

Notes and Brief Reports

Income of SSI Recipients, December 1975*

In December 1975, 1 out of 2 of the 4.3 million persons receiving federally administered supplemental security income (SSI) payments also received cash social security benefits and 1 in 10 had some other type of unearned income. Two out of every 5 recipients had no reported income other than SSI. Some persons received both social security benefits and other unearned income. In addition, a small proportion of SSI recipients had earnings in that month.

The SSI program, which began operation in January 1974, provides monthly cash payments to aged, blind, and disabled persons with inadequate income. The maximum Federal SSI payments in December 1975 were \$157.70 for individuals living independently without countable income and \$236.60 for couples in the same circumstances. The States are required to supplement Federal payments to maintain the December 1973 income level of recipients of old-age assistance (OAA), aid to the blind (AB), and aid to the permanently and totally disabled (APTD) who were transferred to SSI in January 1974. In addition, the States may supplement the Federal SSI payment for all or for certain categories of recipients. This mandatory and optional supplementation may be administered by the States themselves or by the Social Security Administration.

In December 1975, the Social Security Administration administered Federal payments to 3.9 million persons, nationwide, and supplementary payments to 1.7 million persons in 29 States, including 420,000 who received State payments only. An additional 303,000 persons received supplementary payments from the States that administer their own payments. Income data for the latter group are not available.

In determining an applicant's eligibility, the first \$60 of any income in a calendar quarter is excluded, as well as \$195 of earned income plus half of any additional earnings. A portion of

the income of the spouse or parent with whom the recipient lives may also be considered as income to the recipient. Data on such "deemed" income are not included in the tables.

The focus here is on the extent of unearned income among persons with federally administered SSI payments in December 1975. Differences are noted among the aged, the blind, and the disabled as well as by race and sex for those with social security benefits. Data are also presented on the types of unearned income received by those awarded SSI payments from January 1974 to the time of the study.

Social Security Benefits

Cash benefits under the old-age, survivors, disability, and health insurance (OASDHI) program were the most common type of unearned income among SSI recipients. At the time of the study, about 53 percent of those on the rolls were receiving such benefits (table 1). The aged were considerably more likely to have had an OASDI benefit (70 percent) than were blind adults (37 percent) or disabled adults (35 percent). The average monthly benefit, however, was slightly smaller among the aged (\$129) than among blind or disabled adults (\$133 and \$135, respectively). These amounts were about 60 percent as large as the average OASDI benefits received by all retired and disabled workers in December 1975—\$207 and \$226, respectively.

Persons receiving Federal SSI payments (about 90 percent of all recipients) had much lower rates of concurrent social security entitlement and lower average benefits than those whose SSI payments were limited to State supplementation—48 percent and 95 percent, respectively. Similar differences are evident when the data are examined by reason for eligibility. Variations of this size are to be expected since the major reason for receiving State supplementary payments only is income in excess of the Federal SSI payment standard.

Substantial differences are also apparent when recipients are classified according to whether they were transferred to SSI from the former Federal-State assistance programs or became eligible under the provisions of the new program. Except for blind adults, the transferees were less likely

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TABLE 1—Total number of SSI recipients, percent of adults and children in concurrent receipt of social security benefits and other unearned income, and average monthly amount, by type of SSI payment, December 1975

Type of payment	Total	Adults			Blind and disabled children
		Aged	Blind	Disabled	
Number of SSI recipients					
Total	4,314,275	2,307,105	70,143	1,808,852	128,175
Federal SSI	3,893,419	2,024,765	64,097	1,677,504	127,053
State supplementation only	420,856	282,340	6,046	131,348	1,122
Percent with social security benefits					
Total	52.7	69.5	37.0	35.0	10.8
Federal SSI	48.4	65.9	32.6	30.9	10.5
State supplementation only	94.7	97.6	85.8	88.1	37.9
Average monthly social security benefit					
Total	\$130.01	\$128.55	\$133.12	\$135.13	\$63.04
Federal SSI	117.66	116.63	118.11	121.81	60.18
State supplementation only	191.04	188.97	190.84	195.99	155.08
Percent with other unearned income					
Total	10.5	11.5	6.9	8.6	18.7
Federal SSI	9.0	9.5	6.0	7.9	18.6
State supplementation only	21.4	22.9	16.6	18.2	36.0
Average monthly amount of other unearned income					
Total	\$61.10	\$55.43	\$69.33	\$72.39	\$60.91
Federal SSI	55.95	49.37	58.48	64.80	59.38
State supplementation only	90.23	80.29	112.40	115.76	151.96

to have been receiving an OASDI benefit, and those who did received smaller amounts (table 2). About 47 percent of the transferees also had OASDI benefits, compared with 62 percent of those with new awards. Average benefits received were \$126 and \$135, respectively, for the two groups.

