

Notes and Brief Reports

Concurrent Receipt of Public Assistance and Old-Age, Survivors, and Disability Insurance, Early 1961*

The extent to which recipients of the federally aided types of public assistance have income from benefits under the Federal system of old-age, survivors, and disability insurance affords a measure of the interrelationship between these income-maintenance programs. Significant long-term changes in incidence and average levels of concurrent payments under the two programs have been analyzed in a series of articles published in earlier issues of the *Bulletin*. This note presents national data obtained from State reports for February 1961 on all the federally aided categories except medical assistance for the aged and compares findings for that month with information for the same month in 1960.¹

that started in 1951. This trend reflects not only the rapid rise in the number of aged insurance beneficiaries but also the growing effectiveness

TABLE 1.—Aged persons and families with children receiving both assistance payments and OASDI benefits, 1948-61

| Month and year | Aged persons receiving both OAA and OASDI | | | Families with children receiving both ADC and OASDI | | |
|----------------------------------|---|----------------|--------------------------|---|--------------|--|
| | Number | Percent of— | | Number | Percent of— | |
| | | OAA recipients | Aged OASDI beneficiaries | | ADC families | OASDI beneficiary families with children |
| 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 ² | 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 ³ | 647,900 | 26.7 | 6.9 | 41,900 | 5.4 | 4.6 |
| February 1960 ⁴ | 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 |

¹ November 1953 data for ADC families.
² For ADC, March data for 20 States, November 1955 data for 1 State, and May 1956 data for 1 State.
³ For OAA, February data for 18 States, April data for 1 State, and May data for 1 State. For ADC, February data for 17 States and April data for 1 State.
⁴ For OAA and ADC, March data for 13 States and April data for 1 State. For OAA, December 1959 data for 1 State.

INCIDENCE OF CONCURRENT RECEIPT OF PA AND OASDI

Old-Age Assistance

From 1960 to 1961 the largest increase in the number of persons receiving both assistance payments and old-age, survivors, and disability insurance occurred among recipients of old-age assistance. In February 1961, about 715,000 recipients under this program also had income from insurance benefits—40,000 (5.9 percent) more than in February 1960 (table 1). Since the total caseload continued to decline during the period, the proportion of recipients who also had some income from old-age, survivors, and disability insurance grew noticeably, from 28.5 percent to 31.0 percent.

On the other hand, the proportion of old-age, survivors, and disability insurance beneficiaries aged 65 or over whose income had to be supplemented by old-age assistance payments declined slightly from 1960 to 1961. As shown in the accompanying chart, the decline continues a trend

of the insurance program in meeting the income-maintenance needs of the increasingly larger segment of the aged population represented by these beneficiaries.

Aid to the Blind

The number of recipients of aid to the blind who were also beneficiaries under old-age, survivors, and disability insurance increased by about 2,000 during the 12 months to 19,000. They represented 18.1 percent of all recipients of aid to the blind in February 1961 (table 2) and 15.7 percent in February 1960.² Most of the recipients who had income from both programs in February 1961 were aged 65 or over. Changes in the proportion of those aged 65 or over and of the very small group aged 18-49 did not affect

* Prepared in the Division of Program Statistics and Analysis, Bureau of Family Services.

¹ Data on the total number of recipients under each program in February are shown in table 16, page 37.

² See Robert H. Mugge, "Concurrent Receipt of Public Assistance and Old-Age, Survivors, and Disability Insurance," *Social Security Bulletin*, December 1960, page 20.

appreciably the basic age distribution found in February 1960.

Aid to the Permanently and Totally Disabled

It had been expected that the number of persons receiving payments under aid to the permanently and totally disabled concurrently with disability insurance benefits would grow substantially after the 1960 amendments to the Social Security Act eliminated the age-50 requirement for receipt of disability insurance benefits. This group actually showed by far the largest percentage increase of any of the concurrent-receipt groups for the 12 months—36 percent. As a proportion of the total number of persons receiving aid to the permanently and totally disabled, this group represented 8.6 percent in February 1961 compared with 6.7 percent in 1960.

