



# Fast Facts & Figures About Social Security, 2008

Social Security Administration  
Office of Retirement and Disability Policy  
Office of Research, Evaluation, and Statistics  
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Washington, DC 20254

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## DID YOU KNOW THAT...

- ✓ SSA paid benefits to about 54.7 million people in 2007
- ✓ Social Security provided at least half the income for 64 percent of the aged in 2006
- ✓ Social Security benefits were awarded to about 4.7 million people in 2007
- ✓ Women accounted for 56 percent of adult Social Security beneficiaries in 2007
- ✓ The average age of disabled-worker beneficiaries was 52.4 in 2007
- ✓ Eighty-four percent of SSI recipients received payments because of disability or blindness in 2007

*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 250 detailed tables. The information on the income of the aged is from the data series *Income of the Population 55 or Older*. Data on trust fund operations are from the 2008 Trustees Report.

The tables and charts illustrate the range of program beneficiaries, from the country's oldest to its youngest citizens. In all, about 55 million people receive some type of benefit or assistance.

Judi Papas prepared this chartbook. Staff of the Division of Information Resources edited the chartbook and prepared the print and Web versions for publication.

Your suggestions and comments on this chartbook are welcome. Any suggestions, comments, or questions about the charts should be directed to Judi Papas at 410-965-2816 or [fast.facts@ssa.gov](mailto:fast.facts@ssa.gov). For additional copies, please e-mail [op.publications@ssa.gov](mailto:op.publications@ssa.gov). This Chartbook, the *Supplement*, and *Income of the Population 55 or Older* are available on our Web site at <http://www.socialsecurity.gov/policy>.

Manuel de la Puente  
Associate Commissioner  
for Research, Evaluation, and Statistics

August 2008

# Abbreviations

|       |  |
|-------|--|
| AIME  | average indexed monthly earnings             |
| DI    | Disability Insurance                         |
| FICA  | Federal Insurance Contributions Act          |
| FRA   | full retirement age                          |
| HI    | Hospital Insurance                           |
| OASDI | Old-Age, Survivors, and Disability Insurance |
| OASI  | Old-Age and Survivors Insurance              |
| PIA   | primary insurance amount                     |
| SECA  | Self-Employment Contributions Act            |
| SSA   | Social Security Administration               |
| SSI   | Supplemental Security Income                 |

|   |          |
|---|----------|
| <b>General Information, 2008</b> .....                      | <b>1</b> |
| <b>Income of the Aged Population</b>                        |          |
| Size of Income .....  | 4        |
| Receipt of Income .....                                     | 5        |
| Shares of Aggregate Income .....                            | 6        |
| Relative Importance of Social Security .....                | 7        |
| Poverty Status Based on Family Income .....                 | 8        |
| <b>Old-Age, Survivors, and Disability Insurance Program</b> |          |
| Earnings in Covered Employment .....                        | 9        |
| Insured Status .....  | 10       |
| Insured Status, by Sex .....                                | 11       |
| New Benefit Awards .....                                    | 12       |
| New Awards to Workers .....                                 | 13       |
| Beneficiaries in Current-Payment Status .....               | 14       |
| Average Benefit Amounts .....                               | 15       |
| Beneficiaries, by Age .....                                 | 16       |
| Disabled and Retired Workers, by Age .....                  | 17       |
| Beneficiaries, by Sex .....                                 | 18       |
| Average Monthly Benefit, by Sex .....                       | 19       |
| Women Beneficiaries .....                                   | 20       |
| Women with Dual Entitlement .....                           | 21       |

## **Supplemental Security Income Program**

|  |           |
|--|-----------|
| <b>Number of Recipients</b> .....                          | <b>22</b> |
| <b>Payment Amounts, by Age</b> .....                       | <b>23</b> |
| <b>Federally Administered Payments</b> .....               | <b>24</b> |
| <b>Basis for Eligibility and Age of Recipients</b> .....   | <b>25</b> |
| <b>Percentage Distribution of Recipients, by Age</b> ..... | <b>26</b> |
| <b>Recipients, by Sex and Age</b> .....                    | <b>27</b> |
| <b>Other Income</b> .....                                  | <b>28</b> |

### **OASDI, SSI, or Both**

|  |           |
|--|-----------|
| <b>All Beneficiaries</b> .....                 | <b>29</b> |
| <b>Beneficiaries Aged 65 or Older</b> .....    | <b>30</b> |
| <b>Disabled Beneficiaries Aged 18–64</b> ..... | <b>31</b> |

### **Children**

|                                  |           |
|----------------------------------|-----------|
| <b>OASDI Beneficiaries</b> ..... | <b>32</b> |
| <b>SSI Recipients</b> .....      | <b>33</b> |

### **Social Security Financing**

|  |           |
|--|-----------|
| <b>How Social Security Is Financed</b> .....         | <b>34</b> |
| <b>Social Security’s Demographic Challenge</b> ..... | <b>35</b> |
| <b>The Long-Run Financial Outlook</b> .....          | <b>36</b> |

**Cost-of-living adjustment:** 2.3%

**Tax rates (in percent)**

|       | 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          |

**Average wage index**

|                  | Dollars   | Increase from previous year (in percent) |
|------------------|-----------|--|
| 2006             | 38,651.41 | 4.6                                      |
| 2007 (estimated) | 40,307.02 | 4.3                                      |
| 2008 (estimated) | 41,953.05 | 4.1                                      |

**Maximum earnings subject to Social Security taxes (in dollars)**

|       |          |
|-------|----------|
| OASDI | 102,000  |
| HI    | No limit |

**Taxes payable (in dollars)**

|                              | Total  | OASI   | DI    | HI       |
|------------------------------|--------|--------|-------|----------|
| Average earner               | 3,209  | 2,224  | 378   | 608      |
| Maximum earner               | 6,324  | 5,406  | 918   | No limit |
| Self-employed maximum earner | 12,648 | 10,812 | 1,836 | No limit |

NOTE: Totals do not necessarily equal the sum of rounded components.

**Work credits (quarters of coverage)**

\$1,050 in earnings equals 1 credit

\$4,200 in earnings qualifies for the maximum of 4 credits

**Retirement earnings test (in dollars)**

|   | Annually | Monthly  |
|---|----------|----------|
| Ages 62–64 (\$1 for \$2 withholding rate)   | 13,560   | 1,130    |
| Calendar year attaining full retirement age (\$1 for \$3 withholding rate) <sup>a</sup> | 36,120   | 3,010    |
| After calendar year attaining full retirement age or older                              | No limit | No limit |

a. Test no longer applies beginning in the month in which retirement age is reached.

**Age for full retirement benefit for retired workers**

| Year of birth    | Full retirement age |
|------------------|---------------------|
| 1937 and earlier | 65                  |
| 1938             | 65 and 2 months     |
| 1939             | 65 and 4 months     |
| 1940             | 65 and 6 months     |
| 1941             | 65 and 8 months     |
| 1942             | 65 and 10 months    |
| 1943–1954        | 66                  |
| 1955             | 66 and 2 months     |
| 1956             | 66 and 4 months     |
| 1957             | 66 and 6 months     |
| 1958             | 66 and 8 months     |
| 1959             | 66 and 10 months    |
| 1960 and later   | 67                  |

**Benefit formula bend points (for workers with first eligibility in 2008)**

**Primary insurance amount (PIA) equals**  
 90% of the first \$711 of AIME, plus  
 32% of AIME over \$711 through \$4,288 plus  
 15% of AIME over \$4,288

**Disability thresholds**

**Substantial gainful activity**  
 \$940 per month for nonblind persons  
 \$1,570 per month for blind persons

**Trial work period**  
 \$670 per month

**Maximum Social Security benefit**

\$2,185 per month for workers retiring at full retirement age



### Trust fund operations (in billions of dollars)

| Calendar year<br>and trust fund | Income | Outgo | Fund at<br>end of year |
|---------------------------------|--------|-------|------------------------|
| 2007 (actual)                   |        |       |                        |
| Total                           | 784.9  | 594.5 | 2,238.5                |
| OASI                            | 675.0  | 495.7 | 2,023.6                |
| DI                              | 109.9  | 98.8  | 214.9                  |
| 2008 (estimated)                |        |       |                        |
| Total                           | 819.7  | 623.5 | 2,434.7                |
| OASI                            | 708.0  | 515.6 | 2,216.0                |
| DI                              | 111.6  | 107.9 | 218.7                  |

NOTE: Totals do not necessarily equal the sum of rounded components.

### OASDI administrative expenses

Costs were 0.8% of contributions in calendar year 2007

### Benefit payments as a percentage of gross domestic product

| Calendar year | Total | OASI | DI   |
|---------------|-------|------|------|
| 2006          | 4.12  | 3.43 | 0.69 |
| 2007          | 4.23  | 3.53 | 0.69 |

### Workload, fiscal year 2007 (in millions)

|                  |     |
|------------------|-----|
| OASI claims      | 3.9 |
| DI claims        | 2.6 |
| SSI applications | 2.7 |

### Supplemental Security Income, January 2008

#### Federal benefit rate

\$637 individual, \$956 couple

#### Resource limits

\$2,000 individual, \$3,000 couple

### Poverty thresholds, 2007 (in dollars)

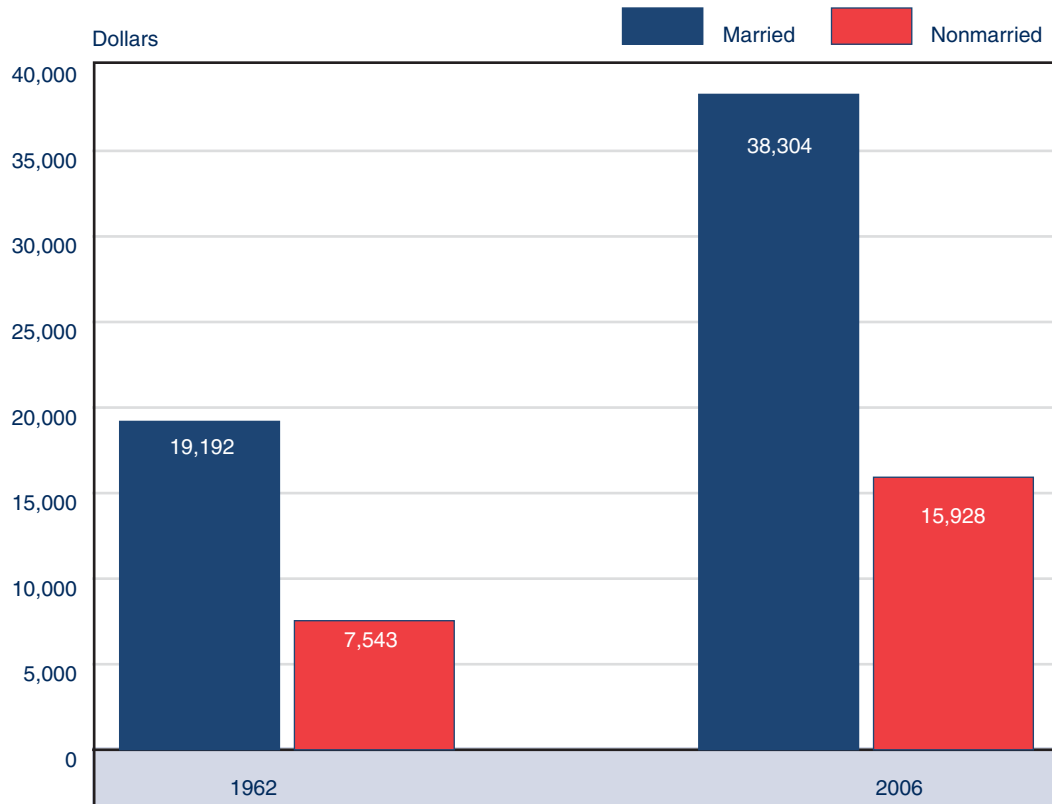
|                          |        |
|--------------------------|--------|
| Aged individual          | 9,944  |
| Family of two, aged head | 12,533 |
| Family of four           | 21,386 |

SOURCE: U.S. Census Bureau as of January 2008.

## Size of Income, 1962 and 2006

Median annual income for 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 100% for married couples and 111% for nonmarried persons. A married couple is aged 65 or older if the husband is aged 65 or older or if the husband is aged 54 or younger and the wife is 65 or older.

