

Table 3.—Mortality rates per thousand widow beneficiaries, by age and duration of widowhood

Age group	Number of completed years since death of husband			
	0	1	2-3	4-7
60-64.....	13.6	10.2	14.9	13.0
65-69.....	21.2	22.2	20.4	20.1
70-74.....	27.6	31.1	25.6	24.8
75-79.....	42.4	42.0	42.6	42.1
80-84.....	65.0	62.2	70.7	70.3
85 or older.....	130.7	116.7	113.6	118.5

ington County, Maryland.¹⁰ On the other hand, a major early study of widowers in England and Wales found that mortality rates were excessive during the first 6 months following the wife's death and then decreased gradually to the level of married men.¹¹ No consensus on the matter exists.

Conclusion

It cannot be recommended that either beneficiary status or duration of widowhood be given recognition in the calculation and projection of mortality rates for program cost estimation, based on this study. The significance of beneficiary status is not yet clear, while the effect of duration of widowhood follows no pattern.

Widow beneficiaries have higher mortality rates than wife beneficiaries, even though the former group includes widows who remarry.

¹⁰ Knud J. Helsing and Moyses Szklo, "Mortality After Bereavement," *American Journal of Epidemiology*, July 1981, pages 42-52. It is for widowers that this lack of duration effect was noted; for widows the study found no excess mortality relative to that for wives.

¹¹ M. Young, B. Benjamin, and C. Wallis, "The Mortality of Widowers," *Lancet*, Vol. 2, 1963, pages 454-456.

Employment and Supplemental Security Income*

In the late 1970's, increasing concern was expressed about the overall cost, caseload, and work disincentive effects of disability benefit programs, including those administered by the Social Security Administration. Some provisions of these programs were perceived as hampering the attempts of disabled recipients to get and keep jobs and eventually return to some measure of self-support. These concerns were instrumental in the passage of the Social Security Disability Amendments of 1980 (Public Law 96-265), which included changes intended to encourage the disabled to return to work.

This note, based on administrative record data, examines the relationship between employment and Supple-

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mental Security Income (SSI) benefits, including a discussion of income exclusions, age, sex, and race. Together with a similar study of 1975 data, this analysis provides baseline information against which to judge the effect of the 1980 amendments on the employment of SSI disabled beneficiaries.

Summary

In February 1979, approximately 123,000 persons, or about 3 percent of all recipients of federally administered SSI payments were employed. This proportion has remained about the same since the beginning of the program. Not only do few SSI recipients work, but those who do have low earnings—an average of \$88 per month in 1979. Because of income exclusions, an average of only 17 percent of these earnings were considered countable income in determining the amount of the SSI payment.

Although the overall percentage has not changed, the SSI recipients working in early 1979 were younger than those found in an earlier study.¹ The dollar amount of their monthly earnings rose from \$75 in 1975 to \$88 in early 1979, an increase of 17 percent. During the same period, however, the national average hourly earnings increased 26 percent.² The employment rate among disabled recipients increased, while that for aged recipients decreased.

Role of Earnings

Eligibility for SSI and payment amount depend in part on a person's earned and unearned income. Earned income is defined as wages or net earnings from self-employment; unearned income is all other income, including Social Security benefits, veterans' benefits, and other public and private pensions.

The law permits an individual to exclude a portion of income derived from earnings when determining countable income. Countable income is gross income minus allowable exclusions—income not counted in computing the standard payment amount. The first \$20 per month of earned or unearned income is excluded for all individuals and couples. The first \$65 per month of earnings and one-half the remainder is also excluded.

In February 1979, the monthly Federal SSI benefit rate was \$189.40 for individuals and \$284.10 for couples. An employed individual who lived in his or her own home was eligible for at least some Federal SSI if he or she had no other income and had earnings of less than \$464 per month (\$653 for couples). Those SSI re-

¹ See Dorothea Thomas, *Employment and Earnings of SSI Beneficiaries, December 1975* (Research and Statistics Note No. 4), Office of Research and Statistics, Social Security Administration, 1977.