Of the 32,000 recipients of aid under this program who were also receiving insurance benefits in February 1961, the largest proportion—about two-thirds—were aged 50–64; about three-tenths were aged 18–49. Between February 1960 and February 1961, the proportion represented by those aged 50–64 declined from 69 percent to 65

percent. During the same period the proportion aged 18–49 grew from 23 percent to 29 percent and almost doubled in number, principally because of the removal of the age requirement for receipt of disability insurance benefits. (In 1960

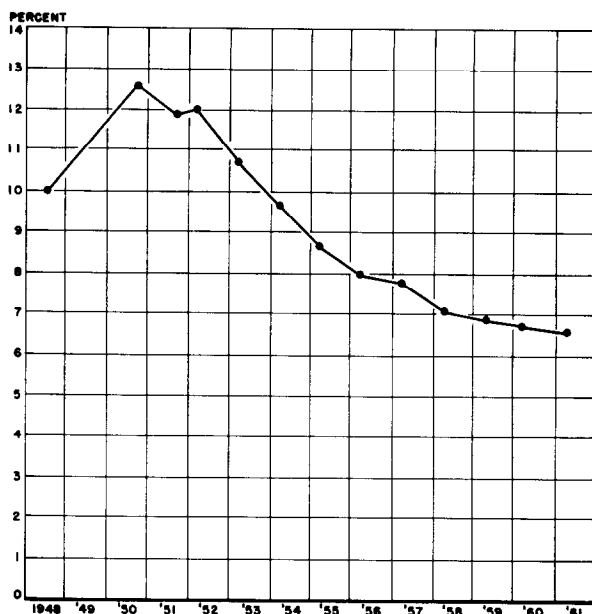
TABLE 2.—Persons receiving both assistance payments under the AB and APTD programs and OASDI benefits, 1960 and 1961

| Month and year | Persons receiving both AB and OASDI | | Persons receiving both APTD and OASDI | |
|----------------------------|-------------------------------------|--------------------------|---------------------------------------|----------------------------|
| | Number | Percent of AB recipients | Number | Percent of APTD recipients |
| February 1960 ¹ | 16,900 | 15.7 | 23,600 | 6.7 |
| February 1961... | 19,100 | 18.1 | 32,000 | 8.6 |

¹ For AB, March data for 16 States, and for APTD, March data for 12 States. For both AB and APTD, April data for 1 State.

the group of recipient-beneficiaries aged 18–49 was no doubt composed largely of “adult child” beneficiaries who had become disabled before their eighteenth birthday.) The number of aged persons receiving both aid to the permanently and totally disabled and insurance benefits decreased from 8 percent of the total recipient-beneficiary group in February 1960 to 7 percent a year later.

CHART 1.—Percent of OASDI beneficiaries aged 65 or over also receiving old-age assistance, 1948–61 ¹



¹ For number of aged persons receiving both OASDI and OAA, see table 1.

Aid to Dependent Children

Aid to dependent children was paid in February 1961 to 44,000 families that were also receiving old-age, survivors, and disability insurance benefits—approximately 3,000 more than in February of the preceding year. The proportion that they represented of all families receiving this type of aid changed only slightly.

AVERAGE LEVELS OF ASSISTANCE PAYMENTS AND BENEFITS TO RECIPIENT-BENEFICIARIES

Beneficiaries under old-age, survivors, and disability insurance who also receive assistance need such supplementary income because their insurance benefits are low, because they have unusual needs, or because of a combination of these factors. The receipt of insurance benefits by recipient-beneficiaries results in average assistance payments that are substantially lower than

the average paid to nonbeneficiaries on the assistance rolls.

