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# SSI: Trends in State Supplementation, 1974-78

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Legislation establishing the SSI program and subsequent amendments provide for State payments to supplement the basic Federal SSI payment. For former public assistance recipients, State payments are required, if necessary, to maintain prior income levels. For those newly eligible, additional State payments are optional. At the beginning of SSI, most States elected to provide supplementary payments to those newly eligible as well as to former public assistance recipients. Since then, numerous changes have taken place. This article summarizes and analyzes changes that occurred in State supplementation under SSI from 1974 through 1978. Although nationwide few variations took place in State supplementation during the period, individual States experienced significant changes—primarily in the number of recipients and expenditures. Some of these changes occurred because of implementation of Federal-State legislation resulting in program expansion and/or benefit alterations. A significant shift took place in the distribution of recipients by eligibility category: the disabled became the major category, replacing the aged. The caseload for the blind, however, remained relatively stable.

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The 1972 Social Security Amendments established the supplemental security income (SSI) program to replace Federal-State public assistance programs for the aged, the blind, and the disabled beginning January 1, 1974. Essentially, SSI was designed to provide equitable treatment of needy persons with limited income and resources by establishing uniform nationwide eligibility requirements and Federal payment amounts. It was apparent from the outset, however, that additional financial needs would occur—differing among and within the States—for special situations and emergencies, as well as the necessity for maintaining previous payment levels.

Consequently, legislation (Public Law 93-66 and Public Law 93-233) was enacted requiring States to supplement the basic Federal SSI payment in certain cases (mandatory supplementation) and permitting supplementation of some or all other cases at the States' discretion (optional supplementation). For the former,

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mandatory supplements are required when the Federal SSI payment is below the December 1973 income level of recipients transferred from the former Federal-State public assistance programs. For the latter, optional supplementary payments are provided to help recipients meet needs not fully covered by the basic Federal SSI payment. The State, however, determines if it will make such payments, to whom, and how much. The State also has the choice of administration. It may elect to administer the payments itself (State-administered supplementation), or it may enter into an agreement to have the Social Security Administration make both the Federal SSI payment and the State supplementary payment (federally administered supplementation).

Since the beginning of the SSI program, a substantial number of aged, blind, and disabled recipients have received either a State supplementary payment only or a State supplementary payment in combination with a Federal SSI payment. At the end of 1978, 1.9 million persons—or 46 percent of the total SSI population of 4.3 million—received a State supplement. Although there has been virtually no change in the overall

number of such cases, over the 5-year operation of SSI, significant changes have occurred in individual State supplementation programs. As expected, States that provided supplements only to recipients transferred from the former public assistance programs (mandatory supplementation) experienced large decreases in both caseloads and expenditures. Conversely, States that provided supplements to former recipients as well as to newly eligible persons (optional supplementation) had somewhat disparate variances in their programs that seemed directly related to the scope of coverage: States that covered all newly eligible persons tended to show somewhat larger increases in caseloads and expenditures than States restricting coverage to those newly eligible.

In addition to changes in numbers of recipients, a shift was evident in the distribution of recipients by eligibility category. Historically the aged represented the largest group of persons receiving income support payments under the former public assistance programs. This factor was also true of the SSI program at the beginning (for recipients receiving Federal SSI payments and for those receiving State supplementation). By the end of the second full year of SSI, however, the disabled replaced the aged as the fastest-growing category. By the close of 1978, more recipients were receiving assistance because of disability than for age or blindness.

Expenditures for State supplementation also increased substantially during the period. Some of the growth in expenditures was attributable to States raising their payment levels to reflect the higher costs of institutional care and to pass along the cost-of-living increases in Federal SSI payments. Furthermore, some States initiated optional supplementation programs, and others expanded existing optional programs to include large numbers of previously ineligible persons. In addition, both Federal and State legislative changes were implemented, resulting in increased caseloads and expenditures for State supplementation.

This article summarizes and analyzes the changes in State supplementation programs for the first 5 years (January 1974 through December 1978) of the SSI program and provides insights into the reasons for these changes. The data have limitations, however: Recipient data represent an arbitrary point in time—the end of the calendar year—whereas expenditure data cover the entire calendar year. Expenditure data for State supplementary payments include Federal contributions under the hold-harmless provision. Since Federal contributions are computed on a fiscal-year basis, the calendar-year amounts are not available. Comparisons were not made for the intervening years of the 5-year period and, for the most part, those data are omitted. Finally, some of the data are partly estimated because the data were not available. Despite these limitations,

the results may be useful in determining such program directions as number of recipients, distribution of payments by eligibility category, and amount of expenditures.

## National Changes

The total number of persons receiving supplementation increased slightly (2 percent) from December 1974 to December 1978. The number of persons receiving only State supplementation increased by 25 percent, but the number of persons receiving both a Federal SSI payment and State supplementation declined. Nevertheless, most persons continued to receive only a Federal SSI payment, but more than 2 of every 5 received a combined payment or a State supplementary payment only (table 1).

