
Unearned Income of Supplemental Security Income Recipients, May 1982

by Lenna D. Kennedy*

About 3 out of 5 Supplemental Security Income recipients have some type of unearned income. The major source of this income is Social Security benefits. Other sources are veterans' pensions, pensions from employment, asset income, and support and maintenance in-kind. This article presents for the first time detailed estimates of the distributions of these income sources, based on a 1-percent sample of May 1982 recipients.

In two-thirds of the cases, the Social Security benefits were between \$100 and \$260 a month. Unearned income from sources other than Social Security was usually smaller. Only 5 percent of the SSI population received less than \$100 in Social Security benefits. Differences in distributions for retired-worker and disabled-worker benefits, and for widow's and children's benefits are noted.

In mid-1982, 3.9 million persons were receiving monthly Supplemental Security Income (SSI) payments. This total includes 3.5 million recipients of Federal SSI payments and 421,000 persons receiving only federally administered State supplements. More than 60 percent of the total also had other unearned income (table 1). This income was received primarily from Old-Age, Survivors, and Disability Insurance (OASDI) benefits, but also included public and private pensions, veterans' compensation payments, and asset income. Part of the value of in-kind assistance that provides an applicant with food or shelter is also considered unearned income.

Except for certain payments based on need, the first \$20 per month of unearned income is excluded in determining SSI benefit amounts. The remaining income is offset against the SSI payment on a dollar for dollar basis.¹

Since 1975, data have been published periodically on the number of SSI recipients who have unearned income from various sources and the average monthly amount of that income. This article presents for the first time interval distributions of unearned income, by type, for persons who received federally administered SSI payments on May 1, 1982.² These distributions will clarify

the magnitude of other income sources among the SSI population.

SSI recipients had unearned income from a variety of sources.³ Over half of them received an OASDI benefit. The next most frequent source was support and maintenance in-kind, received by about 145,000 persons—almost 4 percent of all recipients. Two percent received veterans' pensions in addition to SSI, and the same proportion had income from assets, mainly interest on bank accounts. One percent or less of the recipients reported one of the other types of income, including assistance based on need (primarily Aid to Families with Dependent Children—AFDC—payments).

Persons Receiving SSI and Social Security

By frequency and size, OASDI benefits constituted the main source of income for SSI recipients. Tables 2 through 6 show the distribution of the monthly OASDI benefit for all concurrent recipients, and separately for retired and disabled workers, widows, and children. Common to all of these tables is the large proportion with benefits in the \$160–\$179 interval, which includes many persons receiving a minimum OASDI benefit.⁴

Two out of 3 concurrent recipients had OASDI bene-

* Division of Supplemental Security Studies, Office of Research and Statistics, Office of Policy, Social Security Administration.

¹ The \$20 exclusion is not applicable to veterans' pensions or to other assistance based on need, such as payments under the Aid to Families with Dependent Children program.

² The data in this article are based on the May 1982 SSI 1-Percent Sample File. This file, selected monthly from the Supplemental Security Record (the SSI administrative data base), increases the range and timeliness of statistical tabulations available.

³ Persons receiving more than one type of unearned income are counted in each category. The extent of this duplication is estimated at 5 percentage points.

⁴ In May 1982 the lowest benefit (before actuarial reduction) payable to a 65-year-old retired worker, a disabled worker, or to a sole survivor of a deceased worker, was \$170.30.

Table 1.—Number of persons receiving federally administered SSI payments, percent with unearned income, and average monthly amount, by type of income, May 1, 1982¹