A number of factors help account for these differences. The SSI recipients who had not transferred from State programs, particularly those who had recently reached age 65, had potentially more years of employment in which to acquire OASDI benefit eligibility and increase the size of their benefits. More important, the inclusion in the SSI program of nationally uniform income and resource "disregards" and the absence of home liens and relative responsibility provisions may have extended eligibility to persons somewhat less needy than those eligible under the State programs.

Other Income

About 1 in 10 of those who received an SSI payment in December 1975 also had some type of unearned income other than social security benefits. This proportion was higher among the aged (1 out of every 8) than among blind or disabled adults. The average payment—\$61 overall—was lower for aged persons (\$55) than for the blind (\$69) and the disabled (\$72).

Persons receiving a Federal payment were less likely to have had other unearned income than were those with State supplementation only and the average amount they received was also smaller. The pattern was the same for persons transferred to SSI from the State programs when compared with those newly eligible under the SSI program.

TABLE 2—Total number of SSI recipients, percent of adults and children in concurrent receipt of social security and other unearned income, and average monthly amount, by conversion status, December 1975

Conversion status	Total	Adults			Blind and disabled children
		Aged	Blind	Disabled	
Number of SSI recipients					
Total	4,314,275	2,307,105	70,143	1,808,852	128,175
Transferred from State programs	2,489,915	1,387,208	59,985	1,037,285	5,437
New awards	1,824,360	919,897	10,158	771,567	122,738
Percent with social security benefits					
Total	52.7	69.5	37.0	35.0	10.8
Transferred from State programs	46.6	60.9	37.3	28.2	13.6
New awards	61.6	83.1	35.6	44.2	10.7
Average monthly social security benefit					
Total	\$130.01	\$128.55	\$133.12	\$135.13	\$63.04
Transferred from State programs	125.88	123.99	131.52	131.01	87.18
New awards	134.94	134.48	143.10	138.70	61.67
Percent with other unearned income					
Total	10.5	11.5	6.9	8.6	18.7
Transferred from State programs	7.3	8.4	6.2	5.8	6.0
New awards	14.3	15.1	10.9	12.5	19.3
Average amount of other unearned income					
Total	\$61.10	\$55.43	\$69.33	\$72.39	\$60.91
Transferred from State programs	60.35	52.47	67.10	75.33	63.04
New awards	64.61	61.05	76.92	70.56	60.88

Information on types of unearned income is available only for SSI recipients who were awarded payments in January 1974 or later. Of the 1.8 million persons whose payments were first awarded under SSI, 14 percent had some type of unearned income other than OASDI benefits, the average monthly amount of such income was \$65 (table 3). Aged recipients were more likely to have had one of these types of income but a lower average amount; the converse was true for blind and disabled adults. Children registered the highest proportion with income—about one-fifth—but they received lower average amounts than did adults.

Veterans' payments were reported most frequently. Three percent of the recipients received either a compensation payment or a pension from the Veterans Administration. Compensation payments averaged \$80 per month and pensions \$89. The aged had a higher incidence of receipt—4 percent—but lower average payments. For blind and disabled adults the situation was reversed.

Approximately 10 percent of all recipients (19 percent of the aged) received pensions based on their previous employment that averaged \$79 per month, and 16 percent had asset income. Two percent of all nontransferred recipients—one-seventh of those with unearned income—received "assistance based on need" that could not be excluded from consideration. More than half the children with other unearned income had this type of payment. Such income may represent payments under the AFDC program, nongovernment assistance, and payments under other government programs that were not excludable from income in December 1975.¹

For almost half the recipients with unearned income other than social security benefits, the income was classified in the "other" category. Such income includes payments, in cash or in kind, for which the source was not available or that could not be classified within the established codes.

The sources of other unearned income were not available for SSI recipients who had been transferred from State programs. According to earlier studies of OAA and APTD recipients, however,

¹ In October 1976, Public Law 94-566 expanded excludable income to cover all assistance based on need (including vendor payments) made to, or on behalf of, SSI recipients by State and local governments. AFDC payments will continue to be considered as income, as will other payments involving Federal funds.

