
The Bulletin Turns Forty*

—It was the year in which millions of American workers achieved a degree of economic security through the implementation of the first Federal minimum wage law. Under the 25-cent hourly guarantee, however, a covered worker received only \$10 a week for 40 hours of work.

—By the end of that year, all the States, the District of Columbia, Alaska, and Hawaii had enacted unemployment insurance laws and 30 jurisdictions actually had begun the payment of benefits. The average weekly benefit payable in the reporting jurisdictions was just a little more than \$10. The number of workers totally unemployed was variously estimated at 8, 9, or 10 million.

—It was also the year in which old-age assistance became payable in all the States, the District of Columbia, Alaska, and Hawaii. At midyear, however, the average monthly payment going to aged recipients was approximately \$19.50. Monthly payments to the blind and the families in behalf of dependent children averaged \$23 and \$31, respectively. As yet, no monthly benefits were payable under the old-age insurance program. The only checks being delivered were lump-sum refunds of the contributions of aged persons, which averaged about \$35.

Such was the situation in 1938, the year that this magazine was born. However modest those dollar amounts may appear today, an important corner had nonetheless been turned in American social welfare policy. The long-held belief that individuals should be solely responsible for their own economic security was being replaced by a growing realization that industrialization creates the need for at least a basic floor of protection for workers and their families. As they looked to the future, the administrators of the infant social security program were already contemplating changes, and it was clear that the study of actual data on program operations would be vitally important in recommending the turns to be taken.

It was important, they felt, to summarize statistics essential for measuring the program's effectiveness, to present the results of research, and to explore developments in related fields. Thus, with these stated purposes, the Social Security Board in March 1938 began publishing the SOCIAL SECURITY BULLETIN, an official monthly journal that is now 483 issues old.

Aside from a vast change in the size of the numbers appearing in tables and charts, however, the first issue

(volume 1, numbers 1-3) bears a close resemblance to the current product. The initial issue featured seven bylined articles and devoted the remainder of its 94 pages to four sections, each of which contained both text and tabular matter: Unemployment compensation, public assistance, old-age insurance, and financial data and economic factors.

In a brief introductory article, Arthur J. Altmeyer, Chairman of the Social Security Board, described the publication as "primarily a link between members of the Board's Nation-wide organization and between the Board and the large number of Federal and State agencies directly concerned with the administration of the program." BULLETIN editors in the Board's Bureau of Research and Statistics noted that a principal purpose of the new journal was to bring together in a single publication several series of data.

Some indication of the extent to which the BULLETIN has become the "link" Mr. Altmeyer envisioned is provided by its current distribution pattern. Occupational diversification of readers has progressed to the point where today roughly half the readers work for government agencies, a fifth are employed in business or manufacturing, nearly an eighth are associated with educational institutions, and close to a tenth work for private social service agencies. Eighteen percent hold doctor-

* Prepared by the Publications Staff, Office of Research and Statistics, Social Security Administration.

ates and an additional 28 percent have earned master's degrees. A survey designed to measure the pass-along readership of the BULLETIN indicates that an average of as many as 150,000 persons may see a given issue of the magazine.

The value of incorporating many statistical series in one publication became apparent fairly soon. In its report on operations during the fiscal year 1939, which began 4 months after the first issue was published, the Board concluded that—

The BULLETIN has proved an economy in publication processes, since it has been possible to use it increasingly to replace other means of distributing relevant material to the widely scattered personnel concerned with administration of social security measures at the State or Federal level and to other organizations collaborating in the program, and to provide technical information required by legislative committees and others in need of a current record of operations in the field of social security.¹

The Board and its successor agency, the Social Security Administration, have derived their authority and direction in conducting research—and thus the duty to inform the public of its findings—from the research mandate in section 702 of the Social Security Act of 1935.² In that section, Congress delegated to the Board the specific duty of

studying and making recommendations as to the most effective methods of providing economic security through social insurance, and as to legislation and matters of administrative policy concerning old-age pensions, unemployment compensation, accident compensation, and related subjects.

Over the years the research mandate has been discharged within a variety of organizational structures and changes in institutional emphasis within the Social Security Administration—most recently by the Office of Research and Statistics.

Four Decades of Research Reporting

Following are brief references to some significant BULLETIN articles produced by social security researchers during the past 40 years. The selections are merely a small sampling of the many noteworthy contributions that have appeared in the magazine.

The Aged

From the beginning of the social security program, providing income security for the aged has constituted a large part of the task assigned to the Social Security Administration and its predecessor agency. Over the

¹ Federal Security Agency, *Fourth Annual Report of the Social Security Board, 1939, 1940*, page 144.

² Mr. Altmeyer later observed that basic research was justified not only by section 702 of the Act but also by President Roosevelt's statement, at the time he signed the legislation, that the Act was "a cornerstone in a structure which is being built but is by no means complete." See Arthur J. Altmeyer, *The Formative Years of Social Security*, University of Wisconsin Press, 1966, page 56.

years, the extent of this concern has been reflected in the large amount of space devoted to the subject in the BULLETIN.

The author of "Economic Status of the Aged," an article that was featured in the BULLETIN's first issue, pictured the plight of the older population in terms of proportions that are staggering today and were so even then. Out of 78 million Americans aged 65 and over in April 1937, it was revealed, hardly more than a third were "self-dependent" and many members of this fortunate minority were expected to lose that status when their earnings stopped or their savings and other resources were used up. More than two-fifths of the total—those without "earnings, savings, property, pensions, annuities, or any other independent means of livelihood"—were completely dependent on relatives and friends or nearly so.