### Median income of aged units, by marital status (in 2006 dollars)



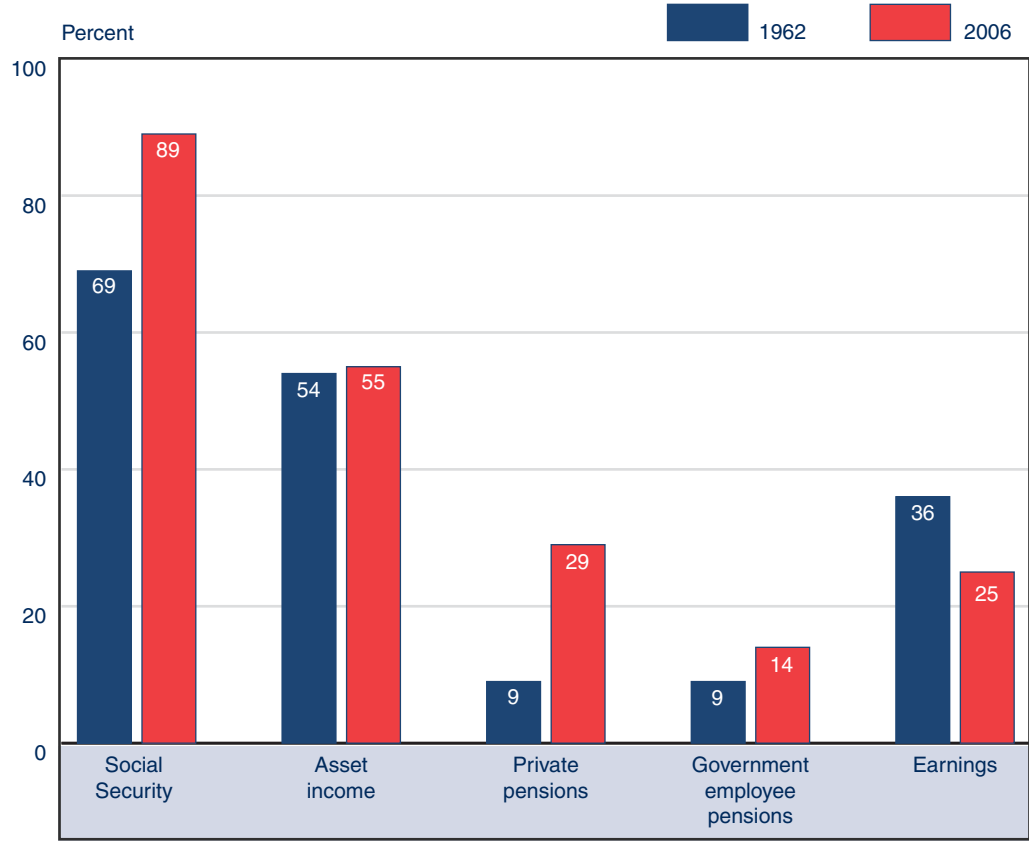
SOURCES: Data for 1962 are from Social Security Administration, *The Aged Population of the United States: The 1963 Social Security Survey of the Aged* (1967). Data for 2006 are Social Security Administration calculations from the March 2007 Annual Social and Economic Supplement to the Current Population Survey.

NOTE: An aged unit is a married couple living together or a nonmarried person, which also includes persons who are separated or married but not living together.

# Receipt of Income, 1962 and 2006

Social Security benefits—the most common source of income for married couples and nonmarried persons aged 65 or older in 1962—are now almost universal. The proportion of the aged population with asset income—the next most common source—is similar to that in 1962. Over the 44-year period, receipt of private pensions has more than tripled, and receipt of government pensions has increased by approximately 50%. The proportion of couples and nonmarried persons aged 65 or older who had earnings was smaller in 2006 than in 1962.

Percentage of aged units receiving income, by source



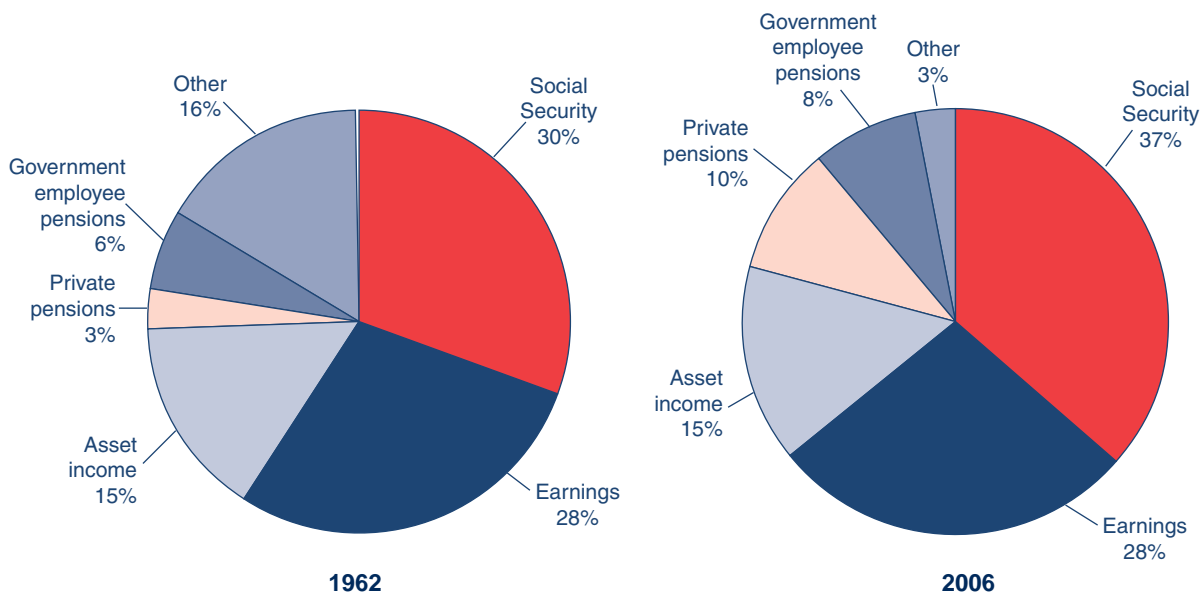
SOURCES: Data for 1962 are from Social Security Administration, *The Aged Population of the United States: The 1963 Social Security Survey of the Aged* (1967). Data for 2006 are Social Security Administration calculations from the March 2007 Annual Social and Economic Supplement to the Current Population Survey.

NOTE: An aged unit is a married couple living together or a nonmarried person, which also includes persons who are separated or married but not living together.

## Shares of Aggregate Income, 1962 and 2006

In 1962, Social Security, private and government employee pensions, income from assets, and earnings made up only 84% of the aggregate total income of couples and nonmarried persons aged 65 or older, compared with 97% in 2006. The shares from Social Security, private pensions and government employee pensions have increased since 1962. The shares from earnings and asset income are the same in 2006 as they were in 1962.

### Aggregate income, by source



SOURCES: Data for 1962 are from Social Security Administration, *The Aged Population of the United States: The 1963 Social Security Survey of the Aged* (1967). Data for 2006 are Social Security Administration calculations from the March 2007 Annual Social and Economic Supplement to the Current Population Survey.

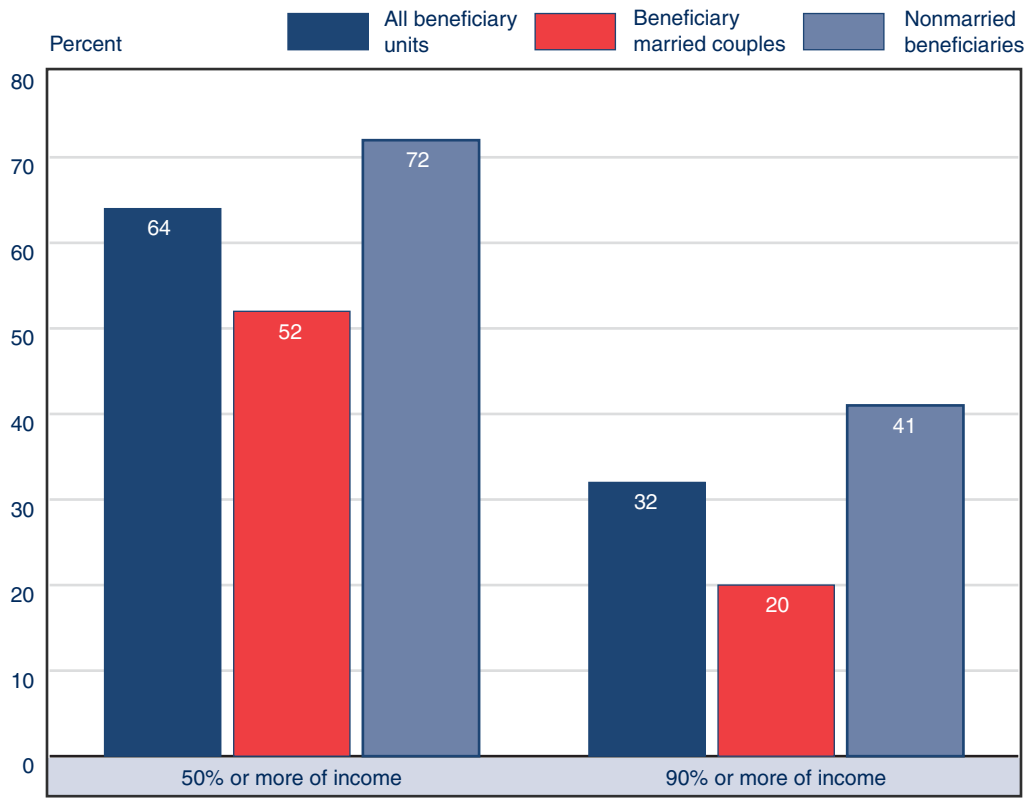
NOTES: The unit of analysis is the aged unit, defined as a married couple living together or a nonmarried person, which also includes persons who are separated or married but not living together.

Totals do not necessarily equal the sum of rounded components.

# Relative Importance of Social Security, 2006

In 2006, 89% of married couples and 88% of nonmarried persons aged 65 or older received Social Security benefits. Social Security was the major source of income (providing at least 50% of total income) for 52% of aged beneficiary couples and 72% of aged nonmarried beneficiaries. It was 90% or more of income for 20% of aged beneficiary couples and 41% of aged nonmarried beneficiaries. Total income excludes withdrawals from savings and nonannuitized IRAs or 401(k) plans; it also excludes in-kind support, such as food stamps and housing and energy assistance.

**Percentage of aged units receiving Social Security benefits, by relative importance of benefits to total income**



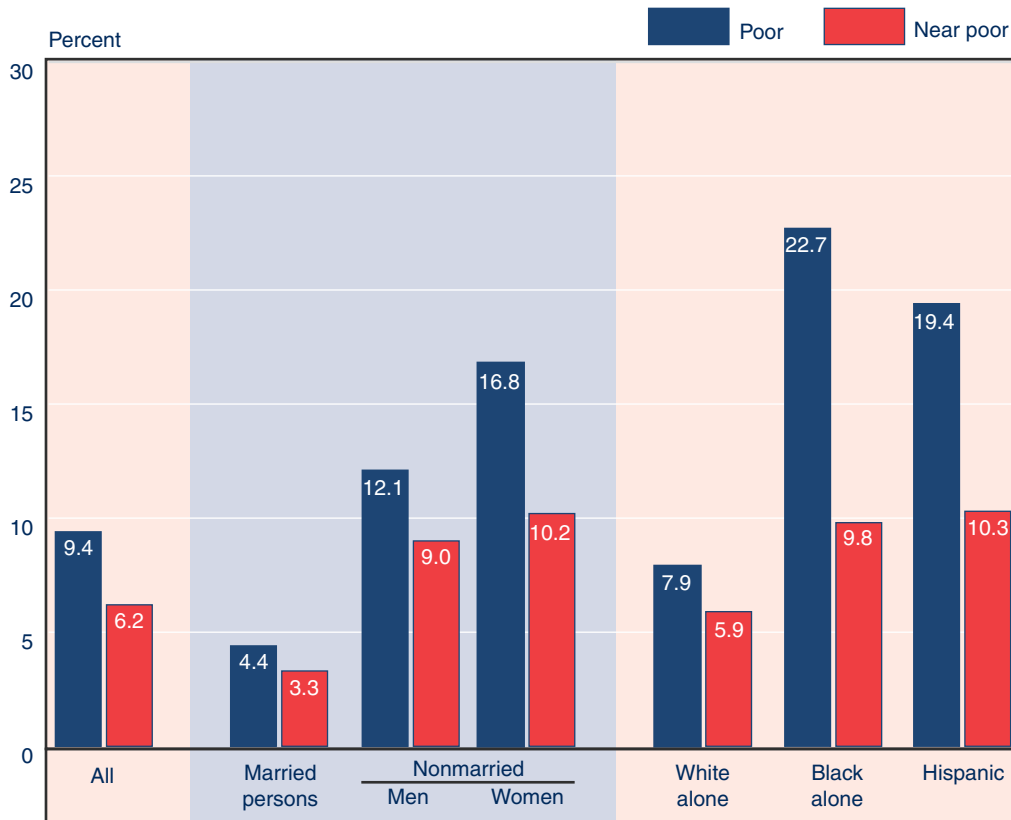
SOURCE: Social Security Administration calculations from the March 2007 Annual Social and Economic Supplement to the Current Population Survey.

