
Commentary: SSI and the Low-Income Population

By Jack Schmulowitz*

The Supplemental Security Income (SSI) program was established by Congress in 1972 as part of the Social Security amendments of that year. It replaced the Federal grants to States for Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD) in the 50 States and the District of Columbia, effective January 1, 1974. The grants programs were continued in Puerto Rico, Guam, and the Virgin Islands.

Under the OAA, AB, and APTD programs, States were responsible for program administration and they received Federal grants that are used to share program and administrative costs. Through the years, the adult assistance programs evolved and accomplished the goal of providing basic income support. However, considerable differences in payment levels among the States remained a continuing problem under the three programs. In December 1972, OAA payments, which averaged \$80 nationally, were less than \$60 in 7 States; \$60-\$69 in 14 States; and more than \$100 in 10 States. Eligibility requirements (consideration of homes and other resources, disability definition, and other factors) also varied extensively among States.

The SSI program dealt with the problem of benefit disparities by assuring, through a federally administered program, national minimum income levels for the aged, blind, and disabled with limited income and resources. Basic eligibility requirements (income, resources, age of eligibility, and medical definitions of disability and blindness) and payment standards are uniform in all States. The program is administered by the Social Security Administration (SSA) and financed from general revenues of the Federal Government.

Under the SSI program, States are permitted to supplement the basic Federal payment to the extent that they choose and most do so. Previous assistance recipients were assured that the level of their payments in December 1973 would be maintained.

When the SSI program became effective in 1974, the approximately 3.1 million individuals who had been receiving OAA, AB, and APTD payments were transferred to the new Federal program. By the end of 1987, nearly 4.4 million persons were receiving federally administered SSI payments. Benefit payments in that year totaled \$13.0 billion, of which \$10.0 billion was from the Federal SSI program, \$2.6 billion from federally administered State supplementation, and \$0.4 billion

from State-administered supplements.

As preparations were being made during 1973 for conversion of State adult assistance caseloads to the SSI program, a new Division of Supplemental Security Studies was formed within SSA's Office of Research and Statistics. The Division initially had three major functions: to develop a research strategy to measure the impact of the new program on the people served; to provide participation and cost estimates; and to design a statistical system and publication plan to provide a broad range of data for a wide group of users.

The **Survey of the Low-Income Aged and Disabled (SLIAD)** was designed as the vehicle to study the impact of the SSI program. Interviews for this survey were conducted in 1973 and 1974, before and after the SSI program became effective. Four separate survey panels were selected: welfare aged, welfare disabled, Current Population Survey (CPS) aged, and CPS disabled.

Findings from the **SLIAD** were reported in numerous **Social Security Bulletin** articles, beginning in February 1977 with Thomas Tissue's "The Survey of the Low-Income Aged and Disabled: An Introduction." The

*Division of Statistics Analysis, Office of Research and Statistics, Social Security Administration.

Continued on page 68

Table M-24.—SSI: Number of persons, total amount, and average State payment to persons under State-administered supplementation programs, by reason for eligibility, 1974-88¹