Despite the small change in the supplementation

**Table 1.**—Number of persons receiving SSI payments, by type of payment and reason for eligibility, December 1974-78

Year	Total <sup>1</sup>	Aged	Blind	Disabled
Total <sup>1</sup>				
1974 <sup>2</sup> .....	4,027,572	2,307,722	75,528	1,644,322
1975.....	4,359,625	2,333,685	75,315	1,950,625
1976.....	4,285,785	2,175,693	77,226	2,032,866
1977.....	4,287,299	2,077,945	78,363	2,130,681
1978.....	4,265,473	1,995,982	78,028	2,190,867
Federal SSI only				
1974 <sup>2</sup> .....	2,125,404	1,266,403	36,813	822,188
1975.....	2,372,216	1,305,089	38,731	1,028,396
1976.....	2,372,790	1,240,856	39,008	1,092,926
1977.....	2,359,959	1,171,309	39,495	1,149,155
1978.....	2,324,908	1,110,100	38,818	1,175,990
Total State supplementation				
1974 <sup>2</sup> .....	1,902,168	1,041,319	38,715	822,134
1975.....	1,987,409	1,028,596	36,584	922,229
1976.....	1,912,995	934,837	38,218	939,902
1977.....	1,927,340	906,636	38,868	981,524
1978.....	1,940,565	885,882	39,210	1,014,877
Federal SSI and State supplementation				
1974 <sup>2</sup> .....	1,497,181	767,162	31,744	698,275
1975.....	1,521,203	719,676	29,644	771,883
1976.....	1,426,279	626,462	30,075	769,704
1977.....	1,417,897	593,838	30,039	793,708
1978.....	1,429,755	575,551	29,374	824,552
State supplementation only				
1974 <sup>2</sup> .....	404,987	274,157	6,971	123,859
1975.....	466,206	308,920	6,940	150,346
1976.....	486,716	308,375	8,143	170,198
1977.....	509,443	312,798	8,829	187,816
1978.....	510,810	310,331	9,836	190,325

<sup>1</sup> Includes data not distributed by reason for eligibility for some States.

<sup>2</sup> Estimated.

**Table 2.**—Number and percentage distribution of persons receiving State supplementation, by reason for eligibility, December 1974 and 1978

Reason for eligibility	Number of persons, December		Percentage distribution, December		Percentage change, 1974-78
	1974	1978	1974	1978	
Total .....	1,902,168	1,940,565	100.0	100.0	2.0
Aged .....	1,041,319	885,880	54.7	45.7	-14.9
Blind .....	38,715	39,210	2.0	2.0	1.3
Disabled .....	822,134	1,014,877	43.3	52.3	23.4

<sup>1</sup> Includes 598 recipients not distributed by reason for eligibility.

caseload during this period, a significant shift occurred in the distribution of recipients by reason for eligibility. In December 1974 the aged comprised 55 percent of the total supplementation caseload; at the end of 1978 this group totaled 46 percent (table 2). The disabled themselves represented 43 percent of the overall supplementation caseload in December 1974 and 52 percent by the close of 1978. The caseload for the blind remained constant at 2 percent during this period.

In contrast to the caseload, the amounts expended under the SSI program rose substantially during the 5-year period. In 1974 total expenditures amounted to \$5.2 billion—\$3.8 billion or 73 percent for Federal SSI payments and \$1.4 billion or 27 percent for State

**Table 3.**—Total amount, percentage distribution, and percentage change in SSI payments, by type of payment, 1974-78

Year	Total	Federal SSI	State supplementation		
			Total	Federally administered	State administered
Total amount (in thousands)					
1974.....	\$5,245,719	\$3,833,161	\$1,412,558	\$1,263,652	\$148,906
1975.....	5,878,224	4,313,538	1,564,686	1,402,534	162,152
1976.....	6,065,842	4,512,061	1,553,781	1,388,154	165,627
1977.....	6,306,041	4,703,292	1,602,749	1,430,794	171,955
1978.....	6,551,682	4,880,691	1,670,991	1,490,947	180,044
Percentage distribution					
1974.....	100.0	73.1	26.9	24.1	2.8
1975.....	100.0	73.4	26.6	23.9	2.7
1976.....	100.0	74.4	25.6	22.9	2.7
1977.....	100.0	74.6	25.4	22.7	2.7
1978.....	100.0	74.5	25.5	22.8	2.7
Percentage change from previous year					
1975.....	12.1	12.5	10.8	11.0	8.9
1976.....	3.2	4.6	-7	-1.0	2.1
1977.....	4.0	4.2	3.2	3.1	2.8
1978.....	3.9	3.7	4.3	4.2	4.7

supplementation. By 1978 total annual expenditures were \$6.6 billion: Federal SSI payments, \$4.9 billion; and State supplementation, \$1.7 billion (table 3). The combined amounts for 1978 represented an increase of 25 percent from 1974; expenditures for the components rose 27 percent and 18 percent, respectively. In addition, the average monthly State supplementary payment at the end of 1978 had increased to \$73 from \$64 at the close of 1974.

