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Strengthening Social Security and SSI to Improve Women's Retirement Security
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Chairman Kohl, Ranking Member Corker, and members of the Committee, thank you for giving me the opportunity to testify today on behalf of the National Women's Law Center and for holding this hearing. Too often, policy discussions about Social Security are all about ways to cut already modest benefits. It's a pleasure and an honor to be invited to discuss ways to improve Social Security to address the challenges women continue to face in achieving retirement security.

My testimony will discuss why improving Social Security is a key strategy for improving retirement security for women and some specific ways that Social Security benefits can be enhanced for women, such as increasing the Special Minimum Benefit, recognizing caregiving, reforming benefits for surviving spouses, and adopting a measure of inflation that more accurately reflects seniors' higher health care costs. I'll also discuss reforms to Supplemental Security Income (SSI) that are needed to ensure that any improvements in Social Security benefits actually help the poorest beneficiaries and, more generally, to update this crucial safety net program for elderly women.

Women still face challenges to achieving a secure retirement

Women have greatly increased their participation in the paid labor force in recent decades,[1] and the gap between men's and women's earnings has narrowed.[2] Future cohorts of women will receive higher Social Security benefits as workers, and are more likely to have other work-related retirement benefits than today's female beneficiaries.[3] Yet substantial gaps between men and women remain. The poverty rate for elderly women today is 60 percent higher than for men,[4] and future female retirees will remain at higher risk of poverty in old age than men for several reasons.

The wage gap persists for women working full time, year round, even though it is smaller than in past decades; the typical woman working full-time, year round is paid only 77 cents for every $1 paid to her male counterpart, and the earnings gap is even larger for women of color.[5] Nearly two-thirds of adult minimum wage workers are women.[6] And women are still more likely than men to work part time[7] and take time out of the labor force for family caregiving.[8] This makes the lifetime earnings gap between women and men far greater than the annual earnings gap, and lifetime earnings determine Social Security benefits and retirement savings.[9] Women working today are about as likely as men to have access to a retirement plan at work;[10] but because of their lower earnings, women's pension benefits and retirement savings will be lower.[11] Women are far more likely than men to be single parents,[12] bearing heavier financial responsibilities that limit their ability to save.[13] And, compared to past generations of women, future female retirees are more likely to have been single parents and are more likely to be unmarried at retirement,[14] increasing their risk of financial insecurity despite increased participation in the workforce. In addition, women generally live longer than men;[15] over a longer lifespan, assets are depleted, income other than Social Security is eroded by inflation, and medical needs and costs increase.[16] And, women spend more years in retirement without the support of a spouse.

Social Security is the key to improving retirement security for women

For most Americans – especially women – Social Security is the foundation of economic security in retirement.[17] Social Security provides more than 60 percent of family income on average for female beneficiaries 65 and older. It's virtually the only source of income (90 percent or more) for about three in ten female and two in ten male beneficiaries 65 and older. It's even more important to women as they age; Social Security is virtually the only source of income for about four in ten female beneficiaries 80 and older. Without income from Social Security, half of all women 65 and older would be poor. (Although it is not the focus of this hearing, Social Security also provides critically important life and disability insurance benefits to women and their families that are especially important in communities of color.)

Social Security plays this critical role in women's retirement security even though its benefits are modest. The average Social Security benefit for women 65 and older is about $12,100 per year, compared to about $16,000 for men 65 and older.[18]

Enhancing Social Security benefits is the most effective way to increase retirement security for Americans, especially women. Social Security is virtually universal; fully portable between jobs; covers low-paid, part-time and temporary workers, and the self-employed; uses a progressive benefit formula; provides secure, predictable, retirement benefits that last for life; is not subject to the ups and downs of the stock market or the risk of depletion prior to reaching retirement; adjusts annually for inflation; provides automatic benefits to eligible spouses, surviving spouses, and divorced spouses, and dependent children; includes disability and life insurance benefits as well as retirement benefits; imposes few responsibilities on employers; and is highly efficient. It spends less than 1 percent of the funds collected each year on administrative costs.[19]