Such statistics, based partly on headcounts and partly on estimates, could err widely in either direction. As the Social Security Board stated in 1939, "no one knew with any degree of certainty how many employers were subject to these Federal and State laws or how many workers would acquire rights to benefits."³ Even the statement that helped call attention to the need for social welfare in America—President Franklin Roosevelt's perception in his first Inaugural Address of "one third of a nation ill-housed, ill-clad, ill-nourished"—was largely an educated guess that may have understated the actual extent of need.

In 1940, the first year in which retirement benefits were paid under the old-age and survivors insurance program, some information on the characteristics of older Americans began to be obtained as a byproduct of the claims process. The claims records, however, provided no clues about beneficiaries' income, assets, living arrangements, reasons for retirement, postretirement work opportunities, or employment experience—information considered essential in the shaping of future policy with respect to the adequacy of benefits. For this reason, interviews with retired workers were arranged as soon as the program had been in operation long enough for its effect to be felt on beneficiaries' work patterns and economic well-being.

Data obtained in the first four series of interviews—which took place in Philadelphia-Baltimore, St. Louis, Birmingham-Memphis-Atlanta, and Los Angeles in 1941-42—were analyzed by Edna C. Wentworth in a July 1943 BULLETIN article, "Economic and Social Status of Beneficiaries of Old-Age and Survivors Insurance." Three more series of local interviews followed, during the period 1944-51, plus two series that were national in scope in 1951 and 1957. By 1963 the findings of these studies had been examined in 39 other BULLETIN articles.

³ Federal Security Agency, *op cit*, page 39.

The next innovation was revealed in a 1964 BULLETIN article, "Income of the Aged in 1962 First Findings of the 1963 Survey of the Aged" the availability of data based on a representative sample of all Americans aged 62 and over, nonbeneficiaries as well as beneficiaries Its author, Lenore A Epstein, noted that, in constant 1959 dollars, median annual incomes over the period 1951-59 had more than doubled for nonmarried aged women, increased two-thirds for couples, and risen by more than half for nonmarried aged men

The first in a series of articles based on a survey of persons newly awarded retired-worker benefits appeared in the November 1970 BULLETIN In "Men Who Claim Benefits Before Age 65 Findings From the Survey of New Beneficiaries," authors Patience Lauriat and William Rabin explored a key issue in the minds of project analysts What causes large numbers of workers to elect early retirement and what are their resources? Subsequent articles in the series—14 in all—investigated numerous health and personal factors that enter into the decision to become entitled to either full or actuarially reduced benefits The concluding article, Leonard Rubin's "Economic Status of Black Persons Findings from Survey of Newly Entitled Beneficiaries," appeared in the September 1974 issue

To find out how persons' lives change in the years immediately preceding and following retirement, social security analysts next turned to the tool of longitudinal research First brought to the attention of BULLETIN readers in "Retirement History Study Introduction," a November 1972 article by Lola M Ireland, the continuing survey evaluates responses from a sample of 11,153 persons aged 58-63 in 1969, selected for reinterview every 2 years until 1979⁴

Among the early Retirement History Study articles in the BULLETIN that analyzed baseline data were "Assets on the Threshold of Retirement," by Sally R Sherman (August 1973), and "Family Structure in the Preretirement Years," by Janet Murray (October 1973) Subsequent contributions examined such subject areas as the early withdrawal of men from the labor force, the labor-force status of women approaching retirement, the activities and expenditures of preretirees, and how health care was paid for in the years before retirement The most recent contributions, which represent a new

⁴ As is true of many Bulletin articles, the contributions mentioned in this section have been included in or used as source material for other publications issued by the Office of Research and Statistics, Social Security Administration See Edna C Wentworth, *Employment After Retirement* (Research Report No 21), 1968, Edna C Wentworth and Dena K Motley, *Resources After Retirement* (Research Report No 34), 1970, Lenore A Epstein and Janet Murray, *The Aged Population of the United States The 1963 Social Security Survey of the Aged* (Research Report No 19), 1967, *Reaching Retirement Age Findings From a Survey of Newly Entitled Workers, 1968-70* (Research Report No 47), 1976, and Lola M Ireland et al, *Almost 65 Baseline Data from the Retirement History Study* (Research Report No 49), 1976

wave of analysis in the ongoing project, include "Pension Coverage and Benefits, 1972 Findings From the Retirement History Study," by Gayle B Thompson (February 1978), and "Availability of Retired Persons for Work Findings From the Retirement History Study," by Dena K Motley (April 1978)

The Disabled

The first Advisory Council on Social Security proposed benefits for long-term disability in 1938 and the Interdepartmental Committee to Coordinate Health and Welfare Activities recommended the following year that Congress develop such a system In 1950 a program to assist the needy disabled—aid to the permanently and totally disabled—was added to the public assistance categories under the Social Security Act It was not until 1957 that benefits for disabled workers actually were paid under an expanded social security program From the magazine's inception, however, relevant data were assembled and no fewer than 15 major articles on the subject of disability had been published by the time of the first benefit payments

The majority of those early contributions were concerned with disability as a general problem and did not bear directly on the possibility of a future Federal program to insure that risk for all workers Among other things, they analyzed the benefits available to railroad workers and to persons insured under voluntary insurance programs, the provisions of temporary disability laws, and aid to the permanently and totally disabled A few articles, however, went directly to the heart of the matter—the need for a Federal program of disability insurance

In a March 1941 article, "Social Insurance for Permanently Disabled Workers," Arthur J Altmeyer noted that the social security program was "the only major retirement system in this country which fails to provide benefits for insured workers who are forced to retire from gainful work because of disability" He called attention to three needs "medical and hospital care to prevent and cure chronic disease, occupational retraining for persons with chronic impairments, cash benefits for the chronic invalid"

The size of the potential beneficiary population was revealed in "Extent of Total Disability in the United States," an article by Marjorie E Moore and Barkev S Sanders that appeared in the November 1950 BULLETIN The authors estimated that about 5 percent of all civilian noninstitutionalized persons aged 14-64 were disabled, half of them for at least 7 months

"Old-Age, Survivors, and Disability Insurance Early Problems and Operations of the Disability Provisions," an article by Arthur E Hess in the December 1957 issue, gave a detailed account of how the Social Security Administration had geared up for the first payment of

disability benefits a few months earlier. It had been necessary to establish (1) a new working relationship with the States, (2) policies and procedures to assure the uniform treatment of all applicants, and (3) an administrative framework and the technical skills required in the evaluation of disability.