² Council of Economic Advisors, *Economic Report of the President*, February 1982, table B-38, page 276.

ipients who received State supplementation payments could have higher total earnings depending on the amount of the supplement.

Both blind and disabled persons are permitted special earned income exclusions necessary to fulfill an approved plan for self-support. Blind individuals are further permitted to exclude ordinary and necessary work expenses, and they remain eligible for payments at a level of earnings that would result in termination of payments to a disabled recipient.

Earnings and Countable Income

The 123,000 employed SSI recipients included 2 percent of the aged beneficiaries, 6 percent of the blind recipients, and 4 percent of the disabled (table 1). Gross monthly earnings averaged \$87.53. Blind recipients had the highest average monthly earnings (\$313.95), reflecting the extra work-expense exclusions available to them. Disabled adults earned an average of \$81.25, and the average earnings of the aged were \$75.69.

Two out of three employed SSI recipients earned less than \$70 in February 1979 and therefore were not subject to a reduction in SSI payments. A majority (52 percent) of blind workers had earnings in excess of \$200 (table 2).

Of those recipients with countable income, 64 percent had less than \$40, and 43 percent had less than \$20 (table 3).

Table 1.—Supplemental Security Income: Number and percent of persons receiving federally administered payments with employment, and average monthly earnings, February 1979 and December 1975

Reason for eligibility	All SSI recipients	Number employed	Percent with employment	Average monthly earnings
February 1979				
Total	4,226,528	¹ 123,326	2.9	\$87.53
Adults	4,026,040	121,634	3.0	87.33
Aged	1,962,124	40,188	2.0	75.69
Blind	71,568	4,142	5.8	313.95
Disabled	1,992,348	77,304	3.9	81.25
Children	200,488	1,692	.8	101.95
Blind	5,883	55	.9	166.97
Disabled	194,605	1,637	.8	99.76
December 1975				
Total	4,314,275	115,617	2.7	\$74.56
Adults	4,186,100	114,483	2.7	74.52
Aged	2,307,105	58,906	2.6	63.48
Blind	70,143	4,569	6.5	232.34
Disabled	1,808,852	51,008	2.8	73.07
Children	128,175	1,134	.9	88.65
Blind	4,346	75	1.7	166.29
Disabled	123,829	1,059	.9	83.14

¹ Caseload figures for the same time period indicate 129,600 SSI recipients employed. The difference between that figure and the study file represents persons with earnings in February whose SSI payments are scheduled for termination.

Table 2.—Supplemental Security Income: Number and percentage distribution of employed persons receiving federally administered payments, by amount of gross monthly earnings, February 1979

Gross earnings	Total	Aged	Blind adults	Disabled adults
Total number	¹ 123,326	40,188	4,142	77,304
Total percent	100.0	100.0	100.0	100.0
Less than \$20	24.1	31.2	16.1	20.9
\$20-\$39	16.9	13.2	7.0	19.3
\$40-\$59	14.4	13.9	5.9	15.2
\$60-\$69	10.2	10.9	4.2	10.3
\$70-\$79	3.8	3.3	1.9	4.2
\$80-\$99	6.6	6.4	3.1	6.8
\$100-\$149	9.8	10.6	5.8	9.6
\$150-\$199	4.7	4.4	4.2	4.8
\$200-\$249	3.2	3.1	4.5	3.2
\$250-\$299	1.6	1.4	3.6	1.7
\$300-\$399	1.6	.8	7.9	1.7
\$400-\$499	1.4	.4	10.6	1.4
\$500-\$599 . . . . .	.7	.2	9.4	.5
\$600 or more . . . . .	.8	.2	15.7	.4
Average monthly earnings	\$87.53	\$75.69	\$313.95	\$81.25

¹ Includes 1,692 blind and disabled children.

ble 3). Only among the blind did a substantial proportion have countable income above \$100 (28 percent). The overall average amount of countable income was \$43; for blind recipients, the average was \$73.

