

fast facts  
& figures


ABOUT

# SOCIAL SECURITY





## DID YOU KNOW THAT...

- ✓ We paid benefits to more than 49 million people in 2000
  - ✓ Social Security benefits were awarded to 4.3 million persons
  - ✓ Social Security provided at least half the income for 64% of aged persons
  - ✓ Women accounted for 57% of adult Social Security beneficiaries
  - ✓ The average age of Disability Insurance beneficiaries has fallen from just over 57 in 1960 to 50.8
  - ✓ Disability was the reason for paying 79% of SSI beneficiaries
- 

## FOREWORD

The Social Security program, from its beginning to the present, has been the subject of serious discussion and sometimes vigorous debate. Today, as we consider the future direction of Social Security, we need to base the discussion on information that is factual, informative, and easy to comprehend.

*Fast Facts & Figures* answers the most frequently asked questions about the programs SSA administers. It highlights basic program data for the Social Security (retirement, survivors, and disability) and Supplemental Security Income programs. Most of the data come from the *Annual Statistical Supplement* to the *Social Security Bulletin*, which contains more than 250 detailed tables. The information on the income of the aged is from the biennial data series *Income of the Population 55 or Older*. Beginning this year, information from this data series that appears in *Fast Facts & Figures* will be updated annually.

The faces that emerge from these facts and figures illustrate the importance of Social Security for our oldest to our youngest citizens. In all, more than 49 million people receive some type of benefit or assistance.

The more detailed information contained in the *Supplement* and *Income of the Population 55 or Older* is available on our Web site at [www.ssa.gov/policy](http://www.ssa.gov/policy). For questions pertaining to the data in this document, please e-mail [alexander.i.estrin@ssa.gov](mailto:alexander.i.estrin@ssa.gov) or telephone him at 202-358-6219.

Susan Grad  
Acting Associate Commissioner  
for Research, Evaluation, and Statistics

June 2001



## ABBREVIATIONS

AIME	Average Indexed Monthly Earnings
DI	Disability Insurance
HI	Hospital Insurance
OASDI	Old-Age, Survivors, and Disability Insurance
OASI	Old-Age and Survivors Insurance
ORES	Office of Research, Evaluation, and Statistics
PIA	Primary Insurance Amount
SSA	Social Security Administration
SSI	Supplemental Security Income

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# GENERAL INFORMATION, 2001

## Cost-of-living adjustment

3.5%

## Tax rates\*

	Employer and employee, each	Self-employed
Total	7.65%	15.30%
OASI	5.30	10.60
DI	0.90	1.80
HI	1.45	2.90

\*Social Security tax for employers and self-employed can be partially offset under income tax rules.

## Average wage index\*

1999	\$30,470
2000 (estimated)	32,105
2001 (estimated)	33,680

\*Office of the Chief Actuary, SSA.

## Maximum earnings subject to Social Security taxes

OASDI	\$80,400
HI	No limit

## Taxes payable

	OASI	DI	HI
Average earner	\$1,752	\$298	\$479
Maximum earner	4,261	724	No limit
Self-employed maximum earner	8,522	1,447	No limit

## Quarters of coverage (work credits)

\$830 in earnings equals 1 quarter of coverage (or 1 credit)

\$3,320 is the maximum earnings needed for 4 quarters of coverage (or 4 credits) per year

## Retirement earnings test

	Annually	Monthly
Ages 62-64 (\$1 for \$2 withholding rate)	\$10,680	\$890
Calendar year attaining age 65 (\$1 for \$3 withholding rate)*	25,000	2,083
After calendar year attaining age 65 or older	No limit	No limit

\*No longer in effect beginning with month attaining age 65.

# GENERAL INFORMATION, 2001

## Age for full retirement benefit

Full benefit at age—	Applicable to workers who attain age 62 in year—
65 and 4 months	2001
65 and 6 months	2002
65 and 8 months	2003
65 and 10 months	2004
66	2005–2016
66 and 2 months	2017
66 and 4 months	2018
66 and 6 months	2019
66 and 8 months	2020
66 and 10 months	2021
67	2022 and later

## Benefit formula bend points (for workers who in 2001 attain age 62, become disabled, or die before age 62)

### Primary insurance amount equals:

- 90% of the first \$561 of AIME, plus
- 32% of AIME over \$561 through \$3,381, plus
- 15% of AIME over \$3,381

### Maximum family benefit equals:

- 150% of the first \$717 of PIA, plus
- 272% of PIA over \$717 through \$1,034, plus
- 134% of PIA over \$1,034 through \$1,349, plus
- 175% of PIA over \$1,349

## Substantial gainful activity (used for determining eligibility for and continuation of disability benefits)

Earnings of \$740 per month for nonblind disabled persons

Earnings of \$1,240 per month for blind persons

## OASDI administrative expenses\*

Costs as a percentage of contributions in fiscal year 2000: 0.7%

\*2001 Trustees' Report.



# GENERAL INFORMATION, 2001

## Trust fund operations\*

Calendar year	[In billions]		Fund at end of year
	Income	Outgo	
2000 (actual)			
OASI	\$490.5	\$358.3	\$931.0
DI	77.9	56.8	118.5
2001 (estimated)			
OASI	520.1	378.1	1,073.0
DI	84.2	60.7	141.9

\*2001 Trustees' Report.

## Benefit payments as a percentage of gross domestic product

Calendar year	Total	OASI	DI
1999	4.15	3.60	0.55
2000	3.82	3.27	0.55

## Filed in fiscal year 2000

OASI claims*	3.4 million
DI claims	1.5 million
SSI applications	1.7 million

\*OASI claims exclude those filed by disabled widow(er)s and disabled adult children of retired or deceased workers, which are included in the DI claims.

## Supplemental Security Income

	Individual	Couple
Federal payment standard	\$530	\$796
Resource limits	2,000	3,000

## Poverty thresholds\*

Family unit	1998	1999	2000 (preliminary)
Aged individual	\$7,818	\$7,990	\$8,259
Family of two, aged head	9,862	10,075	10,409
Family of four	16,660	17,029	17,761

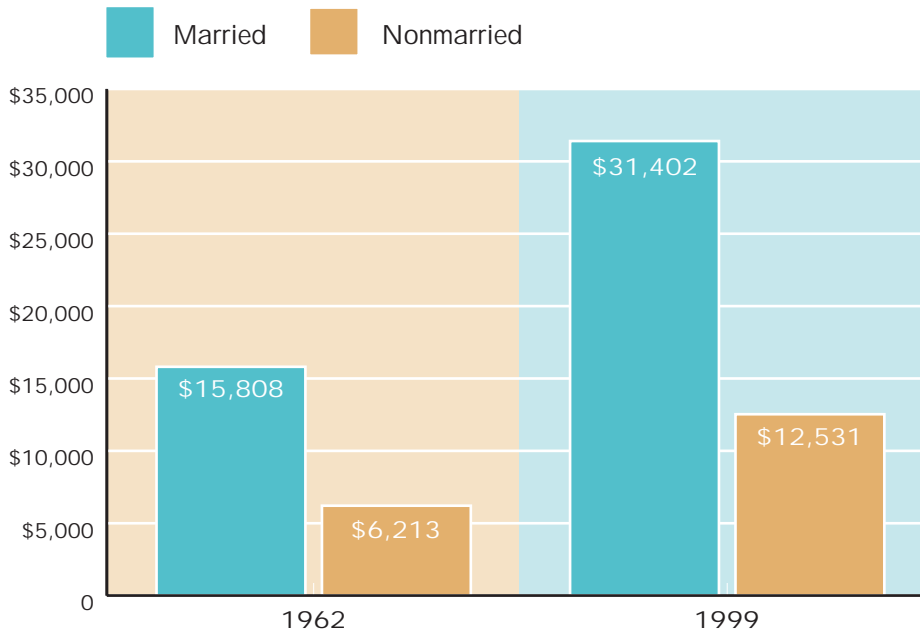
\*U.S. Census Bureau.

# INCOME OF THE AGED POPULATION

## Size of Income, 1962 and 1999

Median annual income for both married couples and nonmarried persons (aged 65 or older) has increased markedly since 1962 (the earliest year for which data are available). Even after adjusting for inflation, median income has risen 99% for married couples and 102% for nonmarried persons.