| Period | Number | | | | Total amount (in thousands) | | | | Average payment | | | |
|---------------|--------------------|---------|-------|----------|-----------------------------|---------|-------|----------|--------------------|--------------------|--------------------|--------------------|
| | Total ² | Aged | Blind | Disabled | Total ² | Aged | Blind | Disabled | Total ² | Aged | Blind | Disabled |
| January 1974 | 358,293 | 251,926 | 8,502 | 96,926 | \$14,884 | \$9,237 | \$517 | \$5,102 | \$41.54 | \$36.66 | \$60.86 | \$452.64 |
| December 1974 | 300,724 | 193,057 | 5,898 | 101,769 | 11,354 | 6,824 | 330 | 4,200 | ³ 37.75 | ³ 35.35 | ³ 55.95 | ³ 41.27 |
| December 1975 | 303,391 | 184,679 | 4,933 | 113,504 | 13,803 | 7,225 | 301 | 6,273 | 45.59 | 39.12 | 61.13 | 55.26 |
| December 1976 | 274,377 | 160,360 | 4,731 | 109,248 | 13,720 | 6,882 | 327 | 6,511 | 50.00 | 42.91 | 69.04 | 59.60 |
| December 1977 | 269,695 | 152,449 | 4,467 | 112,467 | 14,477 | 7,096 | 336 | 7,033 | 53.68 | 46.54 | 75.21 | 62.53 |
| December 1978 | 265,518 | 146,854 | 4,188 | 107,524 | 15,641 | 7,886 | 363 | 7,279 | 58.91 | 53.70 | 86.68 | 67.70 |
| December 1979 | 257,289 | 140,894 | 3,937 | 105,830 | 18,327 | 9,540 | 361 | 8,305 | 71.23 | 67.71 | 91.60 | 78.47 |
| December 1980 | 249,474 | 134,555 | 3,649 | 104,367 | 19,920 | 10,435 | 356 | 8,995 | 79.85 | 77.55 | 97.45 | 86.18 |
| December 1981 | 249,565 | 133,880 | 3,487 | 105,756 | 20,041 | 10,355 | 347 | 9,192 | 80.31 | 77.39 | 99.53 | 86.92 |
| December 1982 | 247,995 | 130,582 | 3,419 | 107,198 | 21,844 | 11,304 | 389 | 9,979 | 88.08 | 86.56 | 113.70 | 93.09 |
| December 1983 | 254,175 | 130,402 | 3,333 | 113,343 | 23,529 | 11,802 | 391 | 11,081 | 92.57 | 90.50 | 117.37 | 97.77 |
| December 1984 | 268,045 | 131,276 | 3,219 | 125,615 | 25,913 | 12,312 | 370 | 12,795 | 96.67 | 93.79 | 114.91 | 101.86 |
| December 1985 | 254,656 | 114,721 | 3,032 | 128,683 | 24,971 | 10,314 | 358 | 13,777 | 98.06 | 89.90 | 117.95 | 107.06 |
| December 1986 | 279,297 | 123,291 | 3,123 | 143,981 | 29,586 | 12,584 | 374 | 16,017 | 105.93 | 102.07 | 119.69 | 11.24 |
| December 1987 | 271,656 | 111,116 | 3,114 | 146,598 | 30,112 | 11,860 | 392 | 17,253 | 110.85 | 106.74 | 125.92 | 117.69 |
| 1987 | | | | | | | | | | | | |
| March | 282,190 | 122,439 | 3,142 | 146,919 | 30,138 | 12,662 | 380 | 16,637 | 106.80 | 103.42 | 121.08 | 113.24 |
| April | 268,170 | 113,085 | 3,093 | 142,231 | 28,423 | 11,331 | 370 | 16,220 | 105.99 | 100.20 | 119.49 | 114.04 |
| May | 268,376 | 112,685 | 3,092 | 142,943 | 28,497 | 11,321 | 373 | 16,307 | 106.18 | 100.47 | 120.76 | 114.08 |
| June | 268,247 | 112,455 | 3,100 | 143,048 | 28,505 | 11,326 | 370 | 16,294 | 106.26 | 100.71 | 119.47 | 113.91 |
| July | 268,404 | 112,336 | 3,120 | 143,213 | 28,896 | 11,455 | 376 | 16,481 | 107.66 | 101.97 | 120.46 | 115.08 |
| August | 268,902 | 111,752 | 3,119 | 143,993 | 29,098 | 11,483 | 382 | 16,671 | 108.21 | 102.76 | 122.41 | 115.78 |
| September | 269,763 | 111,939 | 3,104 | 144,451 | 29,270 | 11,592 | 378 | 16,717 | 108.50 | 103.56 | 121.91 | 115.73 |
| October | 270,205 | 111,749 | 3,089 | 145,340 | 29,372 | 11,556 | 372 | 16,863 | 108.70 | 103.41 | 120.55 | 116.02 |
| November | 269,316 | 111,032 | 3,097 | 145,271 | 29,864 | 11,794 | 402 | 17,068 | 110.89 | 106.19 | 129.90 | 117.49 |
| December | 271,656 | 111,116 | 3,114 | 146,598 | 30,112 | 11,860 | 392 | 17,253 | 110.85 | 106.74 | 125.92 | 117.69 |
| 1988 | | | | | | | | | | | | |
| January | 269,935 | 110,330 | 3,105 | 146,071 | 29,393 | 11,699 | 385 | 16,677 | 108.89 | 106.04 | 124.12 | 114.17 |
| February | 269,448 | 109,794 | 3,099 | 146,150 | 29,937 | 11,646 | 384 | 17,275 | 111.10 | 106.08 | 123.91 | 118.20 |
| March | 269,797 | 110,232 | 3,092 | 145,776 | 30,218 | 11,827 | 386 | 17,397 | 112.00 | 107.29 | 124.81 | 119.34 |