| Type of income | Number of persons | Percent with unearned income | Average monthly amount |
|--|-------------------|------------------------------|------------------------|
| All SSI recipients | 3,923,100 | 100.0 | (2) |
| Recipients with unearned income ³ | 2,404,500 | 61.1 | (2) |
| Veterans' benefits | 85,300 | 2.2 | \$118.65 |
| Compensation | 7,500 | .2 | 117.20 |
| Pension | 77,800 | 2.0 | 118.79 |
| Railroad Retirement | 8,400 | .2 | 236.29 |
| Employment pensions | 31,400 | .8 | 101.15 |
| Support from absent parents | 12,900 | .3 | 91.69 |
| Asset income | 92,000 | 2.3 | 10.94 |
| Assistance based on need | 9,700 | .2 | 86.90 |
| Support and maintenance in-kind | 145,200 | 3.7 | 62.52 |
| Social Security benefits, total ⁴ | 1,970,900 | 50.2 | 217.24 |
| Retired worker | 1,013,000 | 25.8 | 235.97 |
| Disabled worker | 237,200 | 6.1 | 255.01 |
| Wives and husbands | 144,600 | 3.7 | 117.68 |
| Children | 180,000 | 4.6 | 168.91 |
| Widows and widowers | 354,100 | 9.0 | 228.73 |
| Disabled widows and widowers | 32,300 | .8 | 193.38 |
| Other | 48,700 | 1.2 | (2) |

¹ Based on a 1-percent sample.

² Not calculated.

³ Persons receiving more than one type of unearned income are counted in each category. The extent of this duplication is estimated at 5 percentage points.

⁴ Total includes some benefits not listed separately below.

fits of between \$100 and \$260 in May 1982 (table 2). Only 5 percent were receiving less than \$100 while about 1 person in 4 received more than \$260. At that time the maximum Federal SSI payment to an individual was

Table 2.—Number and percentage distribution of persons receiving both federally administered SSI payments and Social Security benefits, by monthly amount of Social Security benefit, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|----------------|-----------|-----------|----------|----------|
| Total number | 1,970,900 | 1,136,400 | 30,000 | 804,500 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$30 | .3 | (2) | .7 | .6 |
| \$30-\$49 | .6 | .1 | 1.3 | 1.5 |
| \$50-\$69 | 1.1 | .4 | .7 | 2.1 |
| \$70-\$99 | 3.3 | 3.0 | 3.7 | 3.9 |
| \$100-\$139 | 6.0 | 4.1 | 7.0 | 8.8 |
| \$140-\$159 | 9.5 | 11.4 | 6.7 | 7.0 |
| \$160-\$179 | 18.9 | 21.6 | 19.0 | 15.0 |
| \$180-\$199 | 7.3 | 6.8 | 5.0 | 8.1 |
| \$200-\$219 | 8.0 | 8.2 | 8.3 | 7.8 |
| \$220-\$239 | 8.5 | 8.9 | 6.7 | 8.0 |
| \$240-\$259 | 10.1 | 10.0 | 8.3 | 10.3 |
| \$260-\$279 | 8.3 | 8.0 | 8.3 | 8.6 |
| \$280-\$299 | 5.0 | 4.4 | 6.0 | 5.7 |
| \$300-\$319 | 2.6 | 2.5 | 2.3 | 2.9 |
| \$320-\$359 | 4.4 | 4.3 | 4.7 | 4.6 |
| \$360-\$399 | 3.0 | 3.2 | 6.3 | 2.6 |
| \$400 or more | 2.9 | 3.1 | 5.0 | 2.6 |
| Mean amount | \$217.24 | \$219.68 | \$227.60 | \$213.40 |
| Median amount | 207.06 | (3) | (3) | (3) |

¹ Based on 1-percent sample.

² Less than 0.05 percent.

³ Not calculated.