Since our Social Security system was first created in 1935, it's been improved for women in several ways. [20] In 1939, Social Security became a family insurance program, with protection for spouses and children against the loss of income when a worker retires or dies. In 1950, coverage was expanded to domestic workers, overwhelmingly women of color, and farm workers, and benefits were significantly increased. Disability benefits were added in 1956. In 1965, divorced spouses become eligible for benefits if married for 20 years. In 1972, automatic cost of living adjustments were enacted, protecting benefits from being eroded by inflation over women's longer lifespans. That same year, the widow's benefit was increased to 100 percent of the worker's benefit, if both spouses claimed at their full retirement age. In 1977, Congress reduced the duration of marriage requirement for divorced spouses to 10 years, and the Supreme Court ruled that benefits for widows and widowers had to be awarded on a gender-neutral basis.

With all Americans facing greater economic risks in today's economy – and older women still at greater risk of poverty and economic insecurity than older men – it's time for Congress to improve Social Security and Supplemental Security Income.

Ways to strengthen Social Security for women

Before I describe proposals for strengthening Social Security to increase retirement security for women, I would emphasize, "First, do no harm." Cuts to Social Security benefits that have been proposed as part of some deficit reduction plans would increase poverty and hardship for many older women.

For example, one proposal would replace the current inflation index for calculating cost of living adjustments (COLAs) with the chained-CPI-U. The current index, as I will explain later, already underestimates inflation for the elderly. The chained-CPI underestimates it even further, and using it to calculate COLAs would reduce benefits for current and future beneficiaries compared to the current inflation index. Because the impact of a COLA reduction increases with every year of benefit receipt, the cuts would be deeper for women because they generally live longer than men. And the cuts would be even more painful for women, because women already have lower Social Security benefits and higher poverty rates than men. [21]

Another benefit cut that has been proposed would further increase the retirement age. The already legislated increase in the retirement age from 65 to 67 represents an across-the-board benefit cut of 13.3 percent, and every additional year of increase would cut benefits by an additional 6 to 7 percent.[22] Such an increase hits low-wage workers particularly hard, because they are more likely to work in physically demanding jobs. [23]

My testimony will highlight some key proposals for improving Social Security for women, including improving the minimum benefit, crediting caregiving, reforming the benefit for surviving spouses, and using the more accurate Consumer Price Index for the Elderly to calculate the COLA. Variations of these proposals have been discussed by policymakers, researchers, and advocates for many years; I would like to acknowledge the work of many who have explored these ideas and cite just a few recent reports here.[24] I also note that this testimony focuses on improving retirement security for economically vulnerable women; it doesn't address other Social Security reforms, including improvements to benefits for people with disabilities, including disabled adult children; restoring the student benefit; ending discrimination against same-sex couples and their children; and increasing benefits broadly to improve retirement security for the middle class.

Improve the Special Minimum Benefit for low lifetime earners

The regular Social Security benefit formula is progressive. It provides workers with low lifetime earnings a benefit that represents a higher percentage of their pre-retirement income than higher-income workers. However, benefits are proportional to average lifetime earnings, and for workers with very low lifetime earnings, benefits calculated under the regular formula will still be very low. Many retired workers, especially women, receive benefits that provide less than a poverty-level income: more than 40 percent of female workers compared to 17 percent of male workers receive below-poverty benefits.[25]

Social Security has an alternative benefit formula, the Special Minimum Benefit (SMB), which was intended to "provide long-term workers with an income that would free them from dependency on welfare."[26] Workers receive the higher of a benefit calculated under the SMB or any other benefit to which they are entitled, under the regular formula as a worker or as a spouse, surviving spouse, or divorced spouse of a higher earner.

