

# Participation Rates and Monthly Payments From Selected Social Insurance Programs

*Household Economic Studies*

## Current Population Reports

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### INTRODUCTION

This brief reports program participation rates and benefit amounts received by individuals for selected social insurance programs in 2013, as reported in the 2014 Survey of Income and Program Participation (SIPP).<sup>1</sup> Government cash benefits to individuals are generally divided into two categories: social insurance and means-tested benefits. Social insurance programs are generally programs that are funded through payroll taxes. Eligibility is based on the occurrence of qualifying events, e.g. disability, retirement, or unemployment. On the other hand, means-tested benefits are programs for which only individuals whose income falls below a designated threshold are eligible. Specific programs discussed in this brief are:

- Social Security (SS) benefits covering retirement and disability
- Department of Veterans Affairs (VA) benefits covering service-connected disabilities
- Unemployment compensation (UC)
- Workers' compensation (WC)

Recipients often receive benefits from these programs continuously and for an extended period of time. Of all people aged 18 or older interviewed for the 2013 reference year, 18.5 percent reported receiving income

<sup>1</sup> Federal Black Lung benefits, Railroad Retirement Disability payments, state temporary disability and family leave, and Medicare participation are among the social insurance programs not addressed in this SIPP brief.

### WHAT IS SIPP?

The Survey of Income and Program Participation (SIPP) is a nationally-representative panel survey administered by the U.S. Census Bureau that collects information on the short-term dynamics of employment, income, household composition, and eligibility and participation in government assistance programs. It is a leading source of information on specific topics related to economic well-being, family dynamics, education, wealth and assets, health insurance, child care, and food security. Each SIPP panel follows individuals for several years, providing monthly data that measure changes in household and family composition and economic circumstances over time. For more information, please visit the SIPP Web site at [www.census.gov/sipp](http://www.census.gov/sipp).

from one or more of the social insurance programs discussed in this brief.<sup>2</sup>

<sup>2</sup> The estimates in this report (which may be presented in the text, figures, and tables) are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90 percent confidence level, unless otherwise indicated. The link to the nonresponse bias report is: [www.census.gov/programs-surveys/sipp/tech-documentation/nonresponse-reports.html](http://www.census.gov/programs-surveys/sipp/tech-documentation/nonresponse-reports.html)

Table 1.

## Number of Recipients of Selected Social Insurance Programs by Demographic Characteristics: 2013

Characteristics	Social Security (retirement benefits)		Social Security (disability benefits)		Department of Veterans Affairs (VA) (service-connected disability benefits)		Unemployment compensation benefits		Workers' compensation benefits	
	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>
<b>Total (thousands) . . .</b>	<b>38,888</b>	<b>398</b>	<b>9,060</b>	<b>375</b>	<b>2,958</b>	<b>208</b>	<b>5,934</b>	<b>306</b>	<b>1,361</b>	<b>141</b>
<b>Gender</b>										
Male . . . . .	47.8	0.48	51.0	1.81	91.3	1.95	55.3	2.66	66.0	4.52
Female . . . . .	52.2	0.48	49.0	1.81	8.7	1.95	44.7	2.66	34.0	4.54
<b>Age</b>										
18–34 years old . . . . .	X	X	5.8	0.86	14.8	2.98	28.3	2.01	21.8	5.11
35–49 years old . . . . .	X	X	21.1	1.61	19.0	2.70	33.9	2.24	27.6	3.54
50–64 years old . . . . .	12.7	0.52	56.0	1.80	29.4	2.88	32.4	2.33	43.2	4.58
65 and over . . . . .	87.2	0.53	17.1	1.38	36.8	3.31	5.4	1.18	7.4	3.57
<b>Race/Ethnicity</b>										
White, non-Hispanic . . . . .	86.1	0.49	73.0	1.61	78.4	2.98	77.5	2.40	78.8	1.74
Black, non-Hispanic . . . . .	9.2	0.31	21.9	1.39	15.9	2.47	15.7	1.43	15.2	1.78
Asian, non-Hispanic . . . . .	3.1	0.32	1.2	0.49	1.8	0.86	3.7	0.95	2.2	3.86
Other race . . . . .	1.7	0.24	3.9	0.68	3.9	1.23	3.1	0.73	3.8	3.86
Hispanic (of any race) . . . . .	6.7	0.32	10.2	1.11	5.7	1.52	15.4	1.98	14.5	5.14
<b>Recipient's monthly household income</b>										
Less than \$2,000 . . . . .	20.3	0.72	41.4	2.07	11.7	2.15	26.4	2.20	20.3	4.69
\$2,000–\$3,499 . . . . .	23.9	1.00	22.8	1.74	16.2	2.53	16.3	1.77	18.7	4.21
\$3,500–\$6,000 . . . . .	27.6	1.15	20.2	1.68	27.2	3.19	21.1	2.11	26.5	4.76
Greater than \$6,000 . . . . .	28.3	1.14	15.6	1.41	44.8	3.43	36.2	2.54	34.4	5.13

X Not applicable.