Table 3.—Number and percentage distribution of persons receiving both federally administered SSI payments and retired-worker benefits under Social Security, by monthly amount of benefit, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|-----------------|-----------|----------|----------|----------|
| Total number | 1,013,000 | 769,900 | 11,000 | 232,100 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$120 | .3 | .2 | .9 | .8 |
| \$120-\$139 | 2.5 | 1.4 | 1.8 | 6.5 |
| \$140-\$159 | 13.1 | 14.1 | 5.5 | 10.3 |
| \$160-\$179 | 19.9 | 20.7 | 22.7 | 17.2 |
| \$180-\$199 | 7.3 | 6.9 | 6.4 | 8.7 |
| \$200-\$219 | 8.5 | 8.9 | 3.6 | 7.6 |
| \$220-\$239 | 9.2 | 9.7 | 4.5 | 7.8 |
| \$240-\$259 | 11.2 | 10.9 | 13.6 | 11.7 |
| \$260-\$279 | 8.7 | 8.7 | 7.3 | 8.5 |
| \$280-\$299 | 5.2 | 4.8 | 8.2 | 6.4 |
| \$300-\$319 | 2.8 | 2.8 | 2.7 | 2.8 |
| \$320-\$359 | 4.7 | 4.6 | 8.2 | 5.0 |
| \$360-\$399 | 3.1 | 3.0 | 8.2 | 3.2 |
| \$400 or more | 3.4 | 3.4 | 6.4 | 3.4 |
| Mean amount | \$235.97 | \$227.84 | \$252.87 | \$228.12 |
| Median amount | 208.18 | (2) | (2) | (2) |

¹ Based on 1-percent sample.

² Not calculated.

\$264.70. Most of those in the groups with benefits over \$260 were receiving only State supplementation.

Thirty-two percent of all SSI recipients were receiving OASDI benefits based on earnings credits they themselves had accumulated. Twenty-six percent were retired workers and 6 percent disabled workers. Retired-worker benefits were substantially lower—in more than one-third of the cases, under \$180 monthly (table 3). Only half as many disabled-worker benefits were that low (table 4). The median retired-worker benefit was \$208 and the median for disabled-worker benefits was \$251.

Table 4.—Number and percentage distribution of persons receiving both federally administered SSI payments and disabled-worker benefits under Social Security, by monthly amount of benefit, May 1, 1982¹

| Monthly amount | Total | Blind | Disabled |
|-----------------|----------|----------|----------|
| Total number | 237,200 | 7,600 | 229,600 |
| Total percent | 100.0 | 100.0 | 100.0 |
| Less than \$120 | .4 | ... | .4 |
| \$120-\$139 | 1.0 | 2.6 | .9 |
| \$140-\$159 | 1.4 | 2.6 | 1.3 |
| \$160-\$179 | 15.4 | 14.5 | 15.4 |
| \$180-\$199 | 7.1 | 5.3 | 7.1 |
| \$200-\$219 | 8.9 | 14.5 | 8.7 |
| \$220-\$239 | 8.1 | 4.0 | 8.3 |
| \$240-\$259 | 15.0 | 6.6 | 15.3 |
| \$260-\$279 | 13.2 | 14.5 | 13.2 |
| \$280-\$299 | 8.9 | 10.5 | 8.9 |
| \$300-\$319 | 4.9 | 3.9 | 4.9 |
| \$320-\$359 | 6.5 | 4.0 | 6.6 |
| \$360-\$399 | 4.6 | 10.5 | 4.4 |
| \$400 or more | 4.7 | 6.5 | 4.6 |
| Mean amount | \$255.01 | \$263.02 | \$254.74 |
| Median amount | 250.51 | (2) | (2) |

¹ Based on 1-percent sample.

² Not calculated.

Over 18,000 persons receiving SSI for blindness were also receiving a primary benefit under Social Security. They accounted for 23 percent of the 78,000 blind SSI recipients in May. About 462,000 disabled SSI recipients (20 percent of the 2.3 million disabled recipients) also received a primary benefit under Social Security.

Nine percent of the May 1982 SSI caseload, 354,000 persons, received Social Security benefits as widows or widowers of deceased wage earners.⁵ Since this benefit usually amounts to 100 percent of the primary insurance amount, it is not surprising that the distribution in table 5 is quite similar to that for retired workers—very few benefits under \$140, the largest cluster around the OASDI minimum benefit, and about 28 percent over \$260, where many would be receiving only State supplementation. About 83,000 of these widows and widowers were receiving SSI as blind or disabled persons.

Approximately 5 percent of the SSI recipients were receiving Social Security benefits as children of retired, disabled, or deceased parents, although most were adults who were disabled in childhood (table 6). A substantial number were mentally retarded.⁶

Since a child's benefit is normally half of the primary insurance amount, the distribution of children's benefits differs from the distributions of other types of OASDI benefits. One out of 5 received benefits of less than \$100; only 12 percent had benefits over \$260. The median benefit was \$170.