However, the current SMB does little to help workers with low benefits. Only about 76,000 people – a little over one-tenth of one percent of all beneficiaries – receive benefits under the SMB.[27] The number has been declining because the SMB is price-indexed, while the regular formula is wage-indexed; soon, the SMB will disappear entirely. Another reason the SMB is ineffective is that it requires significant earnings for a year of credit: it takes $12,280 in 2012 to qualify for one year of credit toward the SMB, compared to only $4,530 to qualify for a year (4 quarters) of credit toward Social Security. For a woman earning the minimum wage of $7.25 an hour, earning one year of credit toward the SMB requires steady employment of about 35 hours a week, 50 weeks a year. But the low-wage labor market is characterized by unstable, part-time and seasonal jobs, and the work histories of low earners are interrupted by caregiving – a particularly important factor for women – unemployment, or poor health.[28] And, if a worker falls even $1 short of the threshold, she gets no credit toward the SMB. Finally, even workers who have the 30 years of qualified earnings needed to receive the maximum SMB receive a benefit that leaves them $1,300 below the federal poverty threshold.[29]

The following changes would make the SMB more effective in providing a meaningful benefit:

- Increase the maximum value of the benefit to at least 125 percent of the federal poverty level;
- Reduce the earnings needed to earn credits toward the SMB to the same amount required for regular Social Security credits, and allow workers to earn partial credit, as they can under the regular Social Security formula;
- Index initial benefits to wage growth, the way regular benefits are indexed; and
- Provide up to 8 years of credit toward the SMB for years in which a worker was caring for a young child or dependent adult.

Credit caregiving in the regular benefit formula

Many workers, especially women, take time out of the paid labor force to care for children, elderly parents, or other family members, often sacrificing both current income and retirement security. Many other countries provide pension credits for such socially and economically vital caregiving work.[30] However, Social Security does not provide credit for lost or reduced earnings due to caregiving, so those who took time out of the labor force, worked part-time, or accepted lower pay in exchange for the flexibility to meet caregiving responsibilities can see significantly lower benefits. The only way Social Security currently compensates caregiving is indirectly, through spousal benefits. But many caregivers do not qualify for spousal benefits.

To provide credit for caregiving:

- Provide up to at least 5 years of credit when a worker was caring for a young child, older disabled child, or other dependent relative; and
- Impute earnings for caregiving years up to 50 percent of the average wage that year ($21,758 in 2011).

Improve benefits for widowed spouses

Social Security provides benefits to surviving spouses that, like all Social Security benefits, are available on an equal basis to women and men, widows and widowers. However, about 98 percent of those receiving benefits as a surviving spouse are widows.[31] In the future, the percentage of surviving spouse benefits that go to men is likely to increase above two percent – but with most husbands continuing to have higher lifetime earnings than their wives, and most wives outliving their husbands, the surviving spouse benefit will continue to be particularly significant for women. Looking at trends among women, because of changing marital histories, a smaller percentage of future female retirees, especially African American women, will be eligible for Social Security spousal benefits.[32] So improvement of the widow(er)'s benefit should be part of a broader reform plan.

Social Security offers a widowed spouse a benefit equal to 100 percent of the deceased spouse's benefit, assuming no early retirement reductions apply. It was designed to provide basic income security for a surviving spouse, so a widowed spouse who is also eligible for his or her own worker benefit can receive the higher of the worker benefit or the benefit to which she or he is entitled as a widow(er), but not both, a policy referred to as the "dual entitlement rule." The following examples illustrate how the survivor benefit works, assuming both spouses claim benefits at full retirement age:

(1) George receives a monthly Social Security benefit of $1,000 per month. His wife Martha doesn't have sufficient credits to qualify for Social Security and receives a benefit as a spouse of $500 per month, giving the household combined benefits of $1,500. At widowhood, Martha receives a benefit of $1,000, 67 percent of their combined benefits.

