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*Policy Update* highlights the latest research, analysis, and statistics from the Social Security Administration's Office of Policy. It appears quarterly on the Web (<http://www.socialsecurity.gov/policy>) and in each issue of the *Social Security Bulletin*. It includes summaries of all recent products and identifies work done by outside researchers funded through a cooperative agreement with SSA. Information about the availability of the publications is given in each section.

## Publications

Documents from the Office of Policy are available at <http://www.socialsecurity.gov/policy>. For information about the availability of printed copies, please e-mail [op.publications@ssa.gov](mailto:op.publications@ssa.gov), call 202-358-6274, or fax 202-358-6192.

### Disability

#### ***Changes in the Demographic and Economic Characteristics of SSI and DI Beneficiaries Between 1984 and 1999***

Teran Martin and Paul S. Davies  
from *Social Security Bulletin*, Vol. 65 No. 2 (released August 2004)

During the past 20 years, legislative and judicial actions have affected Supplemental Security Income and Disability Insurance beneficiaries. This article compares important changes in demographics, income sources and amounts, and poverty status of beneficiaries of both programs between 1984 and 1999, using data from the Survey of Income and Program Participation matched to administrative data from the Social Security Administration. The average age of both groups has decreased, while their education levels increased. In 1999, Disability Insurance beneficiaries and their families relied less on Social Security, while their poverty rate remained fairly constant. The Supplemental Security Income population had a lower poverty rate, while beneficiaries

were slightly more reliant on Social Security for personal income.

Online

HTML: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p1.html>

PDF: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p1.pdf>

#### ***Annual Statistical Report on the Social Security Disability Insurance Program, 2003***

(released August 2004)

Since 1956, the Social Security program has provided cash benefits to people with disabilities. This annual report provides program and demographic information about the people who receive those benefits—disabled workers, disabled widow(er)s, and disabled adult children. The basic topics covered are beneficiaries in current-payment status; benefits awarded, withheld, and terminated; geographic distributions; Social Security beneficiaries who receive Supplemental Security Income; and the income of disabled beneficiaries.

Online: [http://www.socialsecurity.gov/policy/docs/statcomps/di\\_ast/2003/index.html](http://www.socialsecurity.gov/policy/docs/statcomps/di_ast/2003/index.html)

### Economic Status

#### ***Demographic and Economic Characteristics of Children in Families Receiving Social Security***

Chad Newcomb  
from *Social Security Bulletin*, Vol. 65 No. 2 (released August 2004)

Each month, over 3 million children receive benefits from Social Security, accounting for one of every seven Social Security beneficiaries. This article examines the demographic characteristics and economic status of these children using Social Security administrative records matched to the 1996 Survey of Income and Program Participation. Most child beneficiaries receive benefits based on the earnings of a deceased or disabled parent, and nearly two-thirds live in female-headed families. The families of child beneficiaries rely about equally on earnings and income from Social Security for economic support. On average, the family income of

child beneficiaries was 25 percent lower than that of all children, but there was no statistically significant difference in the poverty rates of the two groups.

Online

HTML: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p28.html>

PDF: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p28.pdf>

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## ***Employee Benefits***

### ***Choice and Other Determinants of Employee Contributions to Defined Contribution Plans***

Leslie E. Papke

from *Social Security Bulletin*, Vol. 65 No. 2 (released August 2004)

Understanding the role that 401(k) plan characteristics, such as investment choice, play in participation and employee contributions is important as more workers rely on this type of retirement plan and as proposals for Social Security solvency include individual savings plans. Using the 1992 Health and Retirement Study, this article investigates which individual and job characteristics are associated with asset choice in defined contribution plans. Investment choice is found to substantially increase contributions to such plans.

Online

HTML: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p59.html>

PDF: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p59.pdf>

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## ***International Programs***

### ***Social Security Programs Throughout the World: Europe, 2004***

(released September 2004)

This publication, which provides a cross-national comparison of the social security systems in 172 countries, is now a four-volume series. Each volume focuses on a specific region of the world—Europe, Asia and the Pacific, Africa, and the Americas. The volumes summarize the five main social insurance programs in those countries: old-age, disability, and survivors; sickness and maternity; work injury; unemployment; and family allowances.