Although total supplementation expenditures rose during the period, the amount spent for the aged declined as did the caseload. Large expenditure increases occurred, however, for the blind and disabled. In 1974 annual expenditures for State supplements to the aged totaled \$734 million; by 1978 this amount had dropped to \$725 million. In contrast, annual supplementation for the disabled increased substantially (43 percent)—from \$627 million in 1974 to \$894 million in 1978. Likewise, total annual supplementary payments for the blind rose from \$40 million in 1974 to \$48 million in 1978—a 19-percent increase (table 4).

**Table 4.**—Total amount of SSI payments, by reason for eligibility and type of payment, 1974-78

[In thousands]

Year	Total	Federal SSI	State supplementation		
			Total	Federally administered	State administered
Total <sup>1</sup>					
1974.....	\$5,245,719	\$3,833,161	\$1,412,558	\$1,263,652	\$148,906
1975.....	5,878,224	4,313,538	1,564,686	1,402,534	162,152
1976.....	6,065,842	4,512,061	1,553,781	1,388,154	165,627
1977.....	6,306,041	4,703,292	1,602,749	1,430,794	171,955
1978.....	6,551,682	4,880,691	1,670,991	1,490,947	180,044
Aged					
1974.....	\$2,503,407	\$1,769,069	\$734,338	\$644,965	\$89,373
1975.....	2,604,792	1,841,970	762,822	674,545	88,277
1976.....	2,508,483	1,785,744	722,739	634,633	88,106
1977.....	2,448,724	1,737,798	710,926	626,089	84,837
1978.....	2,432,738	1,707,550	725,188	634,530	90,658
Blind					
1974.....	\$130,195	\$89,885	\$40,310	\$35,906	\$4,404
1975.....	130,936	92,504	38,432	34,736	3,696
1976.....	137,793	95,679	42,114	38,381	3,733
1977.....	146,070	100,376	45,694	41,762	3,932
1978.....	152,210	104,369	47,841	43,658	4,183
Disabled					
1974.....	\$2,601,936	\$1,974,674	\$627,262	\$582,314	\$44,948
1975.....	3,142,476	2,379,897	762,579	692,420	70,159
1976.....	3,419,543	2,631,272	788,271	714,506	73,765
1977.....	3,710,788	2,866,694	844,094	761,366	82,728
1978.....	3,965,611	3,071,652	893,959	809,879	84,080

<sup>1</sup> Includes data not distributed by reason for eligibility for some States.

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## Legislative Changes

Since the enactment of legislation establishing the SSI program (Public Law 92-603) and subsequent amendments (Public Law 93-66 and Public Law 93-233), additional Federal and State legislation has been implemented that has affected State supplementation programs. Although some of these changes contributed to increases in supplementation caseloads and expenditures, others tended to foster reductions.

### Federal Changes

The original legislation prohibited food-stamp participation by SSI recipients. Large numbers of individuals, it was argued, would be disadvantaged by this exclusion. Numerous laws, including Public Law 93-233 and Public Law 93-335, were thus enacted to extend food stamp eligibility to most SSI recipients. For recipients in two States—California and Massachusetts—such eligibility was not yet available in 1978 because their State supplementary payments included the cash equivalent of the food-stamp bonus.

With the passage of Public Law 93-368 (effective beginning July 1975) automatic cost-of-living increases in Federal SSI benefits became coordinated with cost-of-living increases in OASDI benefits to maintain the income-support level with the rate of inflation. Because these cost-of-living increases resulted in higher income for some SSI recipients, however, the State's obligation to provide mandatory supplementation was either reduced or eliminated. Also, some States elected to maintain the prior optional supplementary payment levels and did not pass along the Federal SSI cost-of-living increases. The State payment amount was thus reduced by the amount of the Federal SSI increase. In an attempt to dissuade States from not raising their payment levels, in 1976 Public Law 94-585 was enacted, requiring States to pass along cost-of-living increases in Federal SSI benefits payable after June 1977. The penalty for not complying was loss of Federal Medicaid funds. A State would not be out of compliance with this requirement, however, if it met these criteria: It had expended the same or higher amounts for State payments in the 12-month period beginning on the effective date of any rise in the Federal SSI benefit levels as it had spent for such payments in the preceding 12-month period.

