

going into debt, consumers may be expected in the decade ahead to seek extensions of prepayment to include more and more of the items still requiring direct payments. That portion of the population not reached by the group insurance mechanisms

that provide most of today's insurance benefits can be expected to press for coverage. Their demands are apt to find supporters among the ranks of the insured who see the need for protection similar to their own for such individuals as their aging rela-

tives. The \$4 billion health insurance industry of 1957 obviously has had an impact on the American economy that warrants continuous attention from economists, consumers, providers of services, and the industry itself.

Notes and Brief Reports

Selected Sources of Money Income For Aged Persons, June 1958*

The employment of older persons was less affected by the recession than might have been expected. The impact was cushioned by the seniority provisions in the mass-production industries, which were hardest hit. The number of men aged 65 and over with earnings nevertheless dropped from 2.5 million in June 1957 to only slightly more than 2.3 million in June 1958. The total number of women in this age group who had a paying job remained about the same—roughly three-fourths of a million. In relation to the total aged population (which grew by about 320,000 during the 12-month period) the number of earners dropped from 21.9 percent to 20.2 percent. When the number of married women who are not employed but whose husbands are earners is added to the number of persons with paid employment in June 1958, it is estimated that almost 4 million, or 26 percent of all persons aged 65 and over, had some money income from employment (table 1).

More than 1.6 million aged persons were eligible for benefits under the old-age, survivors, and disability insurance program at the end of June 1958 but were not receiving them because of their own employment or the earnings of their husbands. Thus, fully two-fifths of the aged persons with income from employment could have drawn benefits if it were not for that employment.

*Prepared by Lenore A. Epstein, Division of Program Research, Office of the Commissioner.

Because many aged persons in the labor force have small earnings based on part-time or intermittent work, a considerable proportion of those at work in June 1958 were probably at the same time drawing retirement or survivor benefits. The number cannot be estimated, however, pending completion of special tabulations of data from the national survey of a sample of beneficiaries conducted by the Bureau of Old-Age and Survivors Insurance in the fall of 1957.

Summary information from that survey on beneficiaries' income from various sources in 1957¹ cannot be used to estimate the number of persons receiving income concurrently—in any one month—from both employment and social insurance programs or the number receiving bene-

¹ See "Income of Old-Age and Survivors Insurance Beneficiaries: Highlights From Preliminary Data, 1957 Survey," *Social Security Bulletin*, August 1958.

Table 1.—Estimated number of persons aged 65 and over receiving money income under one of the Social Security Administration programs and estimated number with income from employment, June 1958¹

[In thousands]

Selected sources of money income	Total	Male	Female
Population aged 65 and over, total.....	15,190	6,930	8,260
Old-age, survivors, and disability insurance.....	8,840	4,440	4,400
Public assistance: ²			
Public assistance and no old-age, survivors, and disability insurance.....	1,900	600	1,300
Public assistance and old-age, survivors, and disability insurance.....	610	350	260
Employment:			
Earners.....	3,070	2,310	760
Earners' wives not themselves employed.....	880		880

¹ Continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

² Old-age assistance recipients and persons aged 65 and over receiving aid to the blind. Includes a relatively small number of persons receiving vendor payments for medical care but no direct cash pay-

ment.

Source: Estimated in the Division of Program Research on the basis of published and unpublished data from the Bureau of Old-Age and Survivors Insurance and the Bureau of Public Assistance and from the Bureau of the Census.

over were receiving benefits on the basis of their own wage record.² More than one-third of the women were drawing a wife's benefit, and the others were receiving survivor benefits (most of them as widows and a few as the parent of a deceased worker).

The total number eligible for benefits (including those not receiving benefits) under the old-age, survivors, and disability insurance program had mounted to 10.5 million by mid-1958—80 percent of all aged men and 60 percent of all women aged 65 and over.

In this connection it is noteworthy that 1,460,000 women aged 62-64—68 percent of all women of these ages—were eligible for benefits in June. Only slightly more than half of them were actually receiving benefits, however, compared with almost nine-tenths in the corresponding group of older women. One reason for the difference is that the actuarial reduction in the benefit amount for those drawing benefits before they reach age 65 tends to hold down applications from eligible women workers and wives in the 62-64 age group. Another reason is the age differential itself; obviously, the younger the woman the more likely she is to be working or, if married and not in the labor force, to have a husband who is still an earner.