Online: <http://www.socialsecurity.gov/policy/docs/progdesc/ssptw/2004-2005/europe/index.html>

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## ***Retirement***

### ***OASDI Beneficiaries by State and County, 2003*** (released August 2004)

This annual publication provides data on the Social Security population at the local level. It presents basic program data by type of benefit (retirement, survivors, and disability) and category of beneficiary (retired and disabled workers, wives and husbands, widows and widowers, and children).

Online: [http://www.socialsecurity.gov/policy/docs/statcomps/oasdi\\_sc/2003/index.html](http://www.socialsecurity.gov/policy/docs/statcomps/oasdi_sc/2003/index.html)

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## ***Supplemental Security Income***

### ***Annual Wage Trends for Supplemental Security Income Recipients***

Richard Balkus and Susan Wilschke

from *Social Security Bulletin*, Vol. 65 No. 2 (released August 2004)

As a means-tested program, the Supplemental Security Income program considers a recipient's income from wages and other sources when determining eligibility and the monthly benefit amount. This study examines annual earnings for a sample of Supplemental Security Income recipients and, in the case of child recipients, their spouses and parents to evaluate the feasibility of using average annual wages in place of monthly wages when determining benefit amounts. The data show substantial variation in earnings from one year to the next. The results do not point to any clear distinctions in wage patterns among recipients or ineligible spouses and parents that would make any one group a better candidate for estimating and verifying wages on an annual basis.

Online

HTML: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p49.html>

PDF: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p49.pdf>

### ***SSI Annual Statistical Report, 2003*** (released September 2004)

This annual report describes the SSI program and the people who receive benefits from it. The tables present data on such topics as recipient characteristics, state-administered supplements, disability and work incentives, applications, awards, and denials.

Online: [http://www.socialsecurity.gov/policy/docs/statcomps/ssi\\_asr/2003/index.html](http://www.socialsecurity.gov/policy/docs/statcomps/ssi_asr/2003/index.html)

### ***SSI Recipients in Households and Families with Multiple Recipients: Prevalence and Poverty Outcomes***

Melissa Koenig and Kalman Rupp

from *Social Security Bulletin*, Vol. 65 No. 2 (released August 2004)

This article provides new estimates of the prevalence of households with two or more unmarried recipients of SSI and analyzes the poverty status of three groups: individual recipients, married couple recipients, and two or more noncouple recipients living in the same household. It finds that outcomes are sensitive to assumptions regarding economies of scale for individual and married couple recipients. SSI program rules concerning the federal income guarantee for married couples versus individuals contributes to higher poverty rates among married couple recipients than among noncouple recipients living in the same household. The rate of poverty is highest among individual beneficiaries living alone. These findings are not sensitive to alternative ways to measure poverty.

Online

HTML: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p14.html>

PDF: <http://www.socialsecurity.gov/policy/docs/ssb/v65n2/v65n2p14.pdf>

## Journal Articles

Summaries of journal articles and information on how to obtain the full text of an article may be available on the journal's Web site. Links to the respective journals have been provided, where applicable. Journals may also be available through libraries. SSA does not have copies of these articles for distribution.

### ***Widows Waiting to Wed? (Re)Marriage and Economic Incentives in Social Security Widow Benefits***

Michael J. Brien, Stacy Dickert-Conlon, and David A. Weaver

*Journal of Human Resources* 39(3): 585–623 (Summer 2004)

## Papers from the Retirement Research Consortium

The Retirement Research Consortium comprises three multidisciplinary centers that are funded through a cooperative agreement with the Social Security Administration. The centers are located at Boston College, the University of Michigan, and the National Bureau of

Economic Research. These centers provide research and policy analysis to inform decisionmakers about issues critical to Social Security's retirement program.

## ***Boston College***

The following papers are available on the Center for Retirement Research Web site (<http://www.bc.edu/crr>) or by e-mail from [crr@bc.edu](mailto:crr@bc.edu) (papers marked with an asterisk (\*) are available by e-mail only).