(2) John and Abigail have equal lifetime earnings and equal monthly benefits of $750, for combined benefits of $1,500. At widowhood, Abigail receives a $750 benefit, because her benefit as a worker offsets her benefit as a widow dollar for dollar. The benefit she receives when widowed is 50 percent of their combined benefits.

These examples highlight several features of the current surviving spouse benefit. First, household Social Security benefits drop at widowhood by 33 percent to 50 percent. Although the cost of maintaining a household declines when there is only one person to support, based on the Census Bureau's poverty thresholds a one-person elderly household needs 79 percent of the income of a two-person household to maintain the same standard of living. [33] Second, the decline in Social Security benefits at widowhood is largest for households in which the spouses' earnings were more equal. Third, the survivor of a dual-earner couple who contributed more to Social Security over their working lives can end up with a lower benefit than the survivor of a single-earner couple that contributed less. Moreover, these examples assume that both spouses waited to their full retirement age to claim benefits; if either claims benefits earlier, the survivor benefit would be further reduced.

The drop in Social Security income at widowhood is a significant factor in widows' poverty. And, it is often accompanied by a drop in pension income, loss of earnings from a spouse who was still employed, or depletion of assets due to medical and other expenses associated with the death of a spouse.[34] Ironically, the increase in labor force participation by married women and the increased share of household income contributed by wives means that more widows – and widowers – in the future will experience a drop in household Social Security benefits that approaches 50 percent.

To make benefits for widow(er)s more adequate and equitable by allowing a surviving spouse to benefit from the contributions both have made to Social Security:[35]

- Provide an alternative benefit equal to 75 percent of the sum of the spouses' combined worker benefits, without reducing the value of the deceased spouse's benefit used in the calculation because of that spouse's decision to claim benefits before full retirement age;
- Target the benefit improvement to low- and moderate-income couples by capping the alternative benefit (for example, at the benefit for a worker with lifelong average earnings – about $19,000 for an individual retiring at age 66 in 2012);
- Provide individuals the higher of the current law widow(er)'s benefit or the new alternative benefit; and
- Improve benefits for disabled widow(er)s – a small but particularly vulnerable group[36] – by eliminating the age 50 requirement, the requirement that the disability occur within seven years of the spouse's death or last eligibility for benefits as a caregiving parent, and actuarial reduction for claiming benefits early. These limitations serve no purpose for a group that is, by definition, unable to work and no longer has the support of a spouse.

Improve the Cost-of-Living Adjustment to reflect elders' true cost of living

To prevent inflation from eroding the value of Social Security benefits over time, Social Security provides an automatic annual cost-of-living adjustment (COLA) based on the Consumer Price Index (CPI). This protection is especially important to women, who are 73 percent of beneficiaries age 90 and older.[37] But the current CPI underestimates the effect of inflation on the elderly because it doesn't reflect the spending patterns of older Americans, who spend twice as large a share of their budgets on health care, where costs are rising much more rapidly than for other goods and services.

When the annual COLA became a part of Social Security 40 years ago, there was only one Consumer Price Index: the CPI-W, which is based on the spending patterns of urban wage earners, a group that does not include retirees. Recognizing the need to update the COLA, 27 years ago, in the Older Americans Act of 1987, Congress directed the Bureau of Labor Statistics to develop an alternative experimental Consumer Price Index for the Elderly, the CPI-E, to take account of the spending patterns of elderly individuals.

The Bureau of Labor Statistics developed and tracked the CPI-E, and estimates of the rate of inflation under the CPI-E have been about 0.2 and 0.3 percentage points higher than under the CPI-W, because of the greater weight given to health care spending. However, Congress has not adopted the more accurate CPI-E for calculating Social Security and Supplemental Security Income benefits.

