

# SOCIAL SECURITY, MEDICARE AND MEDICAID WORK FOR NEBRASKA



Our *Social Security, Medicare and Medicaid Work for America* series of reports is written for public officials, members of the press, advocates and other concerned citizens. In addition to providing information about each program's history, character and vitality, as well as relating compelling, real-life stories, every report includes statistics about the number of people who receive benefits, the types of benefits they receive, and the total amount of funds flowing from these programs into a particular state, including its congressional districts and counties. Reports are available online for all 50 states, Washington D.C., Puerto Rico, American Samoa, Guam, the Northern Mariana Islands and the U.S. Virgin Islands. A national report, "Social Security Works for the United States," is also available.

Please note that a short fact sheet summarizing the data in this report can be found at the end of the report, directly following the endnotes.

For congressional district-level Social Security data, please see "Appendix 1: Social Security Works for Nebraska's Congressional Districts," toward the back of the report, just before the endnotes.

For county-level Social Security, Medicare, Medicaid and demographic data, please see "Appendix 2: Social Security, Medicare, and Medicaid Data for Nebraska's Counties," toward the back of the report, just before the endnotes.

## ACKNOWLEDGMENTS

Like our Social Security, Medicare and Medicaid systems, this report is the product of the foresight and hard work of many people. Social Security Works partnered closely with the Alliance for Retired Americans, who is coordinating the release of this report across the country, with assistance from People Demanding Action.

Many people shared in writing, designing and producing this, our sixth set of state reports. We are especially grateful to Benjamin Veghte, Ph.D., Director of Policy and Research at Social Security Works (SSW), the lead researcher, whose commitment to excellence drove the project to its successful conclusion. Likewise, the outstanding contributions of Stephanie Connolly, SSW's Policy and Research Associate, including drafting the appendices and compiling and verifying data, were crucial to its completion. Michael Phelan, SSW's Deputy Director, managed the actual production of the report. We thank Josh Goldberg, policy and research intern, for producing the figures and proofreading the entire report. We also thank Linda Benesch, Communications Associate, for proofreading the report.

Very importantly, we want to thank Gus, Suzie, Ruby and Mike for sharing their stories and views about the importance of Social Security to their lives. Graphic design was provided by Deepika Mehta.

Social Security Works also benefited from the work and commitment of several people who provided original research and analysis for this report. We would like to thank Dr. Roberto Gallardo of the Mississippi State University Extension Service for sharing with us his categorization of metropolitan and non-metropolitan counties in each state. Arloc Sherman, Danilo Trisi and Kate Kemmerer of the Center on Budget and Policy Priorities generously shared with us unpublished calculations on the number of seniors in various demographic groups lifted out of poverty by Social Security in 2013. We thank Christian Wolfe at the Center for Medicare and Medicaid Services' (CMS) Office of the Actuary for county-level Medicaid enrollment data.

We also thank several Medicare and Medicaid experts for their thoughtful review of this report. Juliette Cubanski, Julia Paradise and Shannon Griffen of the Kaiser Family Foundation, David Lipschutz of the Center for Medicare Advocacy, Stacy Sanders of the Medicare Rights Center, and Christian Wolfe of CMS, all provided helpful feedback on early drafts. Any remaining errors, and all interpretations of the data, are our own.

We hope the report is useful to you as you work to strengthen Social Security in its 80th anniversary year, and Medicare and Medicaid in their 50th anniversary years. Please contact our Communications Director, Lacy Crawford ([lcrawford@socialsecurityworks.org](mailto:lcrawford@socialsecurityworks.org)), if you have questions about the report.

Nancy Altman  
President, Social Security Works  
Chair, Strengthen Social Security Coalition  
Co-author with Eric R. Kingson of [Social Security Works! Why Social Security Isn't Going Broke and How Expanding It Will Help Us All](#) (New Press, 2015) (<http://amzn.to/1uBmbce>), and author of [Agrarian Justice: With a new Foreword, "Social Security, Thomas Paine, and the Spirit of America"](#) (Amazon, May 2015) ([amzn.to/1K4LujF](http://amzn.to/1K4LujF))

Alex Lawson  
Executive Director, Social Security Works



The Alliance for Retired Americans is a grassroots organization representing more than 4 million retirees and seniors nationwide. Headquartered in Washington, DC, the Alliance's mission is to advance public policy that protects the health and economic security of older Americans by teaching seniors how to make a difference through activism. Learn more about The Alliance and its work at [www.retiredamericans.org](http://www.retiredamericans.org).



The mission of Social Security Works is to protect and improve the economic status of all Americans, especially disadvantaged and at-risk populations, and, in so doing, to promote social justice for current and future generations of children as well as young, middle-aged and older adults. [www.socialsecurityworks.org](http://www.socialsecurityworks.org).



The Strengthen Social Security Coalition is made up of more than 320 national and state organizations, representing more than 50 million Americans. The Coalition is united around core principles, which include that Social Security benefits should be expanded, and the belief that our nation's Social Security, Medicare and Medicaid systems are fundamental to the well-being of America's families and to the type of nation we are. [www.strengthensocialsecurity.org](http://www.strengthensocialsecurity.org).

# INTRODUCTION AND SUMMARY



*“We can never insure one-hundred percent of the population against one-hundred percent of the hazards and vicissitudes of life. But we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age. This law, too, represents a cornerstone in a structure which is being built but is by no means complete. It is a structure intended to lessen the force of possible future depressions. It will act as a protection to future Administrations against the necessity of going deeply into debt to furnish relief to the needy. The law will flatten out the peaks and valleys of deflation and of inflation. It is, in short, a law that will take care of human needs and at the same time provide for the United States an economic structure of vastly greater soundness.”*

—FRANKLIN D. ROOSEVELT, August 14, 1935

In 1935, when President Franklin D. Roosevelt signed the Social Security Act into law he called it a cornerstone, the foundation, of a structure to be maintained and built upon by and for future generations. Social Security could not protect all Americans against every risk, but, as the President said, it could lessen the consequences of lost earnings in old age for workers and their families.

Since then, we have built our Social Security structure carefully and deliberately, first adding life insurance for survivors in 1939—initially for widows and dependent children, but eventually extended to widowers as well. Disability Insurance benefits were added in 1956, followed by Medicare and Medicaid in 1965. Important inflation protection—the automatic cost of living adjustment—was added in 1972, designed to maintain the purchasing power of benefits no matter how long someone lives. We built, maintained and strengthened these institutions for a reason—to enable working men and women to protect themselves and their families. We built them because we, as a nation, value hard work, personal responsibility, human dignity and caring for our parents, our children, our spouses, our neighbors and ourselves.

This report reveals the success of these institutions for Nebraska and the nation. The numbers tell part of the story—how many people receive benefits in Nebraska, in its congressional districts and counties; how many dollars flow into these jurisdictions in a year; the types of benefits and the types of people who receive those benefits. Perhaps more importantly, the report presents the stories of hard-working Nebraskans and their families whose lives have been made immeasurably better by the protections they have earned.

As you read through this report, we urge you to think of the people you know. Family members who live in dignity in old age because they can count on a Social Security check, each and every month—checks they or another family member have earned. Think of that older person who has Medicare, and with it the peace of mind that he or she can receive medical care without going bankrupt. Think of a family you know who is able to care for a functionally disabled child at home because Medicaid is there. Think of a grandparent, a parent, an older aunt, uncle, cousin or family friend, whose life savings may have been exhausted paying for nursing home care, but who is still able to receive that care because of Medicaid.

Think, too, of how these institutions, like the nation’s highway system, are part of a rich legacy of those who came before, a legacy that keeps working in good times and bad. Throughout the difficult years of the Great Recession and its aftermath, Social Security, Medicare and Medicaid have been even

more vital than before for Nebraska residents, and the lifeblood of many small businesses, hospitals, nursing homes and home caregivers. Virtually all of the jobs these programs support stay in America. Figure 1 summarizes the positive impact our Social Security, Medicare and Medicaid systems are having on the people and economy of Nebraska.

FIGURE 1

## Impact of Social Security, Medicare and Medicaid on the Economy and Population of Nebraska

PROGRAM	BENEFICIARIES IN NEBRASKA	PERCENT OF RESIDENTS RECEIVING BENEFITS	AVERAGE BENEFIT	TOTAL ANNUAL BENEFITS <sup>1</sup>
Social Security	326,078	17.3 percent	\$14,411	\$4.7 billion
Medicare	287,565	15.5 percent	\$9,226	\$3 billion
Medicaid	201,200	10.8 percent	\$9,113	\$1.8 billion

Source: Social Security Administration, 2015; U.S. Census Bureau, 2013-2015; Kaiser Family Foundation, accessed June 2015. The most recent data available for total annual benefits by state are FY 2013 for Medicaid, and FY 2009 for Medicare.

# SOCIAL SECURITY WORKS

As we celebrate the 80<sup>th</sup> anniversary of the enactment of Social Security, it is time to recall the contributions our Social Security system has made to American economic security. For 80 years, even as our nation has endured wars, political crises and severe economic recessions, Social Security has never missed a payment; it has paid every dollar of earned benefits, on time and in full.

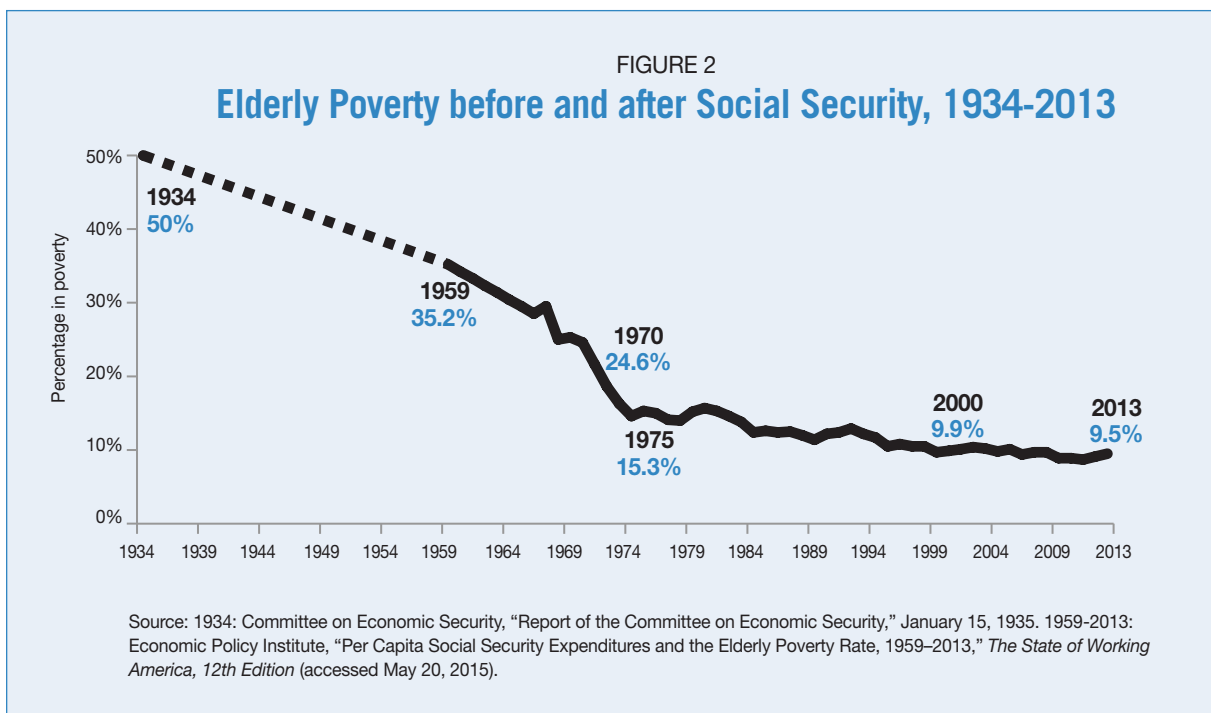
## Social Security Made Dignified Retirement Possible for the Broad Middle Class

Before the creation of Social Security, poverty among older Americans was pervasive. In 1934, President Roosevelt’s Committee on Economic Security estimated that “at least one-half” of all Americans aged 65 and older were poor.<sup>1</sup> These seniors had to rely on family, friends and private charity for support—or literally, go to the poor house. In addition to short-term measures designed to address the immediate crisis, F.D.R. introduced Social Security old-age insurance in 1935 to ensure that both current and future generations of Americans would enjoy a

measure of security in their later years. By 1959, when the Census first began to officially count the poor, poverty among older Americans had declined to 35 percent [Figure 2].