### Median income of the aged (1999 dollars)

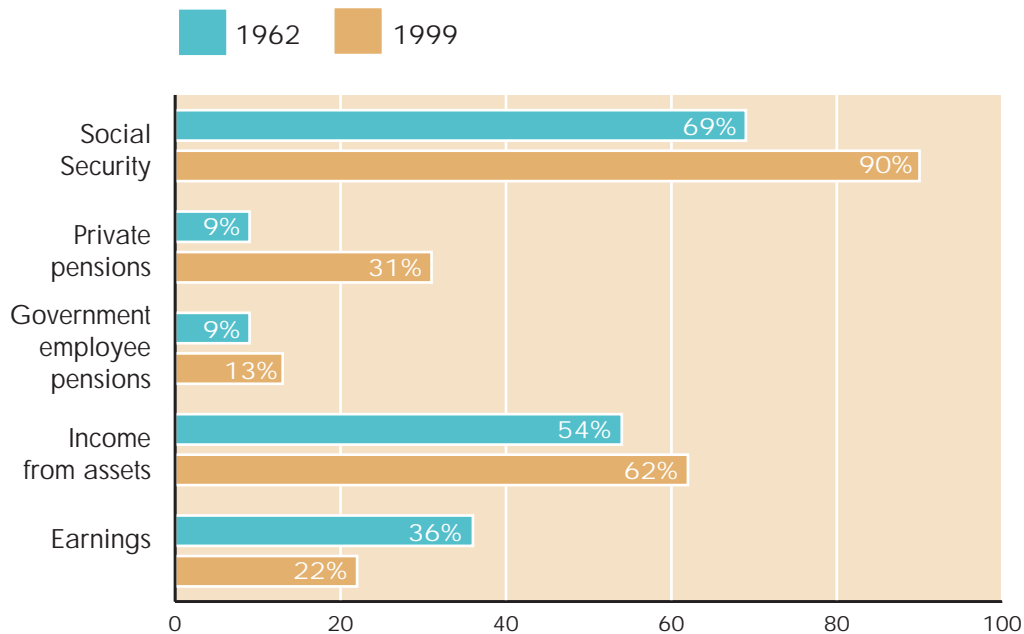


# INCOME OF THE AGED POPULATION

## Receipt of Income, 1962 and 1999

Social Security benefits—the most common source of income in 1962—are now almost universal. The proportion of the aged population with asset income—the next most common source—has grown from about one-half to nearly two-thirds. Over the 37-year period, receipt of private pensions has more than tripled, and receipt of government pensions has increased by almost 50%. A smaller proportion of couples and nonmarried persons aged 65 or older received earnings in 1999 than in 1962.

### Receipt of income by source

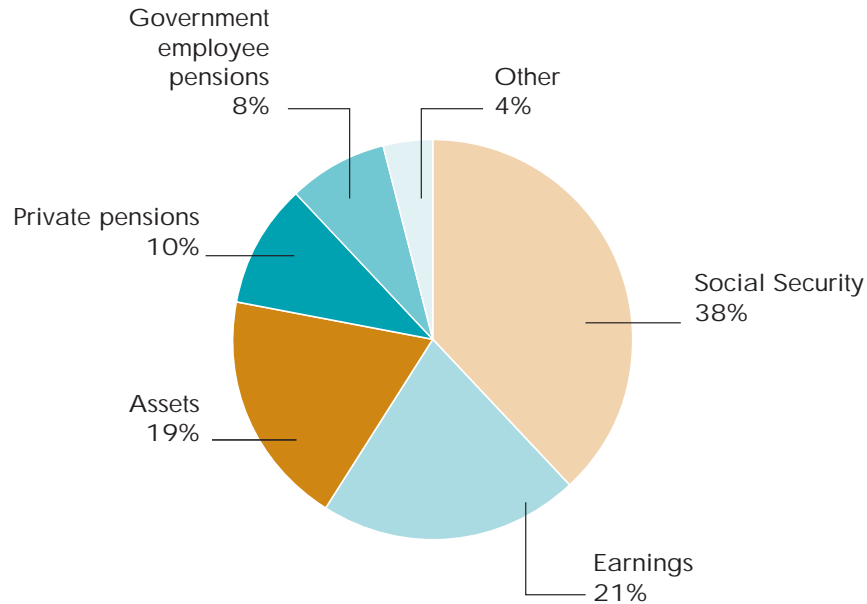


# INCOME OF THE AGED POPULATION

## Shares of Aggregate Income, 1962 and 1999

In 1962, Social Security, private and government employee pensions, income from assets, and earnings made up only 84% of the total income of the aged, compared with 96% in 1999. Although private pensions still accounted for only a small proportion of total income in 1999, they more than tripled their share in this period—from 3% to 10%. The share from earnings declined from 28% to 21%.

### Aggregate income by source, 1999

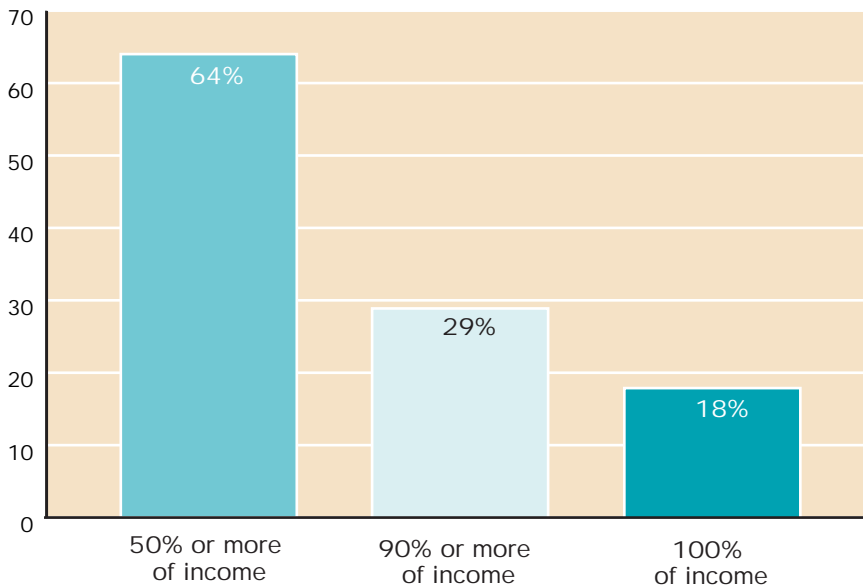


# INCOME OF THE AGED POPULATION

## Reliance on Social Security, 1999

The OASDI program paid benefits to 90% of persons aged 65 or older. It was the major source of income (providing at least 50% of total income) for 64% of aged beneficiaries (couples or nonmarried persons), and it was the only source of income for 18%.

### Ratio of Social Security to total income

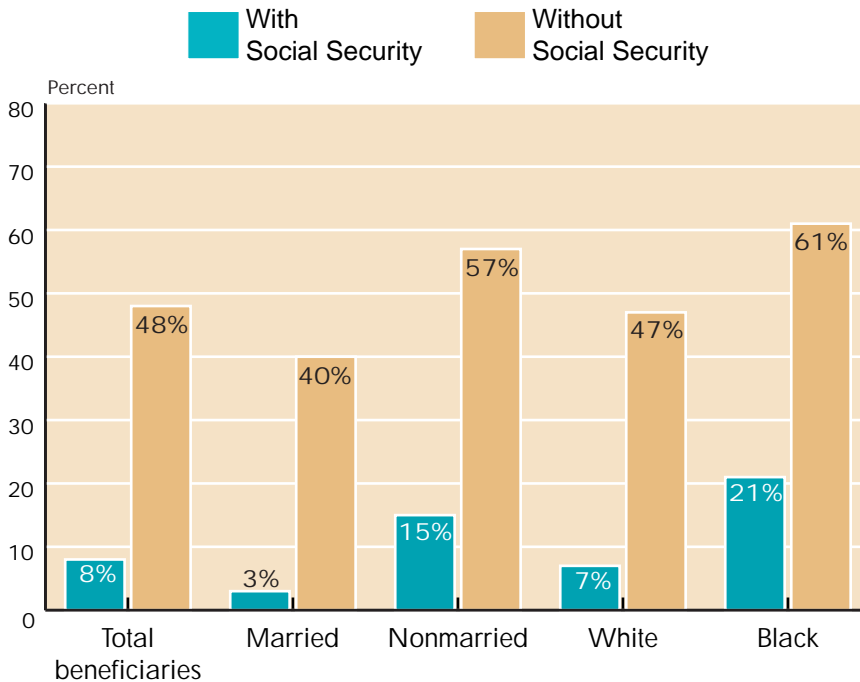


# INCOME OF THE AGED POPULATION

## Poverty Among Social Security Beneficiaries, 1999

Overall, 8% of aged beneficiaries were poor; without Social Security, the total poverty rate would have been 48% assuming no other changes. (Data are based on family income rather than individual income to conform to official measures of poverty.)