Old-age assistance recipients numbered 2,460,000 in June 1958 and made up 16.2 percent of the entire aged population; this number was about 44,000 smaller than that a year earlier. The programs of old-age assistance and aid to the blind provided the main support for about 1.9 million persons aged 65 and over—about two-thirds of them women—and supplemented old-age and survivors insurance benefits for an estimated 610,000 persons whose needs, as measured by State public assistance standards, exceeded their income.

More than 7 of every 10 aged per-

sons were receiving old-age or survivor benefits, public assistance, or both in mid-1958. The proportion would exceed 8 out of every 10 if the 1.6 million eligible for but not receiving old-age and survivors insurance

Table 2.—Number of persons aged 65 and over receiving either old-age and survivors insurance benefits or old-age assistance payments or both per 1,000 persons aged 65 and over, by State, June 1958¹

[Preliminary estimates]

State	Number per 1,000 persons aged 65 and over	Rank
Total, 53 jurisdictions.	704	
Alabama.....	812	3
Alaska.....	643	42
Arizona.....	659	36
Arkansas.....	726	19
California.....	731	17
Colorado.....	729	18
Connecticut.....	757	14
Delaware.....	712	23
District of Columbia.....	492	53
Florida.....	734	15
Georgia.....	745	10
Hawaii.....	587	50
Idaho.....	676	33
Illinois.....	654	38
Indiana.....	707	25
Iowa.....	631	45
Kansas.....	655	37
Kentucky.....	702	26
Louisiana.....	828	1
Maine.....	775	5
Maryland.....	621	47
Massachusetts.....	754	7
Michigan.....	733	16
Minnesota.....	663	35
Mississippi.....	826	2
Missouri.....	739	12
Montana.....	632	44
Nebraska.....	622	46
Nevada.....	716	22
New Hampshire.....	745	11
New Jersey.....	722	20
New Mexico.....	604	48
New York.....	694	28
North Carolina.....	651	40
North Dakota.....	583	51
Ohio.....	689	31
Oklahoma.....	740	9
Oregon.....	754	8
Pennsylvania.....	679	32
Puerto Rico.....	738	13
Rhode Island.....	788	4
South Carolina.....	653	39
South Dakota.....	641	43
Tennessee.....	671	34
Texas.....	722	21
Utah.....	692	29
Vermont.....	700	27
Virgin Islands.....	542	52
Virginia.....	598	49
Washington.....	767	6
West Virginia.....	711	24
Wisconsin.....	692	30
Wyoming.....	644	41

¹ Calculated by relating June 1958 data on the number of aged beneficiaries and of old-age assistance recipients and on the estimated number receiving both types of payments to the aged population as estimated by the Bureau of Public Assistance for July 1, 1958. The numbers receiving both old-age and survivors insurance and old-age assistance payments in June were estimated by applying February 1958 percentages to the June count of aged beneficiaries and adjusting the resulting figures to the independently estimated total of 612,000.

benefits were added to the 10.7 million receiving payments under one or both of the income-maintenance programs under the Social Security Act.

The relative number of aged persons receiving old-age and survivors insurance benefits, old-age assistance payments, or both in June 1958 is estimated to have varied by State from 83 percent in Louisiana down to 54 percent in the Virgin Islands and 49 percent in the District of Columbia (table 2). (In the District of Columbia a special situation prevails because of the importance of civil-service annuities.) The range among the States is, of course, much narrower than when either old-age and survivors insurance benefits or assistance payments are considered alone. The old-age assistance recipient rate tends to be high in the low-income agricultural States, where the beneficiary rate is still low because many aged persons had to leave the labor force before the old-age, survivors, and disability insurance program covered their employment. Except for a few States with a standard of need very much more liberal than the average, the industrial States with relatively high beneficiary rates tend to have low recipient rates.

In June 1958 the proportion of aged persons receiving insurance benefits exceeded two-thirds in seven States, one-half in 37 States, and two-fifths in all jurisdictions except Puerto Rico and the Virgin Islands.³ The proportion of the aged receiving old-age assistance payments ranged from 58 percent in Louisiana to less than 10 percent in 13 jurisdictions.⁴ In February 1958, the proportion of old-age assistance recipients who were also getting old-age and survivors insurance benefits⁵ exceeded one-third in 10 States, including Alaska, and

³ For a ranking of States by the number of aged beneficiaries of old-age and survivors insurance per 1,000 aged population as of June 30, 1958, see the *Bulletin*, November 1958, page 25, table 9.

⁴ For the number of old-age assistance recipients per 1,000 aged population by State as of June 30, 1958, see the *Bulletin*, September 1958, page 28, table 11.