Because the current Social Security COLA doesn't reflect the rising cost of health care, health care costs consume a greater share of the Social Security check over time, leaving seniors less money to meet other needs. Replacing the current CPI with one that more accurately reflects the impact of inflation on the elderly would be particularly helpful to women, just as replacing the current CPI with a lower, less accurate index – the chained-CPI – would be particularly harmful.

To make the COLA more accurate and adequate:

- Replace the CPI-W with the CPI-E for calculating Social Security and Supplemental Security Income benefits.

Ways to strengthen Supplemental Security Income for the most vulnerable women

When considering ways to improve women's retirement security, it is important not to overlook Supplemental Security Income (SSI). SSI is a means-tested program intended to provide a basic income floor for society's most economically vulnerable citizens – the elderly poor and poor adults and children with disabilities. It is a particularly critical program for women, who make up over two-thirds of all beneficiaries 65 and older.[38]

In general, improving Social Security benefits has advantages as a strategy to increase retirement security for lower-income women. Social Security is not means tested, has a simple and unstigmatized process for applying for retirement benefits, and does not require monitoring things like groceries or other items provided by an adult child to an elderly parent to maintain eligibility. However, improving Social Security benefits without addressing SSI could leave many poor beneficiaries who are eligible for both programs behind – and more than half of elderly SSI beneficiaries also have earned Social Security benefits. It could even make some beneficiaries worse off. More generally, SSI has barely changed in the 40 years since it was enacted. It is in desperate need of modernization to function as an effective safety net for the poorest women. [39]

Ensure that SSI beneficiaries can benefit from improvements in Social Security and SSI

As a means-tested program, SSI rules count Social Security benefits as income for purposes of determining eligibility and the amount of benefits. To be precise, SSI treats Social Security benefits as “unearned” income. With the exception of a $20 per month general income disregard, every additional $1 in Social Security benefits means $1 less in SSI benefits. In addition, if the increase in Social Security benefits raises an SSI recipient’s income enough to render them ineligible for SSI, it would result not only in a loss of SSI benefits, but also of Medicaid benefits, for which SSI recipients automatically qualify.

To protect SSI beneficiaries from harm and ensure they receive the benefit of any improvements to Social Security:

- Provide that increases in Social Security benefits are passed along in full to beneficiaries eligible for both SSI and Social Security.

Modernize SSI’s income disregard and asset limit rules

SSI turns 40 this year, and it has not changed substantially since it was signed into law in 1972. In order to function as an effective anti-poverty program, modernization is badly needed, and there are several provisions that should be changed to bring the program into the 21st century.[40] I want to focus on two, however, that are particularly outdated and in need of immediate improvement: SSI’s income disregard and asset limit rules.

As discussed above, SSI’s disregard for “unearned”, general income – including Social Security benefits – is only $20 per month, an amount that has not increased since the program was created 40 years ago. As a result, many individuals who have worked hard and contributed to Social Security throughout their lives receive no added benefit.

The current asset limit for SSI is just $2,000 for an individual, $3,000 for a couple, amounts that Congress hasn’t updated in nearly 30 years. These low limits make it nearly impossible for an SSI recipient to save for emergencies or even daily needs.

To bring the income disregard and asset limit rules up to date and increase SSI’s effectiveness:

- Increase the general income disregard from $20 to at least $100 per month.
- Increase the asset limit to at least $10,000 for an individual, $15,000 for a couple.
- Index both levels to inflation so that they keep up with the cost of living and do not erode over time.

Conclusion

Strengthening Social Security for women will require ensuring payment of promised benefits as well as improving benefits. It is possible to do both – if Congress has the will to do it.[41]

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[1] U.S. Dep’t of Labor, Bureau of Labor Statistics, *Labor Force Statistics from the Current Population Survey*,

Household Data, Annual Averages, Table 2: Employment status of the civilian noninstitutional population 16 years and over by sex, 1971 to date, *available at* http://www.bls.gov/cps/cpsaat02.htm (last visited July 19, 2012).