### Poverty status, 1999

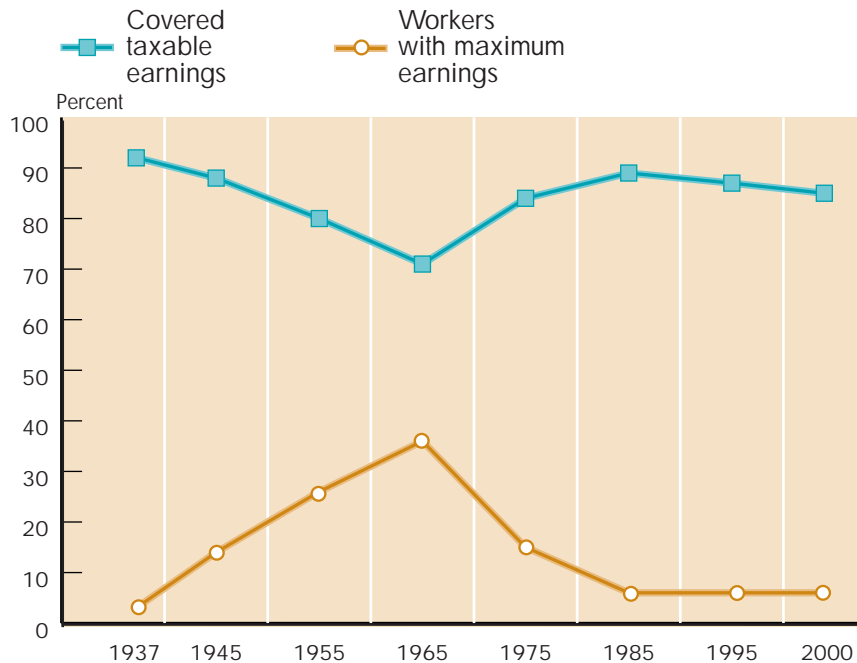


# OASDI PROGRAM

## Covered Earnings, 1937-2000

To pay for benefits, people contribute to Social Security through payroll taxes or self-employment taxes under the Federal Insurance Contributions Acts (FICA and SECA). The maximum taxable amount is updated annually on the basis of increases in average wages. Of the 153 million workers with Social Security taxable earnings in 2000, 6% had earnings that equaled or exceeded the maximum amount subject to taxes, compared with 3% when the program began and a peak of 35% in 1965. About 84% of earnings in covered employment were taxable in 2000, compared with 92% in 1937.

### Covered earnings



# OASDI PROGRAM

## Insured Status, 1970-2001

Of persons aged 20 or older, the percentage insured for benefits has steadily increased over time. The percentage permanently insured (those with enough covered work experience to qualify for retired-worker benefits at retirement age) rose from 50% in 1970 to 69% in 2001. The percentage fully insured increased from 77% to 88%. To be fully insured, a worker must have at least one quarter of coverage for each year elapsed after 1950 (or age 21, if later) and before the year in which he or she attains age 62 or becomes disabled. To be insured for disability, the worker must be fully insured and have at least 20 quarters of coverage during the last 40 quarters. (Requirements for currently insured status are somewhat different for persons younger than age 31.)

## Insured workers, aged 20 or older, as a percentage of the corresponding population

Year*	Population (millions)**	Permanently insured	Fully insured	Insured for disability
1970	135.2	50	77	52
1975	147.5	50	80	54
1980	162.0	53	83	58
1985	175.1	57	84	60
1990	186.0	63	86	62
1995	194.7	66	87	64
2001	206.8	69	88	66

\*As of December 31.

\*\*The population in the Social Security area includes residents of the 50 states and the District of Columbia; residents of other outlying areas; federal civilian employees and Armed Forces abroad and their dependents; crew members of merchant vessels; and certain other U.S. citizens residing abroad.

Source: Office of the Chief Actuary, SSA.

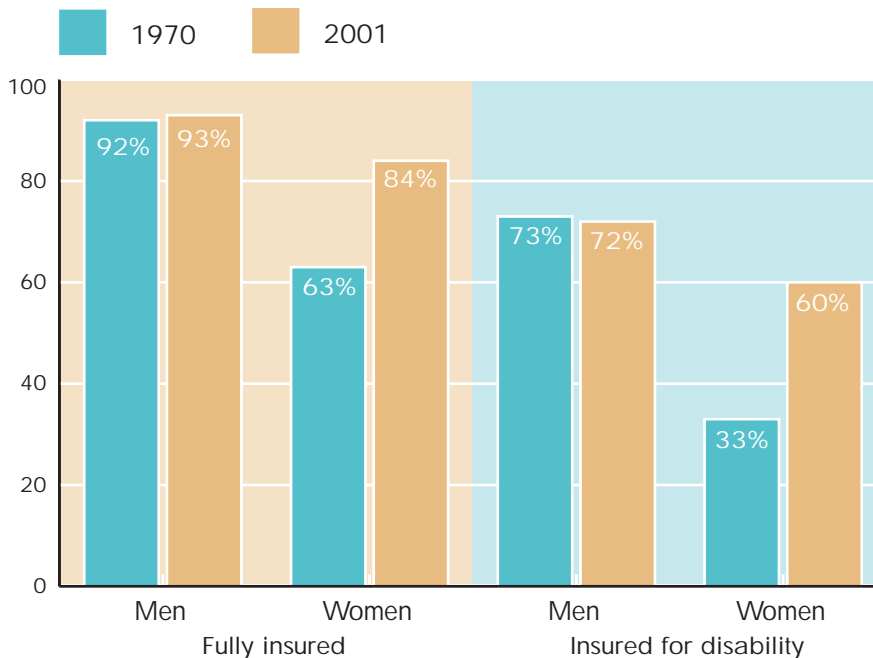


# OASDI PROGRAM

## Insured Status by Sex, 1970 and 2001

Although men are more likely than women to be insured, the gender gap is shrinking. The proportion of men insured has remained essentially stable, with 93% fully insured and about 73% insured for disability. By contrast, the proportion of women insured has increased dramatically—from 63% to 84% for those fully insured and from 33% to 60% for those insured for disability.

### Population aged 20 or older insured for benefits, by sex



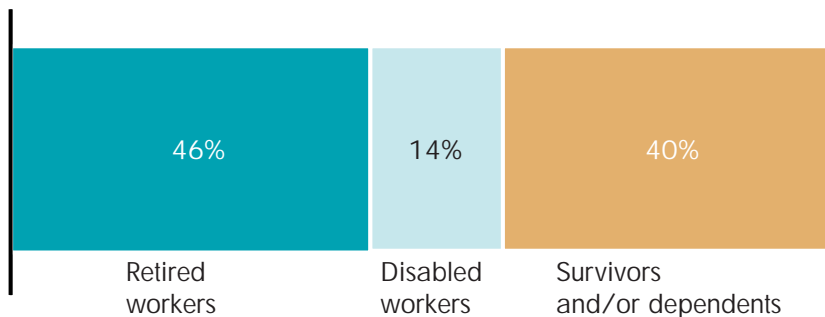
# OASDI PROGRAM

## New Benefit Awards, 2000

Benefits were awarded to 4.3 million persons: 46% were retired workers and 14% were disabled workers. The remaining 40% were spouses, children, survivors, or dependents of workers who received benefits based on the worker's earnings record. These awards represent not only new entrants to the benefit rolls but also persons already on the rolls who become entitled to a different benefit, for example, conversions of disabled-worker benefits to retired-worker benefits at age 65.

	Number (thousands)	Percent
New awards	4,290	100
Retired workers and dependents	2,418	56
Workers	1,961	46
Spouses and children	457	10
Disabled workers and dependents	1,029	24
Workers	622	14
Spouses and children	408	10
Survivors of deceased workers	843	20

### New awards, 2000

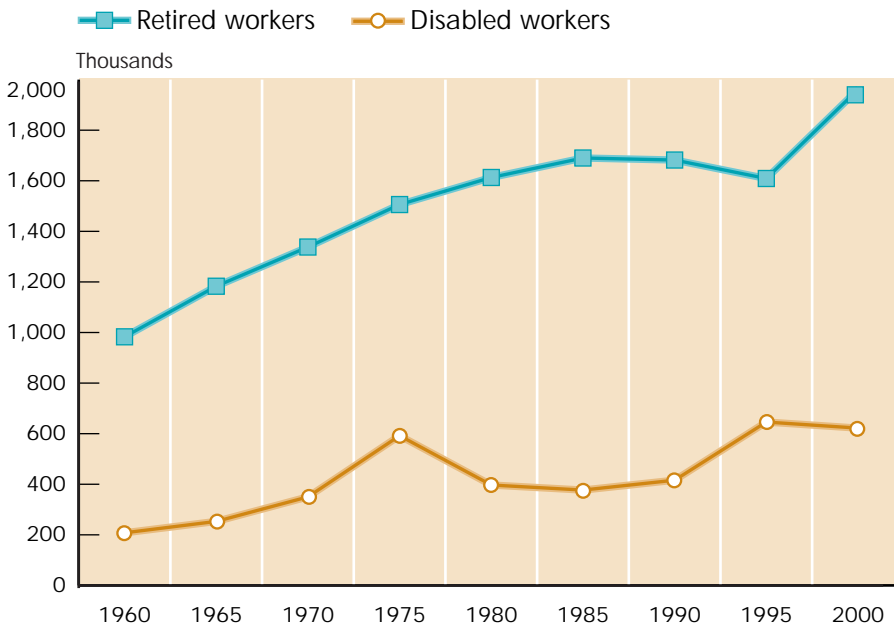


# OASDI PROGRAM

## New Awards to Workers, 1960-2000

Awards to retired workers have increased considerably since 1960 but proportionately much less than awards to disabled workers. The patterns of growth have also differed. Retired-worker awards rose steadily during the first half of the period, then leveled off around 1980. Disabled-worker awards increased rapidly until the mid-seventies, then declined considerably for about a decade, resuming their growth during the nineties.