As disability insurance coverage was extended from workers aged 50–64 to those of any age and from cash benefits only to include health insurance benefits, the BULLETIN kept pace, both before and after the passage of enabling legislation, by means of articles and notes. "Medical Care Costs of the Disabled," which appeared in the July 1970 issue, exemplifies the kind of report that helped call attention to the need for change. In this article, authors Henry P. Brehm and Robert H. Cormier pointed out that the disabled, like the aged, had a greater need for health services and less money to pay for them than do members of the general population. A key finding in their study showed that in 1965, when health insurance for the aged was enacted, disabled adults were paying about twice as much for medical care as their nondisabled counterparts.

The Brehm-Cormier conclusions were drawn from data generated by the 1966 Social Security Survey of Disabled Adults. As early as December 1967 the BULLETIN was reporting findings from the 1966 Survey. Among these was Lawrence D. Haber's study of the prevalence of disability (May 1968) which reported that in 1966 "more than one-sixth of the civilian noninstitutional population of working age were limited in their ability to work because of a chronic health condition or impairment." In recent years, other major surveys have provided the findings for significant articles. Philip Frolich's "Income of the Newly Disabled" in September 1975 was based on the Survey of Recently Disabled Adults. In November 1975, Ralph Treitel reported in "Effect of Financing Disabled Beneficiary Rehabilitation" that about 4 out of 10 of the beneficiaries rehabilitated as a result of trust fund reimbursements to the States left the beneficiary rolls. "First Findings of the 1972 Survey of the Disabled: General Characteristics," an article by Kathryn H. Allan in October 1976, provided initial data from yet another survey.

Also analyzing data from the 1972 survey, Aaron Krute and Mary Ellen Burdette examined in the May 1978 BULLETIN such significant questions as how disease is distributed in the population, how such socioeconomic characteristics as age, race, and sex are related to chronic diseases, and whether various kinds of chronic conditions are more likely to result in work disability than others.

The Needy

In a broad sense, a considerable proportion of the population covered by the social security program are

potentially "needy" to the extent that their income may be inadequate when they suffer the risks of unemployment, retirement in old age, death of the family earner, or burdensome medical care costs. The Social Security Act provided, however, for Federal payments under State assistance programs for specific categories of low-income groups—the aged, the blind, the permanently and totally disabled, and families with dependent children. Under these programs, monthly payments were made to persons or families meeting a means test and other requirements under State law. The Federal aspects of these programs were the responsibility of the Social Security Administration from 1936 to 1963, the programs for the three adult assistance categories were eliminated when the Federal supplemental security income program began operations in the beginning of 1974. In a 1977 reorganizational shift, aid to families with dependent children again became the responsibility of the Social Security Administration. Throughout the entire period the BULLETIN has carried information on all these programs, limited for a time chiefly to tabular material.

The first issue of the magazine, in "Almshouse Care and the Old-Age Assistance Program," reported that the development of the old-age assistance program in its opening years had not reduced the number of almshouses except in a few States. A brief note looked at the effect of unemployment benefits on general relief cases in Philadelphia. Altogether, nine articles on some phase of public assistance appeared in 1938, the BULLETIN's first year.

Information on the characteristics of persons receiving assistance payments began with a feature on sex, marital status, and living arrangements of old-age assistance recipients in February 1939. Similar articles on the recipients of the other categorical assistance programs appeared at frequent intervals thereafter. In June 1946, Jacob Fisher compared the characteristics of old-age assistance recipients with those of aged beneficiaries under old-age and survivors insurance on the basis of surveys of both groups. The first detailed study of the characteristics of recipients of aid to dependent children appeared in July of the same year. The June 1947 issue reported on the living arrangements and physical conditions of old-age assistance recipients in 21 States. Findings of other studies on the characteristics of aid to dependent children or old-age assistance were reported in 1953, 1956, 1957, 1968, and 1977.

October 1949 saw the start of a new series studying the concurrent receipt of old-age and survivors insurance benefits and payments under old-age assistance and aid to dependent children. As that article pointed out, the two programs serve different groups of the population, but persons receiving old-age and survivors insurance benefits that do not meet their needs according to

assistance standards may qualify under a State program for a payment to supplement the benefit. The findings of this research and later studies in this area had implications for program policy under old-age and survivors insurance, particularly with respect to adequacy of benefits and, in the earlier years, to the extent of coverage.

Additional reports on concurrent receipt of payments under the insurance and assistance programs were carried in 1951 and 1952. From 1953 to 1959, Sue Ossman presented full-scale articles on the subject, Robert Mugge continued the series in 1960. At the present time, data on persons receiving both types of payments are shown quarterly in the Current Operating Statistics of the BULLETIN and in the ANNUAL STATISTICAL SUPPLEMENT.

When the 1950 amendments to the Social Security Act added a new category to the Federal-State assistance programs—aid to the permanently and totally disabled—the new program was described by Phyllis Hill in the December 1950 BULLETIN. Three reports on the characteristics of the recipients of the program for the disabled appeared in 1953.