As mentioned earlier, blind recipients may exclude from income certain work expenses. Over 2,200 blind adult SSI recipients had such exclusions in February 1979 (table 4). Of those blind adults earning over \$300, most had excludable work expenses. By contrast, just 12 percent of those earning below \$70 had such exclusions. The average monthly exclusion was \$148.50, but the amount ranged from \$31.54 for persons earning \$20-\$39 to \$247.83 for those making \$600 or more.

Table 3.—Supplemental Security Income: Number and percentage distribution of employed persons with countable earned income, distribution of countable income, and average monthly amount, February 1979

Countable income	Total	Aged	Blind adults	Disabled adults
Total number	¹ 41,965	14,933	1,966	24,999
Total percent	100.0	100.0	100.0	100.0
Less than \$20	42.8	49.3	20.2	40.9
\$20-\$39	21.5	24.0	15.7	20.5
\$40-\$49	6.9	7.1	6.5	6.9
\$50-\$59	5.6	5.2	7.0	5.7
\$60-\$79	7.5	6.2	12.8	7.8
\$80-\$99	5.0	4.0	9.9	5.2
\$100-\$199	9.0	3.8	24.0	10.7
\$200-\$299	1.5	.4	3.3	2.0
\$300 or more . . . . .	.1	...	.6	.2
Average monthly amount of countable income	\$42.53	\$31.13	\$73.50	\$46.52

¹ Includes 567 blind and disabled children.

Characteristics of Employed Recipients

The employed recipients as a group were younger than the recipient population as a whole. Twenty-seven

Table 4.—Supplemental Security Income: Earnings distribution of employed blind adults receiving federally administered payments, number and percent with excludable work expenses, and average monthly exclusion, February 1979

Gross monthly earnings	Blind adults with employment	Blind adults with excludable work expenses		
		Number	Percent	Average monthly exclusion
Total	4,142	2,239	54.2	\$148.50
Less than \$20	664	123	18.5	97.37
\$20-\$39	291	10	3.4	31.54
\$40-\$59	246	21	8.5	22.05
\$60-\$69	176	17	9.7	28.33
\$70-\$79	77	20	26.0	28.70
\$80-\$99	131	34	26.0	36.55
\$100-\$149	239	121	50.6	42.84
\$150-\$199	175	105	60.0	155.20
\$200-\$249	187	119	63.6	66.97
\$250-\$299	148	104	70.3	74.66
\$300-\$399	329	264	80.2	111.94
\$400-\$499	440	371	84.3	140.17
\$500-\$599	388	349	90.0	156.66
\$600 or more	651	581	89.3	247.83

percent of the employed recipients were under age 30, compared with only 12 percent for the total recipient population. Thirty-six percent of the working blind and 40 percent of the working disabled adults were under age 30, compared with 16 percent for all blind and disabled adults (table 5). On the other hand, although one-fourth of all disabled adult recipients were aged 50-59, only 14 percent of the employed disabled adults were in that age range. There was little variation in average earnings by age.

Women represented more than half of the employed recipients in February 1979, comprising 60 percent of the aged and 50 percent of the disabled. Monthly earnings averaged \$82 for women and \$94 for men. The proportion of employed women was lower than their representation in the overall SSI population (65 percent). This lower employment rate among women reflects, in part, their age. Three-fifths of all women recipients were over age 65, compared with 45 percent of the men.

The racial distribution of the employed SSI recipients was similar to that shown for the SSI population as a whole.³ In both groups (total and employed) whites accounted for two-thirds of all recipients. Variations

³ Arthur L. Kahn and Theodosia P. Rasberry, **Program and Demographic Characteristics of Supplemental Security Beneficiaries, December 1978**, Office of Research and Statistics, Office of Policy, Social Security Administration, April 1980, table H, page 10.