### New awards



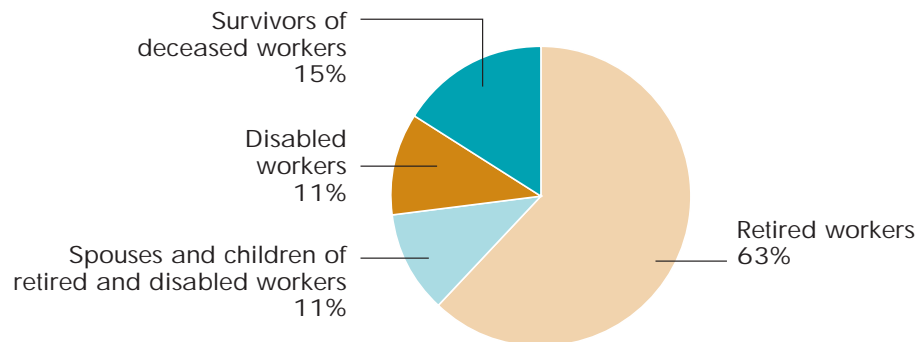
# OASDI PROGRAM

## Benefits in Current-Payment Status, December 2000

More than 45 million beneficiaries were in current-payment status, that is, they were being paid a benefit. The majority of those beneficiaries were retired workers.

	Number (thousands)	Percent
All beneficiaries in current-payment status	45,415	100
Retired workers and dependents	31,756	70
Workers	28,499	63
Spouses and children	3,257	7
Disabled workers and dependents	6,673	15
Workers	5,042	11
Spouses and children	1,631	4
Survivors of deceased workers	6,985	15

### Beneficiaries by type



# OASDI PROGRAM

## Average Benefit Amounts, 2000

Benefits payable to workers who retire at the full retirement age and to disabled workers are equal to 100% of the PIA (subject to any applicable deductions). At the full retirement age, widows' benefits are also payable at 100% of the insured worker's PIA. Nondisabled widows and widowers can receive reduced benefits at age 60. Disabled widows can receive benefits (with a greater reduction) at age 50. Spouses, children, and parents receive a smaller proportion of the worker's PIA than widows do.

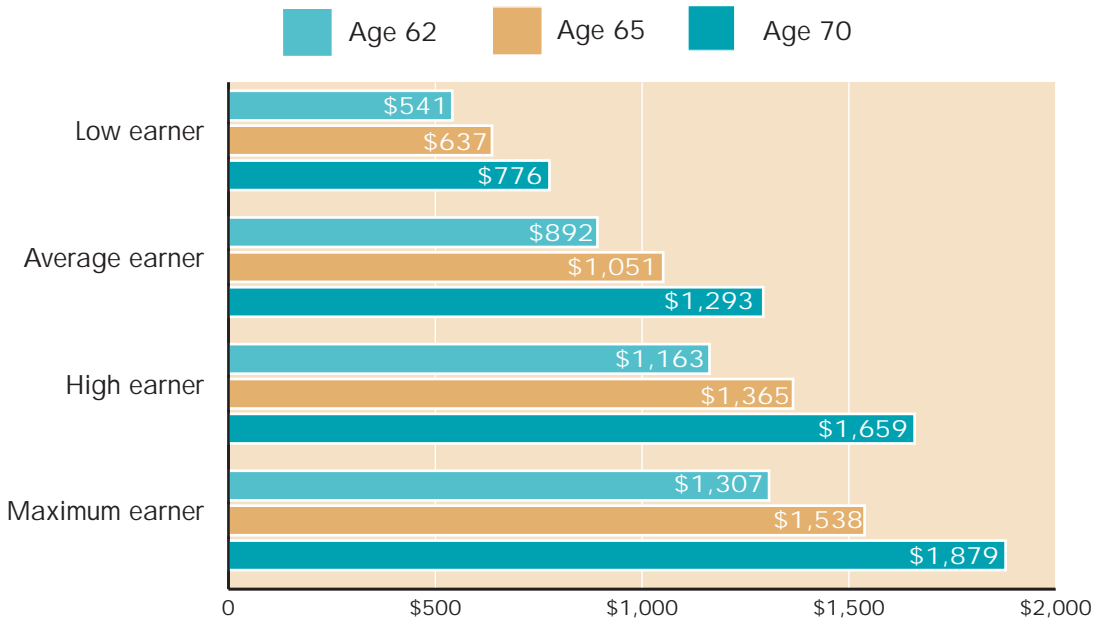
	<b>New awards</b>	<b>Current-payment amount</b>
All beneficiaries	\$706	\$767
Retired workers	869	844
Spouses	344	429
Children	381	395
Disabled workers	835	786
Spouses	219	198
Children	226	228
Survivors		
Nondisabled widows and widowers	717	810
Disabled widows and widowers	527	520
Widowed mothers and fathers	600	595
Surviving children	566	550
Parents	707	704

# OASDI PROGRAM

## Hypothetical Benefit Amounts, 2001

A covered worker who had worked continuously at low wages (45% of average national wages) and who claimed benefits at age 62 in January 2001 would receive a monthly benefit of \$541. One who had earnings at or above the maximum amount subject to Social Security taxes and who claimed benefits at age 65 would receive \$1,538. Someone who retired at age 70, which maximizes the effect of the delayed retirement credit, would receive \$1,879.

### Hypothetical benefit amounts\*



\* Low earnings are defined as 45% of the national average wage index, average earnings are equal to the index, high earnings are 160% of the index, and maximum earnings are equal to the OASDI contribution and benefits base.

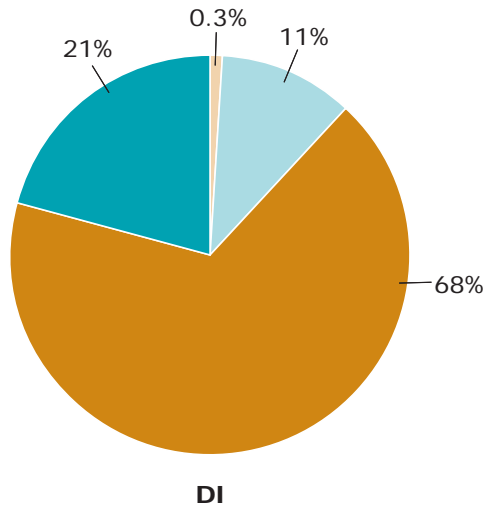
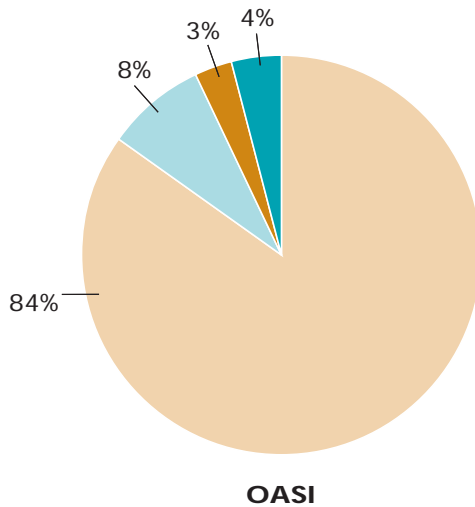
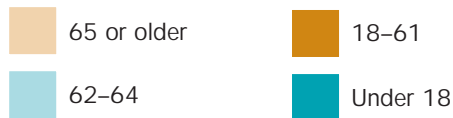
Source: Office of the Chief Actuary, SSA.