Old-Age Assistance

In February 1961 the average old-age assistance payment (including vendor payments for medical care) for recipients who were also getting old-age,

TABLE 3.—Concurrent receipt of assistance payments and OASDI benefits by recipients of OAA, AB, and APTD and children receiving ADC, by State, February 1961

| State | Persons receiving OAA and OASDI as percent of— | | Persons receiving AB and OASDI as percent of AB recipients | Persons receiving APTD and OASDI as percent of APTD recipients | Children receiving ADC and OASDI as percent of— | |
|---------------------------|--|--------------------------|--|--|---|---------------------|
| | OAA recipients | Aged OASDI beneficiaries | | | Children receiving ADC | Child beneficiaries |
| Total..... | 31.0 | 6.6 | 18.1 | 8.6 | 5.1 | 6.5 |
| Alabama..... | 25.0 | 17.2 | 3.5 | 4.4 | 5.9 | 7.8 |
| Alaska..... | 36.7 | 16.3 | 8.6 | (1) | 10.9 | 15.9 |
| Arizona..... | 31.8 | 8.1 | 10.8 | (1) | 5.3 | 7.9 |
| Arkansas..... | 18.5 | 9.3 | 6.4 | 3.9 | 6.2 | 5.3 |
| California..... | 50.0 | 14.4 | 27.9 | 19.6 | 4.2 | 6.9 |
| Colorado..... | 41.6 | 21.4 | 5.6 | 8.1 | 4.8 | 6.8 |
| Connecticut..... | 45.3 | 3.6 | 22.8 | 20.1 | 3.3 | 3.2 |
| Delaware..... | 27.7 | 1.4 | 26.7 | 3.8 | 2.8 | 3.9 |
| District of Columbia..... | 33.7 | 2.8 | 9.4 | 4.9 | 2.5 | 6.9 |
| Florida..... | 36.9 | 7.0 | 14.7 | 15.5 | 9.1 | 10.9 |
| Georgia..... | 19.3 | 12.2 | 8.1 | 7.4 | 9.3 | 7.7 |
| Hawaii..... | 24.6 | 1.9 | 6.6 | 4.2 | 3.5 | 4.5 |
| Idaho..... | 33.5 | 6.1 | 13.4 | 10.9 | 6.9 | 5.9 |
| Illinois..... | 28.6 | 3.1 | 11.5 | 6.5 | 3.6 | 4.9 |
| Indiana..... | 26.5 | 2.2 | 17.4 | (1) | 7.6 | 5.0 |
| Iowa..... | 30.9 | 4.8 | 21.7 | 15.9 | 6.6 | 7.7 |
| Kansas..... | 26.3 | 4.8 | 13.5 | 7.4 | 4.7 | 4.7 |
| Kentucky..... | 21.1 | 6.4 | 4.0 | 5.8 | 14.1 | 15.9 |
| Louisiana..... | 31.2 | 34.7 | 7.1 | 4.1 | 6.3 | 10.3 |
| Maine..... | 38.8 | 5.9 | 17.7 | 15.8 | 10.4 | 13.5 |