⁵ This does not include 32,000 persons receiving disabled widow's or widower's benefits.

⁶ Disabled child's benefits are paid to persons over age 18 whose disability began before age 18 (or before age 22 if they were students) if the parent on whose earnings the benefit is based is retired, disabled, or deceased.

Table 5.—Number and percentage distribution of persons receiving both federally administered SSI payments and benefits for widows and widowers under Social Security, by monthly amount of benefit, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|---------------------------|----------|----------|----------|----------|
| Total number | 354,100 | 270,700 | 3,900 | 79,500 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$120 | .8 | .9 | 2.6 | .6 |
| \$120-\$139 | 2.2 | .6 | 5.1 | 7.4 |
| \$140-\$159 | 7.7 | 5.4 | 15.8 | 15.0 |
| \$160-\$179 | 25.7 | 29.8 | 23.7 | 11.9 |
| \$180-\$199 | 7.5 | 7.3 | 5.3 | 8.3 |
| \$200-\$219 | 8.5 | 8.0 | 7.9 | 10.3 |
| \$220-\$239 | 9.1 | 9.0 | 5.3 | 9.8 |
| \$240-\$259 | 9.9 | 10.2 | 10.5 | 8.8 |
| \$260-\$279 | 8.8 | 8.5 | 5.3 | 10.1 |
| \$280-\$299 | 4.6 | 4.8 | ... | 4.3 |
| \$300-\$319 | 2.8 | 2.6 | 2.6 | 3.5 |
| \$320-\$359 | 5.1 | 4.8 | 2.6 | 6.2 |
| \$360-\$399 | 4.2 | 4.7 | 5.3 | 2.3 |
| \$400 or more | 2.9 | 3.3 | 7.9 | 1.5 |
| Mean amount | \$228.73 | \$230.87 | \$224.97 | \$221.63 |
| Median amount | 214.14 | (2) | (2) | (2) |

¹ Based on 1-percent sample.
² Not calculated.

Table 6.—Number and percentage distribution of persons receiving both federally administered SSI payments and benefits for children under Social Security, by monthly amount of benefit, May 1, 1982¹

| Monthly amount | Total | Blind and disabled adults | Blind and disabled children |
|--------------------------|-----------|---------------------------|-----------------------------|
| Total number | 2 180,000 | 158,900 | 20,000 |
| Total percent | 100.0 | 100.0 | 100.0 |
| Less than \$30 | 2.3 | 1.1 | 11.5 |
| \$30-\$49 | 5.0 | 4.0 | 13.5 |
| \$50-\$69 | 4.8 | 4.2 | 10.5 |
| \$70-\$99 | 10.1 | 9.6 | 15.0 |
| \$100-\$119 | 5.4 | 5.6 | 4.5 |
| \$120-\$139 | 7.4 | 7.6 | 6.5 |
| \$140-\$159 | 6.1 | 6.0 | 6.5 |
| \$160-\$179 | 17.2 | 18.3 | 8.0 |
| \$180-\$199 | 8.8 | 9.1 | 6.0 |
| \$200-\$219 | 7.1 | 7.2 | 5.5 |
| \$220-\$239 | 8.4 | 8.9 | 4.0 |
| \$240-\$259 | 4.9 | 5.1 | 3.0 |
| \$260-\$279 | 4.8 | 5.0 | 4.0 |
| \$280-\$299 | 2.8 | 3.2 | ... |
| \$300 or more | 4.8 | 5.2 | 1.5 |
| Mean amount | \$168.91 | \$174.99 | \$118.43 |
| Median amount | 170.36 | (3) | (3) |

¹ Based on 1-percent sample.

² Total includes 1,100 persons classified by SSI as aged.

³ Not calculated.