Also, Public Law 94-585 made permanent the hold-harmless protection for Hawaii, Massachusetts, and Wisconsin.<sup>1</sup> Under this provision, the amount paid by a State to the Secretary of Health and Human Services for

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<sup>1</sup> The other States under the hold-harmless protection have ceased being eligible: California in 1975; Nevada and New York in 1976 with payment standards too high when compared with 1972 adjusted payment levels.

the supplementary payments made on its behalf for any fiscal year shall not exceed the total amount of the State's non-federal share of assistance expenditures in calendar year 1972 under titles I, X, XIV, or XVI. This protection, however, applies only to payments that on an average do not exceed a State's adjusted payment level.

The adjusted payment level is the amount of cash payment an individual with no other income—imputed or otherwise—would have received in January 1972 under an approved plan for aid to the aged, blind, or disabled, plus a "payment-level modification" and the "bonus value" of food stamps (both at State option). The payment-level modification is the amount by which the State could have lowered its standard of need and raised its payment to an individual without exceeding the non-Federal share of expenditures in calendar year 1972 for assistance under titles I, X, XIV, and XVI of the Social Security Act. The bonus value of food stamps is the difference between the face value of the coupon allotment provided for January 1972 less the amount paid for the coupon allotment.

Finally, two other amendments were enacted in 1976 regarding resources affecting both the Federal segment of SSI and the State portion (since most States apply the Federal SSI resource limitations for optional supplementation eligibility). Public Law 94-375 excluded from resources the value of assistance under several Federal housing programs, and Public Law 94-569 excluded from resources the value of a home. Before this legislation, needy individuals with a home valued in excess of \$25,000 (\$35,000 in Hawaii) were ineligible. As a result of this legislation, however, some persons who previously had been ineligible for Federal SSI payments and/or State supplementary payments because of resources may have become eligible.

### State Changes

In October 1977, four States implemented legislation changing the amounts of income disregarded in determining the State supplementary payment. Idaho and Illinois increased these amounts; New Hampshire reduced them; and Arizona eliminated them. In general, changes in the amount of income disregarded vary directly with the amount of supplementary payments. Because other variables influence State supplementation caseloads and expenditures, however, this did not occur consistently.

## Changes in Number and Type of Recipients and Expenditures

The remainder of this article deals with changes in expenditures and number of recipients that have oc-

curred over the 5-year period. To facilitate analysis, the States have been divided into three groups. (Texas was excluded from providing supplementation because of a State constitutional barrier.)

### States with Mandatory Supplementation Only

**Recipients.** At the beginning of the SSI program, 16 States elected mandatory supplementation only.<sup>2</sup> By the end of 1978, seven States still provided only a mandatory supplement.<sup>3</sup> (The other States implemented limited optional supplementation programs and are discussed below.) As anticipated for the seven States that continued to provide a mandatory supplement only, substantial reductions occurred in the number of persons receiving supplementation from December 1974 to December 1978. The overall caseload for these States dropped 70,000 or 92 percent (table 5).

Unlike the other two groups of States—those providing limited and broad supplementation—all three eligibility categories had substantial caseload reductions primarily because Federal SSI payment levels as well as OASDI benefit levels were increased several times during the period. The income levels were thus raised for many recipients in these States, and subsequently the need for mandatory supplementation payments was diminished. At the end of 1978, nearly all of the persons who qualified for aid under the SSI program in these States therefore received only a Federal SSI payment (table 6).

**Expenditures.** For this group of States the change in expenditures for supplementary payments was dramatic: the annual amount expended dropped from \$29 million in 1974 to \$1 million in 1978 (table 6). In each of these States, expenditures dropped more than 90 percent. This decrease was seen in the total as well as in each of the three eligibility categories. The average payment for these States was lower than the national average and was considerably below the average for the other two groups of States. As a result, not only were fewer persons receiving supplementation in these States, but also smaller supplementary payments were made.

### States with Limited Optional Supplementation

**Recipients.** In the 27 States belonging to this group, many of the newly eligible SSI recipients did not qualify for optional supplements because they did not meet the eligibility requirements for specified living arrangement

<sup>2</sup> The 16 States were Arkansas, Florida, Georgia, Indiana, Kansas, Louisiana, Maryland, Mississippi, New Mexico, Ohio, South Dakota, Tennessee, Utah, Virginia, West Virginia, and Wyoming.

<sup>3</sup> Those providing mandatory supplementation only: Arkansas, Georgia, Kansas, Louisiana, Mississippi, Ohio, and Tennessee.

or categorical group.<sup>4</sup> Consequently, most recipients in these States received a Federal SSI payment only. For those recipients who did receive supplementation, however, the majority were mandatory supplementation cases. The supplementation caseloads in most of these States were therefore expected to decline over the years rather than to show substantial increases.

More specifically, from December 1974 to December 1978, the number of persons receiving supplementation dropped in 13 States and rose in nine. In five States comparisons were not made.<sup>5</sup> Nevertheless, for these States as a whole, the supplementation caseload in December 1978 was down 44,700 or 22 percent from the level in December 1974 (table 7).