[2] U.S. Census Bureau, Current Population Survey, Historical Income Tables: People, Table P-38: Full-time, year-round workers by median earnings and sex, *available at* http://www.census.gov/hhes/www/income/data/historical/people/.

[3] Christopher R. Tamborini and Kevin Whitman, *Women, Marriage, and Social Security Benefits Revisited*, 67 Social Security Bulletin No. 4 (2007), *available at* http://www.ssa.gov/policy/docs/ssb/v67n4/67n4p1.pdf.

[4] National Women's Law Center, *Poverty Among Women and Families 2000-2010: Extreme Poverty Reaches Record Levels as Congress Faces Critical Choices* (Sept. 2011), *available at* http://www.nwlc.org/sites/default/files/pdfs/povertyamongwomenandfamiliesin2010.pdf. The poverty rate for women 65 and older in 2010 was 10.7 percent while for men it was 6.8 percent.

[5] National Women's Law Center, *Women Can't Afford Unfair Pay Today* (Apr. 2012), *available at* http://www.nwlc.org/sites/default/files/pdfs/womenunfairpayfactsheet.pdf. Rates for women of color are compared to white, non-Hispanic men.

[6] National Women's Law Center, *Fair Pay for Women Requires Increasing the Minimum Wage and Tipped Minimum Wage* (June 2012), *available at* http://www.nwlc.org/resource/fair-pay-women-requires-increasing-minimum-wage-and-tipped-minimum-wage.

[7] U.S. Dep't of Labor, *Women's Employment in the Recovery, available at* http://www.dol.gov/_sec/media/reports/femalelaborforce/ (last visited July 19, 2012).

[8] Press Release, U.S. Dep't of Labor, Bureau of Labor Statistics, Number of Jobs Held, Labor Market Activity, and Earnings Growth Among the Youngest Baby Boomers: Results from a Longitudinal Survey 2 (June 27, 2008), *available at* http://www.bls.gov/news.release/pdf/nlsoy.pdf; National Alliance for Caregiving and AARP, *Caregiving in the U.S.: Executive Summary* (Nov. 2009), *available at* http://www.caregiving.org/pdf/research/CaregivingUSAllAgesExecSum.pdf.

[9] *Women Can't Afford Unfair Pay Today*, *supra* note 5.

[10] Craig Copeland, Employee Benefit Research Inst., Issue Brief No. 363, *Employment-Based Retirement Plan Participation: Geographic Differences and Trends*, 2010, 11, fig.2 (2011), *available at* http://www.ebri.org/pdf/briefspdf/EBRI_IB_10-2011_No363_Ret_Part.pdf.

[11] *Women Can't Afford Unfair Pay Today*, *supra* note 5.

[12] U.S. Census Bureau, *Current Population Survey*, Annual Social and Economic Supplement, Table POV04: Families by Age of Householder, Number of Children, and Family Structure: 2010 (2011), http://www.census.gov/hhes/www/cpstables/032011/pov/new04_100_01.htm. Count of female- versus male-headed households with at least one child under 18; single mothers represented 78.5 percent of single parent families in 2010.

[13] Wider Opportunities for Women, *Living Below the Line: Economic Insecurity and America's Families*, Basic Economic Security Tables, figures 3 and 5, *available at* http://www.wowonline.org/documents/WOWUSBESTLivingBelowtheLine2011.pdf.

[14] D'Vera Cohn, Jeffrey Passel, Wendy Wang, and Gretchen Livingston, *Barely Half of U.S. Adults Are Married – A Record Low*, Pew Social and Demographic Trends, (Dec. 2011), *available at* http://www.pewsocialtrends.org/2011/12/14/barely-half-of-u-s-adults-are-married-a-record-low/.

[15] Elizabeth Arias, *United States Life Tables, 2007*, 59 National Vital Statistics Reports 9, 7 (Sept. 2011), *available at* http://www.cdc.gov/nchs/data/nvsr/nvsr59/nvsr59_09.pdf.

