



# Fact Sheet

SOCIAL SECURITY

## Individuals Who Receive Social Security Disability Insurance Benefits, by Education Level <sup>1</sup>

In 2013, 32 percent of Americans age 25 and older had a 4-year college education, while 12 percent had not completed high school. Although individuals with limited education (less than 12 years of education) are more likely to receive disability insurance benefits, the program provides income replacement for all socioeconomic groups including those with high levels of education (16 years or more of education).

- In 2013, the Social Security Administration paid disability insurance benefits to about 1.6 million beneficiaries with 16+ years of education and to about 1.3 million disability beneficiaries with less than 12 years of education.
- In 2013, the median annual personal income level for disability insurance beneficiaries with 16+ years of education was \$18,125 compared to \$11,658 for disability insurance beneficiaries with less than 12 years of education. The mean annual personal income level for disability insurance beneficiaries in the respective groups was \$23,859 and \$14,927.
- Disability insurance benefits constituted at least 75 percent of personal income for 60 percent of disability insurance beneficiaries with 16+ years of education and 60 percent of disability insurance beneficiaries with less than 12 years of education.
- Among disability insurance beneficiaries with 16+ years of education, 12 percent were in poverty. If disability insurance benefits were not included, 40 percent would have been poor.
- Among disability insurance beneficiaries with less than 12 years of education, 32 percent were in poverty. If disability insurance benefits were not included, 66 percent would have been poor.
- Among disability insurance beneficiaries with 16+ years of education, 23 percent had family income below 150 percent of the poverty level. If disability insurance benefits were not included, 49 percent would have had family income below 150 percent of the poverty level.

- Among disability insurance beneficiaries with less than 12 years of education, 58 percent had family income below 150 percent of the poverty level. If disability insurance benefits were not included, 79 percent would have had family income below 150 percent of the poverty level.
- The aggregate annual poverty gap for disability insurance beneficiaries with 16+ years of education who received disability insurance benefits in 2013 was approximately \$6.6 billion when family income did not include disability insurance benefits compared to \$720 million with disability insurance benefits included in family income. The poverty gap measures the dollar amount of additional income necessary to lift members of a group to just above the poverty level.
- The aggregate annual poverty gap for disability insurance beneficiaries with less than 12 years of education who received disability insurance benefits in 2013 was approximately \$8.3 billion when family income did not include disability insurance benefits compared to \$1.4 billion with disability insurance benefits included in family income.
- Approximately 10 percent of disability insurance beneficiaries with 16+ years of education receiving disability insurance benefits in 2013 did not have health insurance compared to 7 percent of those with less than 12 years of education. Disability insurance beneficiaries are eligible for Medicare, but only after a two-year waiting period.
- Only 7 percent of disabled beneficiaries with 16+ years of education received Supplemental Security Income (SSI) payments in 2013 compared to 33 percent of disability insurance beneficiaries with less than 12 years of education. SSI is a program that provides additional income to families with low income and limited resources.

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<sup>1</sup> Estimates are based on the Survey of Income and Program Participation (SIPP) merged with Social Security Administration data for individuals who received a payment in their final interview month (between January and July of 2013). Social Security disability insurance benefits include disabled worker, disabled widow(er), and disabled adult child benefits paid from the Old-Age and Survivors Insurance and Disability Insurance Trust Funds. For additional information on data and methods, please see: <http://www.ssa.gov/policy/docs/rsnotes/rsn2014-02.html>. Data on educational trends in the U.S. can be found at: <http://www.census.gov/hhes/socdemo/education/data/cps/historical/>.