NOTE: An aged unit is a married couple living together or a nonmarried person, which also includes persons who are separated or married but not living together.

## Poverty Status Based on Family Income, 2006

The aged poor are those with income below the poverty line. The near poor have income greater than or equal to the poverty line and less than 125% of the poverty line. Nonmarried women and minorities have the highest poverty rates, ranging from 16.8% to 22.7%. Married persons have the lowest poverty rates, with 4.4% poor and 3.3% near poor. Overall, 9.4% are poor and 6.2% are near poor.

### Poverty status, by marital status, sex of nonmarried persons, race, and Hispanic origin

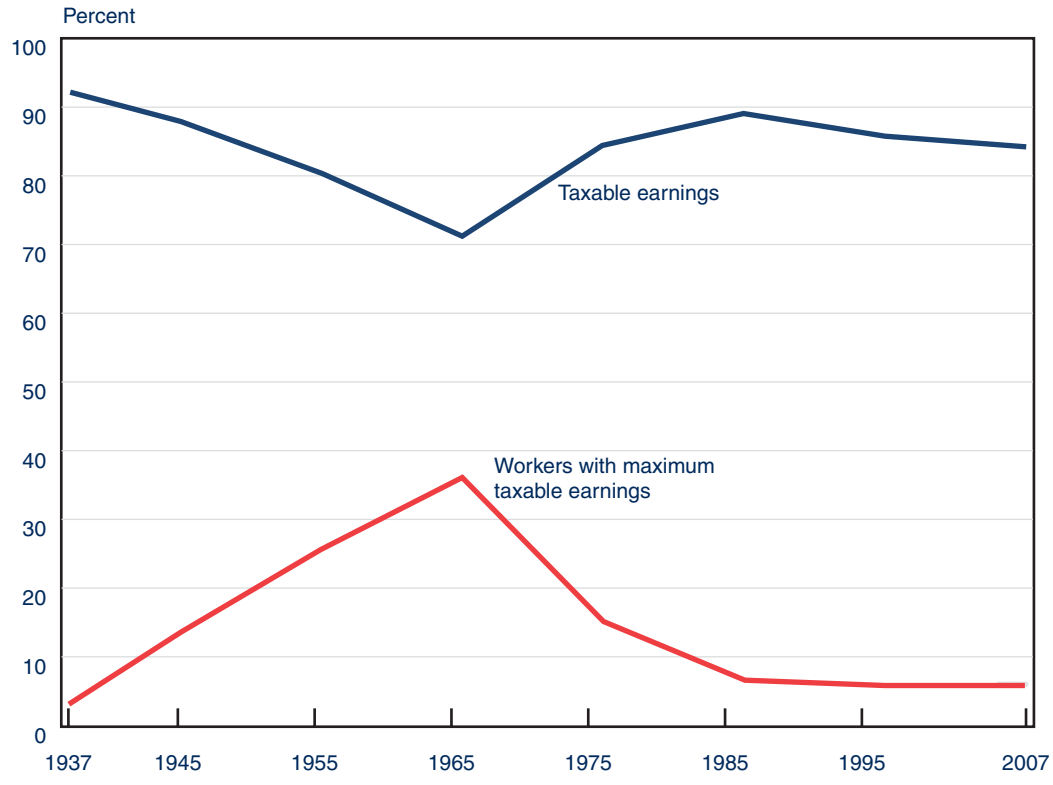


SOURCE: Social Security Administration calculations from the March 2007 Annual Social and Economic Supplement to the Current Population Survey.

# Earnings in Covered Employment, 1937–2007

People contribute to Social Security through payroll taxes or self-employment taxes (FICA and SECA), as required by the Federal Insurance Contributions Act. The maximum taxable amount is updated annually on the basis of increases in the average wage. Of the 163 million workers with earnings in Social Security–covered employment in 2007, 6% had earnings that equaled or exceeded the maximum amount subject to taxes, compared with 3% when the program began and a peak of 36% in 1965. About 83% of earnings in covered employment were taxable in 2007, compared with 92% in 1937.

**Taxable earnings as a percentage of earnings in covered employment and percentage of workers with maximum taxable earnings, selected years**



SOURCE: Social Security Administration, Office of the Chief Actuary.

## Insured Status, 1970–2007

The percentage of persons aged 20 or older who are insured for benefits has increased over time. To be fully insured, a worker must have at least one work credit (quarter of coverage) for each year elapsed after age 21 (but no earlier than 1950) and before the year in which he or she attains age 62, becomes disabled, or dies. The maximum number of work credits needed to be fully insured is 40. An individual is said to be permanently insured if he or she has earned 40 work credits. To be insured for disability, the worker must be fully insured and have at least 20 work credits during the last 40 calendar quarters. (Requirements for disability-insured status are somewhat different for persons younger than age 31.) Disability benefits are available up to full retirement age (FRA).

### Insured workers as a percentage of the corresponding Social Security area population, selected years

| Year | Population aged 20 or older |                                |                          | Population aged 20–64 <sup>a</sup> |                                   |
|------|-----------------------------|--------------------------------|--------------------------|------------------------------------|-----------------------------------|
|      | Millions                    | Percentage permanently insured | Percentage fully insured | Millions                           | Percentage insured for disability |
| 1970 | 135.2                       | 50                             | 77                       | 113.2                              | 62                                |
| 1975 | 147.5                       | 50                             | 80                       | 122.9                              | 65                                |
| 1980 | 162.0                       | 53                             | 83                       | 133.3                              | 70                                |
| 1985 | 175.1                       | 57                             | 84                       | 144.1                              | 73                                |
| 1990 | 186.0                       | 63                             | 86                       | 151.9                              | 76                                |
| 1995 | 194.7                       | 66                             | 87                       | 160.5                              | 78                                |
| 2000 | 204.7                       | 69                             | 88                       | 169.2                              | 79                                |
| 2005 | 219.4                       | 69                             | 88                       | 182.1                              | 79                                |
| 2006 | 221.7                       | 69                             | 88                       | 184.0                              | 79                                |
| 2007 | 224.0                       | 69                             | 88                       | 185.7                              | 79                                |

SOURCE: Social Security Administration, Office of the Chief Actuary.

NOTES: The population in the Social Security area includes residents of the 50 states and the District of Columbia adjusted for net census undercount; civilian residents of American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and U.S. Virgin Islands; federal civilian employees and persons in the armed forces abroad and their dependents; crew members of merchant vessels; and all other U.S. citizens abroad.

Figures are subject to revision.

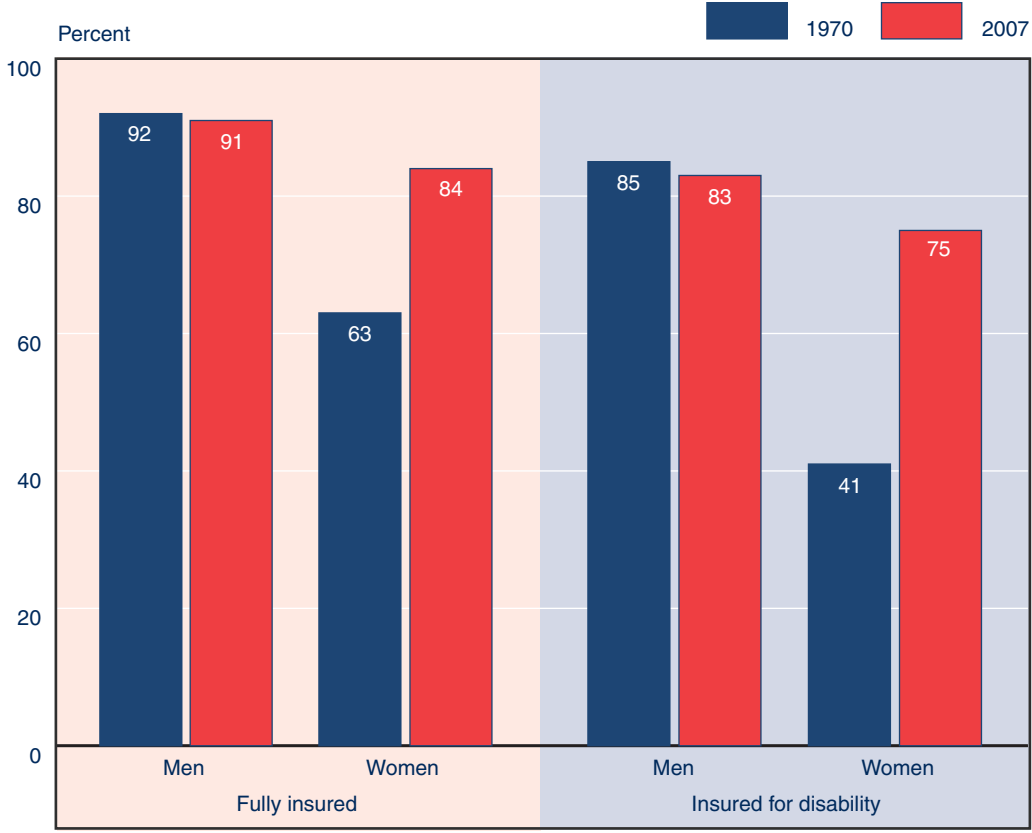
a. Insured for disability excludes those over age 64.



# Insured Status, by Sex, 1970 and 2007

Although men are more likely than women to be insured, the gender gap is shrinking. The proportion of men who are insured has remained essentially stable, with 91% fully insured and 83% insured for disability. <sup>a</sup> By contrast, the proportion of women who are insured has increased dramatically—from 63% to 84% fully insured and from 41% to 75% insured for disability.

**Percentage of population in the Social Security area fully insured and insured for disability benefits, by sex**



SOURCE: Social Security Administration, Office of the Chief Actuary.

NOTES: The population in the Social Security area includes residents of the 50 states and the District of Columbia adjusted for net census undercount; civilian residents of American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and U.S. Virgin Islands; federal civilian employees and persons in the armed forces abroad and their dependents; crew members of merchant vessels; and all other U.S. citizens abroad.

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a. Insured for disability excludes those over age 64.

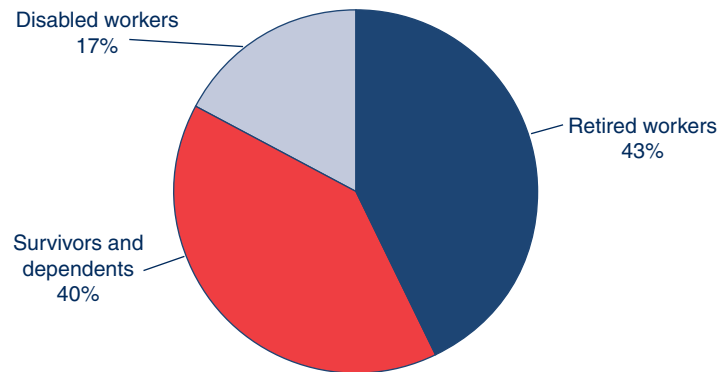
## New Benefit Awards, 2007

Benefits were awarded to about 4.7 million persons; of those, 43% were retired workers and 17% were disabled workers. The remaining 40% were survivors or the spouses and children of retired or disabled workers. 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, particularly conversions of disabled-worker benefits to retired-worker benefits at full retirement age.

