

lion, private carriers were responsible for 62 percent, State funds for 25 percent, and self-insurers for 13 percent. Total State fund disbursements, including payments to Federal Government employees, again increased at a slightly faster rate than private carrier payments—5.6 percent and 4.4 percent, respectively. The unevenness in the rate of increase from State to State may be seen in the accompanying table.

Medical and hospitalization benefits are estimated at \$310 million in 1954, a considerably larger proportional increase than for cash compensation. The distributions by type of payment are shown below; data for 1954 are preliminary, and those for 1953 have been revised.

[In millions]

Type of payment	1954	1953
Total.....	\$880	\$846
Medical and hospitalization.....	310	290
Compensation, total.....	570	556
Disability.....	500	486
Survivor.....	70	70

Age of Wife When Husband Retires*

Attainment of age 65 is one of the requirements for receipt of both old-age benefits and wife's benefits under old-age and survivors insurance; it is also a common requirement in private pension plans. Whenever improvements of the old-age and survivors insurance program are being considered, some thought is usually given to the advisability of changing the present retirement age for women, at least for receipt of wife's benefits.

Women with husbands aged 65 or over are on the average 4 or 5 years younger than their husbands. As a result, a man may be eligible to retire and receive an old-age benefit in, say, 1955, but his wife may not be eligible for wife's benefits until 1959 or 1960. Many men do not retire at age 65; the average age at retirement is actually about 68½ or 69.¹ Should these figures be accepted as an indi-

* Prepared by Robert J. Myers, Chief Actuary.

¹ See the *Bulletin*, December 1954, page 11.

Table 1.—Percentage distribution, by age, of wives of workers awarded old-age benefits in 1953

Age of worker	Age of wife										
	Total ¹	Under 60	60	61	62	63	64	65	66	67	Over 67
Total.....	100.0	25.9	4.9	5.1	5.9	6.3	6.8	7.4	5.7	4.8	20.4
65.....	100.0	36.3	6.7	6.9	7.4	7.5	7.1	6.7	3.9	2.8	6.5
66.....	100.0	30.9	6.1	6.3	7.5	8.0	8.3	8.1	5.6	3.7	7.9
67.....	100.0	27.2	5.7	5.5	6.3	7.8	8.5	8.6	7.2	5.6	10.0
68.....	100.0	23.1	4.5	4.1	6.6	6.6	8.8	9.8	8.3	7.3	14.7
69.....	100.0	19.0	3.8	4.6	5.2	5.1	7.7	9.9	9.3	7.8	20.9
70.....	100.0	17.5	3.7	3.8	4.6	5.3	6.9	8.4	8.7	7.6	27.6
71.....	100.0	13.4	3.0	4.1	3.5	5.5	5.9	8.1	9.4	7.4	33.7
72.....	100.0	12.9	2.1	2.5	3.5	4.6	4.4	8.0	6.8	8.8	41.9
73.....	100.0	11.0	1.7	2.2	2.3	2.9	4.2	7.1	6.2	7.8	50.4
74.....	100.0	10.1	1.8	1.9	2.6	3.9	3.5	5.7	4.9	5.8	55.1
75-79.....	100.0	9.3	1.3	2.0	2.5	2.1	3.0	4.4	4.5	4.7	62.5
80 and over.....	100.0	6.0	.9	1.1	1.6	1.4	2.6	2.7	3.0	2.5	78.2

¹ Includes wives of unknown age.

cation that a man postpones his retirement until his wife is also eligible for benefits so that there will be an adequate retirement income for the family?

To determine if there has been any tendency for men to put off their retirement until their wives reach age 65, a study has been made of 1953 awards of old-age benefits to married men. Table 1 shows the percentage distribution, according to age, of wives whose husbands were awarded old-age benefits in 1953. Although there tend to be somewhat more wives aged exactly 65—particularly among those whose husbands were aged 67, 68, and 69—there is no significantly great clustering at age 65. Part of the concentration is certainly due to the normal age difference between husbands and wives, and part may be due to the tendency for husbands to de-

fer retirement until the wife reaches age 65.

An analysis leading to a somewhat more definite conclusion may be made by comparing the percentage distribution, by age, of wives of workers awarded benefits in 1953 with the corresponding distribution from a "standard population" that is unaffected by benefit receipt conditions. If the two distributions were similar, it would be evidence that the fact that the wife does not become eligible for benefits until age 65 has no effect on retirement rates. If, on the other hand, the old-age and survivors insurance data showed relatively few cases where the wife was under age 65 and relatively more where the wife was aged exactly 65, or perhaps somewhat older, then the evidence would seem to point to the conclusion that retirement had been deferred until the wife was eligible for benefits.

