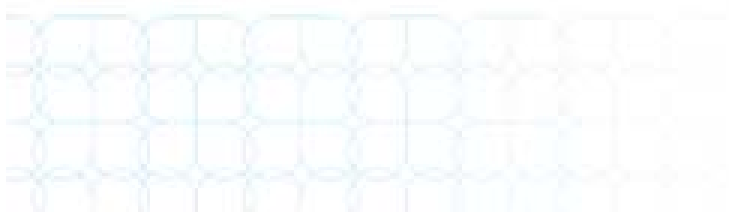


Allsup Disability Study: Income at Risk

Examining income risk factors
for people with disabilities

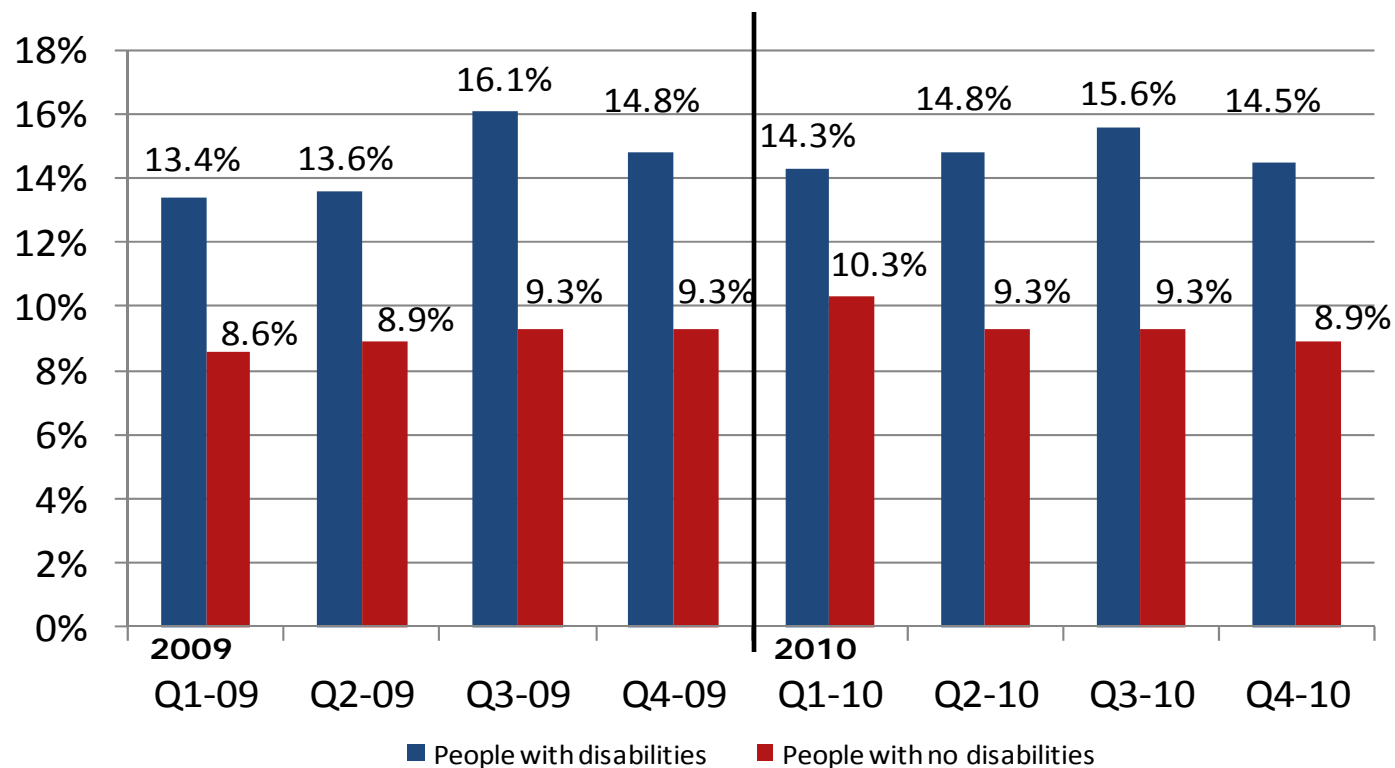
2010 Fourth Quarter and Full Year Review
January 2011