# OASDI PROGRAM

## Beneficiaries by Age, December 2000

Some 81% of all OASDI beneficiaries with benefits in current-payment status were aged 62 or older. Among OASI beneficiaries, 93% were 62 or older. Among DI beneficiaries (disabled workers and their spouses and children), most were under age 62.

### Beneficiaries by age



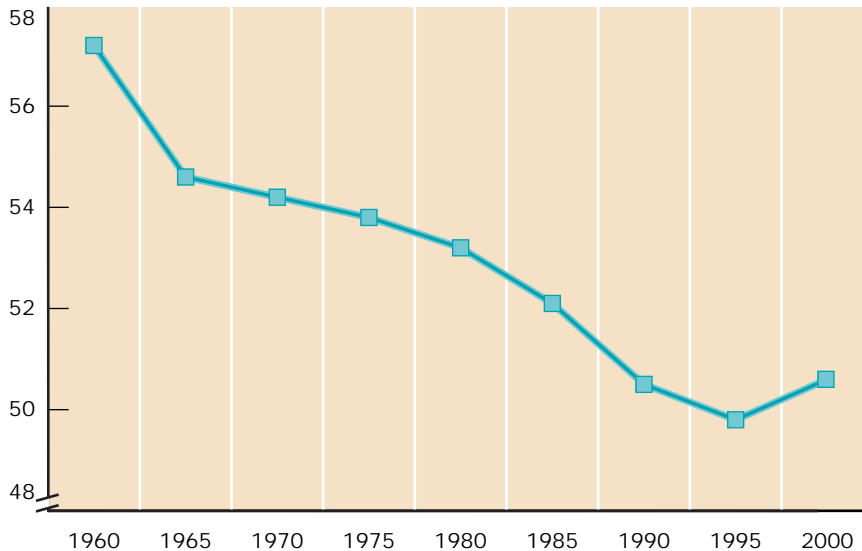
Percentages may not sum to total because of rounding.

# OASDI PROGRAM

## Disabled-Worker Beneficiaries by Age, 1960-2000

The average age of disabled-worker beneficiaries in current-payment status has declined substantially since 1960, when DI benefits first became available to persons younger than age 50. In that year, the average age of a disabled worker was 57.2 years. By 1980, it had fallen to 53.2, and in 2000, the average age was 50.8.

Average age of disabled workers



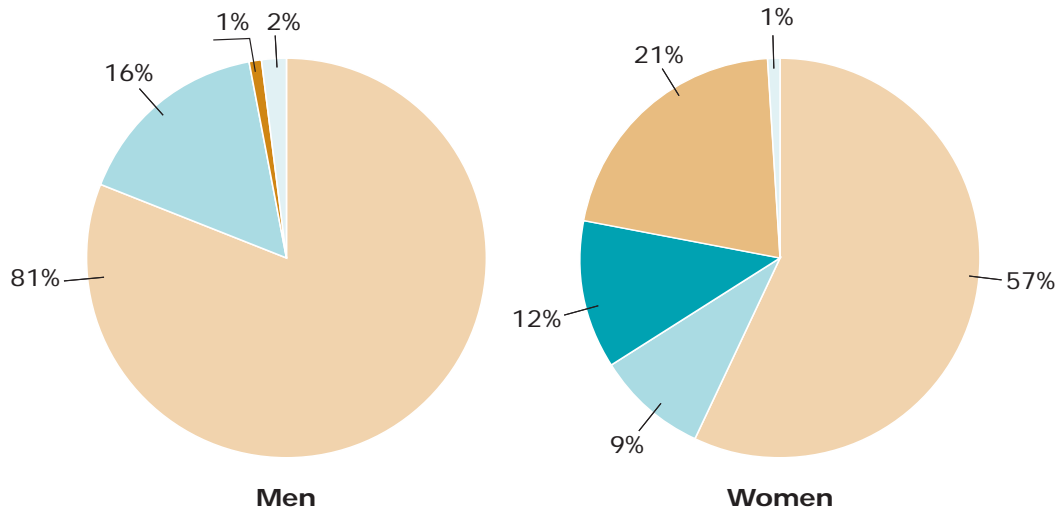
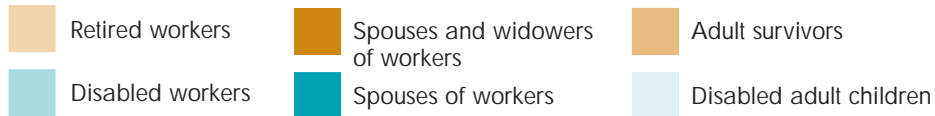


# OASDI PROGRAM

## Beneficiaries by Sex, December 2000

Of all adults receiving monthly Social Security benefits, 43% were men and 57% were women. More than 81% of the men and more than 57% of the women received retired-worker benefits. More than one-fifth of the women received survivors benefits.

### Adult beneficiaries by sex



# OASDI PROGRAM

## Average Monthly Benefit by Sex, December 2000

Among retired and disabled workers who collected benefits based on their own work record, men received a higher average monthly benefit than women. For those with benefits based on another person's work record (spouses and survivors), women had higher average benefits.

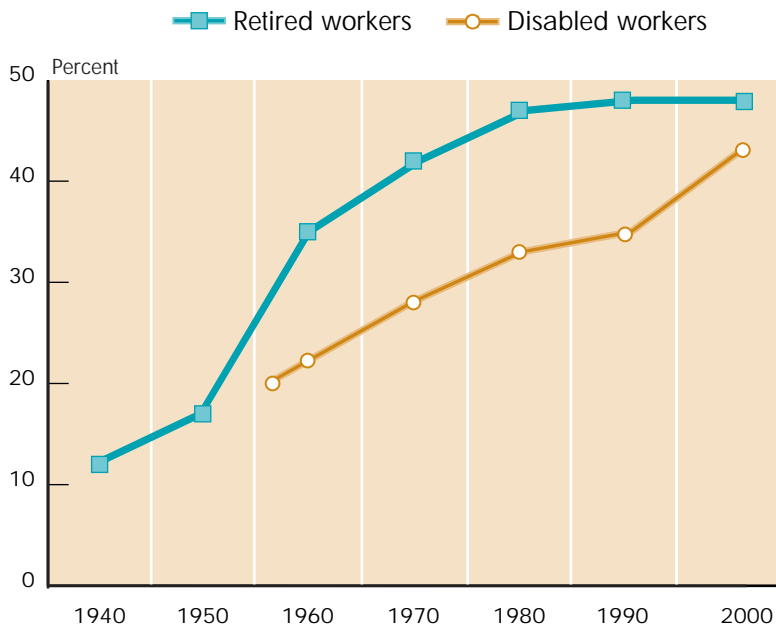
	<b>Men</b>	<b>Women</b>
All beneficiaries	\$928	\$696
Retired workers	951	730
Spouses	243	431
Disabled workers	883	661
Spouses	156	199
Survivors		
Nondisabled widows and widowers	607	812
Disabled widows and widowers	362	524
Mothers and fathers	503	600

# OASDI PROGRAM

## Women Beneficiaries, 1940-2000

The proportion of women among retired-worker beneficiaries has quadrupled since 1940. The proportion of women among disabled-worker beneficiaries has more than doubled since 1957, when DI benefits first became payable.

### Women beneficiaries

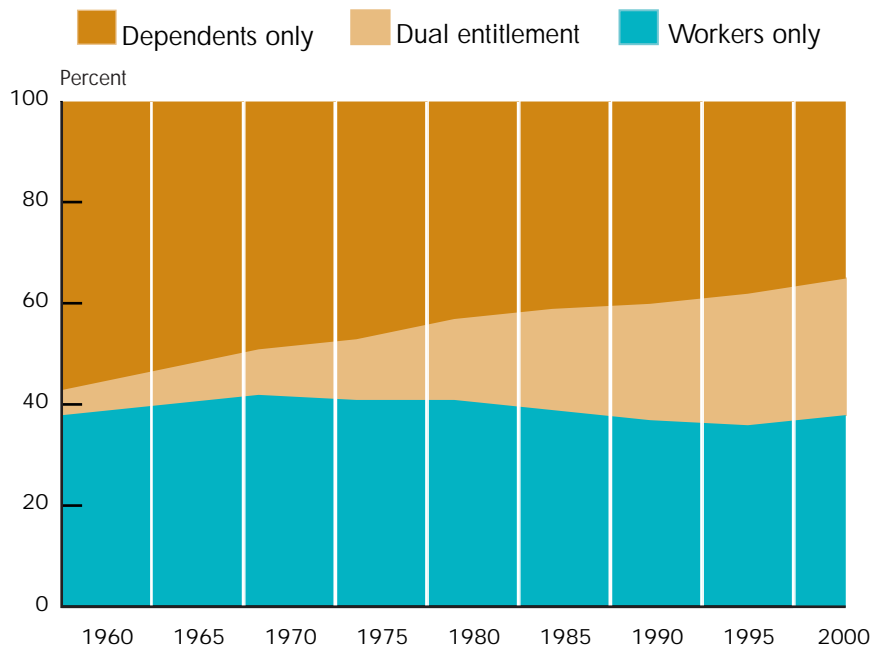


# OASDI PROGRAM

## Women with Dual Entitlement, 1960-2000

The proportion of women aged 62 or older who are receiving benefits as dependents (that is, on the basis of their husband's earnings record only) has been declining—from 57% in 1960 to 34% in 2000. At the same time, the proportion of women with dual entitlement (that is, paid on the basis of both their own earnings record and that of their husband) has been increasing—from 5% in 1960 to 28% in 2000.