### New awards, by type of beneficiary

| Beneficiary                     | Number<br>(thousands) | Percent |
|---------------------------------|-----------------------|---------|
| Total                           | 4,711                 | 100     |
| Retired workers and dependents  | 2,479                 | 53      |
| Workers                         | 2,036                 | 43      |
| Spouses and children            | 443                   | 9       |
| Disabled workers and dependents | 1,306                 | 28      |
| Workers                         | 805                   | 17      |
| Spouses and children            | 501                   | 11      |
| Survivors of deceased workers   | 926                   | 20      |

### New awards, 2007



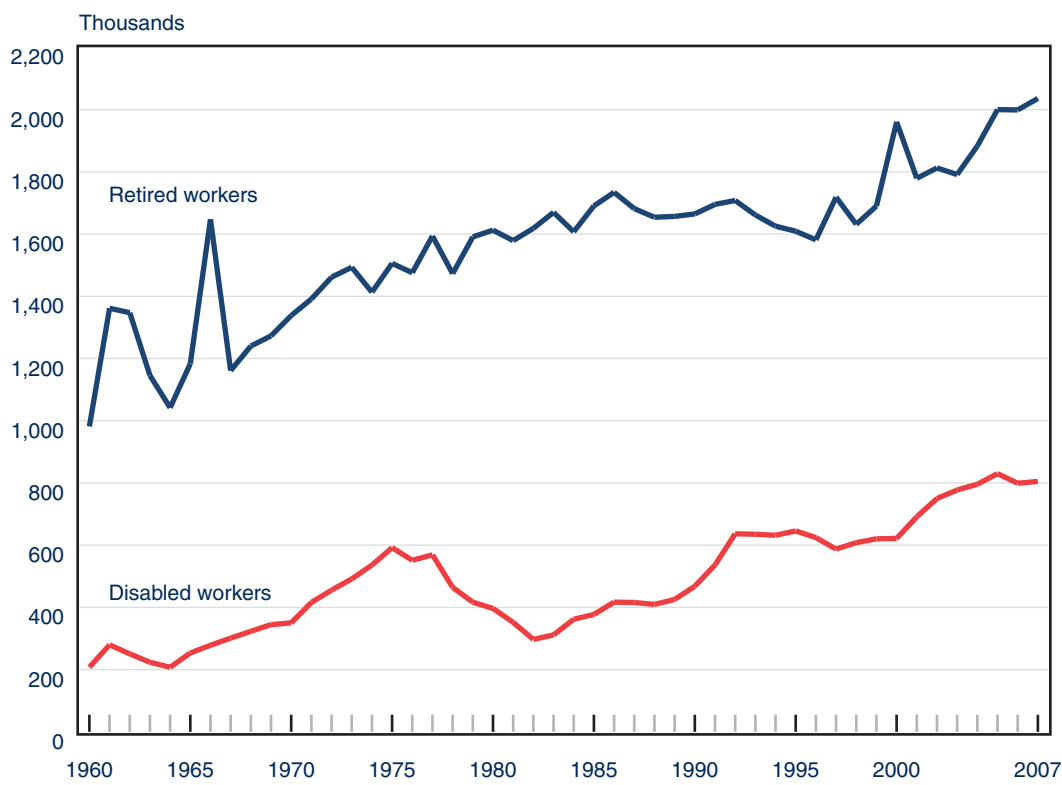
SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

NOTE: Totals do not necessarily equal the sum of rounded components.

## New Awards to Workers, 1960–2007

Awards to retired workers have increased considerably since 1960 but proportionately much less than awards to disabled workers. Following the implementation of Medicare in 1965, the number of awards to retired workers rose from 1.2 million in 1967 to over 2 million in 2007. Disabled-worker awards increased—from 208,000 in 1960 to 592,000 in the mid-1970s—before falling to 297,000 in 1982. The number then rose to a high of 830,000 in 2005, and was 805,000 in 2007.

### New awards to retired and disabled workers



SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

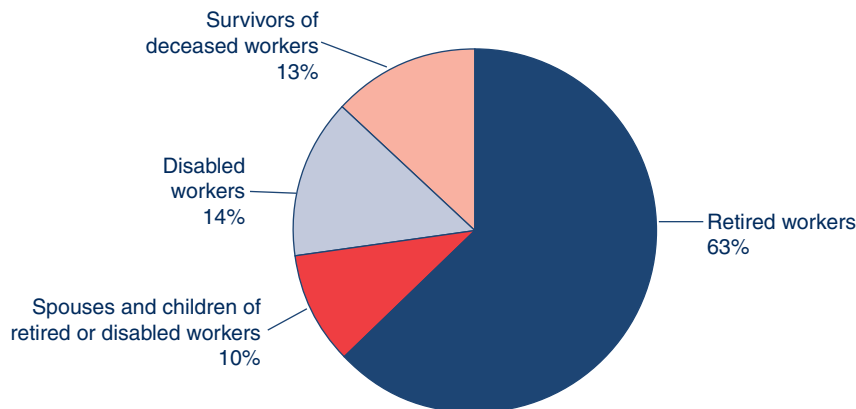
## Beneficiaries in Current-Payment Status, December 2007

Almost 50 million beneficiaries were in current-payment status, that is, they were being paid a benefit. Sixty-three percent of those beneficiaries were retired workers and 14% were disabled workers. The remaining 23% were survivors or the spouses and children of retired or disabled workers.

### Beneficiaries in current-payment status

| Beneficiary                     | Number<br>(thousands) | Percent |
|---------------------------------|-----------------------|---------|
| Total                           | 49,865                | 100     |
| Retired workers and dependents  | 34,454                | 69      |
| Workers                         | 31,528                | 63      |
| Spouses and children            | 2,926                 | 6       |
| Disabled workers and dependents | 8,916                 | 18      |
| Workers                         | 7,099                 | 14      |
| Spouses and children            | 1,817                 | 4       |
| Survivors of deceased workers   | 6,495                 | 13      |

### Beneficiaries, by type



SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

## Average Benefit Amounts, 2007

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, widow(er)s' benefits are also payable at 100% of the insured worker's PIA. Nondisabled widow(er)s can receive reduced benefits at age 60. Disabled widow(er)s can receive reduced benefits at age 50. Spouses, children, and parents receive a smaller proportion of the worker's PIA than do widow(er)s.

### Average monthly benefit for new awards and for benefits in current-payment status (in dollars)

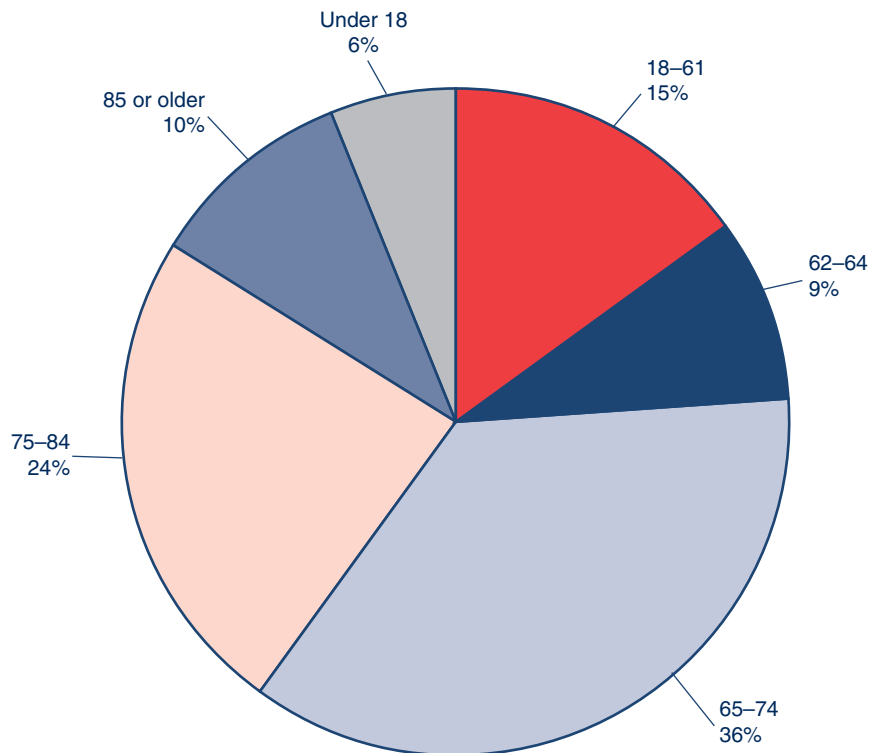
| Beneficiary                   | New awards | Benefits in current-payment status, December |
|-------------------------------|------------|--|
| All beneficiaries             | 878        | 987  |
| Retired workers               | 1,094      | 1,079  |
| Spouses                       | 390        | 531  |
| Children                      | 503        | 538  |
| Disabled workers              | 1,053      | 1,004  |
| Spouses                       | 277        | 267  |
| Children                      | 280        | 299  |
| Survivors of deceased workers |            |  |
| Nondisabled widow(er)s        | 864        | 1,040  |
| Disabled widow(er)s           | 635        | 646  |
| Widowed mothers and fathers   | 755        | 782  |
| Surviving children            | 700        | 704  |
| Parents                       | 863        | 918  |

SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

## Beneficiaries, by Age, December 2007

About four-fifths of all OASDI beneficiaries in current-payment status were aged 62 or older, including 24 percent aged 75–84 and 10 percent aged 85 or older. About 15 percent were persons aged 18–61 receiving benefits as disabled workers, survivors, or dependents. Another 6 percent were children under age 18.

### Beneficiaries, by age

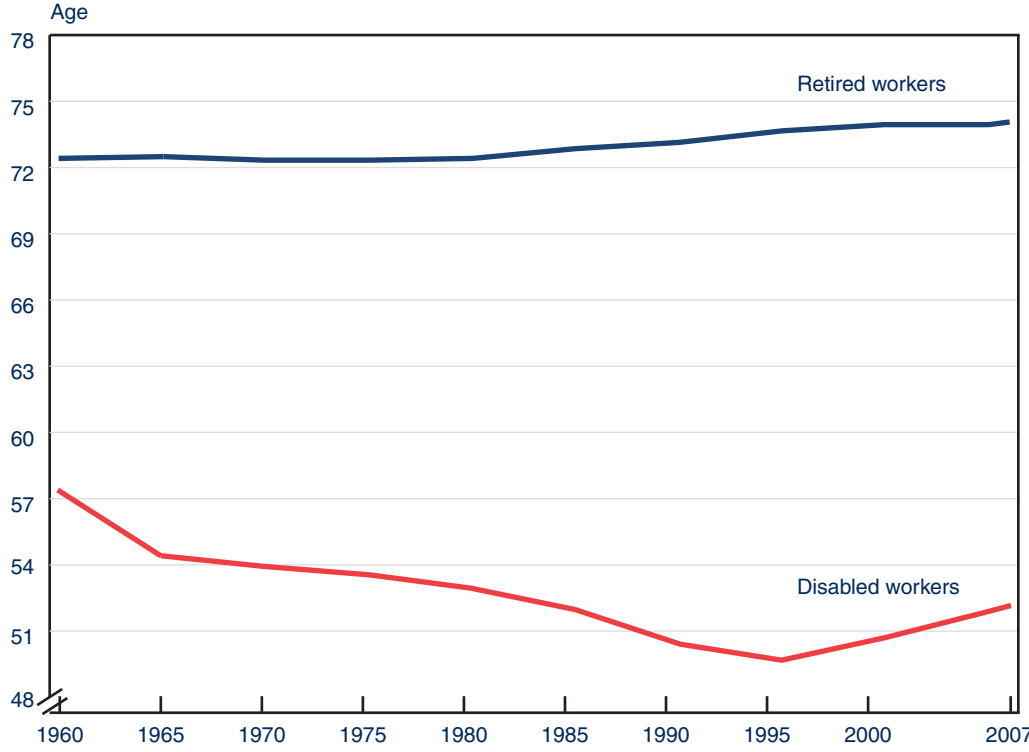


SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

## Disabled and Retired Workers, by Age, 1960–2007

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. The rapid drop in average age in the following years reflects a growing number of awards to workers under 50. By 1995, the average age had fallen to a low of 49.8, and by 2007, it had risen to 52.4. In contrast, the average age of retired workers has changed little over time, rising from 72.4 in 1960 to 74.0 in 2007.