Allsup Disability Study: Income at Risk

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

2009-2010 quarterly unemployment rates



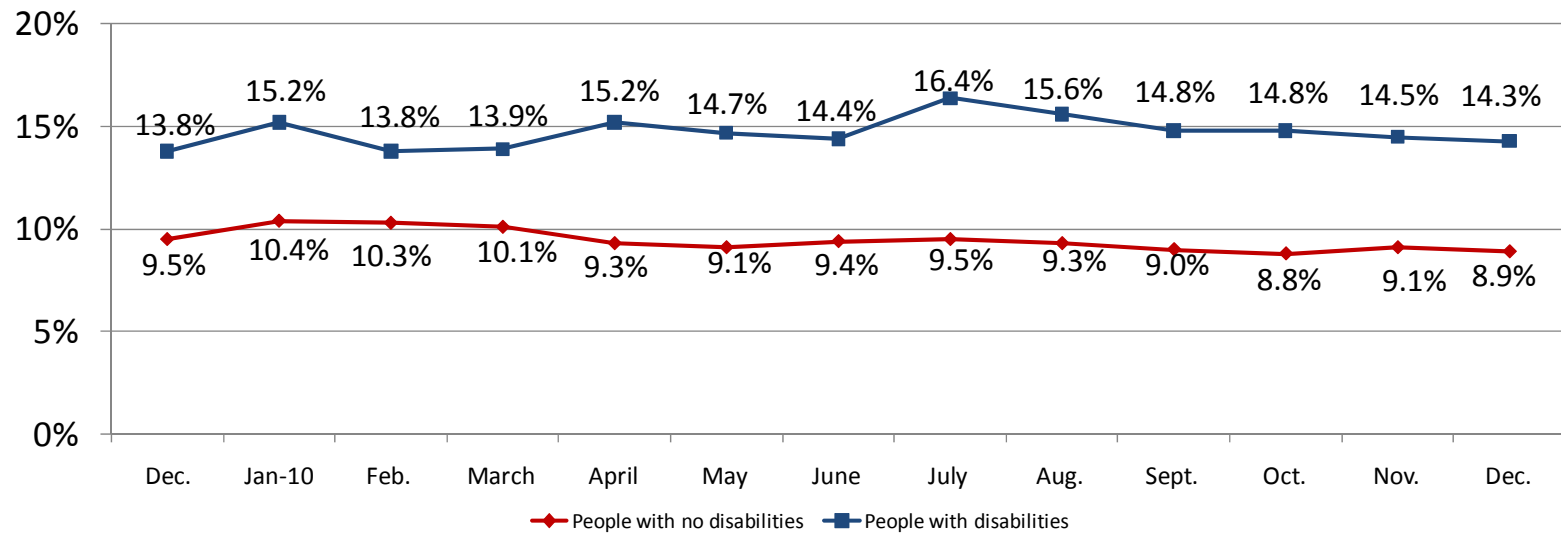
Unemployment rates for people with disabilities remained high throughout 2010. In the third quarter, the unemployment rate for people with disabilities reached the second-highest rate recorded since the U.S. Bureau of Labor Statistics began releasing this data in 2008 (highest was third quarter 2009). People with disabilities experienced an unemployment rate 57 percent higher than people with no disabilities in 2010.

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

Allsup Disability Study: Income at Risk

The unemployment rates for people with disabilities and those with no disabilities remain high.

