

Notes and Brief Reports

Impact of 1967 Amendments on Benefit Awards*

The 1967 amendments to the Social Security Act included several provisions that enabled many thousands of persons not otherwise eligible to qualify for monthly cash benefits under the old-age, survivors, disability, and health insurance program (OASDHI) in the last 4 months of the fiscal year 1968. Data on benefit awards resulting from four of these provisions are presented here.

Three of these amendments relate to the disability of the beneficiary or the worker on whose earnings record the benefit is based: (1) the more liberal insured-status requirement for young workers disabled before age 31; (2) the provision of benefits for the disabled widows and disabled dependent widowers of insured workers; and (3) the liberalized definition of blindness. More than 11,500 persons were awarded monthly benefits as a result of these amendments by the end of June 1968.

Another amendment broadened the definition of dependency of a child on his mother. As a result of this provision, an estimated 20,000 children qualified for benefits.

PROVISIONS RELATING TO DISABILITY

Disability Protection for Young Workers

Under the regular provisions of the Social Security Act a worker is insured for disability benefits if he has at least 20 quarters of coverage in the last 40 calendar quarters up to and including the quarter of disablement. The requirement serves as a general test of substantial recent employment. The 1967 amendments provide a less restrictive employment test for workers disabled early in their working lives who have not had adequate opportunities to earn 20 quarters of coverage.

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The 1967 change in the law provides that a worker disabled before the quarter in which he attains age 31 is insured for social security disability protection if he has quarters of coverage in at least half the calendar quarters elapsing after he attained age 21 and up to and including the quarter of disablement with a minimum of 6 quarters of coverage. Before the amendments, this provision applied only to workers who were disabled by blindness before reaching age 31.

For the period March-June 1968, awards were made because of this provision to almost 5,800 disabled workers who became disabled before they reached age 31 (table 1). Awards made to the wives and dependent husbands numbered about 700. The average benefit check going to these disabled workers at the end of June was \$89.94.

BENEFITS FOR DISABLED WIDOWS AND WIDOWERS

The 1967 amendments provide monthly cash benefits for certain totally disabled widows aged 50-59 (including surviving divorced wives) and dependent widowers of deceased fully insured workers aged 50-61 at entitlement. The disablement must occur before or within 7 years after the spouse's death or, for a widowed mother, before

TABLE 1.—Monthly benefits awarded, March-June 1968, and in current-payment status, end of June 1968, for selected beneficiary categories under 1967 amendments relating to disability

Type of beneficiary	Awarded, March-June 1968		In current-payment status, end of June	
	Number	Average monthly amount	Number	Average monthly amount
Beneficiaries entitled under insured-status provision for workers disabled before age 31				
Total.....	6,475		6,043	
Disabled worker.....	5,762	\$90.08	5,476	\$89.94
Wives and husbands.....	165	29.88	119	26.71
Children.....	548	27.02	448	24.17
Beneficiaries entitled under liberalized definition of blindness				
Total.....	88		82	
Disabled worker.....	67	111.22	63	112.00
Dependents.....	21	24.95	19	19.06
Disabled widows and widowers				
Total.....	4,949		4,885	
Widows.....	4,937	75.76	4,873	75.85
Widowers.....	12	78.58	12	78.58

or within 7 years after the end of her entitlement to benefits as a mother. In addition, the disablement must be so severe that it keeps the widow or widower from performing any gainful activity (rather than substantial gainful activity). The monthly benefits for disabled widows and widowers range from 50 percent to 82½ percent of the spouse's primary insurance amount, depending when entitlement begins.

Nearly 5,000 disabled widows and dependent widowers who were eligible for monthly benefits as a result of the 1967 amendments were awarded benefits during the period March–June 1968. The average benefit payable to widows in this category was \$75.85 at the end of June; for dependent widowers the average amount was \$78.58.

Definition of Blindness

Blindness, as a disabling condition for establishing a disability freeze period or for determining eligibility for benefits, is defined in the Social Security Act as a central visual acuity of 5/200 or less. The 1967 amendments provide a less restrictive definition of blindness for disability freeze purposes—a visual acuity of 20/200 or less, commonly called “industrial blindness.” The less restrictive definition of blindness also applies for benefit purposes to a blind worker aged 55 or over who is unable to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time. The worker under age 55 who is industrially blind and therefore able to establish disability for freeze purposes still must meet the regular definition of disability—inability to engage in any substantial gainful activity—for benefit purposes.

By the end of June 1968, about 100 beneficiaries have been added to the rolls who would not otherwise have qualified for benefits (table 1).