Average age of disabled and retired workers, selected years

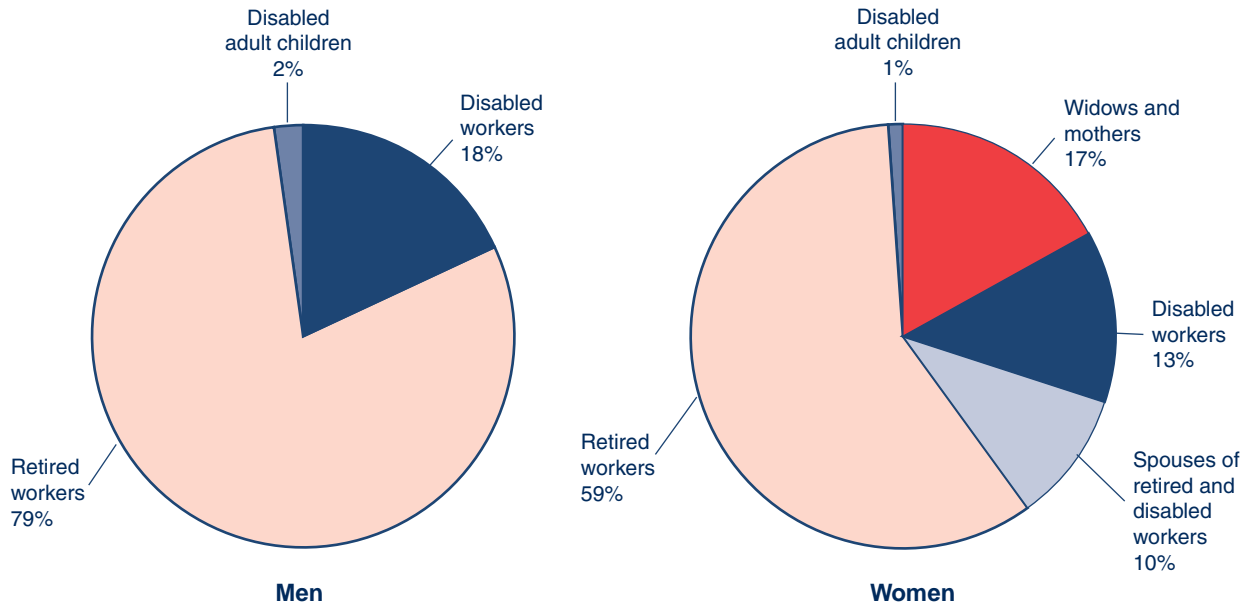


SOURCE: Social Security Administration, Master Beneficiary Record, 10 percent sample for 1988 and 1990–2005 and 100 percent data for all other years.

## Beneficiaries, by Sex, December 2007

Of all adults receiving monthly Social Security benefits, 44% were men and 56% were women. Seventy-nine percent of the men and 59% of the women received retired-worker benefits. About one-fifth of the women received survivor benefits.

### Adult beneficiaries, by type of beneficiary and sex



SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

NOTE: Totals do not necessarily equal the sum of rounded components.



## Average Monthly Benefit, by Sex, December 2007

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

### Average monthly benefit (in dollars)

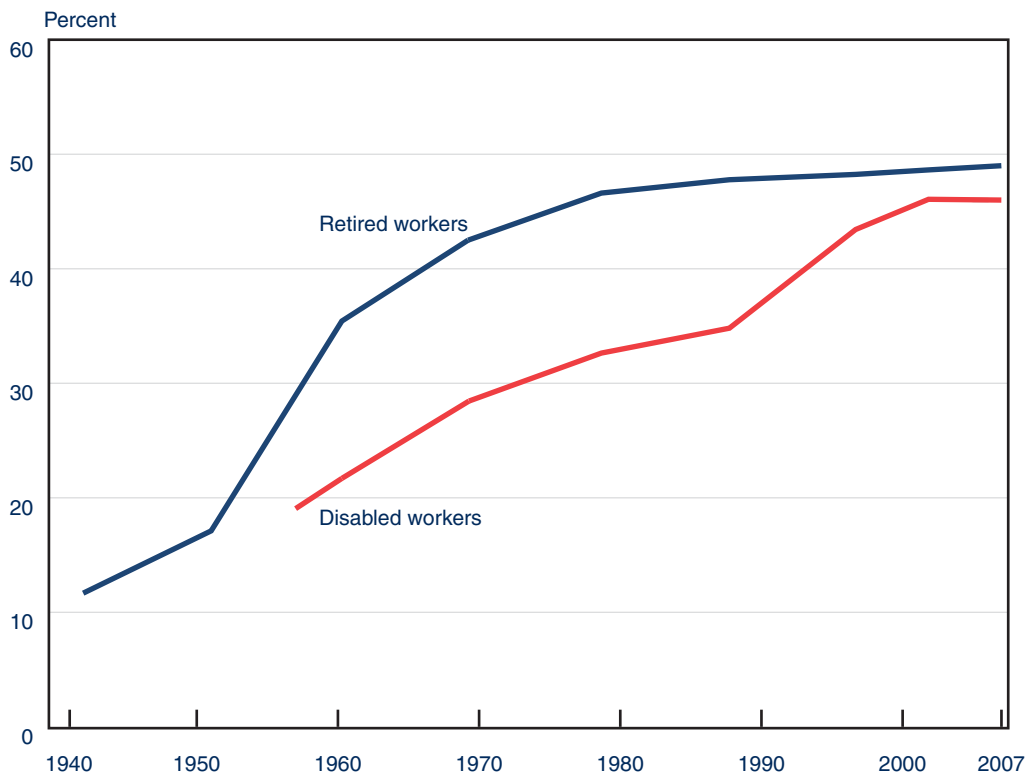
| Beneficiary                   | Men   | Women |
|-------------------------------|-------|-------|
| All beneficiaries             | 1,184 | 896   |
| Workers                       |       |       |
| Retired                       | 1,216 | 935   |
| Disabled                      | 1,126 | 866   |
| Spouses of—                   |       |       |
| Retired workers               | 308   | 536   |
| Disabled workers              | 215   | 269   |
| Survivors of deceased workers |       |       |
| Nondisabled widow(er)s        | 865   | 1,043 |
| Disabled widow(er)s           | 469   | 653   |
| Mothers and fathers           | 677   | 789   |

SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

## Women Beneficiaries, 1940–2007

The proportion of women among retired-worker beneficiaries has quadrupled since 1960. The percentage climbed steadily from 12% in 1940 to 47% in 1980, 48% in 1990, and 49% in 2007. The proportion of women among disabled-worker beneficiaries has more than doubled since 1957, when DI benefits first became payable. The percentage rose steadily from 19% in 1957 to 35% in 1990 and 47% in 2007.

### Women beneficiaries as a percentage of retired workers and disabled workers, selected years

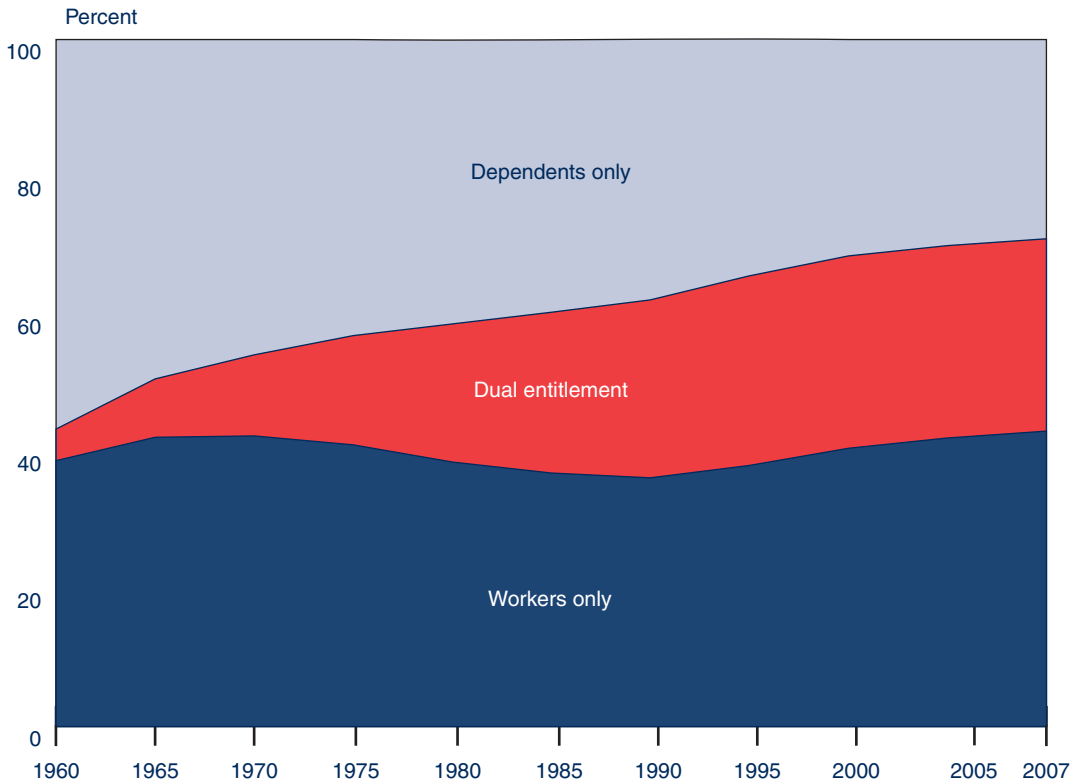


SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

## Women with Dual Entitlement, 1960–2007

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 29% in 2007. 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 2007.

**Women aged 62 or older, by basis of entitlement, selected years**



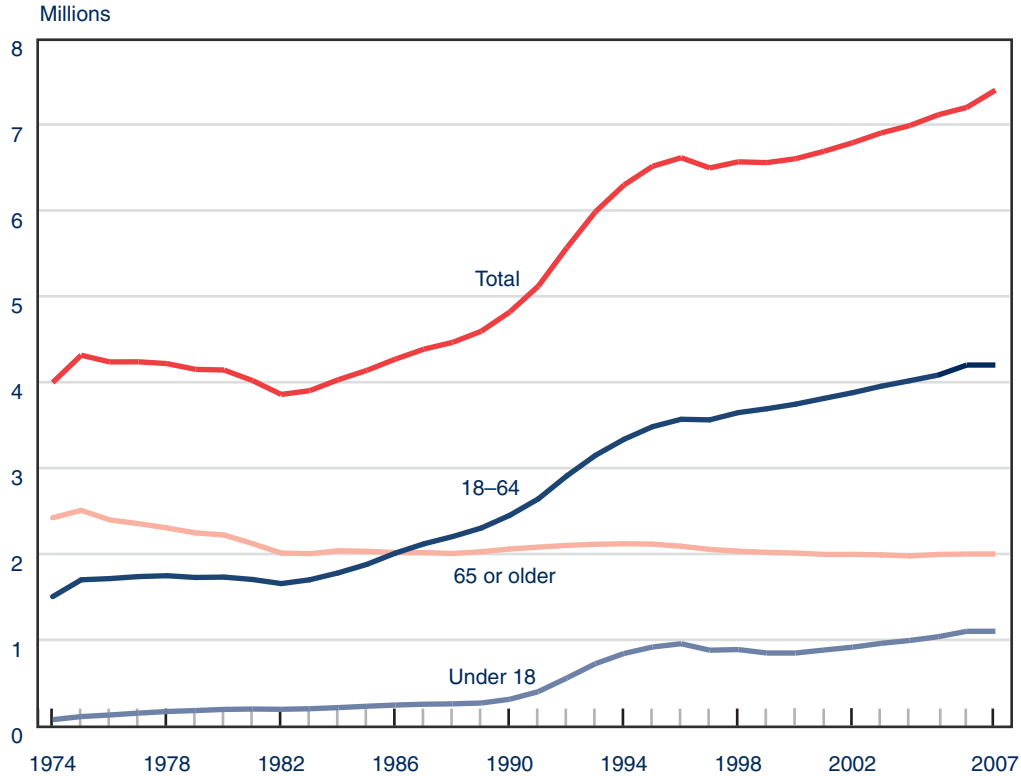
SOURCE: Social Security Administration, Master Beneficiary Record, 10 percent sample for 1993–2005 and 100 percent data for all other years.

## Number of Recipients, 1974–2007

The Supplemental Security Income (SSI) program provides income support to needy persons aged 65 or older, blind or disabled adults, and blind or disabled children. Eligibility requirements and federal payment standards are nationally uniform. SSI replaced the former federal/state adult assistance programs in the 50 states and the District of Columbia.