The best available source of "expected" distributions is the *Family Composition Study*.² Analysis along the lines indicated was made, using these data as the base. For each age, the actual percentage of the retired workers with wives in each of three age groups was compared with the corresponding percentage from the "standard population." Naturally, some difference between "actual" and "expected" is to be anticipated merely on account of random fluctuations. Among retired workers aged 65, 66, and 67, the ratios for each of the

(Continued on page 32)

Table 2.—"Actual" number of wives as percentage of "expected" number, by age group, for various ages of workers awarded old-age benefits in 1953

Age of worker	Age of wife		
	Under 65 ¹	65	Over 65
65.....	99	108	102
66.....	102	99	93
67.....	99	97	106
68.....	98	113	100
69.....	97	127	99
70.....	100	124	96
71.....	103	125	95
72.....	101	151	95
73.....	89	137	102
74.....	99	112	100
75-79.....	112	119	96
80-84.....	118	145	96
85 and over.....	194	75	89

¹ Women of unknown ages considered as being under age 65, since none are entitled to wife's benefits.

² See the *Bulletin*, April 1939, page 9.

Table 9.—Amount of vendor payments for medical care for recipients of public assistance, by program and State, September 1955¹

State	Old-age assistance	Aid to dependent children	Aid to the blind	Aid to the permanently and totally disabled	General assistance ²
Total.....	\$10,089,180	\$1,777,038	\$260,813	\$1,815,068	³ \$5,640,000
Alabama.....	<i>1,730</i>	<i>1,602</i>	<i>221</i>	<i>952</i>	4
Alaska.....				(⁴)	16,001
California.....				(⁴)	82,094
Colorado.....			<i>437</i>		(⁵)
Connecticut.....	269,536	111,594	4,732	62,775	(⁵)
Delaware.....					12
District of Columbia.....	<i>163</i>	<i>158</i>		<i>223</i>	89
Hawaii.....	19,382	6,279	1,089	15,432	(⁶)
Illinois.....	1,841,722	238,173	55,995	236,971	533,679
Indiana.....	417,138	67,103	20,189	(⁴)	173,243
Iowa.....				(⁴)	169,408
Kansas.....	<i>196,387</i>	<i>40,008</i>	<i>2,910</i>	<i>23,736</i>	31,602
Louisiana.....	<i>406</i>	<i>4,958</i>	<i>259</i>	<i>2,185</i>	2,240
Maine.....	<i>57,503</i>	<i>12,996</i>	<i>1,599</i>	<i>1,650</i>	40,326
Massachusetts.....	1,925,743	131,629	3,405	475,609	109,302
Michigan.....	153,163		2,536	25,914	89,961
Minnesota.....	1,176,699	85,970	27,945	8,769	276,684
Montana.....					139,373
Nebraska.....				(⁴)	166,757
Nevada.....	6,298			(⁴)	37,829
New Hampshire.....	74,796	13,406	2,457	5,000	(⁵)
New Jersey.....		<i>16,114</i>	<i>140</i>		153,194
New Mexico.....	32,649	34,773	2,016	6,650	3,192
New York.....	1,994,349	605,563	76,086	731,436	(⁵)
North Carolina.....	20,706	11,316		7,496	167,861
North Dakota.....	137,685	15,291	848	18,624	17,056
Ohio.....	<i>255,397</i>	<i>19,735</i>	<i>9,775</i>		1,017,351
Oregon.....					151,474
Pennsylvania.....	<i>127,591</i>	<i>103,923</i>	<i>24,747</i>	<i>41,031</i>	62,450
Rhode Island.....	51,698	24,437	1,368	17,197	49,156
South Carolina.....					14,751
South Dakota.....					84,298
Utah.....	373	907	282	173	219
Virgin Islands ⁶	252	92	7	63	121
Virginia.....					7,326
Washington.....	<i>856,051</i>	<i>130,475</i>	<i>9,846</i>	<i>93,992</i>	88,057
Wisconsin.....	<i>511,253</i>	<i>100,536</i>	<i>11,926</i>	<i>36,540</i>	152,695
Wyoming.....					36,135

¹ For the special types of public assistance figures in italics represent payments made without Federal participation. States not shown made no vendor payments during the month or did not report such payments.

² In all States except California, Illinois, Kansas, Louisiana, Massachusetts, Nevada, New Jersey, Pennsylvania, Utah, and the Virgin Islands includes payments made on behalf of recipients of the special types of public assistance.

³ Includes an estimated amount for States making vendor payments for medical care from general assistance funds and from special medical funds and reporting these data semiannually but not on a monthly basis.

⁴ No program for aid to the permanently and totally disabled.

⁵ Data not available.

⁶ Represents data for August.

RETIREMENT AND WIFE'S AGE

(Continued from page 25)

three age groups tends to be about 100 percent, and accordingly there is no indication that retirement had been deferred until the wife reached age 65. For workers aged 69 and over, the ratio of "actual" to "expected" is about 125 percent on the average. This ratio indicates the presence of a number of cases where retirement has

been deferred until the wife reached age 65. At the same time, however, it should be noted that the ratios for wives in the other two age groups are, in each case, not much below 100 percent.

At first glance, it might appear that for workers aged 69 and over whose wives were aged exactly 65, the 25-percent excess would be highly significant. Since somewhat less than 8 percent of all wives in the old-age

and survivors insurance group are aged exactly 65, the "normal" or "expected" percentage for this group should be about 6 percent. Accordingly, the absolute excess is only 2 percent; in other words, only 2 percent of all workers who retired apparently had deferred their retirement until the wife reached age 65. For the remaining 98 percent of the cases the receipt of benefits by the wife had no effect.