The supplemental security income program for the aged, blind, and disabled established under the 1972 amendments to the Social Security Act began operations in January 1974. In July 1973, estimates of the number of persons eligible to receive monthly payments under the program were published in the BULLETIN in a note that reviewed the program provisions and described the characteristics of the SSI eligible population. In June 1974, James Callison reported on "Early Experience Under the Supplemental Security Income Program." The article presented data on recipients and payments in January 1974 and related the Federal and State SSI payments to the amounts being paid in October 1973 under the State assistance programs for the aged, blind, and disabled. A November 1974 article by Donald Rigby, "State Supplementation Under Federal SSI Programs," listed the States with mandatory and optional programs, under which they supplement the Federal SSI payments, and described the provisions relating to the administration of these State supplements. Satya Kochhar in the December 1977 BULLETIN examined the provisions relating to SSI recipients in domiciliary care facilities in States with federally administered optional State supplementation.

In December 1977, Thomas Tissue introduced the Survey of the Low-Income Aged and Disabled. The article described the goals of this Social Security Administration study—to discover the circumstances of needy and aged disabled persons before the SSI program, determine its success in attracting those who qualified for payments in the first year, and assess the effect of participation on the recipients' well-being. The first findings from this survey to appear in the BULLETIN were

included in Sylvester Schieber's "First Year Impact of SSI on Economic Status of 1973 Adult Assistance Populations" (February 1978). The analysis considered samples of five individual States as well as the U.S. sample and concluded that the majority of the adult assistance populations transferred to the SSI program realized an improvement in their economic situation from 1973 to 1974 in part because of that transfer.

The current issue (pages 14–26) carries a comparison of low-income elderly persons in rural and urban areas with respect to health status that is also based on the Survey of Low-Income Aged and Disabled. The author concludes that the prevalence of many chronic disorders and impairments is greater for the rural aged, regardless of age, sex, and race.

The Dimensions of Poverty

From its inception the social security program has been characterized by its concern for the economic security of different populations in the United States. Almost everyone now has or will have the protection of this program—and always at a point when income is reduced by retirement, disability, or death, or, for the aged and disabled, by the burden of medical care costs.

Thus Social Security Administration research and surveys have directed attention to the quality of life for persons directly or potentially affected by the program or to those affected by related programs such as public assistance.

In July 1963, when the SOCIAL SECURITY BULLETIN published the first in what was to become its series of articles on poverty in America, the problem was not new. But the plight of the impoverished was in the spotlight and the war on poverty was gaining prominence. In that article, "Children of the Poor," author Mollie Orshansky of the Office of Research and Statistics wrote, "When poverty befalls families rearing children—the citizens of the future—the social consequences reach far beyond the present deprivation." To cope with the problem of economic deprivation and its effects the size and scope of the problem needed to be known.

Less than a year later, in the February 1964 BULLETIN, attention was focused on "The Aged Negro and His Income." That article pointed out that, by and large, racial differences in income are less among aged persons drawing old-age, survivors, and disability insurance benefits than among those not benefiting from this income-support program.

In January 1965 the BULLETIN published "Counting the Poor," in which author Orshansky used special tabulations from the Bureau of the Census to outline the dimensions of poverty based on a particular income standard. It was a new approach to identifying the Nation's poor. For the first time, on the basis of this Social Security Administration poverty index, it was possible to say

how many persons in the United States had annual incomes that fell below the poverty line. For social policy planners it was particularly significant to learn that 15 million children under age 18 were included in that total, as were 5 million persons aged 65 and older.

Where the January article had discussed characteristics of the family in which the poor live, in the July BULLETIN the focus turned to persons on the poverty roster. The new data analyzed by Orshansky in "Who's Who Among the Poor: A Demographic View of Poverty" served mainly to confirm and quantify earlier patterns.

Reader response to this series was overwhelming from the first, and interest continued at a high level. The poverty index devised early in the series proved to be a significant and useful measure for program planners and for economic analysts. It provided the Office of Economic Opportunity with an essential operational tool, for example. Revised and maintained by the Bureau of the Census, the "poverty thresholds" continue to be used, in and out of government, in assessing the economic status of various groups of the population.

Commissioner Robert M. Ball concentrated on the Social Security Administration's measure of the number of American poor in "Is Poverty Necessary?" in the August 1965 BULLETIN. He stated, "Social security's contribution to the solution of the problem of poverty is in considerable part a byproduct of doing much more—supplying a base on which practically everyone now builds income security."

In April 1966 the BULLETIN carried "Recounting the Poor—A Five-Year Review," in which author Orshansky stated, "The only indicator currently available as a gauge of how well we do in combating poverty is the size of the poverty roster." A month later the BULLETIN featured "More About the Poor in 1964," which compared 1963 and 1964 households in poverty. In the article, findings of sources of income were analyzed.

"The Shape of Poverty in 1966" continued the series. It was published in the March 1968 BULLETIN and showed that by the end of 1966, 29.7 million persons—or 1 out of every 7 noninstitutionalized Americans—were in households with income below the poverty line. This total represented a drop of 9.2 million from the number on the poverty roster in 1959.

In December 1968, an article by Wilbur J. Cohen, Secretary of Health, Education, and Welfare, outlined "A Ten-Point Program To Abolish Poverty." In June of the following year, Census data on "Residence, Race, and Age of Poor Families in 1966" were analyzed by Carolyn Jackson and Terri Velten in another article in the poverty series.

More recently, in January 1976, the BULLETIN carried an article by Mollie Orshansky and Judith Bretz that

focused on "Born to Be Poor: Birthplace and Number of Brothers and Sisters As Factors in Adult Poverty." The authors drew their data from two independent studies and stated that household heads who grew up as members of large families and/or natives of small towns or rural areas, tend to have less education and are more likely to be poor than those from small families and/or large cities.

