

Notes and Brief Reports

Concurrent Receipt of Public Assistance and Old-Age, Survivors, and Disability Insurance, Early 1962*

SINCE 1948 the Bureau of Family Services has collected annually from the States information on the extent to which recipients of public assistance also have income from the old-age, survivors, and disability insurance program. Data from the State reports are available for the programs of old-age assistance and aid to families with dependent children for the entire period June 1948–February 1962 (tables 1 and 2). In 1962 the States that then had in operation a program of medical assistance for the aged included in their reports information on concurrent receipt of aid under that program and of old-age, survivors, and disability insurance benefits.

Similar data were collected for the programs of aid to the blind and aid to the permanently and totally disabled in 1960 (for the first time) and again in 1961. Information for late 1962 will soon become available from the State reports on the characteristics of the recipients under these two programs.

In addition to information on the number of persons or families having income from both the assistance and the insurance programs, annual data have been obtained from the States on the total amounts of payments made under these programs to or in behalf of the persons covered in the report. The purpose to be served by the data was to show expected changes in the relationship of public assistance and old-age, survivors, and disability insurance as income-maintenance programs for the aged, for survivor families, and for individuals and their families who are in need of aid because of disability.

The following note relates only to (1) the incidence of concurrent receipt of old-age, survivors, and disability benefits among recipients of old-age assistance and medical assistance for the aged, (2) the average old-age, survivors, and disability insurance benefit paid to these recipients, and (3) the average levels of assistance payments and benefits to old-age assistance recipient-beneficiaries. The

discussion of medical assistance for the aged is based on data for the 12 States shown in table 3. Of the 26 States with such programs in February 1962, only 12 made payments in behalf of approximately 500 or more recipients in that month. In 12 other States¹ the recipient loads (17–469 persons) were considered too small for analysis. Two States, Guam and Puerto Rico, did not submit a report.

INCIDENCE OF CONCURRENT RECEIPT OF OASDI AND OAA OR MAA

Continued liberalizations of the old-age, survivors, and disability insurance provisions of the Social Security Act, especially those affecting eligibility requirements and coverage, have obviously contributed significantly to the decline since 1950 in the number of persons aged 65 and over who receive public assistance. Despite the great increase in the number of the aged to whom the insurance benefits are available, there remain many whose financial needs for daily living expenses or special expenses, or both, exceed their income from old-age, survivors, and disability insurance and other sources. These aged men and women therefore need supplementary aid from the public assistance programs.

In some States, receipt of even a relatively low insurance benefit makes the beneficiary ineligible for public assistance as long as his expenses are for current living only. He might, however, become eligible if high medical costs, for example, were to increase his financial need—especially if he had no income other than his benefit from the Federal insurance program.

The extent to which public assistance supplements the income maintenance provided for the aged by the insurance program is reflected in the growing number and proportion of old-age assistance recipients who are old-age, survivors, and disability insurance beneficiaries (table 1). In early 1962, this proportion was, for the first time, more than one-third of all the aged having income from old-age assistance. Whether the proportion will continue to grow at the same rate may depend, to some extent, on developments under the federally aided program of medical assistance for the aged. This program, designed to provide medical care

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¹ Alabama, Hawaii, Illinois, Louisiana, Maine, New Hampshire, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, and the Virgin Islands.

for medically indigent persons aged 65 and over, went into effect in October 1960.

The financial eligibility requirements for medical assistance for the aged vary from State to State, but they are generally more liberal than those for old-age assistance. Consequently, it was expected that old-age, survivors, and disability insurance beneficiaries would be more heavily represented among recipients of medical assistance for the aged than of old-age assistance—an assumption borne out by data reported by 10 of the 12 States shown in table 3. The two exceptions were California and Massachusetts.