And poverty among seniors continued to fall throughout the rest of the 20<sup>th</sup> century—to 25 percent by 1970 and about 10 percent in 2000, where it has hovered ever since, as measured by the official federal poverty line.<sup>2</sup> Research suggests that the entire decline in elderly poverty between 1967 and 2000 can be attributed to the maturation and expansion of the Social Security program.<sup>3</sup>

Social Security provided \$848 billion in benefits in 2014 to 59 million beneficiaries—nearly 1 in 5 (18.3 percent) Americans.<sup>4</sup> It is important to recognize that Social Security is more than a retirement program for seniors. Nearly 17 million people under age 65 received Social Security benefits in 2014—about 2 in 7 (28.7 percent) beneficiaries.<sup>5</sup>



In fact, Social Security is the nation's largest and, despite its modest benefits, most generous children's program. The vast majority of America's children are protected against financial destitution in the event of the death, disability, or old age of workers on whose support they depend. As a consequence of Social Security's protections, there were an estimated 8.5 million children under age 18 receiving Social Security benefits in 2014, 11.6 percent of all children.<sup>6</sup> These included an estimated 3.2 million children who received Social Security benefits directly, and an additional 5.3 million children who lived in households where all or part of the income of the household came from Social Security. In addition to these children under age 18, there were 140,000 student children aged 18-19, as well as 1.0 million disabled adult children in 2014.<sup>7</sup>

Social Security benefits are modest: the average annual Social Security benefit for all beneficiaries was \$14,375 in 2014, and \$15,943 for retired workers.<sup>8</sup> Despite their modest size, Social Security's benefits are vital for the vast majority of beneficiaries, young and old alike. Almost two-thirds (64.6 percent) of elderly beneficiaries relied on Social Security for half or more of their income in 2012.<sup>9</sup> The program lifted 22.1 million Americans out of poverty in 2013, including 1.2 million children.<sup>10</sup>

### **Social Security Provides Critical Protection against Lost Wages Due to Disability**

Social Security Disability Insurance (DI) provides insurance against a risk faced by all Americans: the experience of a life-changing disability that renders one unable to support oneself through work. When workers who have paid into Social Security become incapable of substantial work, as defined by the program's strict eligibility criteria, they can expect to have, as a result of their work and Social Security contributions, a portion of their wages replaced by DI. For these disabled workers and their families, Social Security is a lifeline. Social Security's DI benefits provide 75 percent of the income or more for nearly 6 in 10 non-institutionalized beneficiaries.<sup>11</sup> Nonetheless, 1 in 5 DI beneficiaries remains in poverty.<sup>12</sup>

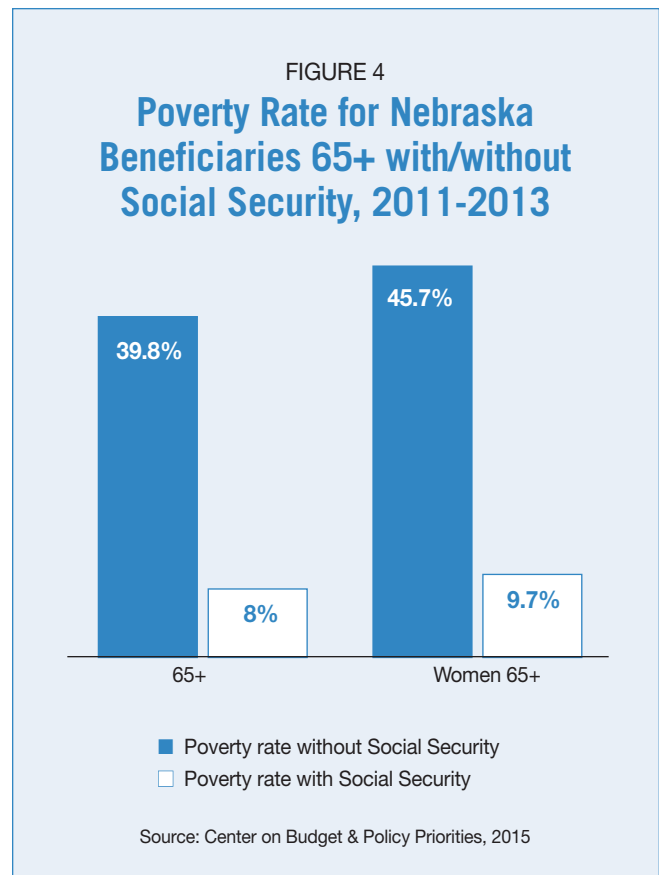
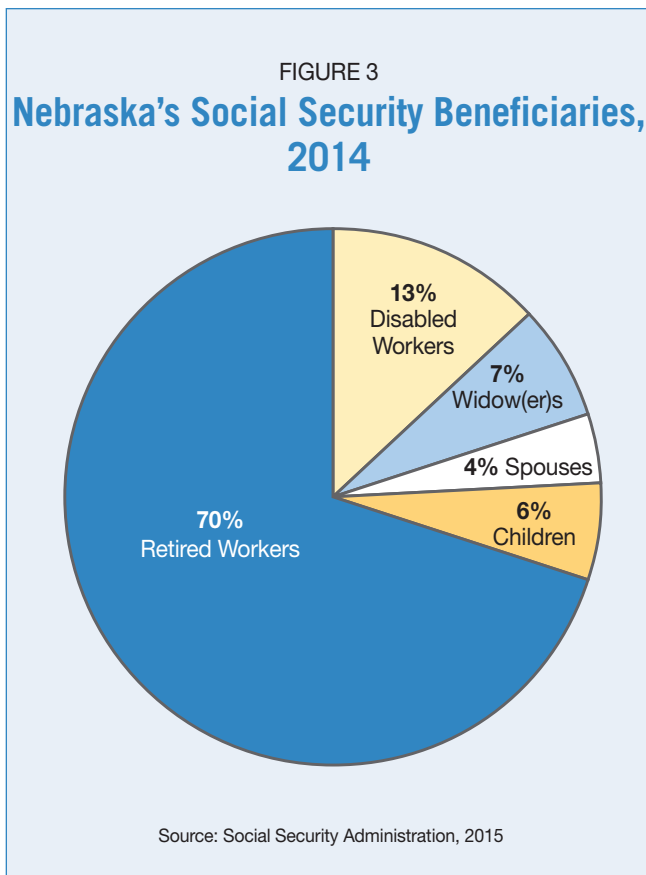
### **GUS, Wisconsin**

*Gus was a "tunnel rat" in Vietnam—one of the volunteer Army infantrymen who specialized in entering the web of narrow tunnels created by the VietCong. The tunnel rats would kill enemy soldiers hiding there and plant explosives to destroy these underground avenues of guerilla warfare.*

*For his service in this capacity he was awarded the Silver Star, the third highest decoration for valor given by the Army. Sixteen days after he was mustered out of the Army, he returned to his home in Wisconsin—and was in a serious car crash, sustaining a high-level spinal cord injury.*

*Because his injury was sustained outside military service, he was not eligible for service-connected disability compensation and had to turn to Social Security Disability Insurance. "To put it quite simply," he says, "SSDI was a life saver."*

Through their hard work and Social Security contributions, nearly all American workers earn Social Security's retirement, disability and survivorship protections for themselves and their families. Social Security is the primary disability and life insurance protection for most Nebraska workers. A 30-year-old worker with a spouse and two young children, earning \$30,000-\$35,000, receives Social Security insurance protections equivalent to disability and life insurance protections worth about \$631,000 and \$612,000, respectively.<sup>13</sup> Today, 212 million working Americans have earned Social Security's protections for themselves and their families.<sup>14</sup>



There is a significant chance that a worker will need Social Security's disability and/or survivor protections before he or she retires. Nationwide, just over 1 in 4 people who turned 20 in 2013 are projected to become severely disabled during their working years.<sup>15</sup> And 1 in 8 of today's 20-year olds are projected to die before reaching retirement age.<sup>16</sup> Taken together, this means that roughly 1 in 3 young adults entering the workforce today will die or become disabled before reaching the full retirement age.<sup>17</sup> Social Security provides peace of mind throughout the life span, insuring families against lost wages due to old age, disability or death.

### Social Security Works for Nebraska's Residents and Economy [Figure 1]

- Social Security provided benefits to 326,078 Nebraskans in 2014, around 1 in 6 (17.3 percent) residents.<sup>18</sup>
- Nebraskans received Social Security benefits totaling \$4.7 billion in 2014, an amount equivalent to 5.3 percent of the state's total personal income.<sup>19</sup>

- The average Social Security benefit in Nebraska was \$14,411 in 2014.<sup>20</sup>
- Social Security lifted 101,000 Nebraskans out of poverty in 2013.<sup>21</sup>

### Social Security Works for Nebraska's Seniors<sup>22</sup>

- Social Security provided benefits to 226,858 of Nebraska's retired workers in 2014, 7 in 10 (69.6 percent) beneficiaries [Figure 3].<sup>23</sup>
- The typical benefit received by a retired worker in Nebraska was \$15,671 in 2014.<sup>24</sup>
- Social Security lifted 81,000 Nebraskans aged 65 or older out of poverty in 2013.<sup>25</sup>
- Without Social Security, the elderly poverty rate, as defined by the official poverty level,<sup>26</sup> in Nebraska would have increased from 1 in 12 (8 percent) to 2 in 5 (39.8 percent) [Figure 4].<sup>27</sup>

## Social Security Works for Nebraska's Women

- Social Security provided benefits to 171,635 Nebraska women in 2014, 1 in 6 (18.2 percent) Nebraska women.<sup>28</sup>
- Social Security provided benefits to 11,840 Nebraska spouses in 2014, 1 in 27 (3.6 percent) beneficiaries [Figure 3].<sup>29</sup>
- Social Security lifted 50,000 Nebraska women aged 65 or older out of poverty in 2013.<sup>30</sup>
- Without Social Security, the poverty rate of elderly women would have increased from 1 in 10 (9.7 percent) to half (45.7 percent) [Figure 4].<sup>31</sup>

## Social Security Works for Nebraska's Widow(er)s

- Social Security provided survivors benefits to 23,707 Nebraska widow(er)s in 2014, 1 in 14 (7.3 percent) Nebraska beneficiaries [Figure 3].<sup>32</sup>
- The typical benefit received by a widow(er) in Nebraska was \$15,587 in 2014.<sup>33</sup>

## Social Security Works for Nebraska's Workers with Disabilities<sup>34</sup>

- Social Security provided disability benefits to 42,347 Nebraska workers in 2014, 1 in 8 (13 percent) Nebraska beneficiaries [Figure 3].<sup>35</sup>
- The typical benefit received by a disabled worker beneficiary in Nebraska was \$12,323 in 2014.<sup>36</sup>

## Social Security Works for Nebraska's Children

- Social Security is the primary life and disability insurance protection for 98 percent of Nebraska's 466,609 children.<sup>37</sup>
- Social Security provided benefits to 21,326 Nebraska children in 2014, 1 in 15 (6.5 percent) Nebraska beneficiaries [Figure 3].<sup>38</sup>
- Social Security is the most important source of income for the 27,060 children living in Nebraska's grandfamilies, which are households headed by a grandparent or other relative.<sup>39</sup>

## SUSIE, North Dakota

*Susie worked with her husband in their family shoe store for more than 22 years.*

*"That's how we made our living," she says. "We made about \$100,000 a year during good years. It wasn't all profit, we also had expenses but we got by." And even though her husband passed away 19 years ago, she's reminded of their sacrifices and successes when she receives her earned Social Security and Medicare.*

*She began work as a waitress at 14 years old in tiny Reeder, North Dakota. From there she maintained a series of jobs including later on, at her own shoe store. Today, she receives about \$700 a month from Social Security along with support from Medicare. Even in Dickinson, the money doesn't go far. "I'm on both Medicare and Social Security, and together they pay less than I earned when I worked," Susie says.*