Table 5.—Supplemental Security Income: Number, percentage distribution, and average monthly earnings of persons receiving federally administered payments, by age, sex, race, and type of employment, February 1979

Characteristic	Number				Average monthly earnings			
	Total ¹	Aged	Blind adults	Disabled adults	Total	Aged	Blind adults	Disabled adults
Total number	123,326	40,188	4,142	77,304	\$87.53	\$75.69	\$313.95	\$81.25
Total percent	100.0	100.0	100.0	100.0	...	...	...	...
Age								
Under 22	4.6	...	3.5	5.3	95.26	...	257.65	86.31
22-24	9.3	...	10.4	14.0	91.65	...	315.33	82.80
25-29	13.5	...	22.3	20.3	94.30	...	338.38	79.91
30-34	8.3	...	12.9	12.6	94.59	...	367.84	79.52
35-39	5.2	...	8.5	7.8	101.37	...	363.46	86.12
40-44	3.8	...	7.3	5.7	105.38	...	379.37	86.59
45-49	3.8	...	6.9	5.6	102.31	...	341.99	86.65
50-54	4.3	...	8.0	6.5	99.25	...	313.04	85.20
55-59	5.0	...	7.0	7.6	91.94	...	300.10	81.61
60-64	5.1	...	6.2	7.9	81.42	...	214.95	75.84
65-69	13.0	28.5	4.2	5.8	91.11	107.13	121.44	69.05
70-74	13.5	39.6	1.6	.9	72.99	73.22	81.18	66.71
75-79	7.0	21.2	.6	...	61.20	61.21	63.76	56.12
80 and over	3.5	10.7	.6	...	51.00	50.59	113.88	61.42
Sex								
Men	47.5	40.1	60.6	50.3	93.99	82.07	334.09	83.04
Women	52.5	59.9	39.4	49.7	81.70	71.42	282.99	79.43
Race								
White	68.5	49.8	71.0	78.1	85.63	73.00	311.84	78.60
Black	25.9	44.5	23.9	16.4	88.81	73.12	330.83	91.09
Type of employment								
Wages	88.3	76.1	88.4	94.4	91.28	82.11	331.41	82.84
Self-employment	11.7	23.9	11.6	5.6	59.29	55.20	180.39	54.30

¹ Includes 1,692 blind and disabled children.

existed, however, within the individual eligibility categories. Sixty-five percent of all disabled recipients were white, although among those with employment, 78 percent were white. Among the aged, whites accounted for 65 percent of all recipients but only 50 percent of those

with employment. Blacks, who accounted for just 25 percent of all aged recipients, made up 45 percent of those with employment.

Employment among SSI recipients ranged from 7 percent in Iowa, Montana, and Wyoming to 2 percent in

Table 6.—Supplemental Security Income: Number and percent of persons receiving federally administered payments with employment and average monthly earnings, by State, February 1979