Social Welfare Expenditures

What is the role of the social security program in the total social welfare picture? How does the situation in the United States differ from that in other countries? What do the various levels of government spend for such public programs as social insurance, public aid, education, veterans' benefits, and housing? Answers to questions like these are constantly being sought by the Congress, program planners, economists, and those concerned with country-to-country comparisons. The Office of Research and Statistics has helped provide some of the answers since the early 1950's when it began to bring together the available information on such expenditures.

The BULLETIN carried a note in both 1951 and 1952 that gave the figures for Federal, State, and local expenditures under public programs for social welfare purposes in a single year. Another note in 1952 compared social welfare expenditures in Great Britain and the United States for the fiscal year 1951. In an article in the February 1953 issue of the BULLETIN, "Social Welfare Programs in the United States," Ida C. Merriam presented a broad review of the development and growth of social welfare programs and established a series of data on expenditures under these programs that went back to 1936.

This series on social welfare expenditures, as it was developed and expanded, became an annual feature of the BULLETIN. Mrs. Merriam, who headed the Office of Research and Statistics for many years, authored the articles up to 1968. Alfred M. Skolnik and Sophie R. Dales carried on the series (most recently in January 1977), continuing to point out the proportion of the gross national product that goes for social welfare purposes, to relate private and public spending for these purposes where possible, and to incorporate information on new programs in the series. Reader interest in this area has been high since the appearance of the first article.

Private Health Insurance

In draft form, the original mandate for research under the Social Security Act had included a specific reference to health insurance. Although it was deleted, the remaining language was considered broad enough to en-

compass the subject.⁵ Little related research was conducted in the early years of the program.

Two health insurance articles appeared in 1940. In the March issue, Louis S. Reed's "Costs and Benefits Under Prepayment Medical-Service Plans" put the number of nonprofit community-wide hospital insurance plans at about 60 and noted that such organizations were virtually nonexistent 10 years earlier. In "Medical Services Under Health Insurance Abroad," which appeared in the December issue, I. S. Falk, director of the Bureau of Research and Statistics, described the medical arrangements under health insurance plans in Great Britain, France, and Germany before the onset of World War II.

Throughout the rest of the 1940's, the magazine published but two other reports on the subject—Margaret C. Klem's "Some Recent Developments in Voluntary Health Insurance" (August 1942) and I. S. Falk's "Financial Aspects of Medical Care Insurance" (December 1946). In the 1950's, however, health insurance articles began to appear with much greater frequency—a reflection, perhaps, of a growth in available coverages and a dramatic rise in the number of insured Americans. During this period, an insurance executive estimated that the number of persons with some health insurance protection rose by 132 percent between 1947 and 1957 to a total, unadjusted for duplicate coverage, of 130 million.⁶

Mere headcounts of insured persons, of course, do not tell anything about how well the coverage protects against the costs of health care. To measure the adequacy of private coverage, the Social Security Administration, in 1950, published major research findings that subsequently have helped shape the direction of dozens of BULLETIN articles. "Voluntary Insurance Against Sickness: Estimates for 1948," which appeared in the January-February issue, concluded that in 1948, "voluntary insurance, through benefit payments of \$605-650 million, met 8.2-8.8 percent of the total consumers' (private) medical care bill of \$7.4 billion."

Updates of this seminal research appeared periodically until 1956, when the rapidly evolving series was split into two parts. Initial articles in the new series, which have continued to be updated annually, were "The Growth in Protection Against Income Loss From Short-Term Sickness, 1948-54" (January 1956) and "Voluntary Health Insurance and Medical Care Costs, 1948-55" (December 1956).

A series of articles presenting data on total health spending, both public and private, was inaugurated in the August 1964 BULLETIN with the appearance of "Na-

tional Health Expenditures: Object of Expenditures and Source of Funds, 1962," by Louis S. Reed and Dorothy P. Rice. The series most recently has been updated by Robert M. Gibson and Charles R. Fisher for the July 1978 issue. This special pulling together of the figures on health spending makes the BULLETIN a valuable source for many readers, and extensive use is made of the information the series presents.

Nation Health Insurance and Medicare

Recommendations. Although it had been a social issue in the United States for about a quarter-century before the BULLETIN began publication, national health insurance received relatively little attention in early issues of the magazine.

In the August 1938 issue, a brief article, "A National Health Program," reported on the recommendations made earlier that year at a National Health Conference by the Technical Committee of the Interdepartmental Committee to Coordinate Health and Welfare Activities. Along with endorsing an expansion of public health and maternal and child-health services, expansion of hospital facilities, Federal insurance against wage loss during temporary and permanent disability, and provisions for public medical care for the medically indigent, the subcommittee called for "consideration of a comprehensive program of general medical care for the entire population, supported by taxation or insurance payments or a combination of both methods."

President Harry S. Truman vigorously supported that proposal. The December 1945 BULLETIN carried the President's message to Congress in support of a national health program that would have mandated prepayment of medical expenses for all through an expansion of the existing social security program. In the same issue, Arthur J. Altmeyer added his assessment of the proposal in "How Can We Assure Adequate Health Service for All the People?" He concluded that "the only way most of the American people can meet this problem is by spreading the cost of medical care over sufficiently long periods of time and among large enough groups of persons so that the cost will not be unbearable in the individual case."

How expensive such a system would have been was explored in "Cost Estimates for National Health Insurance, 1948," an article by I. S. Falk in the August 1949 issue. He estimated that expenditures would run somewhat below the level of personal consumption expenditures for all medical services and commodities.

Medicare. By 1963 the focus of national attention had shifted to Federal coverage for aged persons only. In the January issue that year, Daniel S. Gerig and Carl H. Farman presented "Medical Benefits for Old-Age Pensioners Under Foreign Social Security Programs," documenting experience with such coverage abroad.