*At 68 years old, Susie has the benefit of hindsight when she surveys her life and the lives of other seniors. When asked how she feels about some who say seniors could afford to get by on \$50 less each month if Social Security were cut, she has a stark reminder for younger generations: "Yes, \$50 is a big deal! That means that I will have to drastically cut my food budget. It's already being cut as we speak. I don't even do entertainment out of the house anymore, because I can't afford it. My way of living has been reduced dramatically."*



## Social Security Works for Nebraska's African Americans

- In Nebraska, Social Security provided benefits to 2 in 9 (21.5 percent) of African American households in 2013, 6,487 households.<sup>40</sup>
- Nationwide, Social Security lifted 1,231,000 African Americans aged 65 or older out of poverty in 2012.<sup>41</sup> Without Social Security, the poverty rate among African American seniors would have increased from 1 in 6 (18 percent) to half (51 percent).<sup>42</sup>
- Nationwide, Social Security provided nearly three-quarters (71.5 percent) of the income of African American elderly couples and unmarried individuals receiving benefits, on average, in 2012. Social Security made up 90 percent of the total income for nearly half (46.4 percent) of these African American elderly households.<sup>43</sup>
- African Americans were 12.6 percent of the population in 2011, but represented 19 percent of disabled worker beneficiaries.<sup>44</sup>

## Social Security Works for Nebraska's Latinos

- In Nebraska, Social Security provided benefits to 1 in 9 (10.9 percent) Latino households in 2013, 4,919 households.<sup>45</sup>
- Nationwide, Social Security lifted 999,000 Latinos aged 65 or older out of poverty in 2012.<sup>46</sup> Without Social Security, the poverty rate among Latino seniors would have increased from 1 in 5 (21 percent) to half (52 percent).<sup>47</sup>

- Nationwide, Social Security provided three-quarters (74.5 percent) of the total income of Latino elderly couples and unmarried individuals receiving benefits, on average, in 2012. Social Security was 90 percent of the income for more than half (52.6 percent) of these Latino elderly households.<sup>48</sup>
- The Social Security Administration estimates that Latinos receive a higher rate of return on their Social Security contributions than the overall population—the highest of any group. That's because they tend to have lower lifetime income, longer life expectancy, higher incidence of disability, and larger families.<sup>49</sup>

## Social Security Works for Nebraska's Asian Americans, Hawaiian Natives and Pacific Islanders

- In Nebraska, Social Security provided benefits to 1 in 10 (10 percent) Asian American, Hawaiian Native and Pacific Islander households in 2013, 1,096 households.<sup>50</sup>
- Nationwide, Social Security provided, on average, over two-thirds (67.7 percent) of the total income for Asian American households with beneficiaries aged 65 or older in 2012. Social Security was 90 percent of the income for over 4 in 10 (44.4 percent) Asian American elderly households.<sup>51</sup>
- Nationwide, Asian Americans and Pacific Islanders receive a high rate of return from Social Security because of their long life expectancies. An Asian American or Pacific Islander man aged 65 in 2011, can expect to live until age 85, compared to age



82 for all men. An Asian American or Pacific Islander woman of the same age can expect to live until age 88, compared to age 85 for all women.<sup>52</sup>

### Social Security Works for Nebraska's Rural Communities

- Social Security is more important to Nebraskans living in rural or non-metropolitan counties than to Nebraskans living in metropolitan counties. 1 in 5 (21.3 percent) rural Nebraskans received Social Security in 2014, compared with 1 in 7 (15.3 percent) metropolitan Nebraskans.<sup>53</sup>
- Social Security is more important to the local economies of Nebraska's rural or non-metropolitan counties than to its metropolitan counties. Total personal income in Nebraska's rural counties was \$32.6 billion in 2014 of which \$2 billion, or 6.1 percent, was from Social Security. By comparison, total personal income in the state's metropolitan counties was \$55.6 billion, of which \$2.8 billion, or 5 percent, was from Social Security.<sup>54</sup>

### Social Security Works for Immigrants

- Social Security is critical for immigrants, of whom 7 in 10 (71.5 percent) are Latino or Asian American in 2013.<sup>55</sup>
- New immigrants tend to have lower career earnings, so Social Security is likely to be a larger source of retirement income for them. Nationwide, the median household income of foreign-born residents was \$47,753 in 2013, 10.8 percent lower than the median for native-born Americans, which was \$52,910.<sup>56</sup>
- Social Security is a lifeline for older workers who have serious health problems, difficult jobs or major work disabilities, among whom immigrants are disproportionately represented.<sup>57</sup> Nearly 6 in 10 (55.7 percent) immigrant workers aged 58 or older work in physically demanding jobs or difficult conditions, compared with 4 in 10 (43.8 percent) native-born workers.<sup>58</sup>
- An analysis by the Office of the Chief Actuary of the Social Security Administration shows that providing a path to citizenship for the country's 11 million

unauthorized immigrants would net Social Security \$284 billion by 2024, and extend Social Security's full solvency by two years.<sup>59</sup>

### Social Security Works for Same-Sex Couples and Their Families

Social Security has generally looked to state law to determine who is married. Until recently, however, the federal Defense of Marriage Act and state restrictions on the right of same-sex couples to marry prevented same-sex couples and their families from obtaining all of the Social Security protections provided to different-sex married couples and their families. With the Supreme Court's historic rulings in *U.S. v. Windsor* (June 26, 2013) striking down the Defense of Marriage Act, and in *Obergefell v. Hodges* (June 26, 2015), affirming the constitutional right of same-sex couples to marry in all states, federal marriage benefits and protections are now available to all same-sex couples, regardless of state of residence.

Married same-sex couples and their families in every state will now be able to claim the same spousal, survivor, and young dependent benefits guaranteed to all other married couples and their families.<sup>60</sup> Social



Security's crucial protections will potentially benefit thousands of Americans, including:

- the 390,000 same-sex couples who are currently married under state law;<sup>61</sup>
- the estimated 70,000 same-sex couples in the 13 states that did not previously recognize or allow same-sex marriage who are expected to marry in the next three years;<sup>62</sup>

- the estimated 210,000 children being raised by same-sex couples.<sup>63</sup>

### **Social Security is Fiscally Responsible and Affordable**

A public trust, Social Security is the nation's most conservatively financed and carefully monitored institution. Social Security does not, and, by law, cannot add a penny to the federal debt.<sup>64</sup> While the federal budget has run a deficit in every year but five over the last half century, Social Security is not allowed to pay benefits unless it has the funds to cover every penny of the cost; it simply does not have borrowing authority.<sup>65</sup> This is why Social Security has nothing to do with reducing the federal budget deficit, and should not be part of any deficit reduction legislation considered by our nation's leaders.

It is only because Social Security is required to project its finances 75 years into the future—an extremely long projection period by virtually any measure—that we even know about its modest long-term shortfall.<sup>66</sup> The 2015 report, signed by Social Security's trustees—the secretaries of the Treasury, Health and Human Services and Labor, the Commissioner of Social Security and two Public Trustees appointed by the President—projects that Social Security can pay all benefits in full and on time for 19 years.<sup>67</sup> After that, if Congress were not to act, it could still pay 79 cents of every dollar of earned benefits.<sup>68</sup>

Social Security's projected shortfall is incredibly modest as a share of the economy. Even with the retirement of the baby boomers, Social Security's costs are projected to go from their current level of 5.0 percent of gross domestic product (GDP) to 6.1 percent in 2037, after which they are projected to fall and then rise again gradually to 6.2 percent in 2090.<sup>69</sup> The cost of bringing Social Security into actuarial balance is equal to roughly 1 percent of GDP.<sup>70</sup> This increase in Social Security spending is smaller than the increase in spending on public education that occurred when the boomers were children.<sup>71</sup>

### **RUBY, Arizona**

*I was born when Franklin Delano Roosevelt was elected into office in 1932, and three short years later he signed Social Security into law. I am retired now, so Social Security affects my life that way, but it also affected my life, and my children's lives, through survivors' benefits because we received benefits after their father died prematurely. It was a hunting accident. A guy across the hill from him shot, and my husband was hit, so I was left with the five kids.*

*It was such a shock that I didn't really know what I was going to do. It was really difficult. I got to the point where for three months, I could barely do anything and I finally had to go to the doctor. I could barely put one foot in front of me to physically walk to the doctor's office. I don't know what I would have done without Social Security. When I went to work, I only earned one dollar thirty cents an hour. It was tough but it was workable. Without Social Security I don't know how it would have been.*

## Rising Inequality Calls for Scrapping Cap, Expanding Benefits

While incomes at the top—from wages and investments—have skyrocketed in recent decades, the wages of the typical worker have stagnated: the median male worker earned roughly the same amount, adjusted for inflation, in 2010 as his predecessor in 1964.<sup>72</sup> As a result, whereas from 1948-79 two-thirds of income growth went to the bottom 90 percent, from 1979-2012 *all* income growth has gone to the top 10 percent.<sup>73</sup> In other words, since 1979, the bottom 90 percent of households have, as a whole, seen their income decline in real terms.

While the lowest 94 percent of earners make Social Security contributions on all of their wages, millionaires and billionaires contribute on only the first \$118,500 of their earned income in 2015.<sup>74</sup> And their investment income is completely outside the Social Security system. The fact that virtually all aggregate income growth has been occurring above the Social Security tax cap has hurt Social Security's finances, and is projected to harm them even more in the coming decades.<sup>75</sup>

We should not only scrap the cap, i.e. remove the limit on wages subject to Social Security contributions, but also incorporate high earners' investment income into Social Security. This would ensure that high earners contribute to Social Security on all their income at the same rate as average workers. And it would eliminate



all of Social Security's projected 75-year funding gap, while providing enough revenue to expand benefits.<sup>76</sup> In addition or alternatively, dedicating revenue from the federal estate tax, our most progressive tax, to our Social Security system would also reduce income and wealth inequality while providing sufficient revenue to expand Social Security. It is important to recognize that the idea of a system of old age and disability pensions, financed from an estate tax, was proposed by one of our nation's Founding Fathers, Thomas Paine, over two centuries ago.<sup>77</sup>

## Social Security Must Not be Held Hostage to the Need for Fund Rebalancing by 2016

Though Social Security is a single program, its benefits are paid from two separate trust funds—the Old Age and Survivors Trust Fund (OASI) and the Disability Insurance (DI) Trust Fund. From time to time, the funds need to be rebalanced. This requires Congressional legislation. For long-anticipated, well-understood reasons, Social Security's actuaries project that a rebalancing between the two trust funds will have to be enacted before the end of 2016, to allow DI benefits to continue to be paid in full and on time.<sup>78</sup> Several major demographic shifts between 1980 and 2010 increased the size of the disability beneficiary population considerably. During that period, the working-age population increased by nearly half, resulting in more covered workers who might become eligible for DI. The Baby Boomers aged into their disability-prone years and this, together with lower birth rates in the generations that followed, shifted the population's age distribution, increasing the prevalence of disability. Finally, the growing number of women in the workforce since 1970 has resulted in a significant increase (from 50 to 68 percent) in the number of women insured for disability benefits.<sup>79</sup> The weak labor market and falling interest rates of the Great Recession compounded these strains on the system's finances, primarily by lowering the revenues coming into the system, as well as by reducing the interest earned on the DI Trust Fund's reserves. All of these trends which have hurt the disability fund's solvency are now projected to level off.<sup>80</sup>

There is a simple way to extend DI solvency to 2034—by rebalancing the share of payroll contributions going into the Social Security retirement and disability trust funds, as Congress has done 11 times, in both directions, in the past.<sup>81</sup> This would guarantee workers' full suite of Social Security protections without affecting the system's overall solvency. Moreover, by scrapping the cap and incorporating high earners' investment income into Social Security, the solvency of both the DI and OASI funds could be extended to nearly the end of the century.<sup>82</sup>

## **MIKE, Ohio**

*Mike was a small business owner. He had his own home construction business. While on vacation in the Bahamas, he suffered a massive stroke. He was only 60 years old. Although he did receive some initial medical attention in the Bahamas, his family, through the help of friends, was able to charter a plane to bring him back to the States for treatment.*

*His stroke left him paralyzed on his right side and with aphasia, which means he could understand, but not speak. While most SSDI cases take a couple of years to get approval, Mike's case was so compelling, he was approved immediately. In the seven years since his accident, Mike has managed to go through his IRA, which he used to pay for unexpected medical expenses. If he did not have SSDI and now his Social Security retirement benefit, his family does not know what he would have done.*

# MEDICARE WORKS

For half a century, Medicare has given seniors and people with disabilities access to efficient, affordable health care they can count on. It protects beneficiaries and their families against health-related expenditures that might otherwise overwhelm their finances.