<sup>1</sup> The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.Note: Column totals may not sum to 100 due to rounding. For information on sampling and nonsampling error, see <[www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements.html](http://www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements.html)>.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2014 Panel.

The largest social insurance program is Social Security. About 71 percent of all social insurance recipients received Social Security retirement benefits and another 17 percent received Social Security disability benefits. The next largest source was unemployment compensation, which was received by almost 11 percent of recipients. About 5 percent of all recipients received veterans disability

benefits, followed closely by workers' compensation at about 2 percent.<sup>3, 4</sup>

<sup>3</sup> The total sums to more than 100 percent because individuals can receive benefits from more than one social insurance program during the reference year. The reported proportions are to the nearest percent.

<sup>4</sup> When we consider all adults 18 and older in 2013, about 16 percent received Social Security retirement benefits, about 4 percent received Social Security disability benefits, about 3 percent received unemployment compensation, about 1 percent received veterans disability benefits, and about 0.6 percent received workers' compensation.

## BRIEF DESCRIPTION OF PROGRAMS DISCUSSED

Social Security benefits, administered by the federal government, provide retirement and disability benefits to individuals as well as family members. Insured employees pay Social Security taxes and earn credits that count toward eligibility for Social Security benefits. For most employees, their Social Security contributions are matched by their employers. Most workers need 10 years of work to qualify for benefits.

Table 2.

## Average Monthly Amount Received From Selected Social Insurance Programs by Demographic Characteristics: 2013

Characteristics	Social Security (retirement benefits)		Social Security (disability benefits)		Department of Veterans Affairs (VA) (service-connected disability benefits)		Unemployment compensation benefits		Workers' compensation benefits	
	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>	Number or percent	Margin of error <sup>1</sup>
<b>Total (thousands) . . .</b>	<b>\$1,408</b>	<b>\$10</b>	<b>\$1,210</b>	<b>\$20</b>	<b>\$1,050</b>	<b>\$70</b>	<b>\$954</b>	<b>\$44</b>	<b>\$780</b>	<b>\$68</b>
<b>Gender</b>										
Male. . . . .	\$1,577	\$15	\$1,319	\$31	\$1,055	\$73	\$975	\$71	\$829	\$88
Female. . . . .	\$1,253	\$12	\$1,101	\$24	\$988	\$164	\$931	\$53	\$685	\$106
<b>Age</b>										
18–34 years old. . . . .	X	X	\$874	\$76	\$992	\$181	\$894	\$86	\$826	\$131
35–49 years old. . . . .	X	X	\$1,112	\$36	\$862	\$148	\$1,038	\$68	\$812	\$135
50–64 years old. . . . .	\$1,318	\$27	\$1,262	\$28	\$1,125	\$119	\$888	\$58	\$798	\$103
65 and over. . . . .	\$1,418	\$10	\$1,255	\$49	\$1,104	\$122	\$1,114	\$202	\$595	\$142
<b>Race/Ethnicity</b>										
White, non-Hispanic . . . .	\$1,446	\$11	\$1,258	\$27	\$1,033	\$82	\$998	\$61	\$819	\$86
Black, non-Hispanic. . . . .	\$1,289	\$28	\$1,148	\$41	\$1,253	\$200	\$826	\$91	\$674	\$153
Asian, non-Hispanic. . . . .	\$1,275	\$72	\$1,177	\$207	\$782	\$430	\$1,132	\$231	\$630	\$297
Other race . . . . .	\$1,229	\$61	\$1,129	\$62	\$993	\$299	\$746	\$142	\$1,055	\$420
Hispanic (of any race) . . .	\$1,195	\$38	\$1,050	\$53	\$838	\$232	\$884	\$90	\$654	\$130
<b>Recipient's monthly household income</b>										
Less than \$2,000. . . . .	\$1,125	\$18	\$995	\$24	\$523	\$97	\$770	\$62	\$630	\$129
\$2,000–\$3,499. . . . .	\$1,367	\$18	\$1,288	\$37	\$738	\$134	\$823	\$83	\$687	\$133
\$3,500–\$6,000. . . . .	\$1,464	\$17	\$1,318	\$40	\$1,242	\$130	\$1,001	\$93	\$852	\$127
Greater than \$6,000 . . . .	\$1,574	\$21	\$1,468	\$56	\$1,138	\$104	\$1,154	\$103	\$882	\$115

X Not applicable.

