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University of Montana Rural Institute
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How will the COVID-19 Recession Impact People with Disabilities in Rural America?

April 2020

RTC:Rural

Research and Training Center
on Disability in Rural Communities

SUMMARY:

- **Only about half of rural people with disabilities feel financially secure: only 14% are “living comfortably,” and another 37% report “doing OK.”**
- **66% of rural people with disabilities have no emergency fund, and 30% could not cover an unexpected \$400 expense.**
- **Only 44% of employed rural people with disabilities have paid leave, and only 9% could work from home.**

While many Americans will suffer in the coming recession (see [Layoffs and food lines: How the pandemic slams the poorest U.S. workers](#) - Reuters), people with disabilities in rural areas are especially vulnerable because they are less likely to have an emergency savings fund, have access to paid leave, or be able to work from home.

Financial Health and COVID-19

The COVID-19 crisis is going to place significant strain on household budgets. Incomes are falling, but expenses remain. How well households cope with the coming shocks depends on their financial health. Prior to the current shock, many U.S. households felt they were financially secure. For example, 75% of U.S. households felt like they were “living comfortably” or “doing OK” according to the 2018 Survey of Household Economics and Decision-making (SHED).

The situation is very different for people with disabilities—particularly for those living in rural areas. Although the 2018 SHED did not include questions to identify people with disabilities, the 2015 and 2016 SHED surveys did. In these surveys, only 14% of people with a disability living

in a rural area reported that they were “living comfortably” and only 51% reported that they were either “living comfortably” or “doing OK.” In contrast, 31% of people without a disability living in a rural area reported that they were “living comfortably,” and 72% reported that they were “living comfortably” or “doing OK” (Table 1).

The 2015 and 2016 SHED included three impairment questions which we use to define “disability:”

Do you have:

1. **Serious difficulty hearing or serious difficulty seeing even with glasses (including being blind or deaf)?**
2. **Serious difficulty concentrating, remembering, or making decisions?**
3. **Serious difficulty walking or climbing stairs?**

In addition, we define “people in rural areas” as those living outside a metropolitan area.

**Table 1:
Assessment of
current financial
situation (Data
from 2015 and
2016 SHED)**

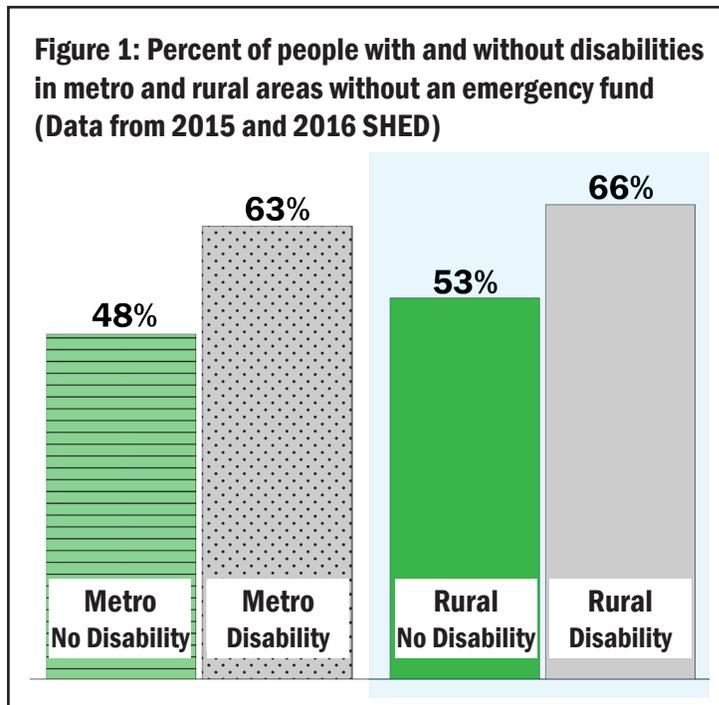
	Metro without disability (n = 7,967)	Metro with disability (n = 2,433)	Rural without disability (n = 1,257)	Rural with disability (n = 557)
“Living Comfortably”	33%	16%	31%	14%
“Doing OK”	42%	35%	34%	37%
Total “Doing OK” or “Living Comfortably”	75%	51%	65%	51%

Consistent with these findings, people with disabilities are much more likely to report that they do not have an emergency fund (defined as 3 months of funds set aside to cover expenses in case of sickness, job loss, economic downturn, or other emergencies).

Figure 1 shows the percentages of people without an emergency fund by disability status and geography. In rural areas, 66% of people with disabilities reported having no emergency fund compared to 53% of people without disabilities. In metro areas, 63% of people with disabilities and 48% of people without disabilities do not have an emergency fund. In general, people with disabilities in both rural and metro areas are less likely to have an emergency fund than those without a disability.

People with disabilities living in rural areas are also much less likely to be able to pay for an unexpected \$400 expense (Table 2). Thirty percent of people with disabilities in rural areas could not pay an unexpected \$400 expense, even after selling items or taking on debt. In contrast, only 10% of rural people without disabilities could not handle an unexpected \$400 expense.

Thus, people with disabilities, particularly those living in rural areas, have little cushion to help them absorb the evolving COVID-19 economic shock.



**Table 2: Ability to pay
for an unexpected \$400
expense (Data from 2015
and 2016 SHED)**

	Metro without disability (n = 7,967)	Metro with disability (n = 2,433)	Rural without disability (n = 1,257)	Rural with disability (n = 557)
Payoff	72%	54%	70%	47%
Borrow or sell	30%	44%	32%	38%
Can't pay	10%	24%	10%	30%

Column totals add to more than 100 because respondents could select more than one option.