In California the proportion of beneficiaries was substantially lower among recipients of medical assistance for the aged (40.3 percent) than among recipients of old-age assistance (51.3 percent). Program operations started in January 1962, and both in that month and in February—the month for which data were reported by California—almost four-fifths of the persons whose applications were approved were transferred to medical assistance for the aged after having received long-term nursing care under old-age assistance, mostly in county nursing homes. It seems likely that there would be proportionately fewer persons with income from old-age, survivors, and disability insurance among long-term patients in public institutions than among

TABLE 1.—Aged persons and families with dependent children receiving both public assistance payments and OASDI benefits, 1948–62

Month and year	Aged persons receiving both OAA and OASDI			Families with children receiving AFDC and OASDI		
	Number	Percent of—		Number	Percent of—	
		OAA recipients	OASDI beneficiaries aged 65 and over		AFDC families	OASDI beneficiary families with children under age 18
June 1948	146,000	6.1	10.0	21,600	4.8	6.7
September 1950	276,200	9.8	12.6	32,300	4.9	8.3
August 1951	376,500	13.8	11.9	30,700	5.0	6.7
February 1952	406,000	15.1	12.0	30,000	5.0	6.1
February 1953	426,500	16.3	10.7	30,600	5.3	5.7
February 1954 ¹	463,000	18.0	9.7	31,900	5.9	5.4
February 1955	488,800	19.2	8.7	32,100	5.2	4.9
February 1956	516,300	20.4	8.0	32,600	5.3	4.6
February 1957	555,300	22.2	7.8	31,900	5.1	4.2
February 1958	596,500	24.2	7.1	37,200	5.4	4.5
March 1959	647,900	26.7	6.9	41,900	5.4	4.6
February 1960	675,600	28.5	6.7	41,000	5.2	4.2
February 1961	715,400	31.0	6.6	43,900	5.4	4.2
February 1962 ²	753,800	33.7	6.5	50,200	³ 5.7	4.5

¹ November 1953 data for AFDC families.

² October–December 1961 data for AFDC families.

³ Includes data on unemployed-parent families receiving payments under AFDC, authorized by P. L. 87-31, effective May 1961. If families with unemployed parents were excluded this figure would be 6 percent.

all old-age assistance recipients, including those able to purchase more expensive nursing-home care in privately sponsored or commercial institutions. In Massachusetts the medical assistance for the aged program is also characterized by a high proportion (three-fifths) of transfer cases that had been receiving nursing-home care under old-age assistance.

Data presented in table 3 show that the proportion of old-age, survivors, and disability insurance

TABLE 2.—Concurrent receipt of OASDI benefits by recipients of OAA, February 1962,¹ and by families receiving AFDC, late 1961,² by State

State	Aged persons receiving OAA and OASDI as percent of—		Families receiving OASDI as percent of AFDC families
	OAA recipients	OASDI beneficiaries aged 65 and over	
Total ³	33.7	6.5	5.7
Alabama	29.2	18.5	7.2
Alaska	38.6	14.3	11.4
Arizona	34.2	7.4	6.8
Arkansas	21.2	9.7	6.9
California	31.3	13.5	3.1
Colorado	43.1	20.0	6.1
Connecticut	50.6	3.6	4.3
Delaware	30.5	1.5	2.4
District of Columbia	33.8	2.6	4.2
Florida	41.2	7.1	9.2
Georgia	20.8	11.5	10.3
Hawaii	27.0	1.4	3.3
Idaho	36.5	4.9	6.7
Illinois	31.3	3.1	2.8
Indiana	30.6	2.3	8.2
Iowa	33.1	4.6	7.1
Kansas	28.0	4.6	6.8
Kentucky	26.3	7.4	13.4
Louisiana	33.9	53.9	7.6
Maine	41.7	5.7	12.0
Maryland	27.1	1.7	2.3
Massachusetts	57.5	8.4	(4)
Michigan	36.6	4.0	5.9
Minnesota	34.8	6.2	8.3
Mississippi	31.0	21.7	9.7
Missouri	40.1	13.4	9.2
Montana	36.4	5.0	8.9
Nebraska	30.0	3.6	8.9
Nevada	55.7	11.5	5.1
New Hampshire	39.0	3.5	8.7
New Jersey	40.2	1.7	3.0
New Mexico	22.2	7.8	7.0
New York	38.0	1.8	3.5
North Carolina	18.1	3.8	5.6
North Dakota	25.8	3.9	9.0
Ohio	36.4	4.9	5.0
Oklahoma	29.5	17.7	6.6
Oregon	45.1	5.0	(4)
Pennsylvania	33.7	1.9	3.0
Puerto Rico	.3	.1	2.1
Rhode Island	48.0	4.4	2.3
South Carolina	9.1	2.8	4.0
South Dakota	28.3	4.8	4.2
Tennessee	12.4	3.2	7.7
Texas	29.0	14.1	6.6
Utah	29.4	4.7	5.6
Vermont	41.6	7.3	12.7
Virgin Islands	.4	.3	2.8
Virginia	14.6	1.1	5.1
Washington	44.7	10.0	4.7
West Virginia	11.3	1.6	4.6
Wisconsin	35.0	3.6	9.4
Wyoming	39.8	6.1	8.7