Even more importantly, it allows them to receive necessary—and often life-saving—medical care that many would otherwise not be able to afford.

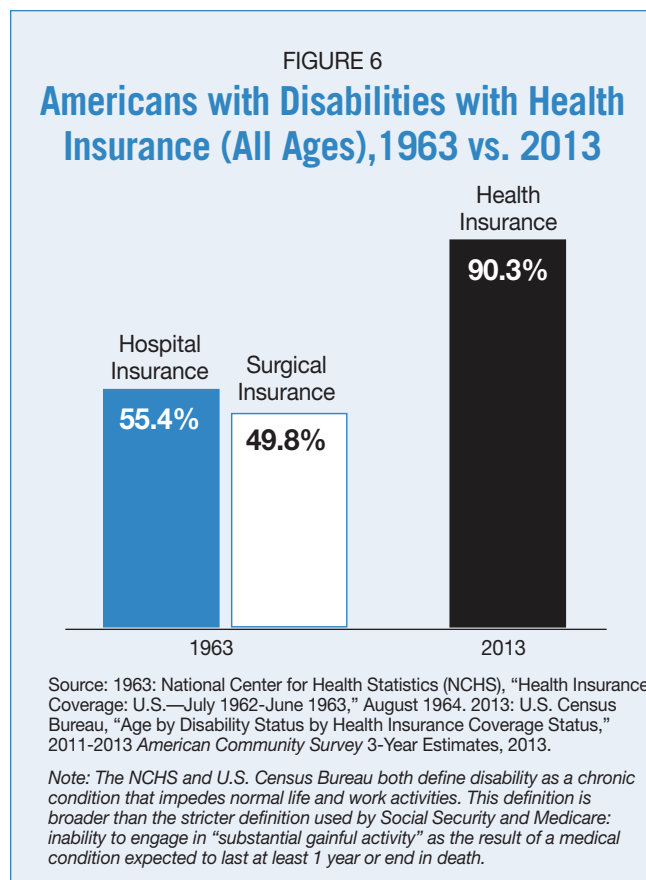
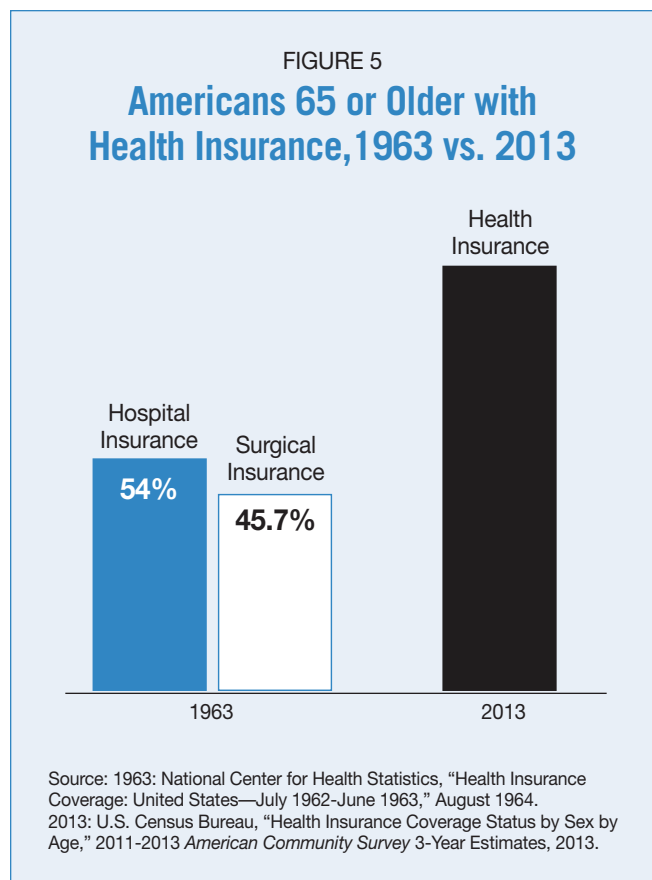
## For 50 Years, Medicare Has Provided Health Care in Retirement and Disability<sup>83</sup>

As we celebrate the 50<sup>th</sup> anniversary of Medicare, it is worth reflecting on the difference it has made in our lives. Before Medicare, roughly half of the elderly were uninsured [Figure 5]. This is because private health insurance companies, which must generate returns for their shareholders, were not able or willing to insure seniors and people with disabilities at affordable rates,

given these groups' greater medical needs. Those who were insured paid nearly three times as much as younger people, even though they had, on average, only half as much income.<sup>84</sup>

To prevent these growing health care costs from continuing to threaten the economic security of Americans in retirement, the Social Security Act was expanded in 1965 to include a health insurance program for the elderly, known as Medicare. Today virtually all Americans aged 65 and older have health insurance, predominantly through Medicare.<sup>85</sup>

In 1972, Medicare was expanded to include people with disabilities under age 65 who receive Social Security Disability Insurance benefits. People with disabilities are eligible for Medicare after a two-year waiting period.<sup>86</sup> In 1963, before Medicare, only about



*“[T]he later years of life should not be years of despondency and drift.... Since World War II, there has been increasing awareness of the fact that the full value of Social Security would not be realized unless provision were made to deal with the problem of costs of illnesses among our older citizens.”*

— LYNDON BAINES JOHNSON, January 7, 1965

half of Americans with disabilities (of all ages) had health insurance [Figure 6]. Today, 90 percent do.

If Medicare did not exist, many seniors and people with disabilities today would not be able to afford basic medical services. Medicare beneficiaries are mostly people of modest means. Half had annual incomes below \$23,500 in 2013.<sup>87</sup> Even with Medicare, more than one-third of the average Social Security check of retirees and their surviving spouses is consumed by out-of-pocket health care costs.<sup>88</sup>

### **Medicare: One System with Four Parts**

Medicare works—for seniors, people with disabilities, people with end-stage renal disease and people with ALS (Lou Gehrig’s disease). For all of these populations, the program covers needed hospital, physician, medical testing, pharmaceutical and rehabilitation services, as well as other necessary medical services and equipment.<sup>89</sup> Medicare provided health care coverage to 53.8 million Americans in 2014, of whom 84 percent (45.1 million) were aged

65 or older; and the remaining 16 percent (8.7 million) were severely disabled workers.<sup>90</sup> The average expenditure per Medicare beneficiary in 2014 was \$10,641.<sup>91</sup>

Medicare consists of four parts, each of which provides different medical benefits or service delivery options. Medicare Part A, the Hospital Insurance (HI) program, covers hospital stays as well as select kinds of skilled nursing facility services and home health and hospice care. Hospital Insurance is earned during one’s working years, and paid for by insurance contributions of 2.9 percent of wages, divided equally (1.45 percent each) between employers and employees.<sup>92</sup> Since 2013, households with income above the unindexed threshold of \$200,000 (\$250,000 for couples) pay an additional 0.9 percent Hospital Insurance contribution on their earned income (without an employer match). Medicare Part A’s funding is further supplemented by a portion of the federal income taxes that Social Security beneficiaries with incomes above certain unindexed thresholds pay on their benefits.<sup>93</sup>



Medicare Part B, the Supplemental Medical Insurance (SMI) program, helps pay for physician care and related medical services including preventive care, lab tests, and durable medical equipment. One quarter of its costs are funded from premiums (generally deducted from beneficiaries’ Social Security checks), and three-quarters from general federal revenues.<sup>94</sup> The 5.5 percent of beneficiaries with incomes above \$85,000 (\$170,000 for couples) pay significantly higher premiums.<sup>95</sup> For low-income Medicare beneficiaries who are also enrolled in Medicaid, Medicaid can cover Medicare’s Part B premium and out-of-pocket costs. Low-income beneficiaries ineligible for full Medicaid benefits may qualify for one of several Medicare

Savings Programs, to help cover the cost of Medicare Part B premiums and cost sharing.<sup>96</sup>

Medicare Part C, also known as the Medicare Advantage program, allows beneficiaries to enroll in a private insurance plan that covers Medicare Part A and B benefits (and usually Part D as well, described below). About 15.7 million Medicare beneficiaries were enrolled in Medicare Advantage in 2014—three in ten (30 percent) beneficiaries.<sup>97</sup> These private plans receive payments from Medicare to cover physician and hospital services (and in most cases, prescription drug benefits). Historically, Medicare Advantage plans have cost more for the same services as provided under traditional Medicare (Parts A and B).<sup>98</sup> Prior to passage of the Patient Protection and Affordable Care Act of 2010 (ACA), Medicare was paying Medicare Advantage insurance companies over \$1,000 per person more on average annually than traditional Medicare.<sup>99</sup> These extra costs resulted in not only higher government outlays but also higher Part B premiums for those enrolled in traditional Medicare. The ACA included provisions designed to bring the costs of Medicare Advantage closer to those of traditional Medicare.<sup>100</sup>

Medicare Part D, the prescription drug benefit, covers most outpatient prescription drugs. Part D benefits are provided by private plans that contract with Medicare. Part D benefits are purchased by beneficiaries either as stand-alone plans, or as part of a Medicare



Advantage plan. In 2014, 37.6 million beneficiaries were enrolled in a Part D plan—7 in 10 (69.9 percent) beneficiaries.<sup>101</sup> The ACA ensures that seniors and people with disabilities in Part D who reach the prescription drug coverage gap, known commonly as the “donut hole,” receive discounts on brand-name and generic prescription drugs. This year, beneficiaries reach the coverage gap after spending \$2,960 on covered drugs, and the donut hole closes at the catastrophic coverage limit of \$4,700.<sup>102</sup> On drugs purchased within the coverage gap, beneficiaries in 2015 only pay 45 percent of the price for brand-name covered drugs, and 65 percent for generic drugs. As a result of the ACA, these discounts will increase steadily until the donut hole is completely closed in 2020.

For most beneficiaries, roughly one-quarter of Part D costs are funded by premiums (generally deducted from beneficiaries’ Social Security checks), and three-quarters from general revenue. States are required to pay premiums for low-income beneficiaries who are enrolled in Part D programs. Assistance paying for Medicare Part D premiums and cost sharing is also available for eligible low-income beneficiaries through the Low-Income Subsidy of Medicare Part D (commonly known as Extra Help), a program administered by the federal government through the Social Security Administration. A small proportion—about 5 percent—of Part D beneficiaries with incomes above \$85,000 (\$170,000 for couples) pay higher premiums. Higher-income beneficiaries pay between 35 and 80 percent of Part B and D program costs, with the share rising with income.<sup>103</sup>

### **Medicare Has Lower Administrative Costs than Private Health Insurance**

Even though the traditional Medicare program (Parts A and B) covers people who, on average, have more health care claims and more expensive medical conditions than those covered by private insurance, its administrative costs are lower than those of private insurers. Traditional Medicare’s administrative costs were 1.6 percent of total expenditures in 2014.<sup>104</sup> Private health insurance’s administrative costs are generally much higher, for they include additional



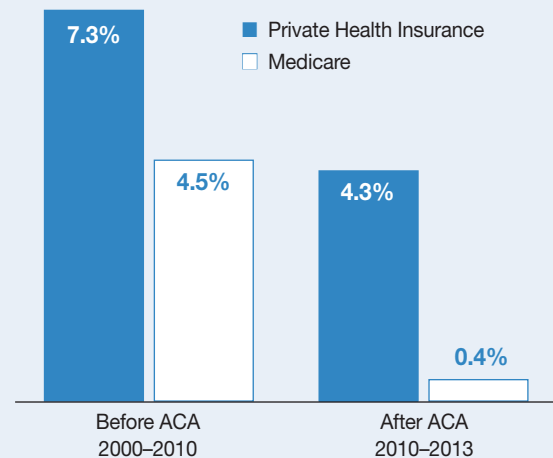
non-medical expenses such as marketing, advertising and retained profit to insurers. The Congressional Budget Office (CBO) estimated that in 2007 these administrative costs varied from about 7 percent for large employer plans with 1,000 or more covered employees to as much as 30 percent for insurance sponsored by very small firms or purchased by individuals.<sup>105</sup>

Traditional Medicare is also more efficient than Medicare Advantage plans. The Government Accountability Office (GAO) found that in 2006, Medicare Advantage plans' administrative costs averaged 16.7 percent.<sup>106</sup> The ACA stipulated that starting in 2014, Medicare Advantage plans could not devote more than 15 percent of their Medicare payments to administration, profits and other non-healthcare related items. In response, these plans are now becoming more efficient. A recent GAO study found that in 2011, Medicare Advantage plans' administrative costs had dropped to 13.6 percent—still far above those of traditional Medicare.<sup>107</sup>

### Medicare Controls Health Costs Better than Private Insurance As Well, Especially since ACA

In the United States, we pay far more for doctors, hospitals and pharmaceutical products than other countries. In 2011, we spent 17.7 percent of gross domestic product (GDP) on health care, compared to an average of 9.4 percent across all advanced economies.<sup>108</sup> Within our overpriced health care system, Medicare historically performs better than private insurance at controlling costs. For common benefits provided in Medicare and private insurance, from 1969 to 2013, per-person costs increased by 9.1 percent per year in private insurance, compared to about 7.5 percent in Medicare.<sup>109</sup> In the decade immediately prior to passage of the ACA in 2010, the costs of commonly provided benefits grew by 7.3 percent per enrollee per year in private health insurance, vs. 4.5 percent in Medicare. Figure 7 shows that since the passage of the ACA, which added many new cost-control provisions to our health care system, and particularly to Medicare, Medicare outperforms private health insurance even more starkly.