<sup>1</sup> The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: For information on sampling and nonsampling error, see <[www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements.html](http://www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements.html)>.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2014 Panel.

Veterans disability compensation benefits are provided through the Department of Veterans Affairs to veterans, their spouses, and dependent children. Veterans benefits include disability benefits paid to veterans disabled during active duty. Benefits vary by type of disability, severity of the disability, and the number of eligible dependents.

Unemployment compensation is administered by the states to provide benefits to people who have lost their jobs and are looking for work. Employers are required to

pay a certain amount to the state unemployment agencies each month, based on each worker's wage rate and hours worked.

Workers' compensation is administered by the states to provide wage and medical benefits to an employee injured during the course of employment. Workers' compensation insurance is required by almost every state, however coverage, rules, and regulations vary by state.

### DATA ON MONTHLY PARTICIPATION AND BENEFIT AMOUNTS

Data on monthly participation and benefit amounts for the 2013 calendar year were collected in the 2014 Survey of Income and Program Participation (SIPP). Participation rates reflect receipt for one or more months during the reference year and the monthly amount reflects the average monthly benefit received. SIPP is particularly well suited as a source of national estimates of social insurance program use because it collects data about

several benefits programs in the same interview, as well as detailed demographic data. This allows for a more in-depth analysis of the characteristics of program participants than administrative sources can provide. In addition, since monthly data is collected over a 4-year period, the SIPP allows researchers to better understand the interplay between family structure, work experience, and program participation over time.

Participation rates and amounts for individual recipients are reported for selected demographic characteristics (sex, age, race and ethnicity, and household income).

## TABLE HIGHLIGHTS

### Sex

- Average monthly Social Security retirement payments received by men were \$300 more than the average monthly amount received by women (\$1,577 compared to \$1,253).
- About 9 in 10 of veterans benefits recipients (91.3 percent) were men.
- Two-thirds of workers' compensation recipients (66.0 percent) were men.

### Age

- Half of Social Security disability recipients (56.0 percent) were between 50 and 64 years old.
- The vast majority of unemployment compensation recipients (94.6 percent) were below age 65.
- Over two-fifths of workers' compensation recipients (43.2 percent) were between the ages of 50 and 64.

### Race/Ethnicity

- About four-fifths of Social Security retirement recipients (86.1 percent) were White, non-Hispanic.
- Average monthly veterans benefits payments received by Black, non-Hispanic veterans were \$200 more than the average monthly amount received by White, non-Hispanic veterans (\$1,253 compared to \$1,033).
- Of unemployment compensation recipients, 15.4 percent identified as Hispanic.

### Household Monthly Income

- In households with a total monthly income of less than \$2,000, the average monthly Social Security retirement payment of \$1,125 was received and represented more than half of monthly income.
- About 2 in 5 Social Security disability benefits recipients (41.4 percent) lived in households with a total monthly income of less than \$2,000.
- More than two-fifths of veterans benefits recipients (44.8 percent) lived in households with a total monthly income greater than \$6,000.

Social Security retirement is the largest social insurance program. It covers more Americans than the other four programs combined, and has the largest average monthly payment, \$1,408. Two-fifths (41.4 percent) of Social Security disability recipients live in households with a monthly household income of less than \$2,000. The population receiving veterans disability compensation is more economically secure, as over two-fifths (44.8 percent) have monthly household incomes

greater than \$6,000. Receipt of unemployment compensation and workers' compensation is concentrated in the traditional working-age population, with 94.6 percent of unemployment compensation recipients and 92.6 percent of workers' compensation recipients between the ages of 18 and 64.

## CONTACTS

E-mail Julia Yang of the Census Bureau's Demographic Statistical Methods Division at <julia.yang@census.gov> or Mahdi S. Sundukchi of the Census Bureau's Demographic Statistical Methods Division at <mahdi.s.sundukchi@census.gov> for further information on the source of the data and accuracy of the estimates, including confidence intervals.

For information on the content of the report, e-mail John J. Hisnanick, Chief, Program Participation and Income Transfer Branch at <john.j.hisnanick@census.gov> or 301-763-2295.

## USER COMMENTS

The Census Bureau welcomes the comments and advice of users of its data and reports. If you have any suggestions or comments, please e-mail <www.ask.census.gov>.

## SUGGESTED CITATION

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