¹ January 1962 data for 3 States and New York City.

² October 1961 data for 1 State, November 1961 data for 20 States, and December data for 30 States.

³ Excludes Guam for OAA and AFDC, Massachusetts and Oregon for AFDC; data not reported.

⁴ No report.

beneficiaries among the recipients of medical assistance for the aged within a State was strongly related to the manner in which the State used the assistance program. In those States where substantial proportions of the recipient load consisted of persons previously receiving aid under other public assistance programs, there were proportionately fewer beneficiaries among recipients of medical assistance for the aged than in the States that did not make such transfers. This finding suggests that in February 1962 the recipients of medical assistance for the aged in the 12 States were not a homogeneous group of persons only medically indigent but included, in six of these States, a substantial number whose financial indigence (often related, however, to need for high-cost medical care) had made them eligible for public assistance before their States established a program of medical assistance for the aged.

AVERAGE OASDI BENEFITS OF OAA AND MAA RECIPIENTS

Medical assistance for the aged is designed, of course, to provide aid to the aged who are medically indigent. It was therefore expected that the program would affect a group of beneficiaries who have higher old-age, survivors, and disability insurance benefits than do the insurance beneficiaries among old-age assistance recipients and who, therefore, also are less likely to be eligible for old-age assist-

TABLE 3.—Concurrent receipt of OASDI by MAA recipients, February 1962, and percent of persons approved for MAA who were transferred from other assistance programs, cumulative through February 1962, by State¹

State (ranked by percent of recipients receiving OASDI)	Recipients of MAA		Percent of MAA approvals transferred (cumulative through February 1962) from—	
	Total number	Percent receiving OASDI	OAA	APTD
Washington.....	496	85.1	0.8	(²)
Arkansas.....	833	84.6	-----	-----
Kentucky.....	1,708	79.4	-----	-----
West Virginia.....	9,110	74.9	-----	-----
Maryland.....	4,025	72.2	-----	-----
Michigan.....	4,323	57.0	17.2	0.4
Massachusetts.....	18,408	55.5	60.5	1.5
New York.....	29,960	51.9	37.0	.5
Utah.....	498	48.6	-----	39.2
Idaho.....	1,122	40.4	52.8	2.7
California.....	5,350	40.3	79.1	4.2
North Dakota.....	665	38.3	72.2	-----

¹ Of the 26 States having a program of MAA in February 1962, only the 12 States with recipient loads of approximately 500 or more are included in this table.

² Less than 0.05 percent.

ance. Data reported for February 1962 show that in each of the 12 States in table 3 the average old-age, survivors, and disability insurance benefits going to recipients of medical assistance for the aged were higher than those paid to recipients of old-age assistance, with the difference for the individual States ranging from \$6 to \$22. The difference tended to be greater in the States with recipient loads for medical assistance for the aged composed almost entirely of persons not previously receiving aid under another federally aided assistance program than it was in the States that transferred recipients from other programs to medical assistance for the aged. This finding also suggests that the financial characteristics of aged persons being assisted under medical assistance for the aged varies with the State's use of the program.

AVERAGE LEVELS OF ASSISTANCE PAYMENTS AND BENEFITS TO OAA RECIPIENT-BENEFICIARIES

The average assistance payment (including vendor payments for medical care) for old-age, survivors, and disability insurance beneficiaries among recipients of old-age assistance was slightly lower in February 1962 (\$55.48) than in February 1961 (\$55.75). The average old-age assistance payment to nonbeneficiaries went up during the 12 months from \$74.21 to \$78.87. The average assistance payment to insurance beneficiaries in February 1962 thus represented a smaller proportion of the average payment to nonbeneficiaries than in February 1961—70 percent compared with 75 percent. The difference between the two average assistance payments in February 1962 was \$23, substantially greater than the \$18 difference a year earlier.