FIGURE 7  
Average Growth Rate in Costs of Private Health Insurance vs. Medicare for Common Benefits per Enrollee, before and after ACA



Source: Centers for Medicare & Medicaid Services, National Health Expenditure Accounts, "NHE Tables" (accessed June 30, 2015).

Indeed, since passage of the ACA, Medicare's costs for commonly provided benefits per enrollee have risen at less than one-tenth the rate of private insurance. Part of this slowdown in cost growth is no doubt attributable to the Great Recession; but the recession began in December 2007 and officially ended in June 2009, while the stark decline in cost growth did not begin until 2010 and has persisted through the latest data available (2013). Hence much of the slowdown in cost growth cannot be explained by the recession; the ACA's numerous payment and delivery reforms have surely played a role in containing costs as well.<sup>110</sup>

### Tools in the ACA Must be Leveraged to Ensure Medicare's Long-Term Affordability

The Affordable Care Act is showing promising initial signs of bending the cost curve throughout our health care system, particularly in Medicare.<sup>111</sup> While the ACA has been implemented only gradually since 2010, the structural reforms contained in the law sent immediate signals to the health care industry that value, not quantity, would be rewarded in the post-

ACA world, particularly in the Medicare program.<sup>112</sup> Physicians and hospitals, on the one hand, and Medicare Advantage plans, on the other, quickly began changing how they do business in anticipation of the new value-based system. (Insurers in the individual and group health insurance markets had to become more efficient as well.)

The ACA's cost-control provisions include measures to encourage provision of coordinated care for groups of patients (so-called Accountable Care Organizations, or ACOs); reimbursement of providers on the basis of expected costs for clinically-defined episodes of care ("bundled payments") rather than simply paying for each service billed ("fee-for-service"); reduction of excessive payments to private insurers who operate in Medicare Advantage; reduction of payments to hospitals with high rates of preventable readmissions; increased monitoring and punishment of waste, fraud and abuse; comparative effectiveness research to get a better sense of what works and what doesn't; and a new innovation center (the Center for Medicare & Medicaid Innovation), tasked with testing innovative payment and service-delivery models to reduce program expenditures while preserving or enhancing the quality of care.<sup>113</sup> Each of these measures is likely to result in higher-quality care at lower costs over the long term. At a minimum, these innovations will inform ongoing initiatives to control costs and enhance health care quality.

In part as a result of the ACA, the Medicare Hospital Insurance (Part A) Trust Fund's solvency has been extended by 13 years, from 2017 to 2030, after which time it will be able to pay 86 percent of payments from current payroll contributions and other revenue in 2030, and 79 percent in 2039 and thereafter.<sup>114</sup> To express Medicare's finances another way, the total long-term shortfall in hospital insurance funding over the next 75 years is now less than one fifth as large as it was before the passage of the Affordable Care Act.<sup>115</sup>

Still, Congress must pursue policies that sustain affordable access to Medicare benefits over the long term. In so doing, however, it must resist efforts to simply shift costs from the federal government to

beneficiaries. The most egregious of such proposals would replace Medicare with a voucher, as proposed in this year's House Republican Budget.<sup>116</sup> Without a strong public Medicare system, the cost of health care for seniors and people with disabilities would likely rise much faster than at present, and higher out-of-pocket costs could keep millions of lower and even many middle-income beneficiaries from getting the care they need.<sup>117</sup>

Cutting Medicare benefits would simply shift costs to the sickest and oldest among us, forcing some seniors and people with disabilities to forego treatment, likely leading to more costly health care needs like emergency room visits, ambulance rides and hospitalizations, and worse health outcomes over the long-term. Promising proposals are available, however, to control Medicare's costs without shifting the burden to older adults and people with disabilities. For starters, Congress could allow Medicare to use its considerable market power to negotiate better prices for beneficiaries on prescription drugs. Currently, under the law that created the Part D program, Congress is forbidden from doing so.<sup>118</sup> Medicare's administrators are also *prohibited* by Congress from conducting cost-effectiveness research, the kind of research more efficient health-care systems around the world use to determine whether their money is being spent on care that actually works and improves upon existing treatments.<sup>119</sup>



The bottom line is that substantial cost-savings are possible within our health care system without sacrificing quality or coverage. To this end, policymakers should continue to leverage the cost-control tools contained in the Affordable Care Act, and resist any efforts to shift Medicare costs to seniors and people with disabilities.

#### **Medicare Works for Nebraska's Economy.**

- Medicare provided \$3 billion in benefits to Nebraskans in 2009—19.9 percent of all health care spending in the state.<sup>120</sup> The average expenditure per Medicare beneficiary was \$9,226 [Figure 1].<sup>121</sup>

#### **Medicare Works for Nebraska's Residents.**

- Medicare insured 287,565 Nebraskans in 2012—1 in 6 (15.5 percent) state residents [Figure 1].<sup>122</sup>

#### **Medicare Works for Nebraska's Seniors.**

- 247,869 of Nebraska's 287,565 Medicare beneficiaries were aged 65 or older in 2012—6 in 7 (84.7 percent) beneficiaries.<sup>123</sup>

#### **Medicare Works for Nebraska's People with Disabilities.**

- 44,708 of Nebraska's 287,565 Medicare beneficiaries were people with disabilities in 2012—1 in 7 (15.3 percent) beneficiaries.<sup>124</sup>

#### **Medicare Works for Nebraska's Residents with End-Stage-Renal Disease (ESRD).**

End-stage-renal disease (ESRD) occurs when a person's kidneys stop functioning at a level needed for everyday life. People suffering from ESRD generally must undergo dialysis treatment or receive a kidney transplant, which are both prohibitively expensive.<sup>125</sup>

#### **Medicare Works for Nebraska's Residents with Amyotrophic Lateral Sclerosis (ALS).**

Amyotrophic Lateral Sclerosis, more commonly known as ALS, or Lou Gehrig's disease, is a nervous system disease that gradually shuts down all muscles in a person's body, eventually resulting in death from respiratory failure.<sup>126</sup> Many Nebraska residents with ALS would impoverish themselves or their families without the help of Medicare.

Seniors and people with disabilities cannot be economically secure if they are one illness away from bankruptcy. Medicare should be strengthened, not cut. As private-sector health insurance continues to rise in cost, preserving a strong public Medicare program is more important than ever.

# MEDICAID WORKS

The period from the beginning of the 20<sup>th</sup> century through the end of the 1950s witnessed significant medical advancements.<sup>127</sup> Yet by the 1960s, these achievements had still failed to reach many: an estimated 40 to 50 million Americans were poor and lacked adequate medical care.<sup>128</sup> Children from low-income families were only able to visit doctors half as frequently as their middle-class peers. And public assistance for low-income Americans was fragmented, with inadequate benefits and, in some states, no medical benefits at all.<sup>129</sup> Consequently, health care for the nation's poor was an essential component of President Johnson's War on Poverty, declared in 1964.<sup>130</sup> Medicaid, the joint federal-state program that helps with medical and long-term care costs for people with low income and resources, was one of the major steps taken in the fight to end poverty.

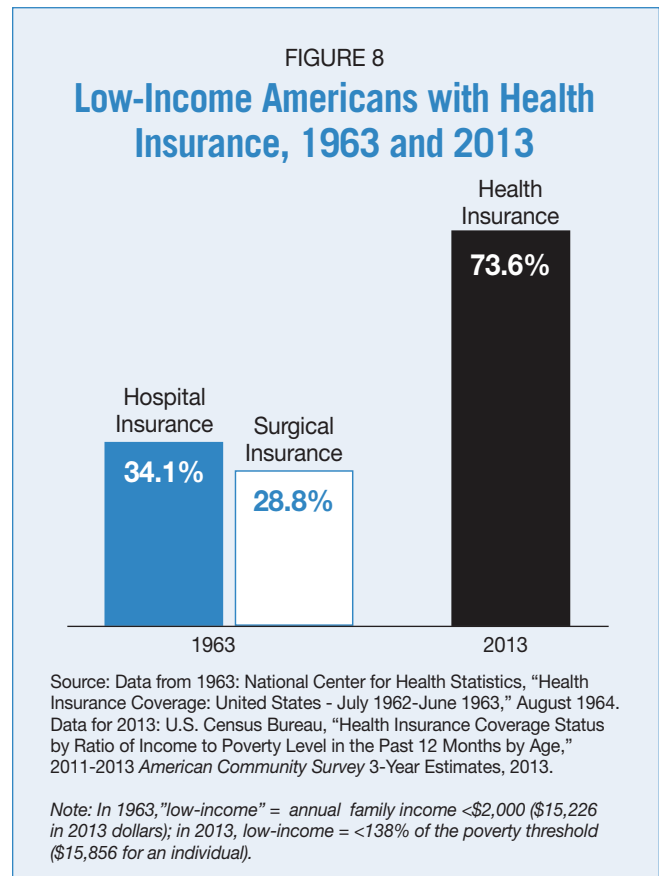
## Before Medicaid, 2 out of 3 Low-Income Americans Lacked Health Insurance

As we celebrate the 50<sup>th</sup> anniversary of Medicaid, let us recall what a difference it has made. We built our Medicaid system to provide health and long-term care coverage for low-income families, seniors and people with disabilities. In 1963, before Medicaid was created, only 34.1 percent of low-income Americans had hospital insurance, and only 28.8 percent had surgical insurance—the two most common forms of health insurance at that time.<sup>131</sup> Today, thanks to Medicaid and its expansion through the Affordable Care Act of 2010, nearly three-quarters of Americans (73.6 percent) living in or near poverty have some form of health insurance [Figure 8].<sup>132</sup>

For half a century, Medicaid has provided crucial health and long-term care coverage for low-income Americans. While Medicaid originally insured only Americans receiving cash welfare assistance, Congress expanded Medicaid over the years to help insure those without affordable access to private insurance as well as the increasing number of people left behind by erosions of coverage in the private system.<sup>133</sup> In

2013, Medicaid insured 55.4 million Americans—a broad range of Americans including pregnant women, children and some parents in both working and jobless families, and children and adults with physical and mental disabilities. Medicaid also helps some poor elderly and disabled Medicare beneficiaries with premiums, co-pays and other health care needs.<sup>134</sup> Medicaid is a lifeline for low-income Americans who, without the program, would likely be uninsured.

