

# One Social Security

Social Security provides Americans with unique, all-in-one protection from birth to death. While they're working, Americans pay into Social Security, and then Social Security's earned benefits provide income for workers and their families when they need them. Social Security provides life insurance, disability insurance, and retirement income, all in one program.

## **Social Security's Life Insurance (Survivor Benefits)**

More than 6 million Americans currently receive Social Security survivor benefits, earned through a deceased spouse or parent's prior work.

- Social Security survivor benefits are the equivalent of a \$476,000 life insurance policy for a worker with young children.
- About 96% of persons aged 20-49 who were working and contributing to Social Security in 2013 have acquired survivorship protection for their children under age 18.

## **Social Security Disability Insurance (SSDI)**

Many Americans have a disability, but only those with the most severe, career-ending conditions qualify for SSDI benefits. To be eligible for SSDI benefits, disabled Americans must have worked and paid into Social Security; and they must have medical evidence showing that their physical or mental impairment is so severe that it prevents them from doing any work available in the national economy. Consequently, only about 1 in 5 of the 54 million Americans with some type of disability qualify for SSDI payments.

- Nearly 11 million Americans currently receive Social Security benefits because of a worker's disability – 9 million severely disabled workers, and 2 million of their children or spouses.
- The average American receiving Social Security because of a disability worked for 22 years to earn Social Security benefits before becoming too disabled to continue working.
- The average Social Security payment to a disabled worker is about \$1,100 a month. Even with Social Security, SSDI recipients are twice as likely to be poor as other Americans.
- The likelihood of a career-ending disability rises steeply with age: 70% of SSDI recipients are over age 50, and 30% are older than 60.
- Disabled workers who live to Social Security retirement age are automatically switched from receiving SSDI insurance to receiving retirement payments.

## **Social Security's Retirement Insurance**

Almost 42 million Americans receive Social Security benefits related to retirement – over 38 million due to their own work and almost 3 million through a retired spouse or parent.

- For 6 out of 10 seniors, Social Security provides the majority of their income.
- A typical retirement Social Security benefit is about \$1,300 a month.
- As seniors grow older, their other sources of retirement income tend to decline, making Social Security more important the older you get.