

Characteristics of SSI and SSDI Beneficiaries Who Are Parents

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3rd Annual Meeting of the Disability Research Consortium

August 5–6, 2015
Washington, D.C.

The research reported herein was performed pursuant to a grant from the U.S. Social Security Administration (SSA) funded as part of the Disability Research Consortium. The opinions and conclusions expressed are solely those of the author(s) and do not represent the opinions or policy of SSA or any agency of the Federal Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, expressed or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of the contents of this report. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply endorsement, recommendation or favoring by the United States Government or any agency thereof.

Introduction

The Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) programs provide vital income support to working-age individuals with significant disabilities. A non-trivial share of SSI and SSDI beneficiaries are parents of children under age 18. Under SSDI, the children of beneficiaries may receive auxiliary benefits. Under SSI, no additional payments are provided for recipients with children. Parent beneficiaries may face a host of issues that differ from those of other beneficiaries without dependent children and that have implications for their employment and economic well-being.

In this summary, we present information from a data brief that describes the personal characteristics, employment, and income sources of SSI and SSDI beneficiaries who are parents of minor children, and compare these characteristics with those of other beneficiaries (Livermore and Bardos 2015). The brief is one in a series and is intended to make descriptive statistics available on specific subgroups of SSI and SSDI beneficiaries, thus providing a better understanding of the many faces of disability.

Data and Methods

We used data from four waves of the National Beneficiary Survey (NBS) fielded in 2004, 2005, 2006, and 2010,¹ and pooled these data to obtain a larger sample of beneficiaries who are parents. We classified beneficiaries as parents if they reported having biological, foster, or adopted children under the age of 18, regardless of whether the children lived with them or resided elsewhere. Here, the term “parent” refers only to parents of children under age 18. Parents of adult children are not considered in the analysis. We also grouped parent and nonparent beneficiaries into three subgroups based on their disability program participation status at the time of sampling: SSDI-only, concurrent (participating in both SSI and SSDI), and SSI-only.

We report statistics for sample members who were age 18 to 64 (working age) at the time of the NBS interview. All statistics were derived using the relevant survey weights, and all standard errors used to compute tests of statistical significance account appropriately for the complex NBS sampling design. Dollar values are expressed in 2010 dollars. All noted differences between parents and nonparents are statistically significant at the 0.05 level.

¹ The NBS was developed and implemented as part of an evaluation of the Social Security Administration’s Ticket to Work program. The survey collects cross-sectional data from a national sample of SSI and SSDI beneficiaries age 18 to full retirement age. The cross-sectional beneficiary sample sizes ranged from approximately 2,500 to 6,500 across the four rounds. The samples for each round are representative of beneficiaries on the SSI and SSDI rolls as of June of the calendar year before each survey year. The primary purpose of the survey is to provide information on the work-related activities of SSI and SSDI beneficiaries. For more information about the 2004, 2005, 2006, and 2010 NBS, see Thornton et al. (2006), Stapleton et al. (2008), Livermore et al. (2009), and Wright et al. (2012), respectively.

Summary and Implications of the Findings

Overall, 20 percent of SSI and SSDI beneficiaries are parents, with the highest rate of parenthood among SSI-only recipients (24 percent). About half of all parent beneficiaries (51 percent) have just one child, and about 20 percent have three or more. Most parents (69 percent) live with their minor children and most (61 percent) are unmarried. About one-fifth of parents (21 percent) have children under the age of six.

Parents differ significantly from nonparent beneficiaries in many respects. Other characteristics held constant, parents are more likely to be under age 50, female, nonwhite, in poverty, and married. They are also more likely to have held a job for pay at any time, to have less than a high school level of education, and to have a sensory impairment. Parents are significantly less likely to be in excellent or very good health, to have experienced the onset of disability in childhood, to be beneficiaries of SSDI only, to have been on the disability rolls for 10 or more years, and to be currently employed.

Parents also differ from other beneficiaries in terms of their work expectations and barriers, job characteristics, and income sources.

Work goals and employment. Parents are significantly more likely than other beneficiaries to have work goals or expect to work in the near future (53 percent versus 39 percent). Although parents are more likely to want to work, they are as likely as other beneficiaries to have worked during the previous calendar year (12 percent), and less likely to have been employed at the time of their NBS interview (7 percent versus 9 percent).

Employment barriers. Parents who want to work but are not employed generally report the same reasons for not working that their nonparent counterparts do. Among all beneficiaries with work goals, the most common reasons reported include poor health (92 percent), being discouraged by previous attempts to work (40 percent), inaccessible workplaces (34 percent), and inability to find a job for which they are qualified (33 percent). Not surprisingly, parents were markedly more likely than other beneficiaries to report caring for children or others as a reason for not working (25 percent versus 7 percent).

Job characteristics. Although parents were less likely to be employed than other beneficiaries, those who were employed worked at notably higher levels. Employed parents were about twice as likely as other employed beneficiaries to be working full time (35 hours or more per week)—31 percent versus 16 percent. Relative to other employed beneficiaries, parents also had higher average hourly wages (\$10.63 versus \$7.56) and average monthly earnings (\$1,110 versus \$668). A large share of employed parents were earning above the monthly substantial gainful activity level (44 percent compared with 19 percent of other employed beneficiaries). The higher average earnings is likely because employed parents are markedly less likely to work in sheltered or supported employment settings relative to nonparents (16 percent versus 41 percent).

Income sources. Compared with nonparent beneficiaries, parents receive higher average monthly SSA disability (\$945 versus \$893) and non-SSA government (\$244 versus \$186) benefits. This is not surprising, because children likely qualify parent beneficiaries for additional

income assistance. Parents are more likely to receive means-tested support from food stamps (36 percent versus 24 percent) and public cash assistance or welfare (9 percent versus 3 percent). Parents are less likely to receive income from pensions, private disability insurance, workers' compensation, unemployment insurance, or retirement (9 percent versus 14 percent).

Poverty. Despite receiving relatively high levels of government support, and the fact that those who are employed work at comparatively robust levels, parents experience poverty at high rates compared with other beneficiaries. The extra income they receive, on average, does not appear to cover the needs, in terms of the federal poverty standard, of the additional family members in the household.

Employment is the primary means by which people in our society escape poverty. Programs and policies that promote work for beneficiaries who are parents might therefore be important tools for reducing poverty in this population. Given the health conditions of SSI and SSDI beneficiaries, employment may not be a realistic option for many of them, but it may be for some. Most parents who receive SSI or SSDI have worked at some time in their lives. Further, and in contrast with nonparents, many have work goals and expect to work. However, the difference between their expectations and reality may be partly due to employment barriers that could be addressed with new policies—for example, by providing better access to child care and job training. Because parents are younger, on average, than other beneficiaries, investments in human capital development and work supports for members of this population have the potential for long-term disability program savings. Improving the economic well-being of beneficiaries who are parents might also enhance the long-term well-being of their children.

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