### Women aged 62 or older



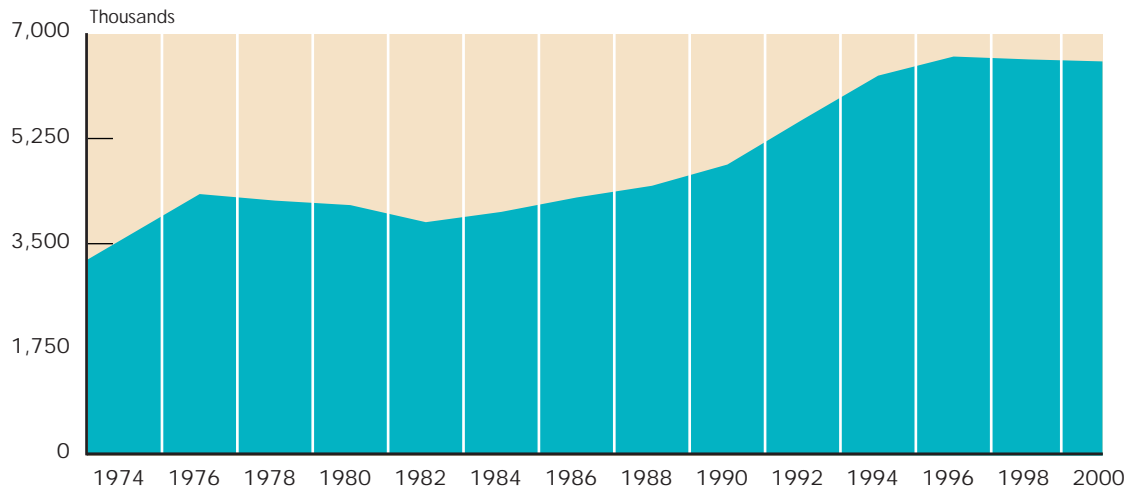
# SSI PROGRAM

## Beneficiaries, 1974-2000

Shortly after the SSI program began in 1974, the number of persons receiving federally administered payments rose to 4 million. It remained at about that level until the mid-1980s, then rose through the mid-1990s. In 2000, it stood at about 6.6 million.

December	Number (thousands)	December	Number (thousands)
1974	3,216	1988	4,464
1976	4,326	1990	4,817
1978	4,217	1992	5,566
1980	4,142	1994	6,296
1982	3,858	1996	6,614
1984	4,029	1998	6,566
1986	4,269	2000	6,602

Persons receiving federally administered payments

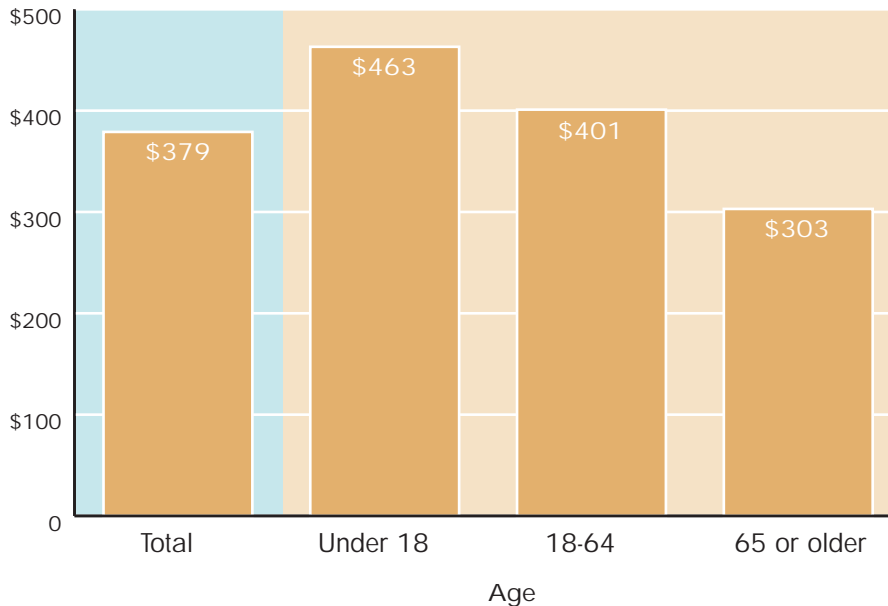


# SSI PROGRAM

## Payment Amounts by Age, December 2000

The average federally administered SSI payment was \$379. Payments varied by age group, ranging from an average of \$463 for those under 18 to \$303 for beneficiaries 65 or older.

### Average monthly payment\*



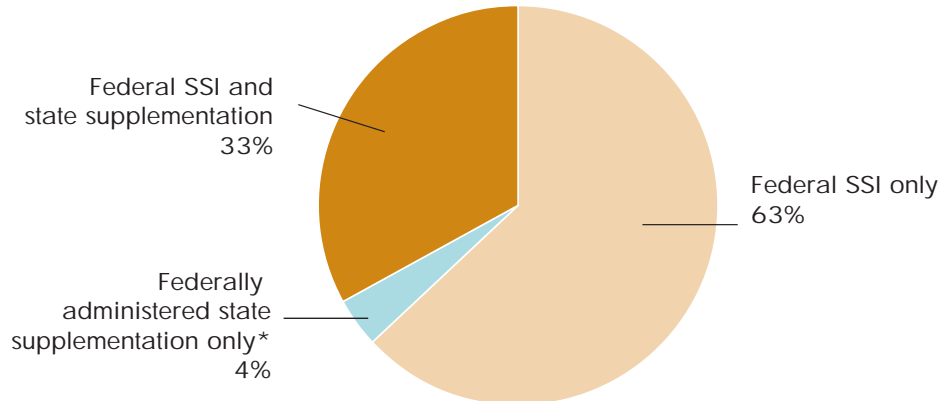
\* Excludes retroactive payments.

# SSI PROGRAM

## Federally Administered Payments, December 2000

Over 6.6 million persons received federally administered SSI payments. Most received federal SSI only. States have the option of supplementing the federal benefit rate and are required to do so if that rate is less than the income the beneficiary would have had under the former state program.

### Type of payment



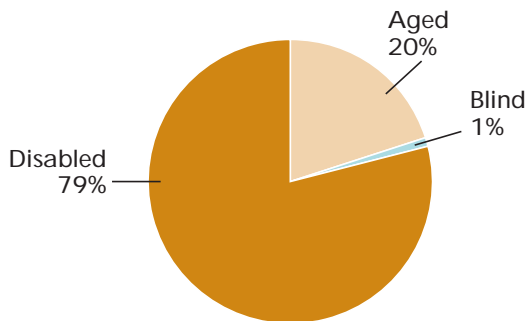
\* Excludes state-administered state supplementation.

# SSI PROGRAM

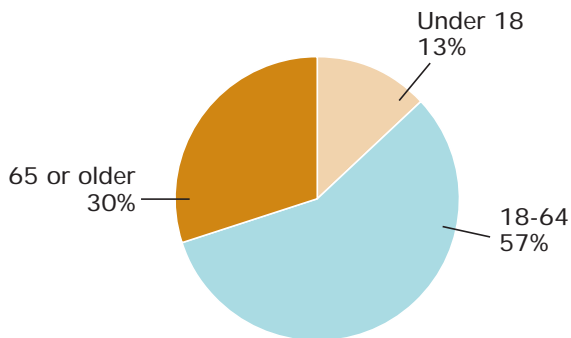
## Basis for Eligibility and Age, December 2000

One-fifth of SSI beneficiaries have been awarded benefits on the basis of age; most of the rest on the basis of disability. Almost one-third of the beneficiaries were aged 65 or older. In the SSI program—unlike the OASDI program—a disabled beneficiary is still classified as "disabled" after reaching age 65. DI beneficiaries are converted to the retirement program when they attain age 65.