For the 13 States that showed overall reductions in the number of persons receiving State supplements, the declines reflected a minimal rate of growth in the optional supplementation cases. This growth was not enough to offset the general downward pattern that had existed in mandatory supplementation cases since SSI was implemented. At the beginning of the period, caseloads for mandatory supplementation were relatively large; but due primarily to annual cost-of-living increases in SSI and OASDI benefits and subsequent higher income levels, many such recipients were removed from the rolls. As anticipated, the overall trends for mandatory supplementation caseloads declined. On the other hand, because optional supplementation was limited to persons in nonmedical institutional settings in these States, the number of persons qualifying for such supplements was relatively small throughout the period. The growth rate for optional supplementation was thus negligible in these States.

In contrast, for the nine States that showed caseload increases, optional supplementation was not as restrictive as it had been in other States in this group. Such supplementation was generally provided to persons living independently as well as to those living in various nonmedical institutional settings. As expected, most of these States showed a steady growth in the number of persons receiving optional supplements but a steady decline in mandatory supplementation caseloads. In some States such growth was aided by the expansion in the scope of coverage for optional supplementation during the period. Minnesota, for example, had the

<sup>4</sup> Those providing limited optional supplementation: Alabama, Arizona, Connecticut, Delaware, District of Columbia, Florida, Idaho, Illinois, Indiana, Iowa, Kentucky, Maryland, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, South Carolina, South Dakota, Utah, Virginia, West Virginia, and Wyoming.

<sup>5</sup> In July 1976, New Mexico implemented an optional supplementation program. Utah was eliminated from providing mandatory supplementation by the Federal SSI increase and did not implement an optional supplementation program until July 1978. North Dakota changed its reporting procedures in July 1977 to include optional supplementation data that previously had been excluded. In October 1976, Indiana and Wyoming changed to State administration; subsequent data for these States were not available.

largest percentage increase for this group. A year after implementation of its optional program, Minnesota began to cover individuals in nonmedical facilities

that were formerly classified as Medicaid institutions. **Expenditures.** As a group, total payments to recipients in the 27 States dropped \$12 million from

**Table 5.—Number and percentage distribution of persons receiving SSI payments, by type of payment and State, December 1978**