Persons Receiving SSI and Income Other Than Social Security

As table 7 shows, about 78,000 SSI recipients were also receiving a veterans' pension. This pension, paid to certain veterans and their dependents based on need,

Table 7.—Number and percentage distribution of persons receiving both federally administered SSI payments and veterans' pensions, by monthly amount of pension, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|--------------------------|----------|---------|---------|----------|
| Total number | 77,800 | 42,500 | 1,100 | 34,200 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$20 | 7.3 | 8.9 | 9.1 | 5.3 |
| \$20-\$39 | 8.7 | 8.5 | 9.1 | 9.1 |
| \$40-\$59 | 10.3 | 13.4 | 9.1 | 6.4 |
| \$60-\$79 | 17.7 | 19.3 | 9.1 | 16.1 |
| \$80-\$99 | 7.6 | 8.0 | ... | 7.3 |
| \$100-\$119 | 11.3 | 13.2 | 45.5 | 7.9 |
| \$120-\$139 | 12.1 | 11.8 | 9.1 | 12.6 |
| \$140-\$159 | 2.7 | 2.6 | ... | 2.9 |
| \$160-\$179 | 2.6 | 2.6 | 9.1 | 2.3 |
| \$180-\$199 | 2.6 | 1.6 | ... | 3.8 |
| \$200-\$219 | 1.4 | .5 | ... | 2.6 |
| \$220-\$239 | 2.8 | 4.2 | ... | 1.2 |
| \$240-\$259 | .8 | .2 | ... | 1.5 |
| \$260-\$279 | 8.4 | 4.7 | ... | 13.2 |
| \$280-\$299 | ... | ... | ... | ... |
| \$300 or more | 3.7 | .5 | ... | 7.9 |
| Mean amount | \$118.79 | \$98.09 | \$88.93 | \$145.48 |
| Median amount | 95.36 | (2) | (2) | (2) |

¹ Based on 1-percent sample.

² Not calculated.

does not qualify for the \$20 monthly general income disregard under SSI; that is, the full amount is counted against the SSI payment. About half of the veterans' pensions were under \$100 in May 1982, and three-fourths were less than \$140. Only 12 percent were above the \$260 level.

About 31,000 SSI recipients had a pension related to their previous employment. However, these pensions were relatively small. Over half of them were under \$80; only 5 percent were \$260 or more. The median pension was \$84 (table 8).

Asset income in the SSI program usually means interest on a bank account. In May 1982, 92,000 recipients (2 percent) had such income reported on their record. As would be expected, the amounts tended to be small because the principal must meet SSI resource limits of \$1,500 for an individual (\$2,250 for a couple). In 4 out of 5 cases, monthly income from assets was less than \$10. Only 7 percent of the recipients received \$50 or more (table 9).

Although the 92,000 recipients cited are those whose records reflect asset income, other information suggests that this may represent an undercount. Findings from quality assurance reviews conducted by the Social Security Administration indicate that errors involving bank accounts were the most frequent cause of excess payments during the two most recent review periods for which data are available.⁷

⁷ Office of Assessment, Social Security Administration, *SSI Quality Assurance Findings, September 1981*, pages 6-7.

Table 8.—Number and percentage distribution of persons receiving both federally administered SSI payments and employment pensions, by monthly amount of pension, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|--------------------------|----------|---------|----------|----------|
| Total number | 31,400 | 23,800 | 400 | 7,200 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$20 | 7.0 | 7.6 | ... | 5.6 |
| \$20-\$39 | 20.4 | 22.3 | ... | 15.3 |
| \$40-\$59 | 15.3 | 15.6 | ... | 15.3 |
| \$60-\$79 | 10.8 | 10.9 | ... | 11.1 |
| \$80-\$99 | 5.7 | 5.9 | 25.0 | 4.2 |
| \$100-\$119 | 9.2 | 9.2 | ... | 9.7 |
| \$120-\$139 | 5.7 | 5.0 | ... | 8.3 |
| \$140-\$159 | 4.1 | 5.5 | ... | ... |
| \$160-\$179 | 2.9 | 2.9 | ... | 2.8 |
| \$180-\$199 | 5.1 | 4.6 | ... | 6.9 |
| \$200-\$219 | 5.7 | 3.8 | 25.0 | 11.1 |
| \$220-\$239 | 1.3 | .8 | ... | 2.8 |
| \$240-\$259 | 1.6 | 1.7 | ... | 1.4 |
| \$260-\$279 | 1.6 | 1.3 | 25.0 | 1.4 |
| \$280-\$299 | .3 | .4 | ... | ... |
| \$300 or more | 3.2 | 2.5 | 25.0 | 4.2 |
| Mean amount | \$101.15 | \$94.32 | \$255.53 | \$115.15 |
| Median amount | 83.53 | (2) | (2) | (2) |

¹ Based on 1-percent sample.
² Not calculated.