⁵ For an analysis of the concurrent receipt of old-age and survivors insurance benefits and old-age assistance payments, see Sue Ossman, "Concurrent Receipt of Public Assistance and Old-Age and Survivors Insurance," *Social Security Bulletin*, September 1958.

was smaller than one-sixth in 13 States, which were mostly rural and included Puerto Rico and the Virgin Islands.

Workman's Compensation Payments and Costs, 1957*

An estimated \$1,064 million for wage loss and medical care under workmen's compensation programs was paid out in 1957 to workers injured on the job. Despite a slight drop in the number of disabling work injuries—compensable and noncompensable—reported by the Bureau of Labor Statistics, the 1957 payments were \$61 million higher than the 1956 estimate of \$1,003 million. The rate of increase (6.2 percent) was less than the 9.5-percent gain registered in the preceding year but larger than the annual increase of 4 percent recorded in both 1954 and 1955.

As in other recent years, the factors most influential in pushing benefits to new heights were (1) rising wage levels, (2) higher medical care costs, and (3) liberalization of State workmen's compensation laws. Average wages, to which cash benefits are related, rose by 4 percent from 1956 to 1957, and medical care prices, according to the consumer price index of the Bureau of Labor Statistics, also went up 4 percent.

During 1956 and 1957, about 35 States enacted legislation that increased cash benefits for death and one or more types of disability. For temporary total disability—the most common type of disability sustained—the increase in the maximum weekly benefit payable ranged from 6 percent to 40 percent, with a median of about 15 percent. Fourteen of the States also improved their medical coverage by extending the total time or money limit on payments or by providing additional services. Slightly more than half the amended laws were in effect for all or most of the calendar year 1957.

The estimated number of workers covered by workmen's compensation in an average week in 1957 was 42-42½ million, almost one-half million more than in the preceding year. This

*Prepared in the Division of Program Research by Alfred M. Skolnik with the assistance of Allan Katz.

Estimates of workmen's compensation payments, by State and type of insurance, 1957 and 1956¹

[In thousands]