TABLE 3—Percent of adults and children in concurrent receipt of unearned income other than social security and average monthly amount, by type of income, December 1975

Type of income	Total	Adults			Blind and disabled children
		Aged	Blind	Disabled	
New awards, total.....	1,824,360	919,897	10,158	771,567	122,738
Percent with unearned income					
Total.....	14.3	15.1	10.9	12.5	19.3
Black lung benefits.....	(¹)	(¹)	(¹)	1	1
Veterans' compensation.....	7	7	4	8	2
Veterans' pension.....	2.6	3.2	1.6	2.3	0
Railroad retirement.....	3	4	2	1	(¹)
Assistance based on need	1.9	2	1.9	2.5	10.5
Support and maintenance in kind ²	1	1	1	1	3
Support from absent parents	3	-----	5	(¹)	4.4
Employment pensions.....	1.2	1.9	1	5	(¹)
Workers' compensation.....	1	(¹)	1	1	(¹)
Asset income.....	1.6	2.5	9	8	(¹)
Other.....	6.2	7.0	5.5	5.5	4.2
Average monthly amount					
Total.....	\$64.61	\$61.05	\$76.92	\$70.56	\$60.88
Black lung benefits.....	87.54	149.12	52.50	83.22	43.33
Veterans' compensation.....	79.76	78.17	90.33	83.18	27.99
Veterans' pension.....	89.24	86.78	96.60	96.07	25.48
Railroad retirement.....	134.60	134.76	154.53	134.69	96.54
Assistance based on need	57.48	57.51	57.34	59.28	54.77
Support and maintenance in kind ²	56.73	52.14	54.67	55.73	71.16
Support from absent parents	56.53	-----	94.71	62.36	56.32
Employment pensions.....	78.59	73.34	140.73	101.64	74.66
Workers' compensation.....	119.23	83.98	159.45	138.45	53.30
Asset income.....	35.88	33.92	43.18	43.22	19.21
Other.....	46.49	39.77	63.31	53.49	71.52

¹ Less than 0.05 percent.
² Food, clothing, or shelter provided, for which recipient does not pay the full cost.

2 percent of the aged and 3 percent of the disabled were receiving veterans' pensions or compensation—figures about the same as those for new SSI awards shown above.²

In December 1975, 28 percent of all adult SSI recipients had income from employment that averaged about \$75 a month.³ Among the aged and the adult disabled, 26 percent and 29 percent, respectively, were employed. Average earnings were slightly higher among the disabled than the aged—\$73, compared with \$63. Among blind adults, however, 66 percent were employed, and their monthly earnings averaged about \$232.

² Department of Health, Education, and Welfare, Social and Rehabilitation Service, *Findings of the 1970 OAA Study, Part II, 1972, table 90, Findings of the 1970 APTD Study, Part II, 1972, table 90.*

³ For a discussion of earned income, see Dorothea Thomas, *Employment and Earnings of SSI Beneficiaries, December 1975* (Research and Statistics Note No. 4), Office of Research and Statistics, 1977.

No Earned or Unearned Income

Two out of 5 persons receiving SSI payments had no reported income, either earned or unearned (table 4). The proportions varied widely by reason for eligibility, however. Only 26 percent of the aged depended solely on their SSI payments, compared with 54 percent of the blind adults and 57 percent of the disabled adults. More than 70 percent of the children had no other income.

As noted earlier, these figures do not include income "deemed" to have been available to the recipient from a spouse or, in the case of children, from a parent. Such information is not available for December 1975, but some data exist for August 1976. In that month, 48,000 adults (about 1 percent of all adult recipients) had an average of \$86 per month in deemed income from a spouse. In addition, 15,000 children (about 10 percent of all children on the rolls) had deemed income from a parent that averaged \$83.

Race and Sex Differences

In December 1975, 64 percent of the SSI recipients were white persons, a proportion smaller than their representation within the general population. By contrast, black persons ac-

TABLE 4—Total number of SSI recipients and percent of adults and children without income, by type of payment and conversion status, December 1975

Type of payment and conversion status	Total	Adults			Blind and disabled children
		Aged	Blind	Dis-abled	
Number of SSI recipients					
Total	4 314,275	2 307,105	70,143	1,808,852	128,175
Federal SSI.....	3,893,419	2,024,765	64,097	1,677,504	127,053
State supplementation only	420,856	282,340	6,046	131,348	1,122
Transfers from State programs	2,489,915	1,387,208	59,985	1,037,285	5,437
New awards	1 824,630	919,897	10,158	771,567	122,738
Percent without earned or unearned income ¹					
Total	40.8	25.6	53.6	57.4	71.6
Federal SSI.....	44.8	29.1	57.0	61.3	71.9
State supplementation only	2.5	6	6.7	6.1	34.3
Transfers from State programs	48.2	32.4	54.0	65.9	76.2
New awards	30.6	12.2	51.3	45.9	71.4

¹ In December 1975, 2.8 percent of all recipients, 2.7 percent of the aged, 6.5 percent of the blind, and 2.8 percent of the disabled had earned income.

counted for 26 percent of the recipients, considerably more than their share of the population as a whole. Three percent of the recipients were of other races and race data was not reported for nearly 8 percent.⁴

Yet, the difference in the proportions of black and white recipients who received SSI payments and OASDI benefits was not large—53 percent and 57 percent, respectively (table 5). For aged members of both races the rate was the same—74 percent. The OASDI benefits of white recipients averaged \$134, the figure for black recipients was \$121. The racial disparity was slightly larger for the aged than for the blind or the disabled.