The average insurance benefit received by beneficiaries on the old-age assistance rolls was \$47.28—\$3.20 more than in 1961, an increase that probably reflects, at least in part, the increase in the minimum insurance benefit from \$33 to \$40 (effective in late 1961). In 1962 the average benefit of recipient-beneficiaries represented almost the same proportion (about two-thirds) of the average benefit paid to all beneficiaries aged 65 and over as in February 1961.

The combined monthly income from both programs for recipient-beneficiaries—an average of \$102.76—was larger in February 1962 than it had

(Continued on page 32)

TABLE 17.—General assistance: Recipients and payments to recipients, by State, November 1962¹

[Excludes vendor payments for medical care and cases receiving only such payments]

State	Number of—		Payments to recipients			Percentage change from—			
	Cases	Recipients	Total amount	Average per—		October 1962 in—		November 1961 in—	
				Case	Recipient	Number of recipients	Amount	Number of recipients	Amount
Total ²	333,000	821,000	\$22,534,000	\$67.69	\$27.44	+4.0	+2.4	-11.7	-13.5
Alabama	81	84	1,046	12.91	12.45	(³)	(³)	(³)	(³)
Alaska ⁴	204	545	12,645	61.99	23.20				
Arizona	2,831	5,697	173,074	61.14	30.38	-8.1	-5.0	-8.2	-5
Arkansas	312	1,160	4,585	14.70	3.95	-10.4	-12.6	+17.2	+9.1
California	31,273	71,598	1,876,943	60.02	26.22	+6.4	-.2	-18.1	-22.2
Colorado	1,606	5,759	77,278	48.12	13.42	+20.0	+30.8	+13.2	+24.4
Connecticut	5 4,373	5 11,384	5 310,919	71.10	27.31	+4.9	+5.2	+1.0	+8.9
Delaware	1,193	2,119	62,844	52.68	29.66	+5.0	+1.7	-12.5	-21.6
District of Columbia	948	1,010	70,925	74.82	70.22	-1.4	-.4	-41.4	-40.6
Florida ⁶	8,800	(⁷)	272,000						
Georgia	2,364	6,028	76,977	32.56	12.77	+3.4	+2.3	+5.6	+8.1
Guam ⁸	4	4	122	(³)	(³)				
Hawaii	1,061	1,445	72,042	67.90	49.86	+7	+2.0	+9.2	+16.3
Illinois	27,046	54,877	2,220,315	82.09	40.46	-3.8	-2.1	-47.6	-48.6
Iowa ⁶	3,900	9,000	146,000						
Kansas	2,761	8,068	195,055	70.65	24.18	+3.3	+3.4	-7.1	-2.6
Kentucky	1,893	5,782	71,387	37.71	12.35	-5.5	-.3	-10.4	-11.5
Louisiana ⁴	7,398	8,099	389,433	52.64	48.08				
Maine	2,664	9,077	120,749	45.33	13.30	+8.6	+27.6	+6	+14.0
Maryland	4,680	5,313	329,677	70.44	62.05	+3.8	+2.6	+22.8	+30.7
Massachusetts	6,620	13,663	448,664	67.77	32.84	+2.2	-1.6	-6.2	-8.2
Michigan	31,625	114,108	3,294,041	104.16	28.87	+6	-.5	-19.3	-17.5
Minnesota	8,624	24,882	704,370	81.68	28.31	+10.4	+10.3	-7.3	+1.2
Mississippi	1,026	1,367	15,549	15.15	11.37	+9	+2.3	+14.7	+9.0
Missouri	9,241	12,136	526,314	56.95	43.37	-2.3	-.5	-1.2	-13.8
Montana	1,176	3,791	53,252	45.28	14.05	+31.9	+12.5	-8.4	-24.0
Nebraska	1,057	3,031	53,052	50.19	17.50	+10.0	+14.5	+11.6	+2.3
Nevada	213	342	10,157	47.69	29.70	+9.3	+5.0	-26.6	-16.1
New Hampshire	818	2,556	44,520	54.43	17.42	+5.9	+7.5	-1.8	+9
New Jersey ⁹	8,366	26,753	999,542	119.48	37.36	+4.0	+9.3	+4.1	+7.8
New Mexico	471	824	18,886	40.10	22.92	-4.4	+2.8	-13.8	+7.3
New York ¹⁰	30,693	73,823	2,670,567	87.01	36.18	+2.2	+3.4	+2	+18.0
North Carolina	1,863	5,408	48,116	25.83	8.90	+15.6	+8.1	+17.4	+20.1
North Dakota	337	1,324	18,197	54.00	13.74	+23.9	+15.0	-37.2	-31.8
Ohio	35,594	132,324	2,794,027	78.50	21.12	+6.3	+2.8	-7.5	-9.9
Oklahoma	7,590	(⁷)	100,843	13.26					
Oregon	3,952	(⁷)	212,512	53.77					
Pennsylvania	37,584	45,825	2,235,532	59.48	48.78	+8	+1.6	+8.5	+11.5
Puerto Rico	1,375	1,375	10,550	7.67	7.67	+7.1	+11.0	+3.5	+9.3
Rhode Island	2,340	5,379	149,991	64.10	27.88	+8.3	+26.2	-.8	+15.5
South Carolina	1,405	1,648	44,727	31.83	27.17	+2.0	-.7	-34.0	-5.2
South Dakota	265	783	8,575	32.36	10.95	-2.0	-1.2	-3.6	-6
Tennessee	2,038	6,346	38,670	18.97	6.09	+4.8	+11.1	+1.7	+5.1
Texas ¹¹	11,500	(⁷)	221,000						
Utah	1,096	2,445	80,955	73.86	33.11	-4.2	+19.2	+26.4	-15.7
Vermont ¹¹	1,000	(⁷)	26,000						
Virgin Islands ⁴	159	168	5,154	32.42	30.68				
Virginia	2,229	5,409	100,104	44.91	18.51	+21.8	+6.7	+15.2	+3.8
Washington	9,039	22,397	682,602	75.52	30.48	+37.0	+25.7	+7.8	-25.6
West Virginia	1,333	2,365	42,562	31.93	18.00	+11.7	+4.6	-30.1	-47.4
Wisconsin	7,501	23,592	676,720	90.22	28.08	+5.7	+3.0	-14.8	-15.0
Wyoming	376	1,576	30,734	81.74	19.50	+28.5	+20.9	+10.9	+31.2