State	1957				1956				Percentage change in total payments, 1957 from 1956
	Total	Insurance losses paid by private insurance carriers ²	State fund disbursements ³	Self-insurance payments ⁴	Total	Insurance losses paid by private insurance carriers ²	State fund disbursements ³	Self-insurance payments ⁴	
Total.....	\$1,064,422	\$660,232	\$272,055	\$132,135	\$1,002,578	\$618,108	\$259,074	\$125,396	+6.2
Alabama.....	5,550	4,440	.....	1,110	4,862	3,892	.....	970	+14.2
Arizona.....	8,600	253	8,099	248	7,972	199	7,573	200	+7.9
Arkansas.....	6,370	5,220	.....	1,150	5,603	4,593	.....	1,010	+13.7
California.....	107,730	71,212	24,888	11,630	98,031	64,322	23,131	10,578	+9.9
Colorado.....	8,039	2,563	4,746	3,730	7,190	2,534	4,001	655	+11.8
Connecticut.....	18,165	16,350	.....	1,815	16,812	15,132	.....	1,680	+8.0
Delaware.....	2,604	1,284	.....	320	1,445	1,155	.....	290	+11.0
District of Columbia.....	3,476	3,186	.....	290	2,925	2,660	.....	265	+18.8
Florida.....	24,012	22,017	.....	1,995	20,810	19,080	.....	1,730	+15.4
Georgia.....	9,714	8,304	.....	1,410	9,333	7,978	.....	1,355	+4.1
Idaho.....	4,199	2,818	791	590	3,669	2,417	737	515	+14.4
Illinois.....	56,544	46,340	.....	10,204	53,326	43,728	.....	9,598	+6.0
Indiana.....	16,692	14,217	.....	2,475	16,538	14,088	.....	2,450	+9.9
Iowa.....	7,994	6,394	.....	1,600	7,759	6,209	.....	1,550	+3.0
Kansas.....	9,810	7,850	.....	1,960	9,442	7,552	.....	1,890	+3.9
Kentucky.....	11,329	7,659	.....	3,670	10,491	7,011	.....	3,480	+8.0
Louisiana.....	26,114	22,229	.....	3,885	22,254	18,589	.....	3,395	+17.3
Maine.....	2,639	2,294	.....	345	2,427	2,112	.....	315	+8.7
Maryland.....	14,820	11,100	1,690	2,030	13,995	10,411	1,679	1,905	+5.9
Massachusetts.....	37,892	35,087	.....	2,805	36,517	33,812	.....	2,705	+3.8
Michigan.....	38,287	25,478	2,490	10,319	34,819	22,612	2,217	9,990	+10.0
Minnesota.....	17,501	14,561	.....	2,940	16,508	13,733	.....	2,775	+6.0
Mississippi.....	5,683	5,149	.....	534	5,520	5,027	.....	493	+3.0
Missouri.....	19,502	16,727	.....	2,775	17,945	15,390	.....	2,555	+8.7
Montana.....	5,215	1,390	2,988	837	4,878	1,452	2,715	711	+6.9
Nebraska.....	3,675	3,570	.....	105	3,777	3,671	.....	106	-2.7
Nevada.....	4,326	2	4,119	205	4,125	(⁵)	3,930	195	+4.9
New Hampshire.....	2,795	2,740	.....	55	2,635	2,585	.....	50	+6.1
New Jersey.....	49,287	42,959	.....	6,328	45,463	39,526	.....	5,937	+8.4
New Mexico.....	5,511	5,136	.....	375	5,513	5,143	.....	370	0
New York.....	151,948	93,099	39,522	19,327	149,038	92,171	37,910	18,957	+2.0
North Carolina.....	11,608	9,593	.....	2,015	11,041	9,126	.....	1,915	+5.1
North Dakota.....	2,072	3	2,069	.....	1,914	1	1,913	.....	+8.3
Ohio.....	75,502	156	65,518	9,828	76,562	114	66,478	9,970	-1.4
Oklahoma.....	14,914	11,838	1,916	1,160	15,404	12,226	1,980	1,198	-3.2
Oregon.....	19,923	1,590	17,733	.....	18,605	1,600	17,005	.....	+3.9
Pennsylvania.....	46,156	28,431	3,800	13,925	42,928	26,438	3,540	12,950	+7.5
Rhode Island.....	6,470	6,100	.....	370	5,994	5,634	.....	330	+8.5
South Carolina.....	5,743	4,633	.....	1,110	5,571	4,491	.....	1,080	+3.1
South Dakota.....	1,106	931	.....	175	1,129	949	.....	180	-2.0
Tennessee.....	12,512	9,998	.....	2,514	11,186	8,886	.....	2,300	+11.9
Texas.....	58,423	58,423	.....	.....	54,136	54,136	.....	.....	+7.9
Utah.....	3,250	1,157	1,553	540	3,021	1,063	1,463	505	+7.6
Vermont.....	1,655	1,505	.....	150	1,465	1,330	.....	135	+13.0
Virginia.....	10,101	8,246	.....	1,855	9,222	7,527	.....	1,695	+9.5
Washington.....	20,734	474	19,900	360	19,416	396	18,660	360	+6.8
West Virginia.....	13,715	43	12,777	895	13,068	57	12,124	887	+5.0
Wisconsin.....	18,637	15,561	.....	3,076	18,278	15,062	.....	3,216	+2.0
Wyoming.....	1,386	22	1,364	.....	1,415	18	1,397	.....	-2.0
Federal employees ⁶	56,092	.....	56,092	.....	50,631	.....	50,631	.....	+10.8

¹Data for 1957 preliminary. Calendar-year figures, except that data for Montana and West Virginia, for Federal employees, and for State fund disbursements in Maryland, Nevada, North Dakota, Oregon, and Utah represent fiscal years ended in 1956 and 1957. Includes benefit payments under the Longshoremen's and Harbor Workers' Compensation Act and the Defense Bases Compensation Act for the States in which such payments are made.

²Net cash and medical benefits paid by private insurance carriers under standard workmen's compensation policies. Data primarily from the *Specifier: Insurance by States of Fire, Marine, Casualty, Surety and Miscellaneous Lines*, 85th and 86th annual issues.

³Net cash and medical benefits paid by State funds; compiled from State reports (published and unpublished) and from the *Specifier*; estimated for some States.

⁴Cash and medical benefits paid by self-insurers, plus the value of medical benefits paid by employers carrying workmen's compensation policies that do not include the standard medical coverage. Estimated from available State data.

⁵Less than \$500.

⁶Includes compensation payments made to individuals under the War Claims Act, to dependents of reservists who died while on active duty with the Armed Forces, and to war-risk and enemy-action cases.

expansion in coverage plus higher wage rates resulted in an increase of 4.8 percent in covered payroll—from

an estimated \$176.9 billion in 1956 to \$185.4 billion in 1957. Aggregate benefit payments were equivalent to 0.57