¹ Data reported to the Social Security Administration by individual States. All data subject to revision. Excludes optional supplementation data for Missouri and North Dakota; for Maryland in December 1974 and 1975; and

for New Mexico in December 1976.

² Includes data not distributed by reason for eligibility.

³ Excludes data for South Carolina.

CONTACT: Joyce Jordan (301) 965-9852 for further information.

Commentary

Continued from page 18

survey results also were the subject of a special **SLIAD Report** series, in which the Tissue report was Number 1.

The statistical system developed for the SSI program is composed of data bases derived from SSA administrative files. Its major components are a partially summarized ("table in memory") statistical data base, a statistical file based on the SSI accounting system, and a 1-percent microdata sample. These files are available on a monthly basis. In addition, a reporting system for

States administering their own supplementation programs was developed on a voluntary basis with the State agencies.

National and State data are published in monthly tables in the **Social Security Bulletin** and, in more detailed form, in the **Annual Statistical Supplement to the Bulletin**. Compilations of SSI data for counties and ZIP Code areas are prepared on an annual basis.

Through the years since the inception of the SSI program, the **Social Security Bulletin** has

served as a major source for communicating the history of its progress. In June 1974, James C. Callison's article, "Early Experience Under the Supplemental Security Income Program," introduced readers to the program's initial activity. One year later, in the June 1975 **Bulletin**, Lenna D. Kennedy, Dorothea Thomas, and Jack Schmulowitz authored "Conversions to Supplemental Security Income from State Assistance: A Program Records Study." In January 1980, the

Table M-25.—SSI: Number of persons receiving State-administered supplementation, total amount, and average payment, by reason for eligibility and State, March 1988¹