13-month unemployment rates



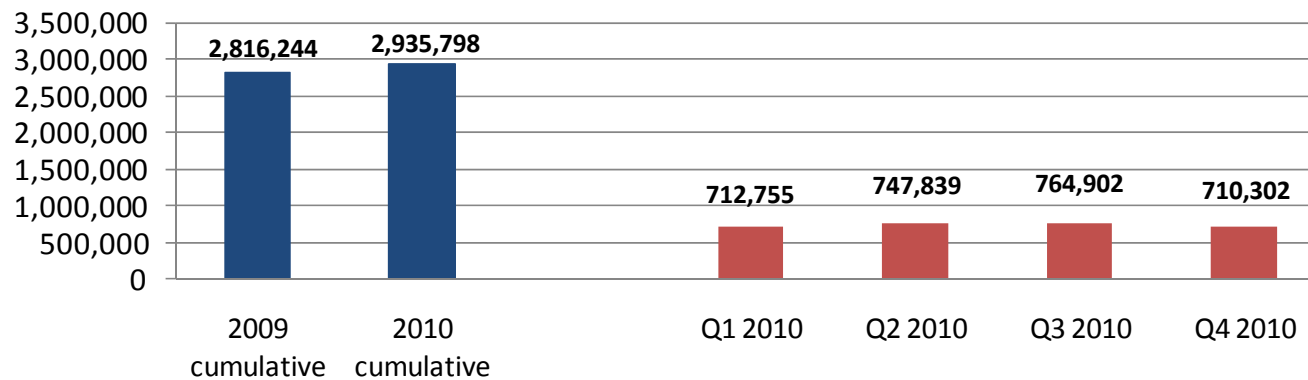
People with disabilities ended 2010 with 14.3 percent unemployment, which is higher than 13.8 percent unemployment in December 2009. Unemployment decreased for people with no disabilities from December 2009 to December 2010. People with disabilities consistently had higher rates of unemployment and greater volatility in their unemployment rates than those without disabilities in 2010.

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

Allsup Disability Study: Income at Risk

Social Security Disability Insurance applications increased by 4.2 percent from 2009 to 2010.