Employment and COVID-19

The COVID-19 crisis affects employment in a variety of ways. People who are sick or suspect they are sick need to stay home, but many people lack paid leave to accommodate this choice. To reduce the spread of disease, many states have ordered non-essential employees to stay home, but many people do not have jobs that can be done at home. These problems are particularly acute for people with disabilities who live in rural areas.

According to data from the American Time Use Survey (ATUS) 2017-18 Leave and Job Flexibilities Module, people with disabilities are less likely to have paid leave or be able to work from home.

Only 44% of employed people with disabilities in rural areas received paid leave at their main job compared to 65% of rural people without disabilities. Further, 60% of employed people with disabilities in metro areas and 68% of metro people without disabilities get paid leave (Figure 2).

The ATUS includes the six-question set of disability measures. These are similar to the questions asked in the SHED, but also include difficulty with self-care and difficulty running errands alone.

Figure 3 shows the percentages of people who report being able to work from home. In rural areas, only 9% of people with disabilities can work from home compared to 15% of people without disabilities. In metro areas, 25% of people with disabilities can work from home while 31% of people without disabilities can do so.

Rural people with disabilities are already likely feeling impacts

In sum, while the full economic impacts of the COVID-19 crisis are still unfolding, rural people with disabilities are particularly vulnerable because they are less likely to have enough savings to help absorb even a small financial difficulty and are less likely to have jobs that

Figure 2: Percent of employed people with and without disabilities in metro and rural areas with paid leave at main job (Source: Analysis of 2017-18 ATUS)

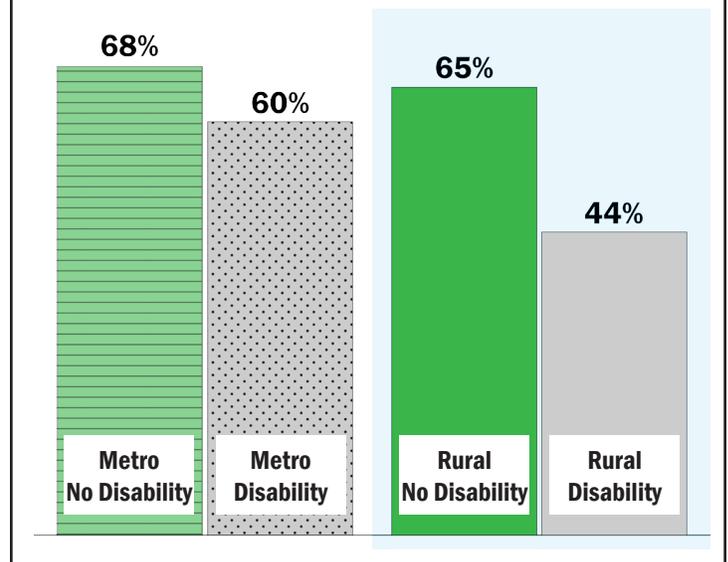
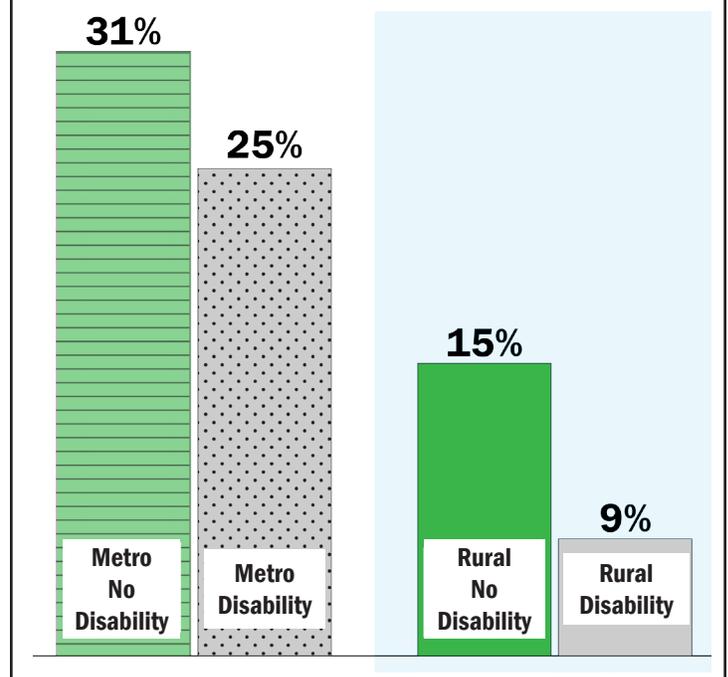


Figure 3: Percent of employed people with and without disabilities in metro and rural areas who can work from home (Source: Analysis of 2017-18 ATUS)



allow them to continue earning a paycheck while working safely at home.

As people with disabilities in rural areas still struggle to recover from the [2008 recession](#), they likely already feel the impacts from COVID-19.

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Research and Training Center
on Disability in Rural Communities

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For Additional Information

Research and Training Center on Disability in Rural Communities

The University of Montana Rural Institute for Inclusive Communities

35 N. Corbin Hall, Missoula, MT 59812-7056

(888) 268-2743 or (800) 732-0323

rtc rural@mso.umt.edu | rtc.ruralinstitute.umt.edu

Prepared by: Bryce Ward, Andrew Myers, Catherine Ipsen, and Lauren Smith

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