[16] Brian W. Cashell, Cong. Research Serv., RS20060, *A Separate Consumer Price Index for the Elderly?* 4-5 (Jan. 20, 2010), *available at* http://aging.senate.gov/crs/aging9.pdf.

[17] All facts in this paragraph are from National Women's Law Center, *Women and Social Security* (Apr. 2012), *available at* http://www.nwlc.org/resource/women-and-social-security.

[18] *Ibid.*

[19] Virginia P. Reno, Elisa A. Walker, and Thomas N. Bethell, National Academy of Social Insurance, *Social Security Finances: Findings of the 2012 Trustees Report*, Social Security Brief No. 39 (Apr. 2012), *available at* http://www.nasi.org/sites/default/files/research/SS_Finances_Findings_of_the_2012_Trustees_Report.pdf.

[20] For a history of Social Security, including all of the developments mentioned in this paragraph, see Social Security Administration, Social Security History, *available at* http://www.ssa.gov/history/ (last visited July 19, 2012).

[21] Joan Entmacher and Katherine Gallagher Robbins, National Women's Law Center, *Cutting the Social Security COLA by Changing the Way Inflation is Calculated would Especially Hurt Women* (June 2011), *available at* http://www.nwlc.org/sites/default/files/pdfs/cuttingsocseccola.pdf.

[22] Virginia Reo, Thomas Bethell and Elise Walker, National Academy of Social Insurance, *Social Security Beneficiaries Face 19% Cut; New Revenue Can Restore Balance* (June 2011), *available at* http://www.nasi.org/sites/default/files/research/SS_Brief_037.pdf.

[23] Hye Jin Rho, Center for Economic and Policy Research, *Hard Work? Patterns in Physically Demanding Labor Among Older Workers* (Aug. 2010), *available at* http://www.cepr.net/documents/publications/older-workers-2010-08.pdf.

[24] *See, e.g.*, National Committee to Preserve Social Security and Medicare, National Organization for Women Foundation and Institute for Women's Policy Research, *Breaking the Social Security Glass Ceiling: A Proposal to Modernize Women's Benefits* (May 2012), *available at* http://www.ncpssmfoundation.org/Portals/0/embargo_breaking_ss_glass_ceiling.pdf; Commission to Modernize Social Security, *Plan for a New Future: The Impact of Social Security Reform on People of Color* (Oct. 2011), *available at* http://www.insightcced.org/New_Future_Social_Security_Commission_Report_Final.pdf ; Virginia Reno and Joni Lavery, National Academy of Social Insurance, *Fixing Social Security: Adequate Benefits, Adequate Financing* (Oct. 2009), *available at* http://www.nasi.org/sites/default/files/research/Fixing_Social_Security.pdf; Joan Entmacher, National Women's Law Center, *Strengthening Social Security Benefits for Widow(er)s: The 75% Combined Worker Benefit Alternative* (Nov. 2008), *available at* http://www.nwlc.org/sites/default/files/pdfs/BenefitImprovementforWidowsFeb09.pdf.

[25] Social Security Administration, *Annual Statistical Supplement to the Social Security Bulletin, 2011* (2012), Table 5.B9: Number and percentage distribution, by sex, monthly benefit, and age, December 2010, *available at* http://www.ssa.gov/policy/docs/statcomps/supplement (the poverty line for one elderly individual in 2010 was about $871.50 per month).

[26] *See* Kelly Olsen and Don Hoffmeyer, *Social Security's Special Minimum Benefit*, 64 Social Security Bulletin (2001-2002), *available at* http://www.ssa.gov/policy/docs/ssb/v64n2/v64n2p1.pdf.

[27] *Annual Statistical Supplement to the Social Security Bulletin, 2011, supra note 25 at* Table 5.A1: Number and average monthly benefit, by type of benefit and sex, December 2010 and Table 5.A8: Number, average primary insurance amount, and average monthly benefit for persons with benefits based on special minimum primary insurance amount, by type of benefit and sex, December 2010.