State	Number of persons				Percentage distribution			
	Total	Federal SSI only	Federal SSI and State supplementation	State supplementation only	Total	Federal SSI only	Federal SSI and State supplementation	State supplementation only
Total <sup>1</sup> .....	4,265,473	2,324,908	1,429,755	510,810	100.0	54.5	33.5	12.0
Alabama.....	144,878	125,581	14,437	4,860	100.0	86.7	10.0	3.3
Alaska.....	3,171	545	2,607	19	100.0	17.2	82.2	.6
Arizona.....	29,219	28,129	905	185	100.0	96.3	3.1	.6
Arkansas.....	82,539	81,825	661	53	100.0	99.1	.8	.1
California.....	696,419	16,427	408,046	270,946	100.0	2.4	58.6	39.0
Colorado.....	41,302	10,165	22,775	8,362	100.0	24.6	55.1	20.3
Connecticut.....	30,163	18,790	4,432	6,941	100.0	62.3	14.7	23.0
Delaware.....	7,191	6,441	582	168	100.0	89.6	8.1	2.3
District of Columbia.....	14,813	13,747	1,019	47	100.0	92.8	6.9	.3
Florida.....	167,921	164,830	3,071	20	100.0	98.2	1.8	.....
Georgia.....	158,727	157,796	751	180	100.0	99.4	.5	.1
Hawaii.....	10,104	540	8,881	683	100.0	5.3	87.9	6.8
Idaho.....	8,344	4,960	2,717	667	100.0	59.4	32.6	8.0
Illinois.....	132,971	99,444	26,358	7,169	100.0	74.8	19.8	5.4
Indiana.....	41,393	41,163	230	.....	100.0	99.4	.6	.....
Iowa.....	26,582	24,681	31,659	3242	100.0	92.9	6.2	.9
Kansas.....	21,656	21,357	281	18	100.0	98.6	1.3	.1
Kentucky.....	95,729	86,912	7,090	1,727	100.0	90.8	7.4	1.8
Louisiana.....	143,604	141,141	2,229	234	100.0	98.3	1.5	.2
Maine.....	22,738	1,091	16,432	5,215	100.0	4.8	72.3	22.9
Maryland.....	48,725	47,577	777	371	100.0	97.6	1.6	.8
Massachusetts.....	131,566	5,360	71,860	54,346	100.0	4.1	54.6	41.3
Michigan.....	117,583	8,750	94,587	14,246	100.0	7.4	80.4	12.2
Minnesota.....	35,374	24,464	10,044	866	100.0	69.2	28.4	2.4
Mississippi.....	115,760	115,167	560	33	100.0	99.5	.5	.....
Missouri.....	97,944	63,721	25,624	8,599	100.0	65.1	26.2	8.7
Montana.....	7,356	6,677	600	79	100.0	90.8	8.2	1.0
Nebraska.....	15,694	8,701	5,488	1,505	100.0	55.4	35.0	9.6
Nevada.....	6,279	2,541	2,748	990	100.0	40.5	43.8	15.7
New Hampshire.....	5,460	1,578	3,882	(4)	100.0	28.9	71.1	(4)
New Jersey.....	83,312	5,879	70,995	6,438	100.0	7.1	85.2	7.7
New Mexico.....	25,671	25,398	272	1	100.0	98.9	1.1	.....
New York.....	376,898	21,043	295,255	60,600	100.0	5.6	78.3	16.1
North Carolina.....	145,149	135,028	8,241	1,880	100.0	93.0	5.7	1.3
North Dakota.....	6,926	6,749	5174	53	100.0	97.4	2.5	.1
Ohio.....	123,875	122,992	797	86	100.0	99.3	.6	.1
Oklahoma.....	76,660	16,558	57,042	3,060	100.0	21.6	74.4	4.0
Oregon.....	25,438	11,961	11,191	2,386	100.0	47.0	44.0	9.0
Pennsylvania.....	169,478	10,113	142,824	16,541	100.0	6.0	84.3	9.7
Rhode Island.....	15,492	1,367	11,527	2,598	100.0	8.8	74.4	16.8
South Carolina.....	84,099	82,669	1,430	.....	100.0	98.3	1.7	.....
South Dakota.....	8,240	7,687	2543	310	100.0	93.3	6.6	.1
Tennessee.....	133,408	133,323	80	5	100.0	99.9	.1	.....
Texas <sup>6</sup> .....	270,242	270,242	.....	.....	100.0	100.0	.....	.....
Utah.....	8,100	8,100	.....	.....	100.0	100.0	.....	.....
Vermont.....	9,043	660	6,909	1,474	100.0	7.3	76.4	16.3
Virginia.....	79,701	77,384	2,317	(3)	100.0	97.1	2.9	.....
Washington.....	48,654	4,194	39,457	5,003	100.0	8.6	81.1	10.3
West Virginia.....	42,760	42,651	109	.....	100.0	99.7	.3	.....
Wisconsin.....	68,491	7,291	39,248	21,952	100.0	10.6	57.3	32.1
Wyoming.....	2,040	2,040	(4)	(4)	100.0	100.0	(4)	(4)
Northern Mariana.....	577	577	.....	.....	100.0	100.0	.....	.....

<sup>1</sup> Includes additional Federal data not distributed by State.

<sup>2</sup> Estimated.

<sup>3</sup> Represents federally administered supplementation; data not available for State-administered supplementation.

<sup>4</sup> Data not available.

<sup>5</sup> Excludes optional supplementation; data not available.

<sup>6</sup> Data for Federal SSI payments only; State supplementary payments not made because State constitutional barrier prohibits supplementation.

**Table 6.—Number of persons receiving State supplementation in States with only mandatory payments, December, and total amount and percentage change, by State, 1974 and 1978**

State (ranked by change in caseload)	Number of persons			Amount of payments (in thousands)		
	December		Percentage change, 1974-78	1974	1978	Percentage change, 1974-78
	1974	1978				
Total .....	75,945	5,968	-92.1	\$29,111	\$1,395	-94.9
Tennessee.....	3,235	85	-97.4	1,930	( <sup>1</sup> )	( <sup>1</sup> )
Arkansas.....	17,137	714	-95.8	3,499	182	-94.8
Mississippi.....	10,659	593	-94.4	2,822	50	-98.2
Georgia.....	12,553	931	-92.6	5,874	191	-96.7
Louisiana.....	24,481	2,463	-89.9	9,292	620	-93.3
Ohio.....	6,414	883	-86.2	4,453	248	-94.4
Kansas.....	1,466	299	-79.6	1,241	104	-81.1

<sup>1</sup> Not computed; returns for overpayments exceeded amount of payments during the year.

1974 to 1978, despite the fact that most of these States passed along the July 1977 and July 1978 cost-of-living increases in Federal SSI payments. All the States that experienced declines in their supplementation expenditures also had caseload reductions. Similarly, 9 of the 12 States with expenditure increases also had caseload increases.

Idaho had the largest relative growth in expenditures among these States but had little or no growth in its supplementation caseload. It raised the payment levels three times during the 5-year period (February 1974, July 1976, and July 1978) to pass along Federal SSI payment increases. In addition, Idaho raised the amount of income that could be disregarded in October 1977. These changes had a significant impact on Idaho's supplementation expenditures.