### ***Rising Health Care Costs and Future Retirement Security\****

Richard W. Johnson and Rudolph G. Penner  
*BCCRR Working Paper* (September 2004)

### ***The Impact of Aging on Financial Markets and the Economy: A Survey\****

Barry Bosworth, Ralph Bryant, and Gary Burtless  
*BCCRR Working Paper* (September 2004)

### ***Assessing the Notional Defined Contribution Model\****

Matthew Williams and John B. Williamson  
*BCCRR Working Paper* (September 2004)

### ***Social Security Personal Account Participation with Government Matching\****

Gary V. Engelhardt and Anil Kumar  
*BCCRR Working Paper* (September 2004)

### ***The Annuity Puzzle Gets Bigger\****

Petia Petrova  
*BCCRR Working Paper* (August 2004)

### ***Providing Guarantees in Social Security***

Karen E. Smith, C. Eugene Steuerle, and Pablo Montagnes  
*BCCRR Working Paper No. 2004-21* (August 2004)

### ***Deferring Income in Employer-Sponsored Retirement Plans: The Dynamics of Participant Contributions***

Karen E. Smith, Richard W. Johnson, and Leslie A. Muller  
*BCCRR Working Paper No. 2004-20* (August 2004)

### ***Reform Model Two of the President's Commission to Strengthen Social Security: Distributional Outcomes Under Different Economic and Behavioral Assumptions***

Melissa M. Favreault, Joshua H. Goldwyn, Karen E. Smith, Lawrence H. Thompson, Cori E. Uccello, and Sheila R. Zedlewski  
*BCCRR Working Paper No. 2004-19* (August 2004)

### ***How Do Individual Accounts Work in the Swedish Pension System?***

Annika Sundén  
*BCCRR Issue in Brief No. 22* (August 2004)

***How Closely Do Spouses Coordinate Their Retirement Decisions?***

Richard W. Johnson  
BCCRR Issue in Brief No. 19 (July 2004)

***Design and Implementation Issues in Swedish Individual Pension\****

R. Kent Weaver  
BCCRR Working Paper (July 2004)

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***University of Michigan***

The following papers are available on the Retirement Research Web site ([http://www.mrrc.isr.umich.edu/content.cfm?section=research&content=research\\_projects](http://www.mrrc.isr.umich.edu/content.cfm?section=research&content=research_projects)) or by e-mail from [mrrc@isr.umich.edu](mailto:mrrc@isr.umich.edu) (papers marked with an asterisk (\*) are available by e-mail only).

***Welfare Reform and Immigrant Participation in the Supplemental Security Income Program\****

Paul Davies and Michael J. Greenwood  
Project No. UM03-C1 (September 2004)

***The Impact of Health Status and Out-of-Pocket Medical Expenditures on Annuity Valuation***

Cassio Turra and Olivia S. Mitchell  
Project No. UM04-03 (July 2004)

***Understanding Patterns of Social Security Benefit Receipt, Pensions Incomes, Retirement and Saving by Race, Ethnicity, Gender and Marital Status: A Structural Approach\****

Alan Gustman and Thomas Steinmeier  
Project No. UM03-13 (July 2004)

***Back to Work: Expectations and Realizations of Work After Retirement***

Nicole Maestas  
Project No. UM03-15 (July 2004)

***Global Aging: Issues, Answers, More Questions***

Axel Börsch-Supan  
Project No. UM04-Q1 (June 2004)

***How to Evaluate the Effects of Social Security on Retirement and Saving When Firm Policies Affect the Opportunities Facing Older Individuals\****

Alan Gustman and Thomas Steinmeier  
Project No. UM03-03 (June 2004)

***Enhancements to the RAND HRS Data\****

Constantijn Panis and Amanda Sonnega  
Project No. UM03-Q2 (June 2004)

***Correcting Second Home Equity in HRS/AHEAD: The Issues, a Method, and Some Preliminary Results\****

F. Thomas Juster and Honggao Cao  
Project No. UM03-Q3 (June 2004)

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***RRC Conference Proceedings***

On August 12–13, 2004, the Office of Policy sponsored the 6th Annual Conference of the Retirement Research Consortium. The conference featured panel presentations that highlighted current RRC research related to Social Security reform, consumption patterns among retired persons and those nearing retirement, trends in household savings, labor force participation among older populations, and the interactions between OASI, DI, SSI, and Medicare. Conference proceedings are available at <http://www.mrrc.isr.umich.edu/>.

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