| Maryland..... | 24.2 | 1.6 | 7.2 | 3.6 | 2.0 | 2.3 |
| Massachusetts..... | 53.0 | 8.6 | 32.6 | 22.8 | 6.8 | 5.6 |
| Michigan..... | 34.4 | 4.2 | 15.6 | 24.9 | 7.0 | 6.4 |
| Minnesota..... | 31.7 | 6.3 | 15.4 | 13.2 | 8.6 | 7.7 |
| Mississippi..... | 29.0 | 22.7 | 8.6 | 7.2 | 7.4 | 14.6 |
| Missouri..... | 33.9 | 12.5 | 19.8 | 13.3 | 6.4 | 11.2 |
| Montana..... | 33.6 | 5.1 | 17.2 | 10.8 | 6.7 | 4.6 |
| Nebraska..... | 25.9 | 3.6 | 16.4 | 11.9 | 9.0 | 6.9 |
| Nevada..... | 53.6 | 12.5 | 30.6 | (1) | 3.9 | 4.6 |
| New Hampshire..... | 39.2 | 3.8 | 23.1 | 20.7 | 6.7 | 3.5 |
| New Jersey..... | 36.8 | 1.7 | 16.7 | 11.2 | 5.2 | 4.7 |
| New Mexico..... | 18.5 | 7.5 | 2.5 | 5.7 | 5.5 | 10.4 |
| New York..... | 36.3 | 2.5 | 16.1 | 9.5 | 3.3 | 5.0 |
| North Carolina..... | 18.2 | 4.3 | 12.5 | 6.6 | 6.5 | 8.6 |
| North Dakota..... | 25.0 | 4.6 | 10.8 | 11.4 | 9.0 | 7.8 |
| Ohio..... | 33.5 | 4.9 | 14.0 | 5.6 | 5.0 | 4.7 |
| Oklahoma..... | 26.5 | 17.9 | 8.2 | 10.4 | 5.0 | 9.9 |
| Oregon..... | 37.7 | 4.7 | 12.4 | 11.7 | 4.6 | 4.5 |
| Pennsylvania..... | 30.2 | 1.9 | 36.8 | 6.0 | 2.6 | 3.9 |
| Puerto Rico..... | .2 | .1 | .2 | .4 | .8 | 4.8 |
| Rhode Island..... | 44.3 | 4.4 | 18.4 | 9.7 | 2.8 | 5.1 |
| South Carolina..... | 7.7 | 2.8 | 3.1 | 2.7 | 4.1 | 3.2 |
| South Dakota..... | 25.2 | 4.6 | 3.6 | 7.4 | 6.4 | 8.2 |
| Tennessee..... | 12.1 | 3.7 | 4.8 | 4.5 | 6.3 | 8.2 |
| Texas..... | 25.6 | 14.0 | 10.9 | 11.8 | 6.2 | 3.6 |
| Utah..... | 27.6 | 5.4 | 12.2 | 6.6 | 3.3 | 3.6 |
| Vermont..... | 36.3 | 6.9 | 22.6 | 17.3 | 9.3 | 7.4 |
| Virgin Islands..... | .4 | .3 | 0 | 0 | ² 1.6 | ² 3.6 |
| Virginia..... | 11.7 | .9 | 7.1 | 5.2 | 3.9 | 2.5 |
| Washington..... | 41.5 | 10.3 | 18.8 | 15.4 | 4.1 | 4.9 |
| West Virginia..... | 11.2 | 1.8 | 4.4 | 3.4 | 4.7 | 7.7 |
| Wisconsin..... | 33.1 | 3.8 | 15.3 | 18.8 | 8.2 | 5.7 |
| Wyoming..... | 38.9 | 7.5 | 27.6 | 10.9 | 5.5 | 3.6 |