State	Number employed				Percent of total				Average money amount			
	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled
Total.....	123,326	40,188	4,197	78,941	2.9	2.1	5.4	3.6	\$87.53	\$75.69	\$313.95	\$81.25
Alabama.....	2,669	1,933	93	643	1.9	2.3	4.8	1.2	79.18	64.74	304.30	90.03
Alaska.....	124	20	...	104	3.9	1.6	...	5.6	123.44	76.96	...	132.38
Arizona.....	766	189	24	553	2.7	1.5	4.6	3.4	84.44	71.47	163.77	85.44
Arkansas.....	1,819	1,051	63	705	2.2	2.2	4.0	2.1	78.67	69.02	294.84	73.74
California.....	14,569	4,978	437	9,154	2.1	1.6	2.5	2.5	125.12	115.43	336.56	120.30
Colorado.....	1,603	210	23	1,370	4.9	1.4	6.4	8.0	75.00	58.14	201.07	75.47
Connecticut.....	906	75	17	814	3.9	.9	5.4	5.4	66.92	70.36	86.75	66.19
Delaware.....	178	50	17	111	2.5	1.8	9.2	2.6	94.01	73.80	171.22	91.28
District of Columbia.....	419	119	8	292	2.8	2.8	4.1	2.8	116.29	95.13	280.90	120.40
Florida.....	3,870	1,927	96	1,847	2.3	2.2	3.7	2.3	83.60	77.08	264.48	81.00
Georgia.....	3,997	2,496	128	1,373	2.5	3.2	4.3	1.8	77.37	63.42	361.89	76.21
Hawaii.....	440	96	15	329	4.3	1.9	10.4	6.8	94.73	132.61	175.38	80.00
Idaho.....	326	42	8	276	4.3	1.4	8.6	6.1	117.74	135.18	418.76	106.36
Illinois.....	4,764	686	94	3,984	3.8	1.8	5.6	4.7	70.54	72.28	184.74	67.54
Indiana.....	2,616	433	85	2,098	6.3	2.6	8.0	8.9	70.86	55.92	225.00	67.70
Iowa.....	1,890	397	85	1,408	7.1	3.2	7.9	10.7	66.78	49.93	204.26	63.23
Kansas.....	1,295	262	27	1,006	6.0	2.8	8.5	8.3	65.95	59.43	378.69	59.26
Kentucky.....	2,527	1,310	72	1,145	2.6	2.8	3.6	2.5	66.44	57.86	254.34	64.44
Louisiana.....	3,468	1,807	109	1,552	2.4	2.4	5.1	2.3	77.43	69.71	303.43	70.55
Maine.....	574	198	25	351	2.5	1.8	8.8	3.0	89.68	81.38	195.57	86.82
Maryland.....	1,264	382	25	857	2.6	2.2	4.4	2.8	87.36	71.32	321.95	87.67
Massachusetts.....	2,955	568	270	2,117	2.2	.8	5.5	4.0	136.66	126.35	448.87	99.60
Michigan.....	4,254	626	113	3,515	3.6	1.5	6.6	4.8	80.72	74.38	221.66	77.32
Minnesota.....	2,162	317	69	1,776	6.3	2.2	10.6	9.3	87.97	56.89	492.59	77.80
Mississippi.....	2,268	1,557	175	536	2.0	2.3	9.6	1.1	108.94	72.33	460.84	100.39
Missouri.....	3,524	990	66	2,468	4.0	2.1	4.4	6.0	69.17	64.73	228.51	66.70
Montana.....	550	69	6	475	7.5	2.6	4.4	10.5	68.14	65.16	177.86	67.18
Nebraska.....	742	175	18	549	5.2	2.8	7.3	7.2	80.31	57.81	239.72	82.26
Nevada.....	198	54	12	132	3.1	1.5	3.0	5.3	98.45	103.27	206.82	86.62
New Hampshire.....	266	57	15	194	4.9	2.4	11.6	6.5	66.39	59.83	216.01	56.74
New Jersey.....	2,100	505	52	1,543	2.5	1.5	5.1	3.1	86.25	84.35	239.22	81.71
New Mexico.....	484	193	16	275	1.9	1.7	3.6	1.9	82.62	63.95	301.30	83.00
New York.....	9,786	1,853	313	7,620	2.6	1.3	7.9	3.4	96.68	96.30	311.06	87.97
North Carolina.....	4,601	1,927	273	2,401	3.2	2.8	8.2	3.3	90.80	65.78	435.63	71.67
North Dakota.....	273	84	4	185	4.0	2.3	6.0	6.0	80.53	62.81	(1)	86.46
Ohio.....	5,856	719	192	4,945	4.7	1.8	8.3	6.1	64.12	64.65	203.22	58.64
Oklahoma.....	1,295	593	69	633	1.8	1.5	6.5	1.9	84.84	60.29	334.05	80.68
Oregon.....	1,233	140	40	1,053	5.4	1.7	7.4	7.4	88.31	62.63	286.54	84.19
Pennsylvania.....	5,391	897	260	4,234	3.2	1.4	7.1	4.1	89.51	69.51	355.66	77.40
Rhode Island.....	500	59	15	426	3.2	.9	8.1	4.8	89.51	131.17	253.40	77.96
South Carolina.....	1,999	1,211	48	740	2.4	2.9	2.6	1.8	72.78	70.49	175.73	69.86
South Dakota.....	514	113	21	380	6.1	2.6	15.4	9.6	79.12	77.60	239.29	70.72
Tennessee.....	3,465	1,956	124	1,385	2.6	2.9	6.6	2.1	73.28	59.28	325.82	70.44
Texas.....	7,636	4,113	281	3,242	2.8	2.6	6.8	3.1	84.86	75.28	287.38	79.47
Utah.....	433	35	16	382	5.4	1.3	10.1	7.3	89.94	62.30	116.54	91.36
Vermont.....	348	81	11	256	3.8	2.1	9.2	5.1	63.18	69.27	171.44	56.60
Virginia.....	2,773	1,259	81	1,433	3.5	3.3	5.7	3.5	72.80	60.33	290.40	71.47
Washington.....	2,296	273	48	1,975	4.7	1.6	9.0	6.4	94.06	75.99	180.64	94.46
West Virginia.....	712	228	23	461	1.7	1.4	3.7	1.8	78.98	54.17	260.08	82.22
Wisconsin.....	4,481	862	114	3,505	6.5	2.6	12.0	10.1	84.70	80.72	300.45	78.66
Wyoming.....	147	13	1	133	7.2	1.4	3.7	12.4	62.39	50.29	(1)	62.19