### Basis for eligibility



### Age



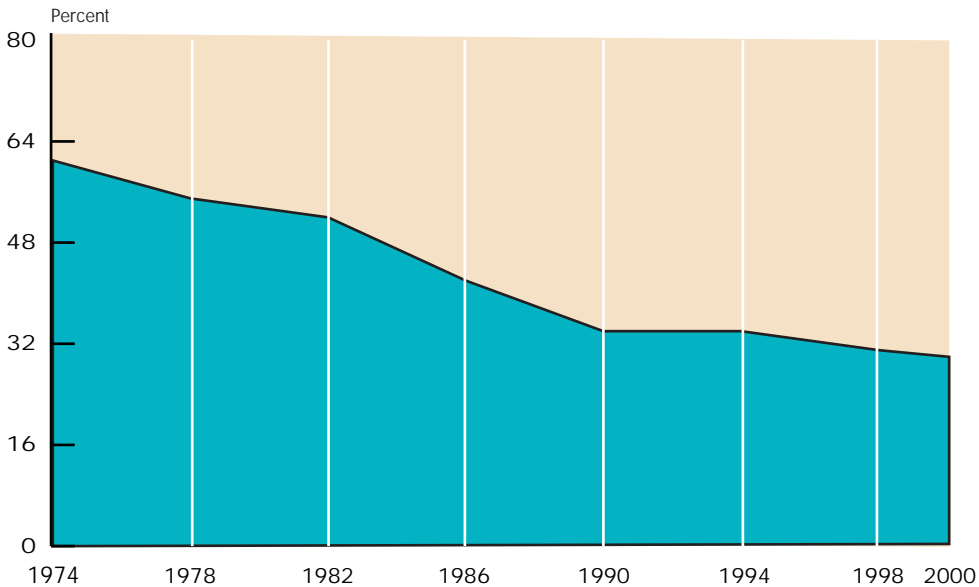


# SSI PROGRAM

## Beneficiaries Aged 65 or Older, 1974-2000

The proportion of SSI beneficiaries aged 65 or older has declined from 61% in January 1974 to 30% in December 2000. The long-term growth of the SSI program has occurred because of an increase in the number of disabled beneficiaries, most of whom are under age 65.

### Aged 65 or older

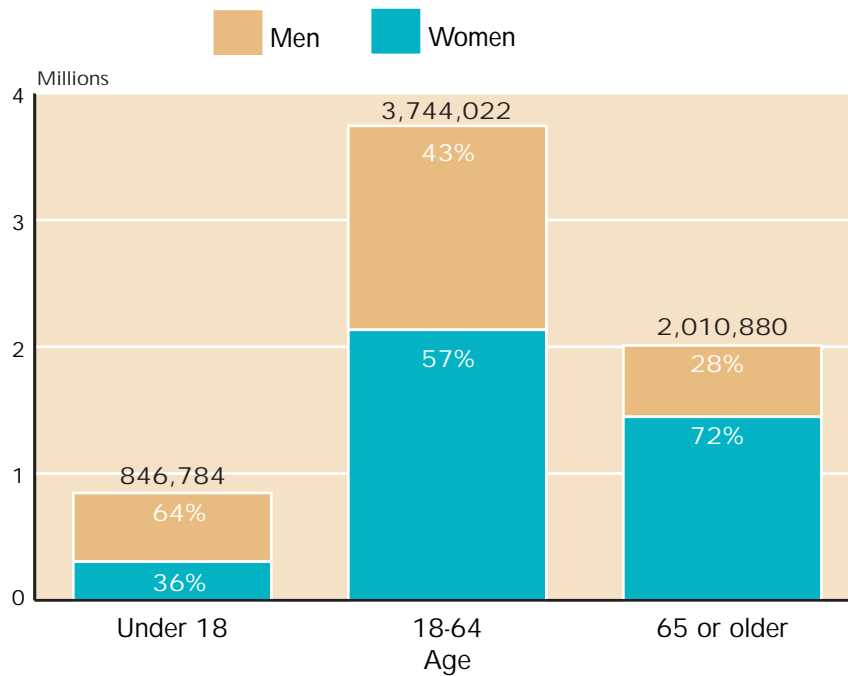


# SSI PROGRAM

## Beneficiaries by Sex and Age, December 2000

Overall, 59% of the SSI beneficiaries were women, but that percentage varied greatly by age group. Women accounted for nearly three-fourths of beneficiaries aged 65 or older, nearly three-fifths of those aged 18-64, and over a third of those under age 18.

### Sex and age

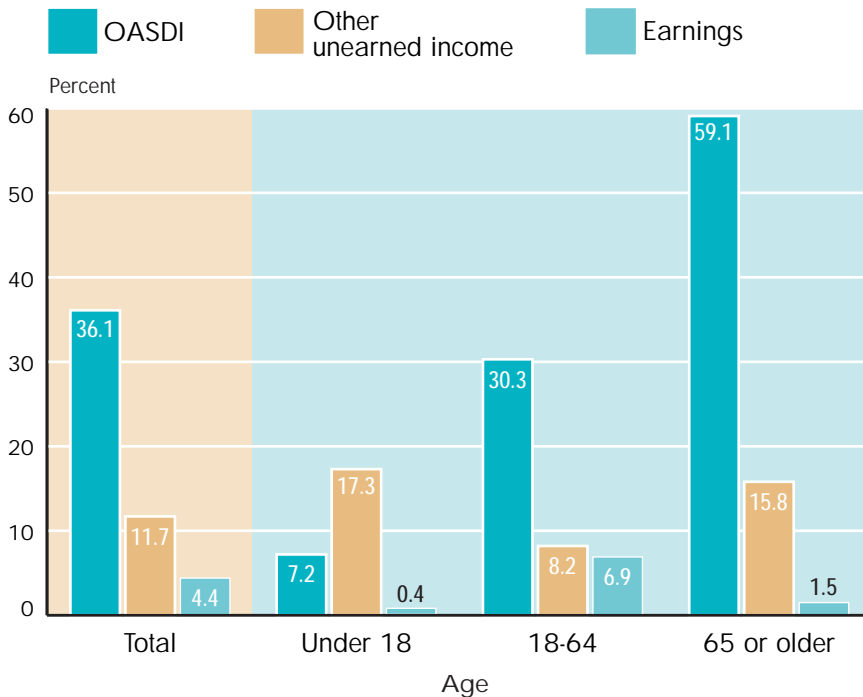


# SSI PROGRAM

## Other Income, December 2000

Fifty-nine percent of aged SSI beneficiaries received OASDI benefits, as did about 30% of those aged 18-64 and 7% of those under age 18. Other types of unearned income, such as veterans' pensions or income from assets, occurred most frequently among those under age 18 (17%) and those aged 65 or older (16%). Earned income was most prevalent (7%) among those 18-64.

### Other income by source and age



# OASDI AND/OR SSI

## All Beneficiaries, December 2000

More than 49 million people received a payment from Social Security. Most (43.0 million) received OASDI benefits only, about 4.2 million received SSI only, and 2.4 million received payments from both programs.

	Number (thousands)
All beneficiaries	49,637
Total receiving	
OASDI	45,418
OASDI only	43,035
SSI	6,602
SSI only	4,218
Both OASDI and SSI	2,383

### Number receiving OASDI and/or SSI



# OASDI AND/OR SSI

## Aged Beneficiaries, December 2000

Aged or survivors benefits were paid to 33.5 million people aged 65 or older. About 1.2 million of them received both OASI and SSI.

	Number (thousands)
Aged 65 or older, total (unduplicated)	33,544
OASI, total*	32,722
Retired workers	25,954
Spouses**	2,459
Nondisabled widow(er)s	4,242
Disabled adult children aged 65 or older	64
SSI, total***	2,011
Receiving SSI only	822
Concurrently receiving both OASI and SSI	1,188

\*Total includes 3,500 persons who received either dependent parents benefits, special age-72 benefits, or mothers/fathers benefits.

\*\* Includes 23,000 spouses of disabled workers who were aged 65 or older.

\*\*\* Includes 721,500 disabled and blind SSI beneficiaries aged 65 or older.

# OASDI AND/OR SSI

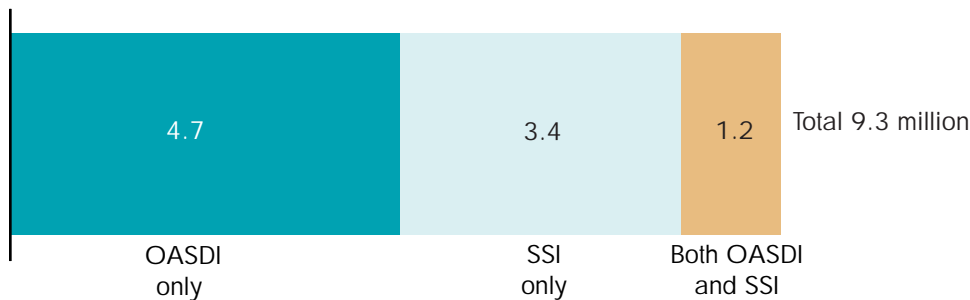
## Disabled Beneficiaries, December 2000

Payments based on the beneficiary's own disability were made to 9.3 million people under age 65. About 36% of them received payments from the SSI program only, 51% received Disability Insurance payments under the OASDI program only, and 13% received payments from both programs.