Payments under SSI began in January 1974, with 3.2 million persons receiving federally administered payments. By December 1974, this number had risen to nearly 4 million and remained at about that level until the mid-1980s, then rose steadily, reaching nearly 6 million in 1993 and 7 million by the end of 2004. As of December 2007, the number of recipients was 7.4 million. Of this total, 4.2 million were between the ages of 18 and 64, 2 million were aged 65 or older, and 1.1 million were under age 18.

**Persons receiving federally administered SSI payments, December**



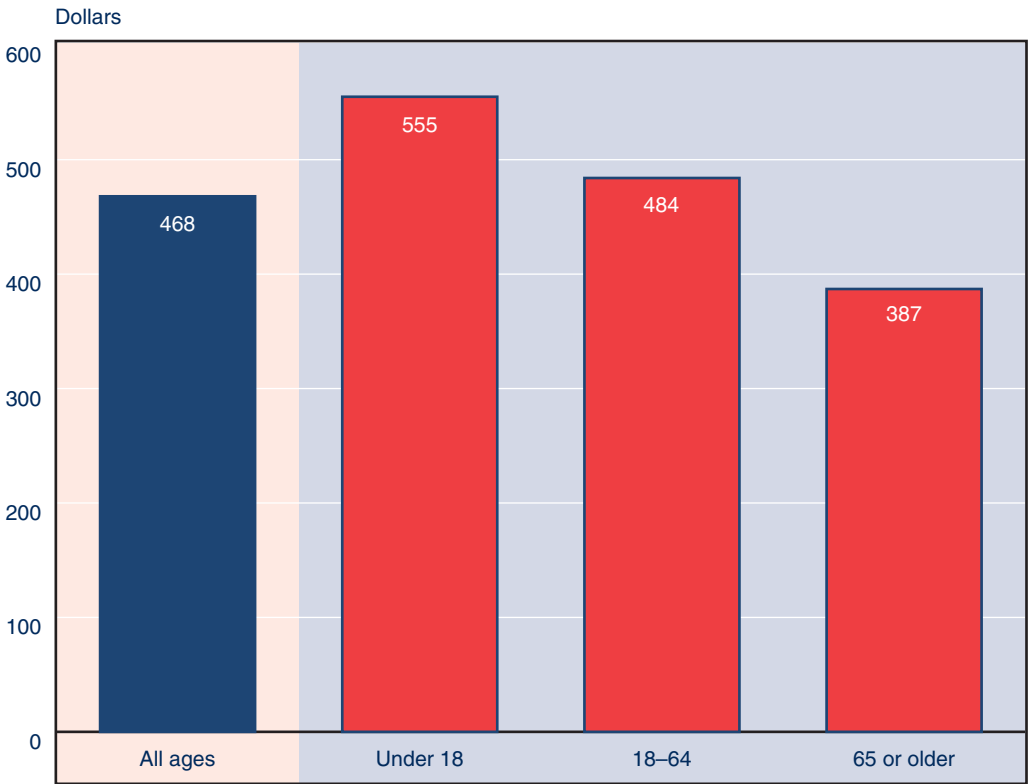
SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

NOTE: Totals do not necessarily equal the sum of rounded components.

## Payment Amounts, by Age, December 2007

The average monthly federally administered SSI payment was \$468. Payments varied by age group, ranging from an average of \$555 for recipients under 18 to \$387 for those 65 or older. The maximum federal benefit rate in December 2007 was \$623 for an individual, \$934 for a couple, plus any applicable state supplementation.

### Average monthly federally administered SSI payment



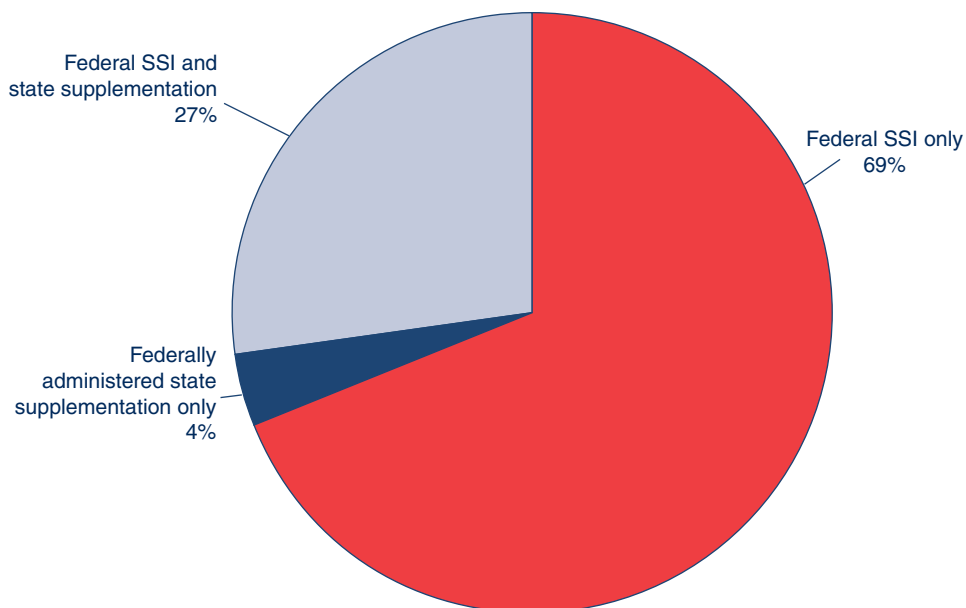
SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

NOTE: Amounts exclude retroactive payments.

## Federally Administered Payments, December 2007

A total of 7.4 million persons received federally administered SSI payments. The majority 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 recipient would have had under the former state program.

### Type of SSI payment

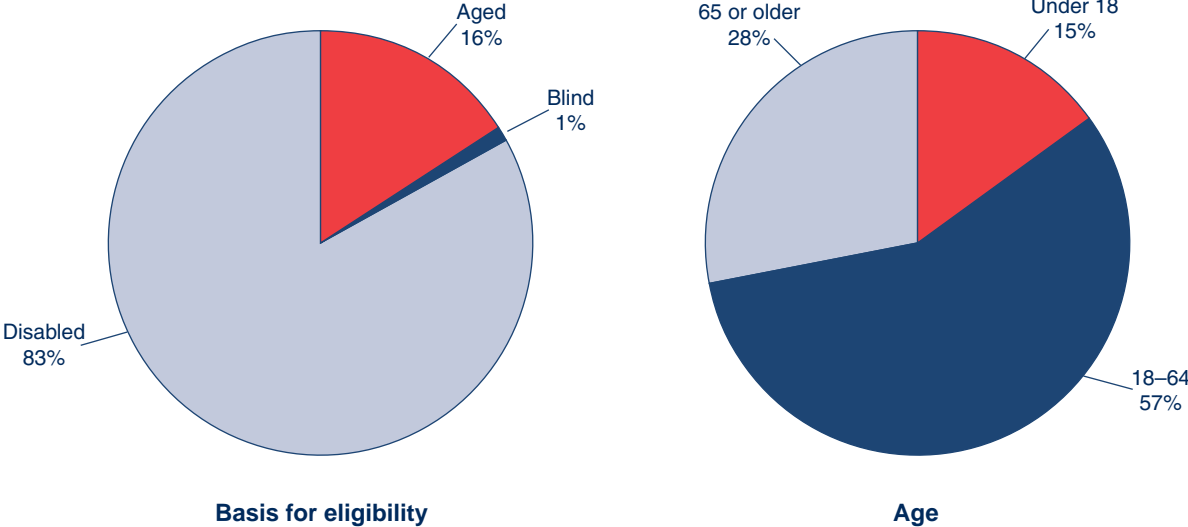


SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

# Basis for Eligibility and Age of Recipients, December 2007

Sixteen percent of SSI recipients received benefits on the basis of age, the rest on the basis of disability. Twenty-eight percent of the recipients were aged 65 or older. In the SSI program, a disabled recipient is still classified as “disabled” after reaching age 65. In the OASDI program, DI beneficiaries are converted to the retirement program when they attain full retirement age.

## SSI recipients, by basis for eligibility and age

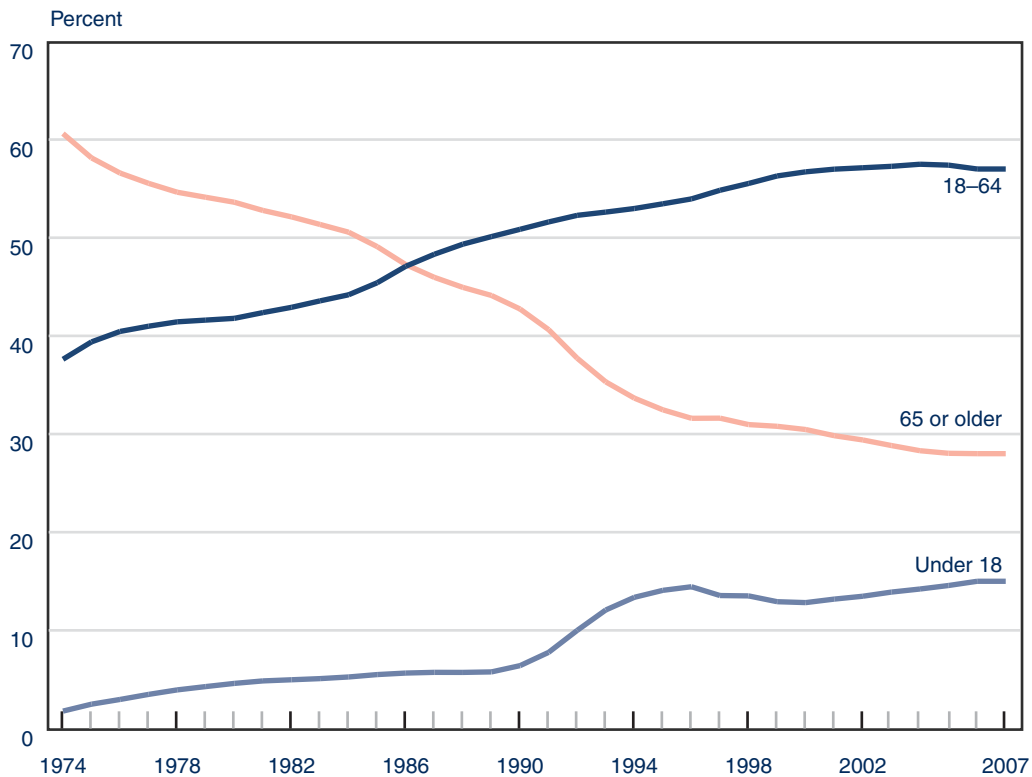


SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

# Percentage Distribution of Recipients, by Age, 1974–2007

The proportion of SSI recipients aged 65 or older has declined from 61% in January 1974 to 28% in December 2007. The overall long-term growth of the SSI program has occurred because of an increase in the number of disabled recipients, most of whom are under age 65.

Percentage distribution of SSI recipients, by age, December



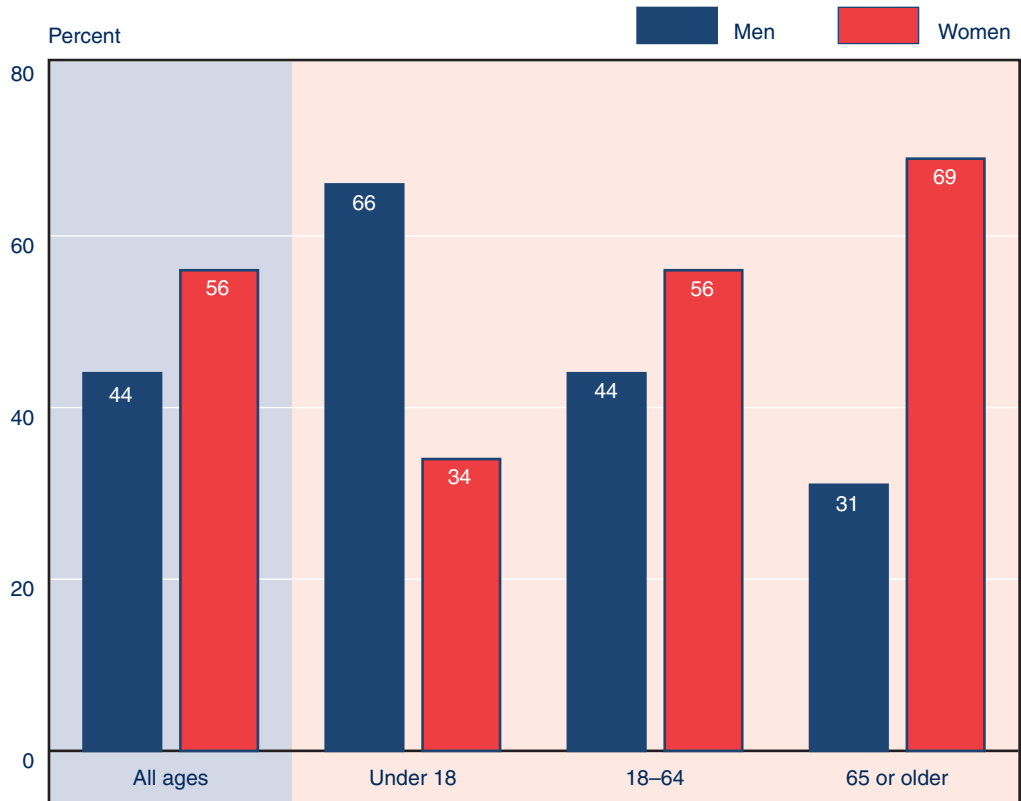
SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.