⁵ See Arthur J. Altmeyer, *op. cit.*, pages 55-57.

⁶ See J. F. Follmann, Jr., "Structure of Health Insurance Industry," in *Life and Health Insurance Handbook*, Davis W. Gregg (ed.), Richard D. Irwin, Inc., 1959, page 544-545.

Health insurance for the aged (or Medicare, as the new legislation to cover this contingency came to be called) was enacted into law in 1965. Two years later, most of the July 1967 BULLETIN was devoted to an evaluation of what the program had accomplished. "Medicare's First Year," by Robert M. Ball, Commissioner of Social Security, gave a short, overall picture of the gains for the aged, and "Medicare's Early Months: A Program Round-Up," by Deputy Commissioner Arthur E. Hess, detailed the internal workings of the program. "The Positive Impact of Medicare on the Nation's Health Care Systems" by William H. Stewart, M.D., Surgeon General of the U.S. Public Health Service, examined the program's effect in such areas as quality of services, manpower and resource development, home health services, and utilization review.

Periodically, as more data on Medicare became available, articles assessing the program's progress were published in the BULLETIN. In "Ten Years of Medicare Impact on the Covered Population," an article in the July 1976 issue, Marian Gornick noted, among other things, that implementation of the program had not resulted in unbounded utilization of covered services. Drawing on data from the Medicare statistical system and special studies, the author demonstrated that the number of days of short-stay hospital care for each 1,000 enrollees was the same in 1973 as it had been in 1967, the first full year of Medicare operation. Moreover, the proportion of enrollees using covered physician and related services had remained at a relatively constant level for a decade.

Foreign Social Insurance

With little practical program experience to draw on domestically, early researchers attached a special importance to the study of developments in nations with social insurance systems more advanced than our own. Close observation of such programs, it was felt, could enable the United States to adapt proven principles to its own use and avoid the mistakes that were costly for others.

An example of enlightening foreign experience appeared in the June 1938 issue of the magazine. In "Old-Age Insurance for Agricultural Workers in Western Europe," Thomas C. Blaisdell, Jr. described the methods by which Great Britain, France, Germany, Sweden, and Austria had solved the administrative problems that led, in this country, to the initial exclusion of farm workers from social security coverage.

Five years later, in the January 1943 BULLETIN, the further evolution of social insurance in Britain was analyzed by Martha D. Ring. Accorded virtually half the space in the issue, "Social Security for Great Britain—A Review of the Beveridge Report" provided a comprehensive look at proposals for a unified system of

social insurance and allied services in that country that led ultimately, among other things, to the creation of Britain's National Health Service.

From the late 1940's through the early 1960's, the BULLETIN documented a number of program improvements that had been inaugurated overseas but were yet to be introduced in this country. One such article, "Coverage of the Self-Employed Under Old-Age and Survivors Insurance: Foreign Experience," which appeared in the August 1949 issue, was prepared by Wilbur J. Cohen, then technical advisor to the Commissioner for Social Security and later Secretary of Health, Education, and Welfare. Daniel S. Gerig's "Automatic Cost-of-Living Adjustment of Pensions in Foreign Countries," which appeared in the March 1960 BULLETIN, was the first of several articles dealing with this area (the most recent analysis, Martin B. Tracy's "Maintaining Value of Social Security Benefits During Inflation," appeared in the November 1976 issue).

Also in this period, the magazine began publishing comprehensive surveys of the international social insurance situation, such as Carl H. Farman's May 1956 article, "World Trends in Social Security Benefits, 1935-55." These reviews usually have been based on **Social Security Programs Throughout the World.**⁷ The latest, Lois S. Copeland's "Worldwide Developments in Social Security," was published in the May 1978 BULLETIN.

How much of an average worker's preretirement earnings are replaced by social security benefits here and abroad became the focus of more recent research. First examined by Max Horlick in a March 1970 article, "The Earnings Replacement Rate of Old-Age Benefits: An International Comparison," the subject was reappraised in January 1978 by Leif Haanes-Olsen in the article, "Earnings-Replacement Rate of Old-Age Benefits, 1965-75, Selected Countries."

For the past decade, the BULLETIN has also carried "Social Security Abroad," a special feature whose shorter length and narrower focus allows for quick release of current information about foreign systems. The first item in this series, which reported on program adjustments in Columbia, the Federal Republic of Germany, and the United Kingdom, appeared in the April 1968 issue. Since then, about six such notes have been published annually.

Legislation

From the first it was recognized that the BULLETIN would serve as the primary source of information on

⁷ This report has been issued biennially since 1969 and appeared at less frequent intervals earlier. The most recent edition is **Social Security Programs Throughout the World, 1977** (Research Report No. 50), Office of Research and Statistics, Social Security Administration, 1978.

legislative activity in the field of social security and related programs. Detailed descriptions of provisions in the major amendments to the Social Security Act—usually accompanied by a legislative history—have been a regular feature of the magazine. Actions in the State legislatures to change their public assistance and unemployment insurance laws were noted regularly, frequently in major articles, following the State biennial sessions, until responsibility for these programs was transferred from the Social Security Administration. Changes in the laws governing other income-maintenance programs—railroad retirement and unemployment insurance, civil-service retirement, and veterans' income-maintenance provisions—have been noted as they occur—sometimes in an article that brings together all the changes made in an extended period.

The first volume of the BULLETIN had little to report in the way of Federal legislation, until August 1938 when W. J. Couper reviewed the new railroad unemployment insurance program in "The Railroad Unemployment Insurance Act and Unemployment Compensation Administration" (a summary of the provisions in bill form had been noted in June 1938). Beginning in April of that year, "legislative amendment" paragraphs became a feature of the unemployment insurance section of the magazine, bringing the readers information on changes in the State laws.