SSDI applications

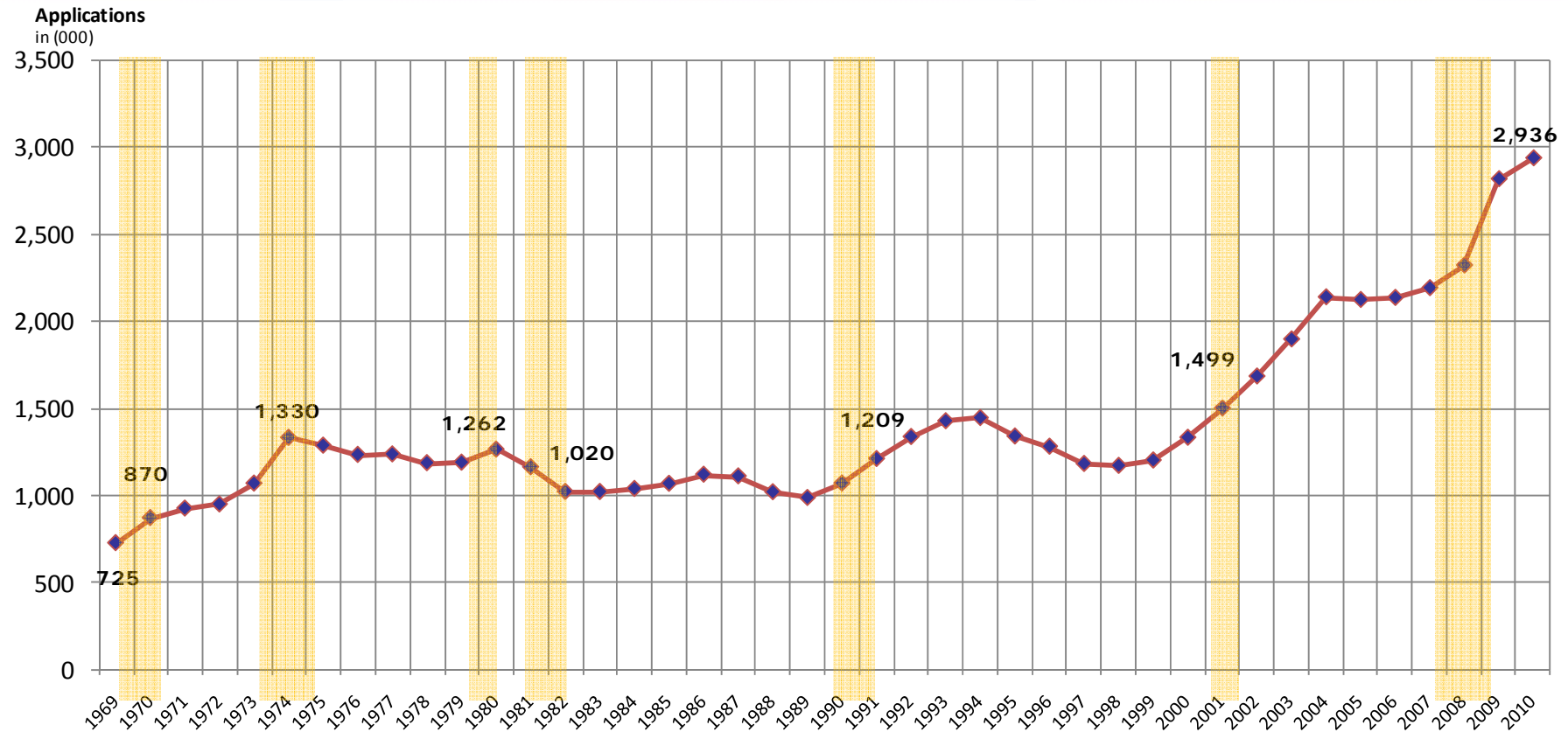


The number of people applying for Social Security Disability Insurance slowed in the fourth quarter; this also occurred in the fourth quarter of 2009. Overall, from 2009 to 2010, the number of people applying for SSDI benefits climbed by 4.2 percent.

Source: Allsup analysis based on Social Security Administration data.

Recessions and Rise in SSDI Applications 1969-2010

SSDI applications tend to increase during recessions.



The level of SSDI applications has grown with each recession, except for the early 1980s. The latest recession ended in June 2009. However, SSDI applications continued to increase. More than 2.9 million people applied for SSDI in 2010, the highest number of applicants in any year. This indicates other factors also contributed, such as high long-term unemployment and the aging population. Seven recessions are documented for this period (shaded in yellow):

Dec. 1969-Nov. 1970
Nov. 1973-March 1975

Jan. 1980-July 1980
July 1981-Nov. 1982

July 1990-March 1991
March 2001-Nov. 2001

Dec. 2007-June 2009

Source: Allsup analysis based on Social Security Administration and National Bureau of Economic Research data.



Allsup Disability Study: Income at Risk

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 700 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, Ill., near St. Louis. For more information, visit www.Allsup.com.

Allsup Disability Study:

Fourth quarter 2010: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q4-10.pdf>

Third quarter 2010: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q3-10.pdf>

Second quarter 2010: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q2-10.pdf>

First quarter 2010: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q1-10.pdf>

Fourth quarter 2009: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q4-09.pdf>

Third quarter 2009: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q3-09.pdf>

Second quarter 2009: <http://www.allsup.com/Portals/4/allsup-study-income-at-risk-q2-09.pdf>

First quarter 2009: <http://www.allsup.com/portals/4/allsup-study-of-income-at-risk.pdf>

Source materials:

U.S. Bureau of Labor Statistics, http://www.bls.gov/schedule/archives/empsit_nr.htm#2010

Social Security Administration, <http://www.ssa.gov/OACT/STATS/dibStat.html>

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