Dependency of Child on Mother

Before the 1967 amendments a child could be entitled to benefits on the earnings record of a woman worker only if she was currently insured—

that is, with at least 6 quarters of coverage in the last 13 calendar quarters ending with death, retirement, or disability—or if she was actually supporting the child. Under the new law, a legitimate or legally adopted child of a woman worker is deemed dependent on her unless the child is legally adopted by another person. The requirement that the woman worker be currently insured is eliminated.

In the last four months of the fiscal year 1968, the total number of child's benefits awarded was 367,824 (table 2). Fifteen percent (55,000) of these awards were based on the earnings record of a woman—disabled, retired, or deceased. Most of the 55,000 children awarded benefits in that period would have been eligible for benefits regardless of the liberalized dependency provision. Yet, when the data on child's benefit awards during those months (table 2) are compared with the data on the number of child's benefits currently payable in June (tables 3), it appears clear that many of the awards based on women's earnings records must be attributable to the new definition of dependency. Counting directly the number of children who have become eligible as a result of this provision is not possible at this time, however.

The number of cash benefit awards to children from March to June 1968 was greater than the number awarded in the corresponding period of

TABLE 2.—Monthly benefit awards to children of all workers and women workers; March–June 1968

Category of child beneficiaries	Entitlement based on earnings record of—				
	All workers		Women workers ¹		
	Number	Average amount	Number	Percent of all workers	Average amount
Total.....	367,824		55,439	15.1	
Worker retired.....	62,148	\$41.46	2,531	4.1	\$39.15
Worker deceased.....	205,352	67.63	41,576	20.2	46.33
Worker disabled.....	100,324	35.41	11,332	11.3	33.37
Child under age 18.....	243,476		45,106	18.5	
Worker retired.....	35,065	34.58	833	2.4	35.33
Worker deceased.....	129,839	61.15	35,555	27.4	44.51
Worker disabled.....	78,572	32.20	8,718	11.1	31.10
Student aged 18–21.....	116,376		9,295	8.0	
Worker retired.....	23,404	50.55	1,118	4.8	39.81
Worker deceased.....	72,470	79.00	5,720	7.9	56.31
Worker disabled.....	20,502	47.21	2,457	12.0	40.92
Disabled children aged 18 and over.....	7,972		1,038	13.0	
Worker retired.....	3,679	49.22	580	15.8	43.36
Worker deceased.....	3,043	73.53	301	9.9	62.06
Worker disabled.....	1,250	44.59	157	12.6	40.83

¹ Includes children who would be entitled to monthly benefits under the provisions before the 1967 amendments. Identification of children whose entitlement is based solely on the 1967 amendments is not feasible.

1967 by about 21,300, as the distribution of these awards, by type, shows.

Category	Number of awards	
	March-June 1968	March-June 1967
Children of—		
Retired worker.....	62,148	61,657
Deceased worker.....	205,352	192,049
Disabled worker.....	100,324	92,807

It is on the basis of the increased number of awards in 1968 that it seems reasonable to assume that about 20,000 children on the rolls in June would not formerly have been eligible for benefits.

The impact of the dependency liberalization manifested itself chiefly in awards to minor survivor children. Thus benefits going to survivor children under age 18, on the basis of a woman's earnings record, accounted for 8 percent of all benefits for survivor children under age 18 that were currently payable in June 1968 (table 3). Among additions to the rolls from March to June 1968—that is, awards made during this period—benefits for young survivor children awarded on the basis of a woman worker's earnings represented 27 percent of all awards to young survivor children (table 2). Similar comparisons for students and disabled children show that the difference in these proportions is not as great as it is for children under age 18.

TABLE 3.—Monthly benefits currently payable to children, end of June 1968

Category of child beneficiaries	Entitlement based on earnings record of—				
	All workers		Women workers		
	Number	Average amount	Number	Percent of all workers	Average amount
Total	3,736,380		268,767	7.2	
Worker retired.....	521,536	\$38.17	20,717	4.0	\$41.71
Worker deceased.....	2,446,681	70.90	192,850	7.9	54.29
Worker disabled.....	768,163	35.04	55,200	7.2	36.11
Child under age 18	3,018,800		211,745	7.0	
Worker retired.....	346,060	32.53	3,647	1.1	37.38
Worker deceased.....	1,980,361	68.97	161,233	8.1	52.37
Worker disabled.....	692,379	33.64	46,865	6.8	34.93
Student aged 18-21	481,907		32,276	6.7	
Worker retired.....	81,714	51.16	2,422	3.0	43.18
Worker deceased.....	336,593	81.52	23,028	6.8	63.64
Worker disabled.....	63,600	48.12	6,826	10.7	42.47
Disabled children aged 18 and over	235,673		24,746	10.5	
Worker retired.....	93,762	47.70	14,648	15.6	42.54
Worker deceased.....	129,727	72.79	8,589	6.6	65.17
Worker disabled.....	12,184	46.40	1,509	12.4	44.03

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