Social Security Act. In 1939, Congress enacted the first amendments to the Social Security Act, extensively revising and liberalizing the social security program. Under Public Law 379 (76th Congress, first session), the date for first payment of old-age insurance monthly benefits was advanced to the beginning of 1940 and dependents' and survivors' benefits were added to the program, provisions relating to grants to States for public assistance and unemployment insurance grants were also broadened. An article in December 1939, "Federal Old-Age and Survivor Insurance, A Summary of the 1939 Amendments," was the first in the series of major articles giving the BULLETIN readers in precise and concise form the legislative changes in the Social Security Act.

Seven years later, further amendments produced "Social Security Amendments of 1946." That article in the August 1946 issue noted the provisions for benefits for survivors of certain World War II veterans and the new temporary unemployment insurance benefits for maritime workers, as well as the numerous technical and other miscellaneous provisions. A briefer article in 1947 noted the continued freezing of the scheduled increase in the contribution rate under the old-age and survivors insurance program.

Legislation in 1950 made significant changes in the social security program—giving protection under the old-age and survivors insurance program for the first

time to the self-employed and to domestic and farm workers, providing the opportunity for coverage to employees of State and local governments and of nonprofit organizations, raising benefit amounts, and adding new types of benefits. These provisions were summarized in an October 1950 BULLETIN article, "Social Security Act Amendments of 1950: A Summary and Legislative History," by Wilbur J. Cohen, then Technical Adviser to the Commissioner for Social Security, and Robert J. Myers, Chief Actuary of the Social Security Administration. The article was accompanied by a detailed chart showing the principal changes in the law.

Wilbur Cohen also summarized the 1952 amendments to the Social Security Act and, together with Robert J. Myers and Robert M. Ball, provided a summary and legislative history of the 1954 amendments. In both years, benefits were increased, the retirement test liberalized, and the benefit rights of the disabled were further protected, in 1954, coverage was extended to the self-employed.

The addition of disability benefits to the social security programs was only one of the many important changes stemming from the 1956 amendments to the Social Security Act. Charles L. Schottland, Commissioner of Social Security, presented a summary and legislative history of these changes in the September 1956 BULLETIN.

Extension of coverage to most groups previously excluded, the lowering of the eligibility age for women to age 62, provision of benefits for disabled dependent children, and changes in public assistance formulas were among the changes described. A separate article by Mr. Myers, the Chief Actuary, "Old-Age and Survivors Insurance: Financing Basis and Policy Under 1956 Amendments," considered the effect of the amendments on the program's financing. Again, in 1958, two separate articles by the Commissioner and the Chief Actuary summarized the amendments enacted in that year and presented the cost estimates for that set of amendments.

The Social Security Act amendments of 1960 and related legislation enacted by the 86th Congress made some technical improvements in the social security program and some substantive changes—notably a new program for medical assistance for the aged and broader disability protection under the old-age, survivors, and disability insurance program. These changes were described in an article by William L. Mitchell, Commissioner of Social Security, in the November 1960 issue of the BULLETIN, and a companion article by the Chief Actuary examined the financial basis of the amendments.

Legislation in 1962 affected only the public assistance and child welfare provisions of the Social Security Act. The amendments, which emphasized rehabilitative services and training activities, are detailed in an article by Wilbur J. Cohen and Robert M. Ball in the BULLETIN.

for October 1962, entitled "Public Welfare Amendments of 1962 and Proposals for Health Insurance for the Aged." As the title indicates, included in the article was a history of the proposals for a program of health insurance for the aged, which had been eliminated from the public welfare bill.

Far-reaching amendments to the Social Security Act were passed in July 1965, establishing two national health insurance programs for the aged—one providing hospital benefits and the other covering medical services. Together these programs have become known as Medicare. The Under Secretary of Health, Education, and Welfare, Wilbur J. Cohen, and the Commissioner of Social Security, Robert M. Ball, used the September issue of the BULLETIN to describe these landmark amendments, together with the other important changes resulting from the 1965 legislation—including student's benefits, payment of widows' benefits at age 60, coverage for self-employed physicians, and a new medical assistance program (Medicaid).

The September BULLETIN in the following year carried a description of the provisions for social security payments to certain noninsured persons. These provisions, contained in the Tax Adjustment Act of 1966, were added to the bill by Senator Prouty (and were known for a time as the Prouty benefits). The law called for special monthly payments for persons aged 72 or over or reaching that age before 1968, regardless of insured status under the social security program. The Under Secretary of Health, Education, and Welfare, the Commissioner of Social Security, and the Chief Actuary were the authors of this feature.

Under Secretary Cohen and Commissioner Ball reviewed the Social Security Amendments of 1967 for the BULLETIN readers in the February 1968 issue, pointing out the important changes made by that law. Monthly benefits for disabled dependent widows and widowers at age 50, liberalization of the eligibility requirements for dependents and survivors of women workers, broadened coverage of clergymen and members of religious orders, and other improvements in the old-age, survivors, and disability insurance program, as well as a work incentive program for families receiving aid to families with dependent children.

Legislation in 1972 made major revisions in the Social Security Act, setting up an entirely new program—supplemental security income, introducing automatic adjustment for increasing the amount of benefit payments, the maximum taxable amount of a worker's earnings, and the annual exempt amount of beneficiaries' earnings, extending Medicare protection to disability beneficiaries and to certain persons (and their dependents) with end-stage kidney disease, and other liberalizations. In the March 1973 issue, Commissioner Ball presented a

summary of these provisions, together with a legislative history.

