting people with disabilities and seniors so they may lead lives that are as financially secure and as healthy as possible. The company is based in Belleville, III., near St. Louis. For more information, visit <u>www.Allsup.com</u>.

Allsup Disability Study:

Allsup has been conducting the quarterly "Allsup Disability Study: Income at Risk" since 2009.

Second quarter 2012 report: <u>http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q2-12.pdf</u> Archive: <u>http://www.allsup.com/about-us/news-room/income-at-risk-report-archive.aspx</u>

Source materials:

U.S. Bureau of Labor Statistics, <u>http://www.bls.gov/schedule/archives/empsit_nr.htm#2012</u> Social Security Administration, <u>http://www.ssa.gov/OACT/STATS/dibStat.html</u>

Allsup contacts:

Rebecca Ray, (800) 854-1418 ext. 65065, <u>r.ray@allsupinc.com</u> Mary Jung, (773) 429-0940, <u>mtjung@msn.com</u>