Most of the States in this group had greater increases in expenditures for the disabled than for the aged. This difference reflected primarily the larger number of disabled persons receiving State supplements.

### States with Broad Optional Supplementation

**Recipients.** In the 16 States of this group, most recipients received a State supplementary payment in combination with a Federal SSI payment.<sup>6</sup> For those who did not qualify for the Federal benefit because of income or resources, however, only a State supplementary payment was provided. California and Massachusetts, however, had payment standards that were con-

<sup>6</sup> Those providing broad optional supplementation: Alaska, California, Colorado, Hawaii, Maine, Massachusetts, Michigan, New Jersey, New York, Oklahoma, Oregon, Pennsylvania, Rhode Island, Vermont, Washington, and Wisconsin.

**Table 7.—Number of persons receiving State supplementation in States with limited optional programs, December, and total amount and percentage change, by State, 1974 and 1978<sup>1</sup>**

State (ranked by change in caseload)	Number of persons			Amount of payments (in thousands)		
			Percentage change, 1974-78	1974	1978	Percentage change, 1974-78
	1974	1978				
Total.....	205,125	160,349	-21.8	\$141,934	\$129,461	-8.8
Minnesota.....	6,957	10,910	56.8	5,107	7,880	54.3
South Carolina.....	970	1,430	47.4	916	1,435	56.7
Nebraska.....	5,457	6,993	28.1	3,046	4,877	60.1
New Hampshire.....	3,192	3,882	21.6	1,990	3,023	51.9
Connecticut.....	9,929	11,373	14.5	9,261	12,937	39.7
Montana.....	596	679	13.9	503	644	28.0
North Carolina.....	9,210	10,121	9.9	12,487	20,287	62.5
Idaho.....	3,111	3,384	8.8	1,138	2,779	144.2
Nevada.....	3,635	3,738	2.8	1,908	2,160	13.2
Illinois.....	34,161	33,527	-1.9	19,163	24,828	29.6
Kentucky.....	10,414	8,817	-15.3	7,848	11,419	45.5
Virginia.....	3,180	2,317	-27.1	2,549	2,942	15.4
Iowa.....	2,795	1,901	-32.0	2,098	868	-58.6
Arizona.....	1,611	1,090	-32.3	1,872	1,066	-43.1
Alabama.....	28,993	19,297	-33.4	13,860	13,382	-3.4
South Dakota.....	966	553	-42.8	612	482	-21.2
Missouri.....	62,240	34,223	-45.0	47,436	14,826	-68.7
Florida.....	6,945	3,041	-55.5	4,161	1,502	-63.9
District of Columbia.....	2,614	1,066	-59.2	1,313	708	-46.1
Maryland.....	3,577	1,148	-67.9	2,718	736	-72.9
Delaware.....	2,995	750	-75.0	1,369	586	-57.2
West Virginia.....	1,577	109	-93.1	579	94	-83.8

<sup>1</sup> Excludes Indiana, New Mexico, North Dakota, Utah, and Wyoming; see page 23, footnote 5.

siderably higher than those of the other States belonging to this group and well above the Federal SSI payment level. In addition, these two States had a large proportion of SSI recipients who also received old-age, survivors, and disability insurance (OASDI) benefits. Because both the State payment standards and the average OASDI benefits were quite high in these two States, many persons qualified for a State supplement only because their countable income from OASDI was higher than the Federal SSI assistance level.

In 5 of the 16 States a large proportion of recipients received only a Federal SSI payment (Alaska, Colorado, Oklahoma, Oregon, and Wisconsin). In these States a sizable number of the SSI recipients resided in Medicaid institutions and so were not eligible for a State supplement but were eligible for a Federal SSI payment (\$25 minus countable income). Alaska also reported a relatively high percentage of blind and disabled children receiving Federal SSI payments but not receiving State supplementation (because Alaska does not supplement Federal SSI payments for children).

During this period, most of these 16 States had increases in the number of persons receiving supplementation (table 8). As a group, these States

**Table 8.**—Number of persons receiving State supplementation in States with broad optional programs, December, and total amount and percentage change, by State, 1974 and 1978