Before the Affordable Care Act, the federal government required states to provide Medicaid to children and pregnant women up to a minimum income threshold (which states had the option to raise), and to provide Medicaid to parents and children in families with income up to the threshold in effect for welfare in the state on July 16, 1996. These thresholds were and remain extremely low in many states: 33 states

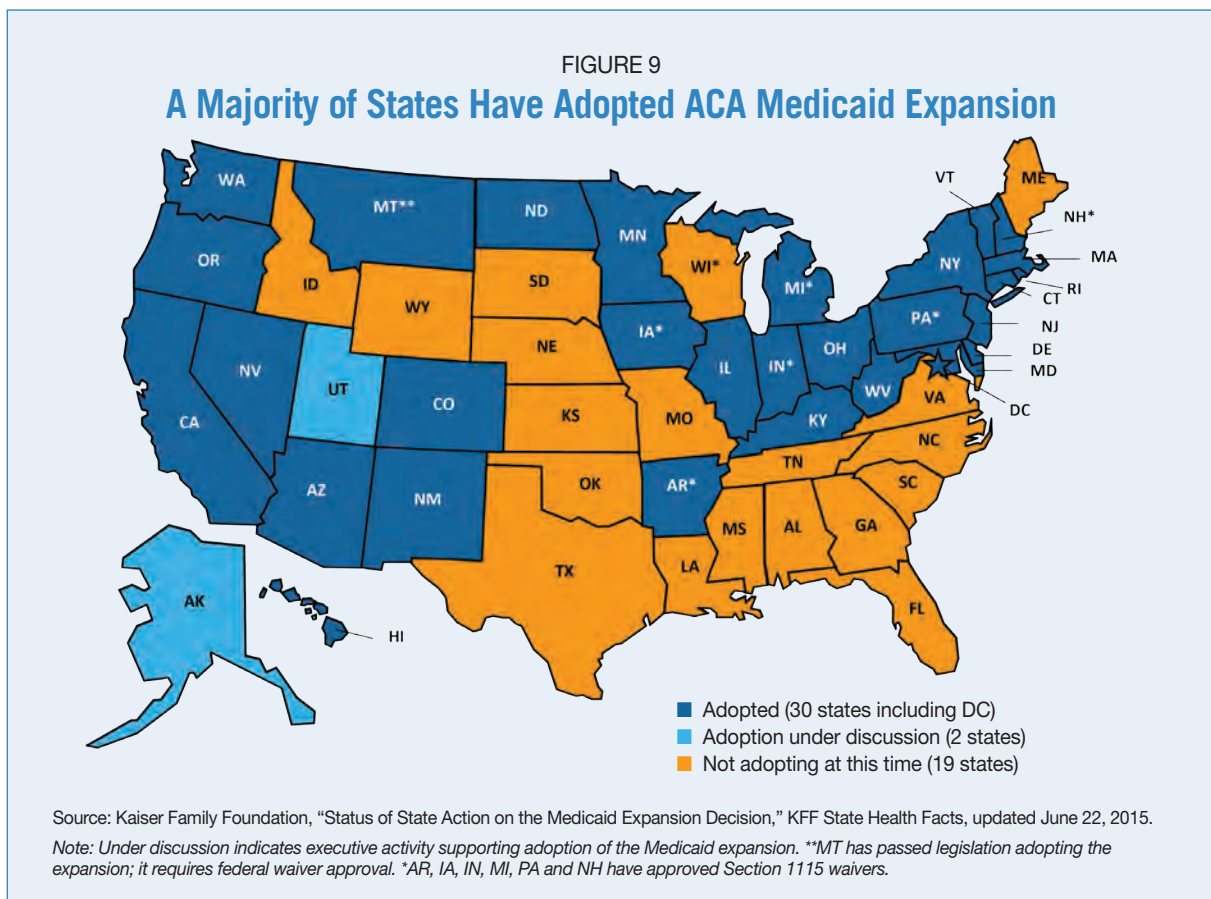


limited coverage to families with incomes below the federal poverty line, which is \$11,770 for an individual and \$24,250 for a family of four in 2015;<sup>135</sup> and in 17 states, Medicaid eligibility was restricted to families living on *less than half* the poverty line.<sup>136</sup> Adults without dependent children (unless pregnant or disabled) were excluded from Medicaid eligibility by federal law unless a state used state-only funds or obtained a waiver from the federal government (CMS).<sup>137</sup>

The Affordable Care Act expanded Medicaid eligibility to nearly all individuals with incomes at or below 138 percent of poverty (\$16,243 for an individual in 2015), broadly expanding the program to reach low-income adults who were previously excluded from Medicaid. In June 2012, however, the Supreme Court ruled, in effect, that states could opt out of the Medicaid expansion. To date, 29 states and the District of Columbia have expanded Medicaid coverage under the Affordable Care Act, 19 have not, and in 2 states it is under discussion [Figure 9].

In the states that have expanded Medicaid, uninsured rates for all working-age adults have fallen by more than half, from 14.6 percent to 7.5 percent. The 21 states that have not expanded Medicaid also saw a decline in uninsured rates—due to the ACA’s individual mandate, health insurance exchanges, premium subsidies, greater awareness of coverage, and enrollment simplification—but the decline has been much smaller, namely just under one third (from 21.4 percent to 17.1 percent).<sup>138</sup>

Medicaid remains especially crucial to seniors and people with disabilities in need of long-term care services. Medicare does not cover most long-term care costs, and private insurance plans that cover long-term care are often prohibitively expensive. As a result, many individuals exhaust their assets under the weight of steep long-term care costs and become eligible for Medicaid, which pays nearly half of long-term costs nationwide.<sup>139</sup> The ACA established enhanced opportunities for state Medicaid programs to shift more long-term care spending to home and



community-based long-term services and supports, rather than institutional care.<sup>140</sup>

Nearly two-thirds (63 percent) of all Medicaid spending is for seniors and people with disabilities.<sup>141</sup> About one out of every four—16.5 million—seniors and people with disabilities depended on Medicaid in 2011. That included 6.4 million seniors and 10.1 million people with disabilities.<sup>142</sup> All told, 21 percent of Medicare beneficiaries were also enrolled in Medicaid (as so-called “dual eligibles”) in 2011.<sup>143</sup>

Medicaid is also crucially important to children, who are about half of its beneficiaries nationwide.<sup>144</sup> More than one in every three of the nation’s children now receive their health insurance through Medicaid or the smaller Children’s Health Insurance Program (CHIP).<sup>145</sup>

#### **Medicaid Works for Nebraska’s Economy.**

- Medicaid covered \$1.8 billion in health care costs for Nebraska’s low-income residents in 2013—and in 2009, Medicaid spending represented 12.8 percent of all health care spending in the state.<sup>146</sup> The average cost per Medicaid beneficiary in 2013 was \$9,113 [Figure 1].<sup>147</sup>

#### **Medicaid Works for Nebraska’s Residents.**

- Medicaid insured 201,200 Nebraskans in 2013—1 in 9 (10.8 percent) state residents [Figure 1].<sup>148</sup>

#### **Medicaid Works for Nebraska’s Children.**

- Medicaid insured 163,800 Nebraska children in FY2011—one-third (35.5 percent) of the children in the state.<sup>149</sup>

#### **Medicaid Works for Nebraska’s Seniors.**

- 24,700 of Nebraska’s 201,200 Medicaid beneficiaries were aged 65 or older in 2011—1 in 11 (8.9 percent) beneficiaries.<sup>150</sup>

#### **Medicaid Works for Nebraska’s People with Disabilities.**

- 40,400 of Nebraska’s 201,200 Medicaid beneficiaries were people with disabilities in 2011—1 in 7 (14.6 percent) beneficiaries.<sup>151</sup>

#### **Medicaid Works for Nebraska’s Long-Term Care Recipients.**

- Medicaid provided \$773.5 million in long-term care benefits for Nebraska residents in 2013. That includes:
  - o \$341.2 million in home health care services (44.1 percent)
  - o \$335.1 million to nursing home facilities (43.3 percent)
  - o \$17.3 million to mental health facilities (2.2 percent)
  - o \$79.9 million to intermediate care facilities for the mentally retarded (10.3 percent).<sup>152</sup>



- Medicaid is the primary payer for the vast majority of Nebraska residents who opt for nursing home care. 6,321 of Nebraska's 12,227 nursing home residents were Medicaid beneficiaries in 2011—half (51.7 percent) of nursing home residents.<sup>153</sup> The average annual cost of nursing home care for a semi-private room in Nebraska was \$62,050 in 2012.<sup>154</sup> Given the high cost of nursing home care, many Nebraska residents would not be able to afford it without Medicaid.

As health care costs increase system-wide, Medicaid's costs rise as well. But Medicaid spending has grown more slowly than private insurance—at a rate of 1.1 percent since 2007, vs. 4.4 percent for private insurance.<sup>155</sup> Medicaid budgets are strained, largely due to rising social inequality, which leaves an ever larger share of the population below 138 percent of the poverty line and without employer health coverage. Medicaid is part of the solution to these problems, not a problem in need of a solution.

Cutting Medicaid access by converting its federal long-term care funding to a block grant to states, and by capping per-person spending on low-income children and parents, as the current Congressional budget agreement proposes to do, would simply shift costs to states who, in turn, would likely shift them further onto those who can least afford it, leading many to forgo necessary care. Instead of taking more politically courageous measures to reduce health-care cost growth, such an approach would reduce access to health and long-term care among particularly vulnerable populations.<sup>156</sup>

The passage of Medicare and Medicaid in 1965 was intended by many policymakers to be the first step toward achieving health insurance coverage for all Americans.<sup>157</sup> The ACA's coverage expansions have brought us closer to this goal. If Medicaid were expanded in the remaining 21 states, so as to cover all Americans at or below 138 percent of the poverty line, an additional 4 million people would have health insurance coverage,<sup>158</sup> preventing between 7,000 and 17,000 deaths annually, according to a Harvard study.<sup>159</sup> For the sake of these very low-income adults, it is time for all states to expand Medicaid.

# CONCLUSION

We built our Social Security and Medicare systems because they are the most efficient, secure, universal and fair ways for Americans to achieve income security in retirement, and health security in retirement and disability. We built our Medicaid system so that Americans of modest means can have access to the fundamental human right of health care.

As important as these protections are today, the need for them will only increase in the coming years. Income growth is, at best, slow for most of today's workers, and income inequality is higher than it has been in nearly a century. Jobs are less secure, and many workers have sustained substantial losses of home equity and other savings. Furthermore, most employers who historically offered supplements to Social Security have terminated traditional pension plans, replacing them with far more risky and inadequate 401(k)-style savings accounts.

Our nation faces an impending retirement security crisis. Workers today are saving no more at various ages than their counterparts did in 1983, even though they need much more, given that pensions are disappearing, out-of-pocket health-care costs are higher, and many are living longer.<sup>160</sup> The typical household nearing retirement has only \$14,500 in retirement savings.<sup>161</sup> More than half (52 percent) of today's working Americans are not expected to have sufficient resources to maintain their standard of living in old age. The outlook is even more dismal when anticipated health and long-term care costs are counted; then, roughly two-thirds of working-age households are not expected to be able to maintain their living standard in retirement.<sup>162</sup>

Were it not for Social Security, Medicare and Medicaid, the retirement security crisis awaiting today's workforce would be much worse. These programs are fortresses of security and reliability, and they work extremely well. In this uncertain world, where no one is invulnerable to premature death, permanent disability or poor health, Social Security, Medicare and Medicaid are there to cushion the blow.

Their protections should be expanded, not cut.

These programs, like our highways, are fundamental to our family and community life. In an increasingly uncertain economic environment, they will be even more important to future generations of retirees—today's middle-aged and younger workers.

We are much wealthier as a nation than we were in 1935, 1939, 1956, 1965 or 1972, when these structures were built and improved. Now it is our turn to maintain and improve them, as previous generations have done, for ourselves and for those who follow. To build our own legacy for our nation's children and grandchildren so when they become workers, they will have the economic security that Social Security, Medicare and Medicaid provide.

Maintaining our Social Security, Medicare and Medicaid systems must not be reduced to a matter of simple arithmetic. Any changes we make to these vital programs must help advance their mission of providing economic security and dignity to the American people. Reducing expenditures in these programs is not an end in itself; doing so in ways that expose beneficiaries to economic insecurity or health risks would solve the arithmetic problem while compromising these programs' fundamental promise.

The solution is clear—it is time to double down on what works. We must expand Social Security and Medicare, in order to buttress retirement security in an era of wage stagnation and inequality. And Medicaid should be expanded to cover all American households living under 138 percent of poverty in all 50 states.