# Recipients, by Sex and Age, December 2007

Overall, 56% of the 7.4 million SSI recipients were women, but that percentage varied greatly by age group. Women accounted for 69% of the 2.0 million recipients aged 65 or older, 56% of the 4.2 million recipients aged 18–64, and 34% of the 1.1 million recipients under age 18.

SSI recipients, by sex and age

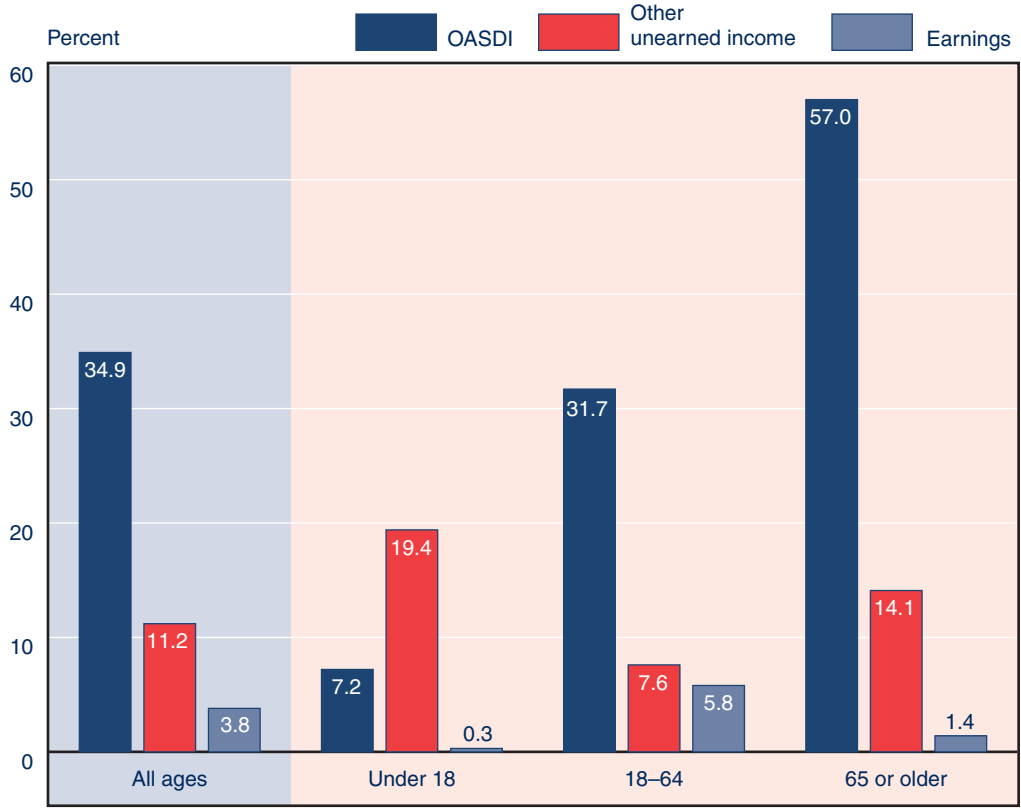


SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

# Other Income, December 2007

Fifty-seven percent of SSI recipients aged 65 or older received OASDI benefits, as did 32% of those aged 18–64 and 7% of those under age 18. Other types of unearned income, such as income from assets, were reported most frequently among those under age 18 (19%) and those aged 65 or older (14%). Earned income was most prevalent (6%) among those aged 18–64.

Other income of SSI recipients, by source and age



SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

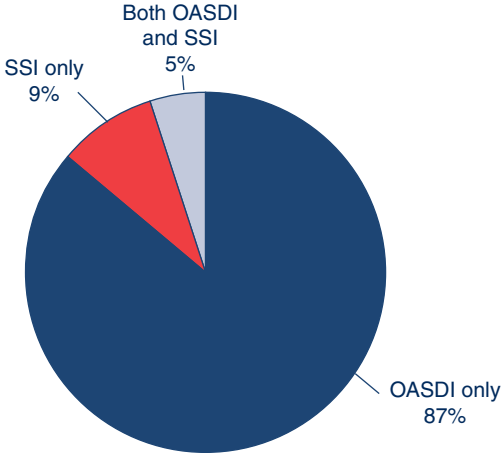
# All Beneficiaries, December 2007

About 54.7 million people received a payment from Social Security. Most (47.3 million) received OASDI benefits only, about 4.8 million received SSI only, and 2.6 million received payments from both programs.

### Beneficiaries receiving OASDI, SSI, or both

| Benefit              | Number (thousands) |
|----------------------|--------------------|
| Total (unduplicated) | 54,656             |
| OASDI                | 49,865             |
| OASDI only           | 47,296             |
| SSI                  | 7,360              |
| SSI only             | 4,791              |
| Both OASDI and SSI   | 2,569              |

### Distribution of all beneficiaries



SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data; Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

NOTES: SSI includes federal SSI payments and federally administered state supplementation.

Totals do not necessarily equal the sum of rounded components.

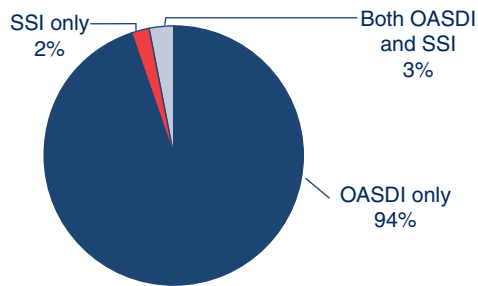
# Beneficiaries Aged 65 or Older, December 2007

Benefits were paid to 36 million people aged 65 or older. About 1.1 million received both OASDI and SSI.

## Beneficiaries aged 65 or older receiving OASDI, SSI, or both

| Beneficiary                  | Number (thousands) |
|------------------------------|--------------------|
| Total (unduplicated)         | 35,987             |
| OASDI                        |                    |
| Total                        | 35,119             |
| Retired workers              | 28,783             |
| Disabled workers             | 269                |
| Spouses                      | 2,205              |
| Widow(er)s                   | 3,790 <sup>a</sup> |
| Disabled adult children      | 72                 |
| OASDI only                   | 33,970             |
| SSI                          |                    |
| Total                        | 2,017 <sup>b</sup> |
| Receiving SSI only           | 868                |
| Receiving both OASDI and SSI | 1,149              |

## Distribution of beneficiaries aged 65 or older, by program



SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data; Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

NOTES: SSI includes federal SSI payments and federally administered state supplementation.

Totals do not necessarily equal the sum of rounded components.

a. Includes persons who received dependent parent's benefits or mother's and father's benefits.

b. Includes 812,000 SSI beneficiaries aged 65 or older who are disabled or blind.

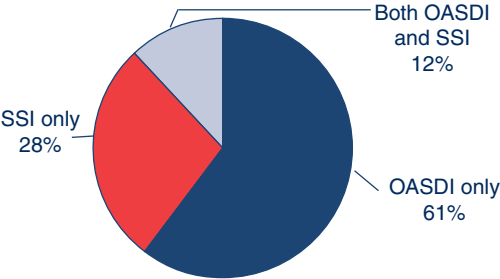
# Disabled Beneficiaries Aged 18–64, December 2007

Payments were made to 10.7 million people aged 18–64 on the basis of their own disability. Sixty-one percent received disability payments from the OASDI program only, 28% received payments from the SSI program only, and 12% received payments from both programs.

### Disabled beneficiaries aged 18–64 receiving OASDI, SSI, or both

| Beneficiary                             | Number<br>(thousands) |
|---|-----------------------|
| Total (unduplicated)                    | 10,735                |
| OASDI disability                        |                       |
| Total                                   | 7,768                 |
| Workers aged 64 or younger              | 6,830                 |
| Disabled adult children                 | 723                   |
| Widow(er)s                              | 215                   |
| OASDI disability only                   | 6,513                 |
| SSI disability                          |                       |
| Total                                   | 4,222                 |
| Receiving SSI disability only           | 2,967                 |
| Receiving both OASDI and SSI disability | 1,255                 |

### Distribution of disabled beneficiaries aged 18–64



SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data; Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

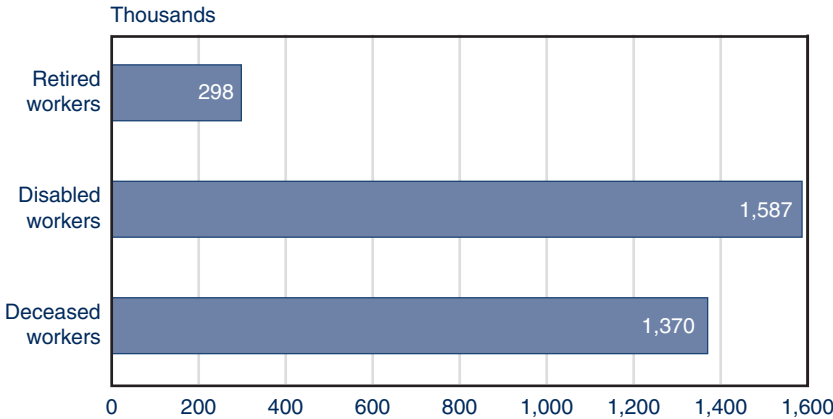
NOTES: SSI includes federal SSI payments and federally administered state supplementation.

Totals do not necessarily equal the sum of rounded components.

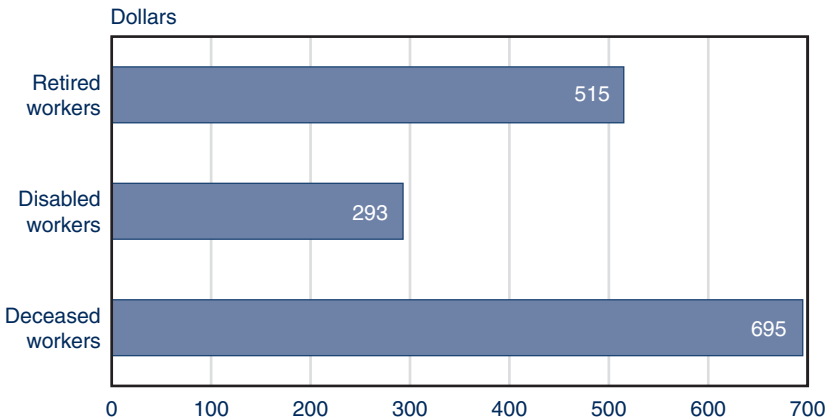
# OASDI Beneficiaries, December 2007

More than 3.2 million children under age 18 and students aged 18–19 received OASDI benefits. Children of deceased workers had the highest average payments, in part because they are eligible to receive monthly benefits based on 75% of the worker’s PIA, compared with 50% for children of retired or disabled workers. Overall, the average monthly benefit amount for children was \$483.

### Number of children of—



### Average monthly benefit for children of—

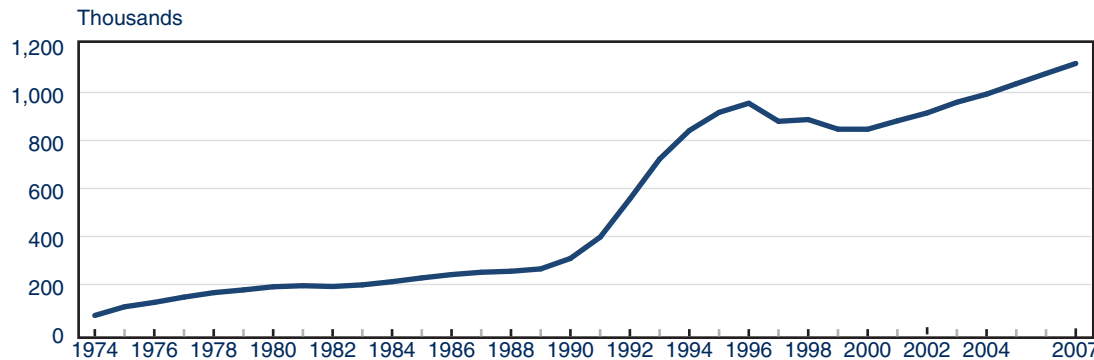


SOURCE: Social Security Administration, Master Beneficiary Record, 100 percent data.