In 1977, significant changes in the social security program were made that are expected to have far-reaching effects: the use of wage indexing of a worker's earnings in figuring his benefit, a revised contribution and benefit base and new contribution schedule, a higher exempt amount under the retirement test and a lowering from 72 to 70 the age at which the test no longer applies, and authorization for the United States to enter into bilateral agreements with foreign countries for coordination between social security systems. These and other provisions of the Social Security Amendments of 1977 are summarized, together with a legislative history, in the March 1977 BULLETIN by John Snee and Mary Ross.

Other related legislation. Because of the close relationship of the social security and railroad insurance programs, particular attention has been paid to changes in the provisions for railroad workers. In December of 1946 Jack Elkins presented, in detailed chart form, summaries of the provisions of the Railroad Retirement and Railroad Unemployment Insurance Acts. Over the years, similar summaries have brought the BULLETIN audience up to date on revisions in these programs. In the latest of these reviews, "Restructuring the Railroad Retirement System" (April 1975), Alfred M. Skolnik informed our readers of the extensive changes made to relieve the difficult financial situation of the system, drawing attention to the elimination of the dual benefits that had been payable under the railroad retirement and social security programs.

In April 1941, the BULLETIN carried the first of many articles on the Federal civil-service retirement system, reviewing its history and summarizing briefly its major provisions. A February 1942 article, in a detailed chart, gave the reader an overall look at the system as it then was. Later summaries, notably a July 1959 article by John P. Jones, "Civil-Service Retirement Program, 1959," followed the pattern of this early article.

Considerable interest was shown in the December 1974 article, "Pension Reform Legislation of 1974," by Alfred M. Skolnik. This review of the Employee Retirement Income Security Act of 1974 provided a concise summary of the provisions of the first comprehensive legislation to reform private pension plans.

Four Decades of Data Collection

Any recent issue of the BULLETIN and one published in 1938 bear a close resemblance to each other despite the fact that their release dates are 40 years apart. A look at the program statistics in two such representative issues, however, reveals a striking contrast.

Early issues of the magazine were thin in the way of tabular presentation of information because there was

little yet in the way of program operations to report on, and because other relevant data series had not been introduced. Conversely, today's BULLETIN fairly bulges with statistics on all aspects of social security and other income-maintenance programs.

The journal of record for current operating statistics under programs initiated by the Social Security Act, the BULLETIN now updates 46 monthly tables giving operating statistics for the social security and other income-maintenance programs, the status of the social security trust funds, and the state of such important indicators as personal income, the gross national product, and the consumer price index. In the March, June, September, and December issues, 32 quarterly tables are added. Each year an Annual Statistical Supplement⁸ to the BULLETIN presents, in detailed tables (178 in the 1975 edition), calendar-year and time-series data on the old-age, survivors, and disability insurance (OASDI), Medicare, and other social insurance programs, poverty, supplemental security income (SSI), and public assistance. These annual publications also carry program definitions and an updated legislative history of the OASDI and SSI programs.

When the numbers in BULLETIN tables are closely compared, they tell a tale as dramatic as that of any article. They reveal, for example, that from 1940 to the current updatings, changes such as these have occurred: Average monthly benefits in current-payment status under OASDI have risen from \$23 to more than \$242, average monthly family payments under aid to families with dependent children have increased from \$32 to more than \$240, and average weekly benefits for total unemployment have gone from about \$10.50 to nearly \$78. Though much of this gain is attributable to inflation, the consumer price index, with 1967 equal to 100, had advanced only from 42 to 186 since 1940.

The Future

The problem of income inadequacy reported in early issues of the BULLETIN has not been fully alleviated.

⁸ The Supplement evolved out of the Social Security Yearbook, an annual publication that presented data for the years 1939-48. It was released as part of the September issue of the Bulletin for the years 1949-54. Beginning with 1955 data, the Supplement has been issued as a separate publication.

even after the passage of four decades, yet Americans who are needy, aged, disabled, or otherwise disadvantaged today clearly hold a relative economic advantage over their counterparts of the 1930's. Old problems, however, have given way to new ones. Analysts in the Office of Research and Statistics currently are engaged in a wide variety of innovative research projects, the findings of which will be released in future issues of the BULLETIN and in other ORS publications. Following is a sample of some of the subject areas slated for investigation.

—Wives' contributions to family income in retirement, both now and in the future, will be analyzed by means of data produced by the Retirement History Study and a simulation model of women for the year 2000.

—Social welfare expenditures in the United States will be compared with such expenditures in other nations.

—Data from a new survey will provide benchmark estimates on the level of retirement income protection provided by private pension plans as well as information on changes since the passage of the Employee Retirement Income Security Act.

—A study will examine the role of social security taxes and benefits in the overall tax transfer system.

—To determine the effects of the liberalizations in the earnings test introduced by the 1977 amendments, data from several sources—the Continuous Work-History Sample earnings record, the Current Population Survey, and social security benefit records—will be examined.

—The existing poverty index of the Social Security Administration will be adjusted and modernized.

—Analysis will be made of the following foreign social security provisions for women: Homemaker credits, combined husband-wife earnings records, disability coverage for housewives, equalization of rights, and coordination of primary and secondary benefits.

—Further analysis of data developed under the 10-year longitudinal retirement history study will result in reports on wage-replacement rates, lifetime employment experience, the retirement experiences of specific groups, and such changes associated with retirement as employment status, income sources, and health and work limitations.

—An analysis of the role of the Social Security Administration in reducing feelings of embarrassment and stigma on the part of welfare recipients will focus on attitudinal responses obtained in a series of interviews.

—The effects of the 1977 amendments and other legislative proposals on elderly beneficiaries just coming on the rolls will be studied, with emphasis on such factors as the reasons for early and delayed retirement and the incidence of disability in the preretirement years.

—A study of widows under age 60 without benefits will focus on the adequacy of their resources, the amount of benefits they eventually will collect on their own earnings records, and the extent to which they will be entitled to benefits on their husbands' accounts.