At base, this is about what kind of nation we want to live in and leave for those who follow. Today's workers have a stake in preserving these foundational systems—for themselves, their families, and their children and grandchildren. And politicians have the opportunity to maintain, improve and pass on these paramount achievements for future generations, just as previous Congresses and presidents have done for us.



## Appendix 1: Social Security Works for Nebraska's Congressional Districts

		STATE TOTAL	CONGRESSIONAL DISTRICTS		
			1	2	3
Total annual benefits (\$ in millions)*		\$4,774M	\$1,581M	\$1,415M	\$1,778M
Number of residents in state/congressional district		1,855,209	620,380	626,491	608,338
Number of residents receiving Social Security benefits		326,078	106,038	91,890	128,150
Percent of residents receiving Social Security benefits		17.6%	17.1%	14.7%	21.1%
SOCIAL SECURITY BENEFICIARIES BY CATEGORY	Women	171,635	N/A	N/A	N/A
	Retired workers	226,858	75,021	62,450	89,387
	Disabled workers	42,347	13,305	14,090	14,952
	Widow(er)s	23,707	7,174	5,789	10,744
	Spouses	11,840	3,755	2,704	5,381
	Children	21,326	6,783	6,857	7,686

Sources: U.S. Census Bureau, *ACS Demographic and Housing Estimates*, "2011-2013 American Community Survey 3-Year Estimates," 2014. SSA, "Nebraska," *Congressional Statistics, December 2014*, 2015.

SSA, *Annual Statistical Supplement, 2015*, "Table 5.J5.1: Number by state or other area and sex, December 2014," 2015.

\*The annual benefits for the Congressional districts were calculated by taking the monthly benefits and multiplying by 12. The state annual benefits number is the sum of the congressional district numbers.

## Appendix 2: Social Security, Medicare and Medicaid Data by County in Nebraska (Page 1/4)

County	NEBRASKA COUNTY DEMOGRAPHICS, 2013					SOCIAL SECURITY BENEFITS, 2013-2014			SOCIAL SECURITY BENEFICIARIES BY CHARACTERISTIC, 2014*						MEDICARE & MEDICAID, 2011-2012		
	Metropolitan/ Non-Metropolitan	2013 Population	Median Household Income, 2013	% in Poverty, 2013	Population over Age 65, 2013	% of Population over Age 65, 2013	Annual Total Benefits, 2014	% of Total Personal Income, 2013	% of Population Receiving Benefits, 2014	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s Spouses	Children	% Receiving Medicare, 2012	% Receiving Medicaid, 2011	
Nebraska Total (93 Counties)	N/A	1,868,516	\$51,502	12.9%	264,008	14.1%	\$4,774,128,000	5.4%	17.5%	326,080	226,860	42,350	23,705	11,840	21,325	17.0%	11.0%
Adams	Non-Metropolitan	31,610	\$52,267	11.4%	5,071	16.0%	\$96,996,000	7.1%	21.5%	6,795	4,490	1,105	515	210	475	20.5%	12.7%
Antelope	Non-Metropolitan	6,456	\$48,814	12.8%	1,416	21.9%	\$20,388,000	3.8%	23.9%	1,540	1,110	125	160	90	55	24.3%	8.8%
Arthur	Non-Metropolitan	458	\$39,874	9.2%	95	20.7%	\$1,104,000	6.7%	19.7%	90	70	5	5	5	5	24.3%	4.9%
Banner	Non-Metropolitan	759	\$46,769	12.3%	238	31.4%	\$1,224,000	3.0%	12.5%	95	65	5	10	5	10	27.9%	4.7%
Blaine	Non-Metropolitan	482	\$38,323	18.0%	105	21.8%	\$1,428,000	9.4%	22.8%	110	80	15	10	5	0	23.0%	13.5%
Boone	Non-Metropolitan	5,388	\$50,156	9.9%	1,153	21.4%	\$17,136,000	5.1%	23.3%	1,255	875	95	155	85	45	24.2%	7.0%
Box Butte	Non-Metropolitan	11,305	\$54,120	12.9%	1,784	15.8%	\$25,140,000	5.2%	16.4%	1,850	1,195	270	155	80	150	19.3%	12.1%
Boyd	Non-Metropolitan	2,032	\$39,838	13.9%	569	28.0%	\$7,716,000	7.8%	31.3%	635	460	50	65	45	15	31.4%	9.0%
Brown	Non-Metropolitan	2,926	\$39,861	13.8%	705	24.1%	\$11,196,000	7.9%	29.4%	860	605	85	90	45	35	28.1%	17.4%
Buffalo	Non-Metropolitan	47,893	\$52,333	12.7%	6,006	12.5%	\$110,556,000	4.2%	15.6%	7,460	5,320	885	555	230	470	14.9%	10.0%
Burt	Non-Metropolitan	6,574	\$47,749	11.7%	1,561	23.7%	\$25,164,000	7.2%	27.8%	1,830	1,295	210	155	85	85	27.7%	11.1%
Butler	Non-Metropolitan	8,312	\$46,211	9.8%	1,677	20.2%	\$26,880,000	6.1%	22.9%	1,900	1,335	200	170	85	110	22.6%	7.5%
Cass	Metropolitan	25,357	\$63,738	8.2%	3,940	15.5%	\$74,604,000	6.3%	19.4%	4,930	3,500	600	315	180	335	18.1%	7.7%
Cedar	Non-Metropolitan	8,711	\$56,300	9.4%	1,839	21.1%	\$24,924,000	4.3%	21.4%	1,865	1,350	140	190	125	60	22.1%	6.2%
Chase	Non-Metropolitan	4,000	\$52,924	9.8%	822	20.6%	\$12,924,000	5.5%	22.6%	905	660	65	95	50	35	22.7%	8.6%
Cherry	Non-Metropolitan	5,788	\$43,229	13.5%	1,251	21.6%	\$17,448,000	6.9%	23.3%	1,350	960	125	120	75	70	23.7%	10.3%
Cheyenne	Non-Metropolitan	10,091	\$53,430	9.9%	1,657	16.4%	\$28,560,000	5.3%	19.5%	1,970	1,345	235	165	85	140	19.4%	8.7%
Clay	Non-Metropolitan	6,392	\$50,587	11.4%	1,201	18.8%	\$20,556,000	6.1%	22.4%	1,430	965	160	150	75	80	23.2%	11.3%
Colfax	Non-Metropolitan	10,425	\$51,103	10.1%	1,395	13.4%	\$20,988,000	4.5%	14.8%	1,540	1,100	110	170	90	70	14.6%	12.3%
Cuming	Non-Metropolitan	8,996	\$50,252	9.8%	1,912	21.3%	\$29,352,000	4.2%	23.3%	2,100	1,540	130	200	130	100	24.5%	7.6%
Custer	Non-Metropolitan	10,792	\$44,608	13.1%	2,247	20.8%	\$33,456,000	6.3%	23.4%	2,520	1,810	245	240	115	110	23.1%	9.6%
Dakota	Metropolitan	20,947	\$45,631	14.4%	2,580	12.3%	\$46,284,000	6.4%	15.8%	3,305	2,265	440	245	105	250	15.2%	15.3%
Dawes	Non-Metropolitan	9,088	\$39,507	17.5%	1,567	17.2%	\$26,016,000	8.6%	21.3%	1,935	1,375	190	160	85	125	20.2%	9.0%
Dawson	Non-Metropolitan	24,207	\$44,976	14.8%	3,558	14.7%	\$59,388,000	6.3%	17.9%	4,325	2,955	535	350	190	295	17.2%	13.0%
Deuel	Non-Metropolitan	1,937	\$48,523	12.8%	452	23.3%	\$7,248,000	9.7%	26.6%	515	390	40	35	25	25	25.5%	10.1%
Dixon	Metropolitan	5,851	\$47,637	10.2%	1,122	19.2%	\$16,584,000	6.1%	21.0%	1,230	895	105	110	60	60	19.5%	6.2%
Dodge	Non-Metropolitan	36,515	\$48,671	11.3%	6,885	18.9%	\$120,394,000	7.7%	22.5%	8,200	5,755	1,070	605	295	475	22.1%	12.1%
Douglas	Metropolitan	537,256	\$51,959	15.2%	60,365	11.2%	\$1,225,476,000	4.6%	14.9%	79,985	53,955	12,690	5,050	2,335	5,955	14.3%	12.9%

## Appendix 2: Social Security, Medicare and Medicaid Data by County in Nebraska (Page 2/4)

County	Metropolitan/ Non-Metropolitan	NEBRASKA COUNTY DEMOGRAPHICS, 2013					SOCIAL SECURITY BENEFITS, 2013-2014				SOCIAL SECURITY BENEFICIARIES BY CHARACTERISTIC, 2014*						MEDICARE & MEDICAID, 2011-2012	
		2013 Population	Median Household Income, 2013	% in Poverty, 2013	Population over Age 65, 2013	% of Population over Age 65, 2013	Annual Total Benefits, 2014	% of Total Personal Income, 2013	% of Population Receiving Benefits, 2014	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s	Spouses	Children	% Receiving Medicare, 2012	% Receiving Medicaid, 2011	
Dundy	Non-Metropolitan	1,981	\$47,098	13.6%	442	22.3%	\$6,324,000	4.7%	23.5%	465	315	55	45	30	20	26.1%	9.5%	
Fillmore	Non-Metropolitan	5,698	\$52,606	9.0%	1,301	22.8%	\$21,012,000	5.8%	25.4%	1,450	1,045	140	140	75	50	27.2%	9.3%	
Franklin	Non-Metropolitan	3,085	\$44,871	13.0%	771	25.0%	\$9,900,000	7.0%	24.1%	745	525	80	60	40	40	28.7%	12.1%	
Frontier	Non-Metropolitan	2,709	\$48,258	13.4%	565	20.9%	\$5,328,000	3.8%	14.4%	390	270	35	40	20	25	22.0%	7.7%	
Furnas	Non-Metropolitan	4,865	\$41,446	14.2%	1,129	23.2%	\$19,812,000	8.6%	30.4%	1,480	995	165	140	65	115	28.6%	11.3%	
Gage	Non-Metropolitan	21,864	\$45,212	11.3%	4,366	20.0%	\$76,164,000	7.2%	24.8%	5,430	3,695	710	390	165	470	25.6%	11.3%	
Garden	Non-Metropolitan	1,902	\$38,837	15.9%	537	28.2%	\$7,836,000	7.8%	31.0%	590	445	60	35	30	20	32.4%	11.8%	
Garfield	Non-Metropolitan	2,035	\$40,758	12.9%	551	27.1%	\$6,948,000	7.6%	27.3%	555	425	40	40	30	20	26.8%	9.7%	
Gosper	Non-Metropolitan	1,972	\$58,357	9.9%	389	19.7%	\$7,512,000	6.6%	26.4%	520	410	35	40	20	15	26.2%	8.1%	
Grant	Non-Metropolitan	633	\$44,778	11.1%	117	18.5%	\$2,124,000	9.8%	25.3%	160	115	15	15	10	5	30.4%	7.8%	
Greeley	Non-Metropolitan	2,494	\$42,743	13.6%	583	23.4%	\$7,932,000	6.9%	25.1%	625	435	50	60	40	40	25.4%	9.9%	
Hall	Metropolitan	60,720	\$49,750	14.9%	8,463	13.9%	\$150,048,000	6.2%	17.3%	10,500	7,370	1,355	755	325	695	16.4%	14.2%	
Hamilton	Metropolitan	9,112	\$54,663	8.8%	1,598	17.5%	\$28,992,000	5.5%	21.4%	1,950	1,435	170	160	70	115	21.8%	7.8%	
Harlan	Non-Metropolitan	3,513	\$45,806	12.1%	830	23.6%	\$12,060,000	7.0%	24.8%	870	665	90	55	30	30	26.4%	8.4%	
Hayes	Non-Metropolitan	976	\$51,101	14.6%	228	23.4%	\$1,308,000	1.8%	10.2%	100	65	5	10	10	10	20.7%	6.5%	
Hitchcock	Non-Metropolitan	2,872	\$40,217	15.0%	680	23.7%	\$11,328,000	9.0%	29.4%	845	595	85	70	60	35	27.4%	11.1%	
Holt	Non-Metropolitan	10,449	\$44,518	13.0%	2,192	21.0%	\$31,404,000	5.3%	23.9%	2,500	1,670	255	280	140	155	25.7%	10.4%	
Hooker	Non-Metropolitan	738	\$39,377	9.9%	208	28.2%	\$2,940,000	11.8%	30.5%	225	180	10	20	10	5	32.3%	4.9%	
Howard	Metropolitan	6,355	\$49,496	10.9%	1,251	19.7%	\$20,160,000	6.8%	23.5%	1,495	1,075	135	130	65	90	22.4%	8.1%	
Jefferson	Non-Metropolitan	7,560	\$46,252	12.7%	1,668	22.1%	\$27,012,000	7.7%	26.2%	1,980	1,365	265	160	70	120	26.8%	11.0%	
Johnson	Non-Metropolitan	5,144	\$46,456	14.8%	894	17.4%	\$13,728,000	6.7%	20.2%	1,040	755	100	90	40	55	18.7%	7.7%	
Kearney	Non-Metropolitan	6,548	\$57,823	9.2%	1,241	19.0%	\$22,524,000	4.9%	23.4%	1,535	1,060	145	130	75	125	19.7%	10.0%	
Keith	Non-Metropolitan	8,130	\$42,851	13.9%	1,854	22.8%	\$32,712,000	9.1%	28.3%	2,300	1,700	260	155	85	100	26.6%	10.0%	
Keya Paha	Non-Metropolitan	790	\$41,491	19.4%	223	28.2%	\$2,172,000	4.7%	22.8%	180	125	10	25	15	5	33.7%	5.7%	
Kimball	Non-Metropolitan	3,702	\$45,023	13.6%	836	22.6%	\$14,172,000	7.4%	26.9%	995	710	110	85	40	50	26.2%	13.3%	
Knox	Non-Metropolitan	8,565	\$41,066	15.1%	2,031	23.7%	\$29,484,000	7.4%	27.0%	2,310	1,585	200	255	135	135	26.1%	11.0%	
Lancaster	Metropolitan	297,036	\$52,275	14.8%	34,882	11.7%	\$682,104,000	5.4%	15.0%	44,455	31,330	6,150	2,545	1,365	3,065	14.2%	10.1%	
Lincoln	Non-Metropolitan	36,051	\$52,395	12.6%	6,060	16.8%	\$88,656,000	5.4%	18.1%	6,530	4,275	1,100	480	210	465	20.7%	11.9%	
Logan	Non-Metropolitan	763	\$48,688	10.6%	137	18.0%	\$2,244,000	5.7%	22.3%	170	110	15	15	15	15	22.2%	17.1%	
Loup	Non-Metropolitan	576	\$41,192	16.7%	142	24.7%	\$2,088,000	10.5%	27.8%	160	130	10	10	10	0	24.5%	5.9%	