Table 9.—Number and percentage distribution of persons receiving both federally administered SSI payments and asset income, by monthly amount of asset income, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|--------------------------|----------|---------|---------|----------|
| Total number | 2 92,000 | 49,900 | 2,500 | 39,600 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$10 | 82.0 | 80.6 | 80.0 | 83.8 |
| \$10-\$19 | 2.8 | 2.2 | ... | 3.8 |
| \$20-\$29 | 3.8 | 5.2 | ... | 2.3 |
| \$30-\$39 | 2.8 | 3.2 | 4.0 | 2.3 |
| \$40-\$49 | 1.7 | 2.0 | ... | 1.5 |
| \$50-\$69 | 2.5 | 2.4 | 4.0 | 2.5 |
| \$70-\$89 | 2.0 | 2.6 | ... | 1.3 |
| \$90-\$99 | .3 | .2 | 4.0 | .3 |
| \$100 or more | 2.1 | 1.6 | 8.0 | 2.3 |
| Mean amount | \$10.94 | \$11.44 | \$20.18 | \$9.73 |
| Median amount | 6.10 | (3) | (3) | (3) |

¹ Based on 1-percent sample.
² Previously published data on unearned income, based on the SSI statistical system, do not include persons with asset income of less than \$1 monthly—an estimated 27,000 recipients in May 1982.
³ Not calculated.

As stated earlier, support and maintenance in-kind is the second most frequent source of unearned income for SSI recipients. The amount that may be deducted from the SSI payment for in-kind income is limited to one-third of the Federal benefit rate plus the \$20 general income exclusion. In May 1982 the amount was \$108.23 ($\$264.70/3 + \20). More than one-third of the SSI recipients with in-kind incomes had close to this amount (table 10). Another one-third had in-kind incomes of less than \$30 per month, probably representing reduced rent situations or third-party payment of expenses such as taxes or utilities. The median in-kind income amounted to \$60.

Table 10.—Number and percentage distribution of persons receiving both federally administered SSI payments and support and maintenance in-kind, by monthly amount of in-kind income, May 1, 1982¹

| Monthly amount | Total | Aged | Blind | Disabled |
|--------------------------|---------|---------|---------|----------|
| Total number | 145,200 | 75,100 | 3,100 | 67,000 |
| Total percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than \$10 | 7.3 | 7.1 | 6.5 | 7.6 |
| \$10-\$19 | 12.9 | 11.6 | 3.2 | 14.8 |
| \$20-\$29 | 12.0 | 12.8 | 3.2 | 11.5 |
| \$30-\$39 | 7.7 | 9.1 | 9.7 | 6.1 |
| \$40-\$49 | 4.3 | 5.1 | 3.2 | 3.4 |
| \$50-\$59 | 5.8 | 7.3 | 6.5 | 4.0 |
| \$60-\$69 | 2.8 | 2.9 | 6.5 | 2.4 |
| \$70-\$79 | 6.5 | 8.4 | 16.1 | 3.9 |
| \$80-\$89 | 1.9 | 2.0 | 3.2 | 1.6 |
| \$90-\$99 | 1.5 | 1.1 | 3.2 | 1.9 |
| \$100-\$119 | 37.3 | 32.7 | 38.7 | 42.7 |
| Mean amount | \$62.52 | \$60.14 | \$74.22 | \$64.64 |
| Median amount | 60.25 | (2) | (2) | (2) |

¹ Based on 1-percent sample.
² Not calculated.