[28] Melissa Favreault, Urban Institute, *A New Minimum Benefit for Low Lifetime Earners* (2008), *available at* http://www.nasi.org/publications2763/publications_show.htm?doc_id=819525.

[29] Social Security Administration, *Special Minimum Benefit Tables*, *available at* http://www.ssa.gov/oact/progdata/tableForm.html. Effective December 2011, the maximum primary insurance amount for someone with 30 years of coverage was $790.60 per month, or less than $9,500 per year. In 2011, the Census's poverty threshold for a single adult 65 and older was $10,788. (*see* U.S. Census Bureau, *Poverty Thresholds by size of family and number of children for 2011*, *available at* http://www.census.gov/hhes/www/poverty/data/threshld/index.html.

[30] Elaine Fultz, Institute for Women's Policy Research, *Pension Crediting for Caregivers, Policies in Finland, France, Germany, Sweden, the United Kingdom, Canada, and Japan*, (2011), *available at* http://www.iwpr.org/publications/pubs/pension-crediting-for-caregivers-policies-in-finland-france-germany-sweden-the-united-kingdom-canada-and-japan. In 2009, 26 of 30 OECD member countries had pension crediting for caregivers. Only the U.S., Turkey, Mexico and Australia lacked these systems.

[31] *Annual Statistical Supplement*, 2011, *supra note 25*, Table 5.A1: Number and average monthly benefit, by type of benefit and sex, December 2010.

[32] *Women, Marriage, and Social Security Benefits Revisited, supra note 3*.

[33] NWLC calculations from U.S. Census Bureau, Poverty Thresholds, *Poverty thresholds by Size of Family and Number of Children for 2011*, *available at* http://www.census.gov/hhes/www/poverty/data/threshld/index.html.

[34] Kathleen McGarry and Robert F. Schoeni, "Medicare Gaps and Widow Poverty," Social Security Bulletin, Vol. 66, No. 1 (2005), *available at* http://www.ssa.gov/policy/docs/ssb/v66n1/v66n1p58.pdf; Nadia Karamcheva and Alicia Munnell, Center for Retirement Research at Boston College, "Why Are Widows So Poor?" (July 2007), *available at* http://crr.bc.edu/briefs/why_are_widows_so_poor_.html.

[35] For more detailed information about this proposal, see *Strengthening Social Security Benefits for Widow(er)s,*

supra note 24.

[36] U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2010* (2011), *available at* http://www.census.gov/prod/2011pubs/p60-239.pdf. People with disabilities had higher rates of poverty in 2010 than those without disabilities. For those working full time, year round, men and women with disabilities had much lower median earnings in 2010 than their counterparts without disabilities.

[37] See *Cutting the Social Security COLA by Changing the Way Inflation Is Calculated Would Especially Hurt Women*, *supra note 21*, for information about the importance of the COLA to women, different ways of calculating it, and their implications.

[38] U.S. Social Security Administration, *SSI Annual Statistical Report, 2010* (Aug. 2011), *available at* http://www.socialsecurity.gov/policy/docs/statcomps/ssi_asr/. Federally Administered Payments, Table 5: By type of payment, sex, eligibility category, and age, December 2010.

[39] See National Senior Citizens' Law Center, *SSI Modernization: Improvements are Long Overdue* (June 2012), available at http://www.nsclc.org/wp-content/uploads/2011/07/SSI-Modernization-Revised12.pdf, for a discussion of the SSI reforms discussed in this testimony and other needed reforms.

[40] *Ibid*.

[41] Financing options sufficient to close Social Security's long-term shortfall and pay for various benefit improvements are included in *Breaking the Social Security Glass Ceiling* and *Fixing Social Security: Adequate Benefits, Adequate Financing*, *supra note 24*.