¹ Average not shown for fewer than 5 persons.

Alabama, New Mexico, Oklahoma, and West Virginia (table 6). Six of the eight States with the highest employment levels were in the North Central region (Indiana, Iowa, Kansas, Minnesota, South Dakota, and Wisconsin).

Employment and SSI, 1975 and 1979

A comparison of the 1979 employment file with a 1975 study of employed SSI recipients indicated that there had been some changes. Working recipients were younger in 1979 than in 1975—27 percent were under age 30, compared with 19 percent in 1975. Thirty-seven percent of the workers in 1979 were aged 65 or older, while in the 1975 study more than half of the workers were in that age bracket. As a proportion of all SSI recipients under age 30, the employed increased from 5.2 percent in 1975 to 6.4 percent in 1979. The proportion of recipients over age 65 who had earnings decreased from 2.4 percent to 1.9 percent.

Disabled adult recipients were more likely to have earnings in 1979. They accounted for 47 percent of the SSI caseload, but 63 percent of those employed. In 1975, on the other hand, the disabled made up 42 percent of the total SSI caseload and 44 percent of the employed.

One significant point is that the proportion of working recipients whose earnings were less than \$70 per month remained the same in 1979 as in 1975—about 66 percent. Because the earned income exclusion is \$65 per month plus one-half of remaining earnings, very few of these people would have had any reduction in their Federal SSI benefit because of earnings.

The proportion of workers who did have countable earnings increased between 1975 and 1979 (30 percent and 34 percent, respectively). In addition, the amount of income increased. Of those with countable earnings in 1975, only 3 percent received more than \$50 per month; by 1979, the figure was 29 percent.⁴

⁴ In comparable dollars, the 1975 proportion would be 7 percent.

Social Security Disability Amendments of 1980

As mentioned earlier, some of the changes made by the 1980 disability amendments were designed to encourage disabled SSI recipients to return to work. These include:

(1) **Special monthly benefits.** Cash benefits (and Medicaid services) will continue for disabled recipients who have completed the 9-month trial work period and continue to earn at or above the level that is considered substantial gainful activity (SGA).⁵ Previously these benefits were terminated after the trial work period if earnings continued above the SGA level, even if the earnings were not high enough to reduce the cash benefit to zero. Medicaid benefits may, if necessary, continue for up to 36 months after cash benefits cease.

(2) **Deduction of impairment-related work expenses.** Severely disabled people often must incur significant costs to enable them to work; for example, transportation costs, special equipment, drugs to control their condition, attendant-care services and other medical and nonmedical services. Under Public Law 96-265 some portion of these expenses may be deducted from earnings before a determination is made as to whether the work constitutes SGA.

(3) **Considering money earned in sheltered workshops as earned income.** This change allows recipients who work in sheltered workshops or work-activity centers to have the benefit of the earned income exclusions that were not available when these monies were considered unearned income.

The law provides that the Social Security Administration monitor and evaluate the impact of these changes and report its findings to the Congress at the end of the 3-year special benefits experiment. Data are not yet available on the number of disabled recipients who have been affected by these changes.

⁵ In 1979, the amount of earnings usually considered to indicate SGA was \$280 per month; currently it is \$300 per month.