| State | Number | | | | Total amount (in thousands) | | | | Average payment | | | |
|-----------------------------|----------------------|---------|-------|--------------------|-----------------------------|----------|-------|------------------|-----------------------|----------|----------|--------------------|
| | Total | Aged | Blind | Disabled | Total | Aged | Blind | Disabled | Total | Aged | Blind | Disabled |
| Total | ² 269,797 | 110,232 | 3,092 | 145,776 | ² \$30,218 | \$11,827 | \$386 | \$17,397 | ² \$112.00 | \$107.29 | \$124.81 | \$119.34 |
| Alabama | 15,146 | 9,664 | 120 | 5,362 | 831 | 516 | 7 | 308 | 54.84 | 53.38 | 54.76 | 57.47 |
| Alaska ³ | 4,726 | 1,744 | 62 | 2,920 | 1,081 | 397 | 14 | 670 | 228.71 | 227.52 | 233.65 | 229.31 |
| Arizona ³ | 4,055 | 892 | 2 | 3,161 | 287 | 78 | (4) | 209 | 70.81 | 87.22 | (5) | 66.18 |
| Colorado ³ | 19,623 | 14,555 | 92 | 4,976 | 2,011 | 1,655 | 4 | 352 | 102.48 | 113.69 | 42.57 | 70.80 |
| Connecticut | 18,316 | 6,951 | 117 | 11,248 | 4,726 | 1,617 | 26 | 3,083 | 258.00 | 232.64 | 217.95 | 274.09 |
| Florida | 10,332 | 5,429 | (6) | ⁷ 4,903 | 850 | 482 | (6) | ⁷ 368 | 82.25 | 88.74 | (6) | ⁷ 75.06 |
| Idaho ³ | 2,985 | 970 | 21 | 1,994 | 350 | 96 | 2 | 253 | 117.40 | 99.06 | 78.24 | 126.73 |
| Illinois | 51,483 | 5,387 | 257 | 45,839 | 5,077 | 338 | 19 | 4,720 | 98.61 | 62.69 | 75.14 | 102.96 |
| Indiana | 841 | 403 | 6 | 432 | 304 | 126 | 3 | 175 | 361.25 | 312.67 | 514.00 | 404.44 |
| Kentucky | 6,854 | 3,455 | 91 | 3,308 | 898 | 452 | 7 | 440 | 131.08 | 130.77 | 71.76 | 133.04 |
| Maryland | ² 1,776 | (6) | (6) | (6) | ² 511 | (6) | (6) | (6) | ² 287.75 | (6) | (6) | (6) |
| Minnesota | 12,039 | 2,669 | 158 | 9,212 | 2,260 | 335 | 25 | 1,901 | 187.76 | 125.42 | 156.13 | 206.36 |
| Missouri | 8,119 | 6,100 | 328 | 1,691 | 318 | 189 | 62 | 67 | 39.13 | 30.91 | 188.11 | 39.89 |
| Nebraska ³ | 7,018 | 2,146 | 96 | 4,776 | 403 | 81 | 6 | 316 | 57.40 | 37.77 | 58.60 | 66.19 |
| New Hampshire | 4,216 | 1,279 | 167 | 2,770 | 489 | 96 | 24 | 368 | 115.98 | 75.36 | 145.86 | 132.94 |
| New Mexico | ² 278 | (6) | (6) | (6) | ² 21 | (6) | (6) | (6) | ² 75.00 | (6) | (6) | (6) |
| North Carolina | 14,048 | 8,364 | 264 | 5,420 | 4,330 | 2,543 | 92 | 1,694 | 308.21 | 304.10 | 348.46 | 312.59 |
| North Dakota | 6 | 5 | ... | 1 | (4) | (4) | ... | (4) | (5) | (5) | ... | (5) |
| Oklahoma ³ | 55,256 | 31,889 | 550 | 22,817 | 2,756 | 1,498 | 30 | 1,228 | 49.88 | 46.96 | 54.96 | 53.83 |
| Oregon | 14,453 | 4,077 | 682 | 9,694 | 1,020 | 569 | 55 | 396 | 70.54 | 139.45 | 81.21 | 40.81 |
| South Carolina | 2,987 | 1,221 | 18 | 1,748 | 422 | 166 | 3 | 254 | 141.35 | 135.87 | 142.11 | 145.17 |
| South Dakota | 317 | 206 | 3 | 108 | 47 | 32 | (4) | 14 | 147.23 | 157.24 | (5) | 128.38 |
| Utah | ² 8,643 | (6) | (6) | (6) | ² 76 | (6) | (6) | (6) | ² 8.80 | (6) | (6) | (6) |
| Virginia | 5,327 | 2,710 | 33 | 2,584 | 1,133 | 560 | 7 | 565 | 212.61 | 206.66 | 220.88 | 218.74 |
| Wyoming ³ | 953 | 116 | 25 | 812 | 19 | 2 | 1 | 16 | 20.00 | 20.00 | 20.00 | 20.00 |

¹ Data reported to the Social Security Administration by individual States. All data subject to revision. Excludes optional supplementation data for Missouri and North Dakota.

² Includes data not distributed by reason for eligibility.

³ Estimated data.

⁴ Less than \$500.

⁵ Not computed on base of less than \$500.

⁶ Data not available.

⁷ Includes data for the blind.

CONTACT: Joyce Jordan (301) 965-9852 for further information.

Bulletin carried the Executive Summary of the Survey of SSI Children, and in January 1984, John Trout and David R. Mattson's article "A 10-Year Review of the Supplemental Security Income Program" was published. An article describing the development of the adult assistance programs under the Social Security Act was prepared for the **Bulletin** by Herman F. Grundmann and was published in October 1985.

The **Social Security Bulletin** article reprinted on the following

pages presents results of the 1973-74 survey in terms of the economic impact of SSI on adult assistance recipients transferred from the three State programs in existence in 1972. The use of State subsamples in the **SLIAD** permitted a differential analysis between States with relatively low payment levels under the OAA, AB, and APTD programs and those with higher payment levels.

The author used various measures to determine the effects of the SSI program, including changes in the distribution of

income amounts and welfare benefits, changes in the poverty ratios of individuals, the proportion of persons with income below the poverty level, and changes in the poverty gap.