¹ For definition of terms see the *Bulletin*, October 1957, p. 18. All data subject to revision.

² Partly estimated; does not represent sum of State figures because totals exclude for New Jersey an estimated number of cases and persons receiving only medical care, hospitalization, and/or burial and payments for such services; recipient count also includes an estimate for States not reporting such data. Excludes Idaho and Indiana; data not available.

³ A average payment not computed on base of fewer than 50 recipients; percentage change, on fewer than 100 recipients.

⁴ Data for October; data for November not available.

⁵ About 9 percent of this total is estimated.

⁶ Partly estimated.

⁷ Data not available.

⁸ Data for September; data for October and November not available.

⁹ Includes an unknown number of cases and persons receiving only medical care, hospitalization, and/or burial, and total payments for such services.

¹⁰ Includes an unknown number of cases and persons receiving only medical care.

¹¹ Estimated on basis of reports from a sample of local jurisdictions.

CONCURRENT RECEIPT

(Continued from page 18)

been a year earlier. The combined amount, however, was only \$24 more than the average monthly income of nonbeneficiaries from assistance payments in 1962. It had been \$26 more in 1961. Two reasons may account for the fact that the combined

amount is, in general, higher than the old-age assistance payment going to nonbeneficiaries: (1) the relatively high need among recipient-beneficiaries, and (2) the limiting effect on assistance payments, particularly for nonbeneficiaries, of maximums and/or percentage reductions from determined need that are applied by many States.