The incidence of concurrent receipt of SSI payments and OASDI benefits was about the same for both men and women (53 percent). Only

⁴ Arthur L. Kahn and Richard A. Bell, *Distribution of Beneficiaries under the SSI Program, by Race, June 1975* (Research and Statistics Note No. 25), Office of Research and Statistics, 1976.

TABLE 5—Total number of SSI recipients, percent of adults and children in concurrent receipt of social security benefits, and average monthly amount, by race and sex, December 1975

Race and sex	Total	Adults			Blind and disabled children
		Aged	Blind	Dis-abled	
Number of SSI recipients					
Total	4,314,275	2 307,105	70,143	1,808,852	128,175
Race					
White	2,755,031	1,504,031	42,792	1,135,989	72,219
Black	1,120,283	554,780	20,527	512,800	32,176
Other	107,604	58,092	1,746	43,337	4,429
Unknown.....	331,356	190,202	5,077	116,726	19,351
Sex					
Men	1,534,404	682,194	31,786	746,990	73,434
Women.....	2,779,871	1,624,911	38,357	1,061,862	54,741
Percent with social security benefits					
Total	52.7	69.5	37.0	35.0	10.8
Race					
White	57.2	74.4	40.3	37.9	11.3
Black	52.6	74.0	35.9	32.5	13.1
Other	45.3	61.2	31.1	28.2	8.9
Unknown.....	19.9	23.1	15.6	17.3	5.3
Sex					
Men	53.2	76.0	38.7	37.2	10.8
Women.....	52.6	67.1	35.5	33.1	10.8
Average monthly social security benefit					
Total	\$130.01	\$128.55	\$133.12	\$135.13	\$63.04
Race					
White	134.11	133.09	136.80	137.99	65.87
Black	120.89	117.88	125.28	129.71	57.53
Other	135.31	136.49	137.02	134.14	62.46
Unknown.....	122.94	122.83	125.26	126.09	63.30
Sex					
Men	141.80	138.84	146.22	149.40	62.64
Women.....	124.03	124.33	121.41	124.24	63.59

among the aged was the rate considerably lower for women (67 percent) than for men (76 percent). Men received substantially higher average OASDI benefits in each adult category—\$15 more among the aged and \$25 more among the blind and disabled. The amount of social security benefits depends on the level and duration of past earnings, and men generally have longer work histories and higher earnings than do women. Men are also more likely than women to have a benefit based on their own earnings. Women often claim benefits as dependents and, as such, receive a percentage of the benefit due the wage earner.

Income of Children

Eleven percent of the 128,000 blind and disabled children receiving SSI payments in December 1975 also were receiving social security benefits that averaged \$63 monthly. Both the proportion and the average amount received were substantially lower than those for adults. Children become entitled to social security benefits only upon the retirement, disablement, or death of a parent, and they receive 50 percent of the parent's basic benefit (75 percent for children of deceased workers).⁵ As with the adults, the children who received only State supplementary payments were more likely than those with Federal SSI payments not only to have social security benefits but also to receive higher amounts.

On the other hand, a higher proportion of children than of adults had unearned income other than social security benefits—about one-fifth,

⁵The amount of the social security benefit actually paid to each dependent is limited by the maximum family benefit.

compared with about one-tenth of all recipients. For almost half these children, however, the income was the "assistance based on need" discussed earlier. Less than 1 percent of the child recipients had earned income averaging \$89 monthly.

Income Sources

Social security benefits represent the major source of outside income for SSI recipients. In dollar terms, OASDI benefits accounted for 89 percent of the non-SSI income (excluding deemed income) of recipients in December 1975 (table 6). Of the remainder, 8 percent came from other types of unearned income and 3 percent from earnings.

These proportions varied with the reason for SSI eligibility, although OASDI benefits were the largest source in each case. In the aggregate, 23 percent of the income received by the blind was from earnings, compared with less than 2 percent for the aged and 4 percent for the disabled.

TABLE 6—Total amount and percentage distribution of monthly income of SSI recipients, by source, December 1975

Source of income	Total	Aged	Blind	Dis-abled
Monthly amount (in thousands)				
Total.....	\$332,716	\$224,964	\$5,014	\$102,738
Social security benefits	295,353	206,198	3,473	85,682
Other unearned income	27,629	14,692	389	12,548
Earnings	9,734	4,074	1,152	4,508
Percentage distribution				
Total	100.0	100.0	100.0	100.0
Social security benefits	88.8	91.7	69.3	83.4
Other unearned income	8.3	6.5	7.7	12.2
Earnings	2.9	1.8	23.0	4.4