State (ranked by change in caseload)	Number of persons			Amount of payments (in thousands)		
	December		Percentage change, 1974-78	1974	1978	Percentage change, 1974-78
	1974	1978				
Total .....	1,615,679	1,773,505	9.8	\$1,238,281	\$1,536,487	24.1
New Jersey.....	58,498	77,433	32.4	21,549	21,913	1.7
Pennsylvania.....	125,497	159,365	27.0	29,052	60,742	109.1
Wisconsin.....	50,854	61,200	20.3	36,018	53,276	47.9
Hawaii.....	8,008	9,564	19.4	5,089	4,131	-18.8
California.....	586,813	678,992	15.7	644,193	897,625	39.3
Massachusetts..	118,372	126,206	6.6	135,082	126,149	-6.6
Michigan.....	103,236	108,833	5.4	44,347	64,759	46.0
Vermont.....	7,965	8,383	5.2	3,757	4,051	7.8
Maine.....	20,915	21,647	3.5	6,329	4,508	-28.8
Rhode Island....	13,931	14,125	1.4	5,906	5,300	-10.3
New York.....	351,321	355,855	1.3	254,278	221,310	-13.0
Colorado.....	31,453	31,137	-1.0	11,861	20,162	70.0
Washington.....	46,221	44,460	-3.8	15,168	17,490	15.3
Oklahoma.....	69,726	60,102	-13.8	16,575	25,591	54.4
Alaska.....	3,647	2,626	-28.0	3,081	4,401	42.8
Oregon.....	19,222	13,577	-29.4	5,996	5,081	-15.3

had a caseload gain of 157,800 or 10 percent. Most of the increase was attributable to the number of persons receiving State supplementation only; that caseload grew by 130,700 and represented 83 percent of the total increase in supplementation recipients for these States. That gain more than accounted for the total nationwide growth in the supplementation-only caseloads.

New Jersey and Pennsylvania, which had the largest relative growth in their programs during this period, expanded their optional programs to cover individuals not formerly eligible for supplementation. In New Jersey, more persons became eligible for supplementation because in January 1976 that State began to provide payments to individuals in congregate-care facilities for the aged and in residential-care facilities for the mentally retarded. Before these changes, persons residing in such facilities were ineligible for supplementary payments. The optional program was also expanded in Pennsylvania to cover all persons who would have been eligible for a Federal SSI payment except for income. Before this change, only individuals in receipt of a Federal SSI payment and/or individuals transferred from the former public assistance programs were eligible for a supplementary payment. In addition, Pennsylvania began to provide payments to individuals who were excluded previously because they resided in domiciliary-care facilities.

In contrast, for the States with the largest relative decreases, Alaska and Oregon, the reasons for the caseload reductions were somewhat different. In Alaska, persons in room-and-board facilities were no longer

eligible for State supplements after October 1977. Alaska also changed its statistical reporting procedures, and this change may have had some effect on the monthly data reported. For Oregon, the largest number of SSI recipients leaving the rolls (approximately 6,000) occurred in July 1976 following the 6.4-percent increase in OASDI benefits. The large caseload reduction in this State was attributed primarily to the limited pass-along of this increase and to the substantial number of recipients in concurrent receipt of SSI and OASDI benefits.

**Expenditures.** The majority of States with broad comprehensive supplementation programs incurred greater expenditures for supplementary payments in 1978 than in 1974, and in most instances these increases accompanied growth in caseloads as well as raises in payment levels. Although expenditures for this group of States rose \$298 million or 24 percent during the period, most of the increase was attributable to California. Its expenditures alone increased \$254 million—from \$644 million in 1974 to \$898 million in 1978. In addition to a significant rise in the number of recipients, the payment standards were raised 6 times during the 5-year period to reflect the cost-of-living increases in Federal SSI payments.

Of the 16 States in this group, Pennsylvania had the largest percentage rise. Supplementation expenditures in that State more than doubled from 1974 to 1978. This increase was accounted for in part by the substantial gain in the number of persons receiving supplementation as a result of expansion of Pennsylvania's program; payment levels were also increased several times during the period.

Six States had decreases in their supplementation expenditures. Of these, only Oregon had a reduction in its supplementation caseload; four States (Maine, Massachusetts, New York, and Rhode Island) had relatively little caseload growth. The reduction in expenditures in the six States may have resulted from rises in OASDI benefits over the last several years that increased the amount of countable income for some recipients and thereby reduced the amounts of the supplements.

Other changes occurred in the two States that had the greatest drop in expenditure: Hawaii reduced the number of types of living arrangements for which supplements were paid from eight to five in October 1977. Maine elected to limit the pass-along of a Federal SSI increase to persons in its three noninstitutional living arrangements—living alone, with others, and in the household of another. Maine also applied additional income disregards to recipients in these three living arrangements. The increase in expenditures that resulted from the latter, however, was not sufficient to offset the decline in expenditures that resulted from the former.



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## Summary

Nationally, little variation occurred in State supplementation under the SSI program from 1974 to 1978. Among individual supplementation programs, however, important changes took place, primarily in recipient caseloads and expenditures for supplementary payments. The most pronounced changes were shown in States that provided either mandatory supplementation only or comprehensive coverage under their option-

al supplementation programs. Much of the change in the latter group of States was attributable to implementation or expansion of optional programs. In contrast, variations among States with mandatory supplementation only resulted from benefit changes in the Federal SSI level.

A significant shift also occurred in the distribution of recipients by eligibility category. The disabled became the major category, replacing the aged. The caseload for the blind, however, remained relatively stable.