	Number (thousands)
All payments	9,304
Disability Insurance	5,908
Workers	5,042
Children aged 18-64	665
Widow(er)s	201
Disability Insurance only	4,713
SSI disability*	4,591
Aged 18-64	3,744
Under age 18	847
SSI disability only	3,396
Both Disability Insurance and SSI	1,195

\*Total excludes 721,500 disabled and blind SSI beneficiaries aged 65 or older.

### Number receiving disability payments

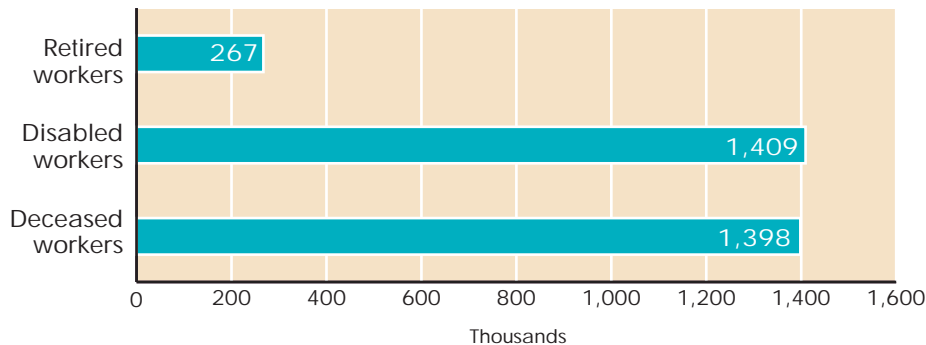


# CHILDREN AND SOCIAL SECURITY

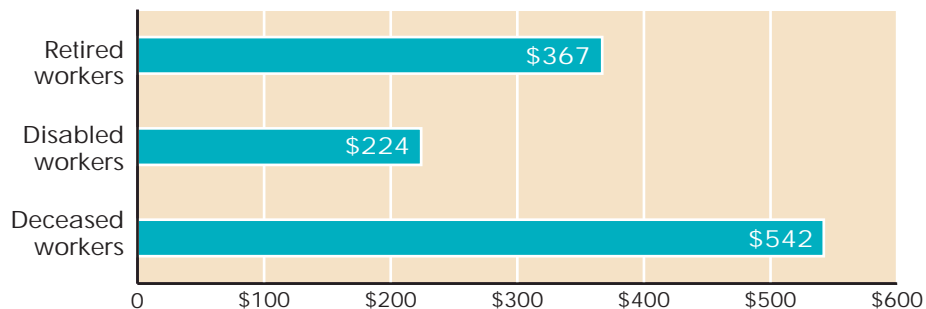
## OASDI Beneficiaries, December 1999

Over 3 million children under age 18 and students aged 18-19 received OASDI benefits—about half of them as the children of deceased workers. Those children had the highest average payments, in part because they are eligible to receive monthly benefits equal to 75% of the worker's PIA, whereas the children of retired or disabled workers may receive 50%. Overall, the average monthly benefit amount for children was \$381.

### Number of children of—



### Average monthly benefit for children of—

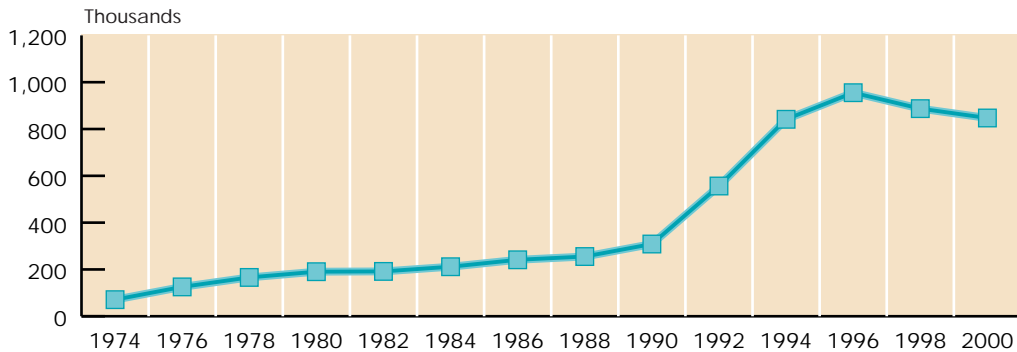


# CHILDREN AND SOCIAL SECURITY

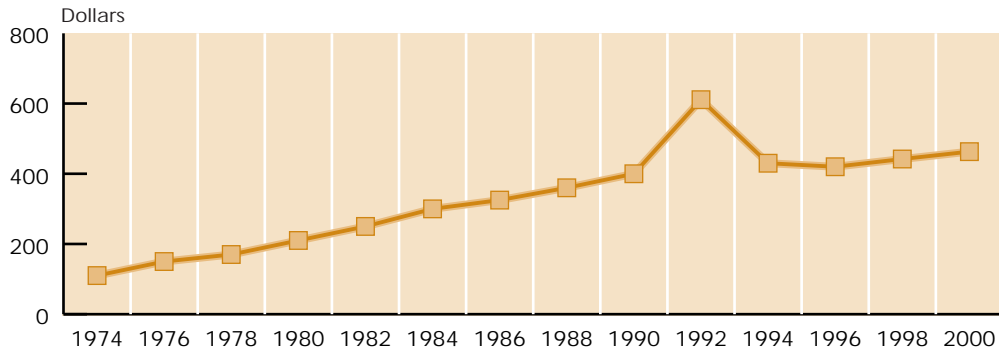
## SSI Beneficiaries, 1974-2000

In 1974, when the program began, there were 70,900 blind and disabled children receiving SSI. Since then, that number has increased to 847,000. The relatively high average payment to children (compared with payments made to blind and disabled adults) is due in part to a limited amount of other countable income. The peak in average monthly benefits in 1992 is due to retroactive payments resulting from the *Sullivan v. Zebley* decision.

### Number of children under age 18



### Average monthly payment\*



\* As of 1998, these figures exclude retroactive payments.

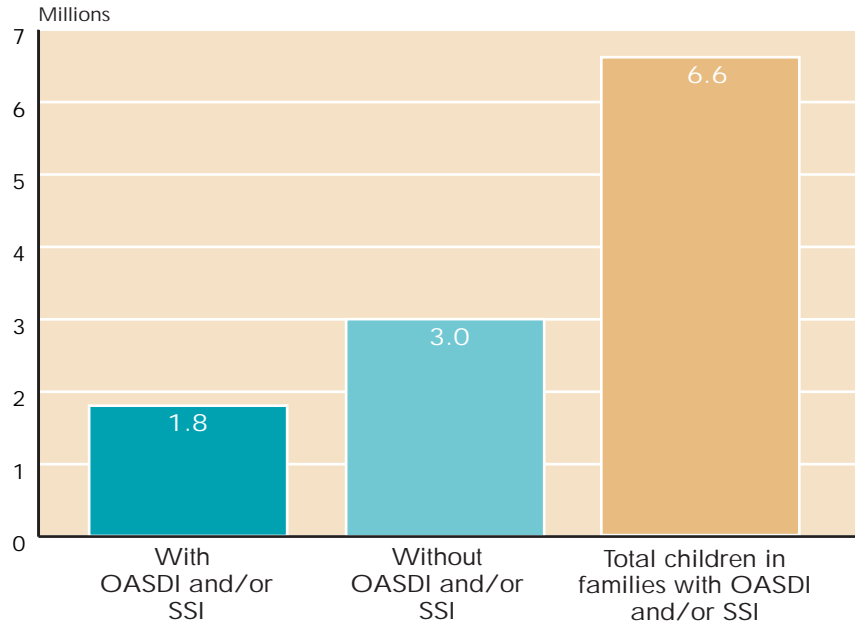


# CHILDREN AND SOCIAL SECURITY

## Poverty Among Children in Beneficiary Families

In 1999, 6.6 million children were living in families receiving OASDI and/or SSI. About 1.8 million children were poor even though those benefits improved their situation. Excluding Social Security and assuming no other changes, about 3 million children would have had income below the poverty level.

### Poverty status, 1999



# SOCIAL SECURITY ADMINISTRATION

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