¹ No program of APTD.

² Number of children receiving OASDI estimated.

survivors, and disability benefits was \$55.75—one-fourth less than the average assistance payment (\$74.21) for recipients who were not receiving benefits. Assistance payments to recipient-beneficiaries averaged about \$18 less than those to nonbeneficiaries, compared with a \$16 difference in February 1960.

The average insurance benefit received by beneficiaries on the old-age assistance rolls was \$45.78, only about 63 percent of the average benefit paid to all beneficiaries aged 65 and over.³ Both the average assistance payment and the average insurance benefit for recipient-beneficiaries changed only slightly from 1960 to 1961.

The combined average monthly income from both programs per recipient in February 1961, however, averaged \$101.53, or \$27 more than the average monthly income from assistance payments to nonbeneficiaries among recipients. A year earlier this difference had been \$29. The difference between combined amounts received under both programs and the amount under old-age assistance only may be attributed in part to relatively high needs among recipient-beneficiaries and in part to the limiting effect on assistance payments of maximum and/or percentage reductions from determined need that are applied by many States.

Old-age assistance payments to recipient-beneficiaries amounted to \$39.9 million in February 1961. They accounted for one-fourth of all payments made under the old-age assistance program in that month—the same proportion as in 1960.

Aid to the Blind

In February 1961, for persons receiving both aid to the blind and old-age, survivors, and disability insurance benefits, the average assistance payment (including vendor payments) was \$66.65—\$8.16, or about one-tenth, less than the average (\$74.81) paid to recipients not getting insurance benefits. The average insurance benefit that they received was \$54.15, a relatively small

³ The amount shown as the average benefit includes any benefit to persons, other than the old-age assistance recipients themselves, whose presence in the home was essential to the recipients and whose requirements and incomes were considered in the assistance budget for the recipient. Benefits going to the old-age assistance recipients themselves averaged \$44.08.

part of which represented benefits received by persons in the assistance unit other than the recipient-beneficiary.

Average assistance payments and insurance benefits for those receiving aid to the blind and old-age, survivors, and disability insurance benefits concurrently changed little from February 1960 to February 1961. In both years under aid to the blind the average assistance payment to the recipient-beneficiaries was far greater than the average paid under old-age assistance and under aid to the permanently and totally disabled to persons who also received insurance benefits.

Combined monthly income from aid to the blind and the insurance program averaged \$120.80 in February 1961, and the average payment to assistance recipients without insurance benefits was about \$50 lower. A year earlier this difference was slightly smaller.

The cost to assistance agencies of money payments to and vendor medical payments in behalf of this group of recipient-beneficiaries was \$1.3 million or 16 percent of all payments of aid to the blind in February 1961. A year earlier the proportion was 15 percent.

Aid to the Permanently and Totally Disabled

The average assistance payment (including vendor payments for medical care) for recipients of aid to the permanently and totally disabled who were also getting insurance benefits in February 1961 was \$54.29. A year earlier it was \$52.07. The 1961 amount was \$14.20 or about 21 percent less than the average payment received by recipients without insurance benefits. The average insurance benefit (including any old-age, survivors, and disability insurance benefits received by persons in the assistance unit) was \$56.69—an increase of slightly more than \$3 from the average in February 1960.

Combined monthly income from aid to the permanently and totally disabled and old-age, survivors, and disability insurance averaged \$111 in February 1961; for the recipients with no insurance benefits, the average was \$68. This difference was slightly larger than it had been in 1960.

Payments under aid to the permanently and totally disabled to persons also receiving insurance benefits totaled \$1.7 million and represented

6.9 percent of all payments under that assistance program in February 1961. This percentage was 5.3 in February 1960.

Aid to Dependent Children

Families that were receiving aid to dependent children in February 1961 and that were also getting benefits under old-age, survivors, and disability insurance were receiving an average assistance payment (including vendor payments) that amounted to \$85.10—\$32.50 less than the average assistance payment of \$117.60 for families without insurance benefits. Thus the average for the families also receiving insurance benefits was 28 percent lower than that for families receiving only assistance.

For families concurrently receiving assistance payments and benefits in February 1961, the average insurance benefit was \$77.93. This average was slightly less than half the average benefit received by all families and children under age 18 that were receiving old-age, survivors, and disability insurance benefits. Average assistance payments as well as insurance benefits for families receiving both types of payments were only slightly higher in February 1961 than in February 1960.

Families having income from both aid to dependent children and old-age, survivors, and disability insurance received a combined average monthly income from these programs of \$163.03 in February 1961. For families receiving assistance payments only, the average in both years was \$45 less.

Assistance payments made to or in behalf of these families under aid to dependent children in February 1961 totaled \$3.7 million. They represented about 4 percent of all payments made under that program in both 1961 and 1960.

State Public Assistance Legislation, 1961*

Much of the welfare legislation enacted by the States in 1961 reflects the amendments to the public assistance titles of the Social Security Act adopted in the final session of the Eighty-Sixth Congress in 1960 and the first session of the

* Prepared in the Division of Welfare Services, Bureau of Family Services.