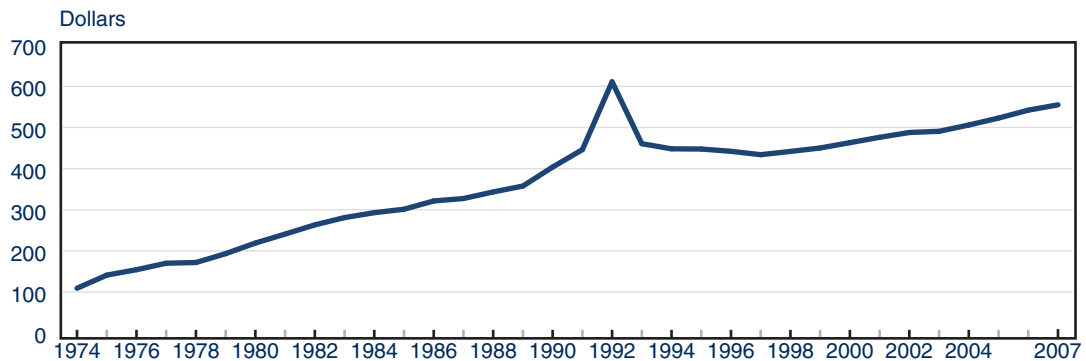
# SSI Recipients, 1974–2007

In 1974, when the program began, 70,900 blind and disabled children were receiving SSI. That number increased to 955,000 in 1996, declined to 847,000 in 2000, and is now 1,121,000. 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 spike in average monthly benefits in 1992 is due to retro-active payments resulting from the *Sullivan v. Zebley* decision. As of December 2007, blind and disabled children were receiving SSI payments averaging \$555.

## Number of children under age 18 receiving SSI



## Average monthly SSI payment to children under age 18 <sup>a</sup>



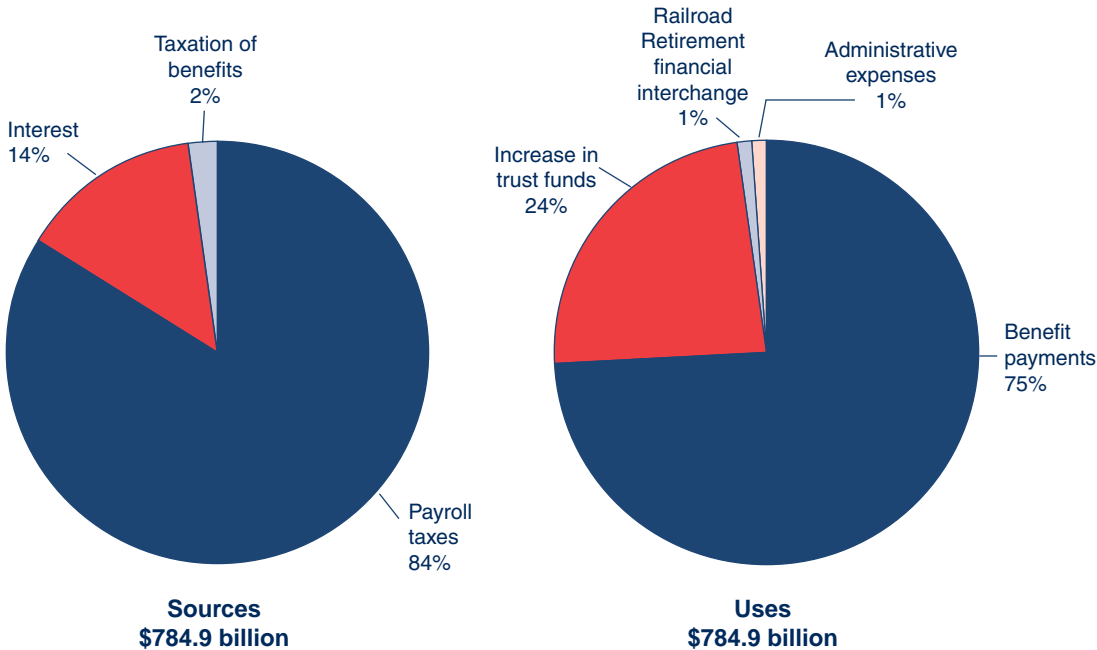
SOURCE: Social Security Administration, Supplemental Security Record (Characteristic Record Extract format), 100 percent data.

a. As of 1998, these figures exclude retroactive payments.

# How Social Security Is Financed

Social Security is largely a pay-as-you-go program. Most of the payroll taxes collected from today’s workers are used to pay benefits to today’s recipients. In 2007, the Old-Age and Survivors Insurance and Disability Insurance Trust Funds collected \$784.9 billion in revenues. Of that amount, 84% was derived from payroll taxes and 2% from income taxes on Social Security benefits. Interest earned on the government bonds held by the trust funds provided the remaining 14% of income. Assets increased in 2007 because income exceeded expenditures for benefit payments and administrative expenses.

Sources and uses of Social Security revenues in 2007



SOURCES: 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, Table II.B1.

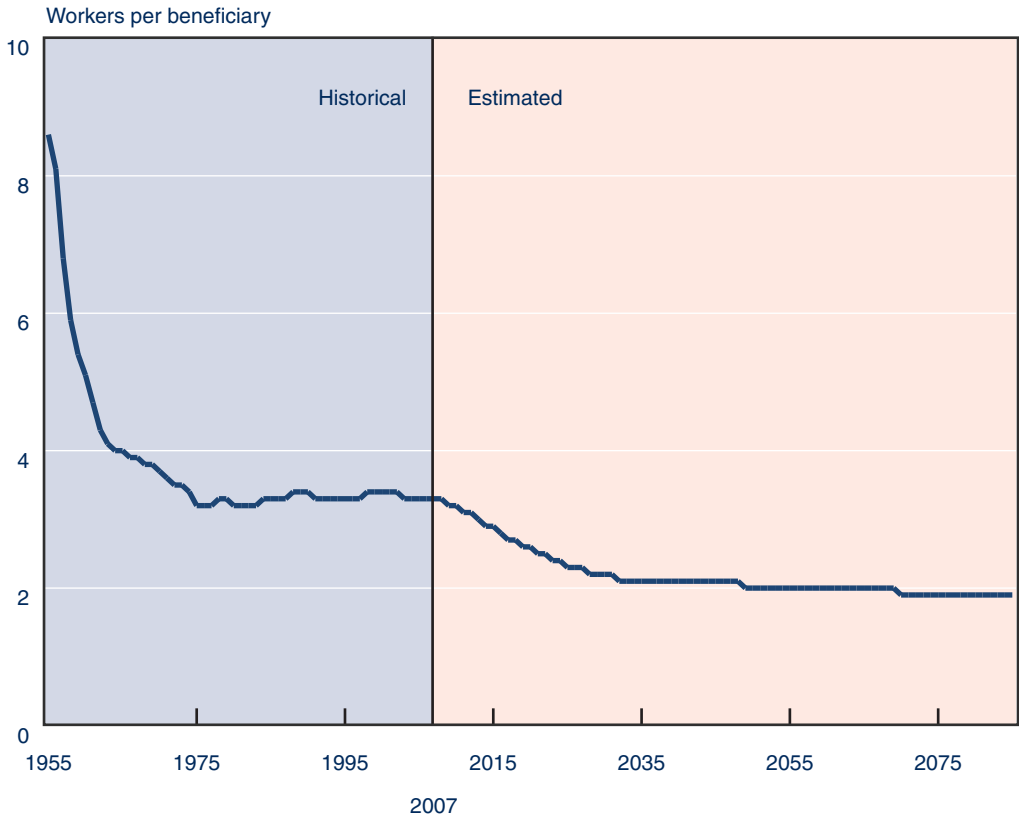
NOTE: Totals do not necessarily equal the sum of rounded components.



# Social Security's Demographic Challenge

The number of retired workers is projected to grow rapidly starting in 2008, when the members of the post-World War II baby boom begin to reach early retirement age, and will double in less than 30 years. People are also living longer, and the birth rate is low. As a result, the ratio of workers paying Social Security taxes to people collecting benefits will fall from 3.3 to 1 in 2007 to 2.1 to 1 by 2034. The Trustees Report projects that in 2017, when the ratio will be 2.7, there will not be enough workers to pay scheduled benefits at current tax rates. The Trustees Report also projects that redemption of trust fund assets will be sufficient to allow for full payment of scheduled benefits until 2041.

**Ratio of covered workers to Social Security beneficiaries**

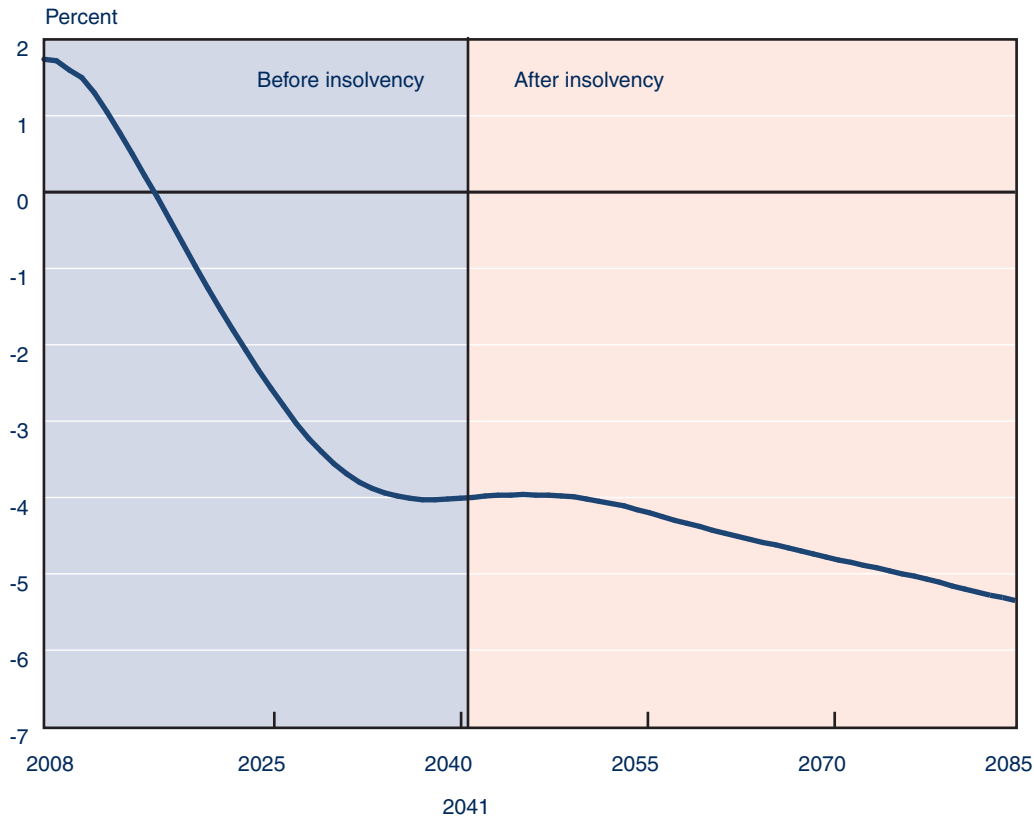


SOURCE: 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, Table IV.B2.

## The Long-Run Financial Outlook

Social Security is not sustainable over the long term at current benefit and tax rates. Within 9 years the program will begin paying more in benefits than it collects in taxes (see the chart below). By 2041 the trust funds will be exhausted. At that point, payroll taxes and other income will flow into the fund but will be sufficient to pay only 78% of program costs. As reported in the 2008 Trustees Report, the shortfall over the next 75 years is 1.70% of taxable payroll.

### Social Security income minus costs as a percentage of taxable payroll



SOURCE: 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, Table IV.B1.