## Appendix 2: Social Security, Medicare and Medicaid Data by County in Nebraska (Page 3/4)

County	Metropolitan/ Non-Metropolitan	NEBRASKA COUNTY DEMOGRAPHICS, 2013					SOCIAL SECURITY BENEFITS, 2013-2014				SOCIAL SECURITY BENEFICIARIES BY CHARACTERISTIC, 2014*						MEDICARE & MEDICAID, 2011-2012	
		2013 Population	Median Household Income, 2013	% in Poverty, 2013	Population over Age 65, 2013	% of Population over Age 65, 2013	Annual Total Benefits, 2014	% of Personal Income, 2013	% of Total Benefits, 2014	% of Population Receiving Benefits, 2014	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s	Spouses	Children	% Receiving Medicare, 2012	% Receiving Medicaid, 2011
McPherson	Non-Metropolitan	526	\$40,834	14.9%	103	19.6%	\$1,092,000	7.0%	17.1%	90	60	5	5	15	5	18.6%	6.4%	
Madison	Non-Metropolitan	35,278	\$45,738	12.5%	5,392	15.3%	\$95,928,000	6.4%	19.3%	6,805	4,700	840	545	260	460	19.3%	12.4%	
Merrick	Metropolitan	7,802	\$50,317	11.1%	1,467	18.8%	\$26,388,000	7.1%	24.2%	1,890	1,330	235	150	75	100	23.8%	10.6%	
Morrill	Non-Metropolitan	4,908	\$47,296	13.4%	896	18.3%	\$15,060,000	5.4%	23.0%	1,130	765	135	95	60	75	20.9%	13.8%	
Nance	Non-Metropolitan	3,623	\$45,091	12.6%	743	20.5%	\$10,860,000	5.7%	22.5%	815	575	90	75	40	35	20.9%	11.5%	
Nemaha	Non-Metropolitan	7,157	\$48,892	13.2%	1,254	17.5%	\$21,792,000	6.3%	21.3%	1,525	1,035	185	150	50	105	22.6%	10.3%	
Nuckolls	Non-Metropolitan	4,413	\$44,139	11.6%	1,154	26.2%	\$16,848,000	7.3%	28.3%	1,250	880	135	105	80	50	29.2%	8.9%	
Otoe	Non-Metropolitan	15,752	\$52,565	9.8%	3,061	19.4%	\$48,228,000	6.5%	21.2%	3,345	2,410	375	270	90	200	21.9%	9.6%	
Pawnee	Non-Metropolitan	2,709	\$38,735	15.2%	712	26.3%	\$10,080,000	7.2%	28.4%	770	580	65	70	35	20	26.3%	11.1%	
Perkins	Non-Metropolitan	2,921	\$53,893	10.0%	614	21.0%	\$9,132,000	4.8%	21.1%	615	460	45	50	35	25	22.8%	6.4%	
Phelps	Non-Metropolitan	9,213	\$53,607	8.7%	1,797	19.5%	\$31,452,000	6.4%	23.4%	2,160	1,555	230	175	60	140	23.0%	9.3%	
Pierce	Non-Metropolitan	7,150	\$50,807	9.6%	1,293	18.1%	\$20,712,000	5.5%	20.9%	1,495	1,040	135	140	95	85	19.7%	7.3%	
Platte	Non-Metropolitan	32,505	\$52,368	10.2%	5,002	15.4%	\$92,928,000	6.2%	19.5%	6,325	4,595	650	485	260	335	18.3%	8.8%	
Polk	Non-Metropolitan	5,275	\$56,618	8.9%	1,043	19.8%	\$15,360,000	4.9%	20.2%	1,065	805	95	85	40	40	22.9%	6.8%	
Red Willow	Non-Metropolitan	11,006	\$44,826	12.2%	2,058	18.7%	\$34,032,000	7.2%	22.1%	2,430	1,685	285	200	105	155	22.8%	10.8%	
Richardson	Non-Metropolitan	8,125	\$41,679	14.4%	1,889	23.2%	\$30,480,000	8.1%	27.8%	2,260	1,545	300	195	85	135	27.8%	11.7%	
Rock	Non-Metropolitan	1,411	\$40,870	15.2%	292	20.7%	\$4,668,000	5.8%	26.2%	370	270	25	40	20	15	13.6%	8.1%	
Saline	Non-Metropolitan	14,416	\$49,047	12.0%	2,102	14.6%	\$36,120,000	6.0%	17.4%	2,515	1,780	295	195	95	150	17.9%	9.3%	
Sarpy	Metropolitan	169,331	\$67,740	6.3%	16,609	9.8%	\$342,636,000	4.6%	13.1%	22,260	15,620	2,840	1,415	740	1,645	11.9%	6.4%	
Saunders	Metropolitan	20,929	\$61,174	8.7%	3,536	16.9%	\$61,896,000	6.2%	19.7%	4,120	3,005	480	290	150	195	18.9%	7.4%	
Scotts Bluff	Non-Metropolitan	36,848	\$43,406	15.2%	6,313	17.1%	\$113,784,000	7.6%	22.3%	8,205	5,460	1,225	690	280	550	21.7%	15.4%	
Seward	Metropolitan	17,089	\$59,053	10.2%	2,786	16.3%	\$46,596,000	5.6%	18.0%	3,075	2,300	295	220	115	145	18.6%	6.2%	
Sheridan	Non-Metropolitan	5,251	\$38,411	16.0%	1,220	23.2%	\$14,436,000	6.6%	21.0%	1,105	810	90	85	50	70	25.6%	10.8%	
Sherman	Non-Metropolitan	3,106	\$41,224	13.8%	805	25.9%	\$10,104,000	8.0%	25.0%	775	585	65	60	35	30	26.8%	8.2%	
Sioux	Non-Metropolitan	1,313	\$48,313	16.5%	280	21.3%	\$3,276,000	4.9%	19.4%	255	185	20	25	15	10	19.0%	3.5%	
Stanton	Non-Metropolitan	6,133	\$54,263	8.3%	925	15.1%	\$13,320,000	4.1%	16.2%	995	670	120	80	55	70	16.4%	4.6%	
Thayer	Non-Metropolitan	5,189	\$43,938	13.1%	1,300	25.1%	\$19,392,000	6.5%	27.1%	1,405	1,015	120	140	80	50	28.5%	10.0%	
Thomas	Non-Metropolitan	699	\$43,247	15.5%	140	20.0%	\$2,376,000	9.0%	27.9%	195	150	10	10	10	15	22.9%	6.5%	
Thurston	Non-Metropolitan	6,895	\$38,558	30.5%	847	12.3%	\$13,776,000	4.2%	16.0%	1,105	650	155	100	40	160	15.1%	30.7%	
Valley	Non-Metropolitan	4,193	\$44,105	12.3%	1,014	24.2%	\$14,496,000	6.4%	26.4%	1,105	795	90	100	70	50	26.5%	9.0%	

## Appendix 2: Social Security, Medicare and Medicaid Data by County in Nebraska (Page 4/4)

County	NEBRASKA COUNTY DEMOGRAPHICS, 2013				SOCIAL SECURITY BENEFICIARIES BY CHARACTERISTIC, 2014*						MEDICARE & MEDICAID, 2011-2012					
	Metropolitan/ Non-Metropolitan	2013 Population	Median Household Income, 2013	% in Poverty, 2013	Population over Age 65, 2013	% of Population over Age 65, 2013	Annual Total Benefits, 2014	% of Total Personal Income, 2013	% of Population Receiving Benefits, 2014	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s Spouses	Children	% Receiving Medicare, 2012	% Receiving Medicaid, 2011
Washington	Metropolitan	20,223	\$66,160	7.7%	3,145	15.6%	\$59,616,000	5.9%	19.0%	3,850	380	260	145	180	17.9%	5.8%
Wayne	Non-Metropolitan	9,411	\$49,981	13.2%	1,294	13.7%	\$21,684,000	4.9%	15.9%	1,500	125	160	70	75	16.2%	7.4%
Webster	Non-Metropolitan	3,688	\$42,305	12.4%	863	23.4%	\$12,576,000	7.9%	25.6%	945	105	95	40	65	28.5%	11.4%
Wheeler	Non-Metropolitan	759	\$37,495	16.0%	157	20.7%	\$2,136,000	4.4%	21.1%	160	10	15	10	0	20.2%	3.7%
York	Non-Metropolitan	13,883	\$56,687	9.8%	2,560	18.4%	\$45,720,000	6.1%	22.3%	3,095	310	250	150	155	22.2%	9.0%

\*State totals in this appendix may not equal state figures cited elsewhere in the report, because individual county figures provided by SSA are rounded.

**2013 Population:** US Census Bureau, *2014 Population Estimates*, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipalities: April 1, 2010 to July 1, 2014," 2015. <http://factfinder2.census.gov/>. The total state population given in Appendix 2 may not match the state population in Appendix 1 because it is the sum of the individual county population estimates, which have a higher margin of error than congressional district population estimates.

**Metropolitan/Non-Metropolitan:** Unpublished calculations of US Census data performed by Dr. Roberto Gallardo, Mississippi State University Extension Service, on behalf of the Center for Rural Strategies, and shared with Social Security Works. For the purposes of this analysis, "metropolitan" refers to counties with at least one urbanized area of 50,000 people or more, and adjacent counties in which 25 percent of the workforce or more commutes to county with 50,000 people or more. "Non-metropolitan" refers to counties designated by the Office of Management and Budget (OMB) as non-metropolitan, including micropolitan areas, or "small cities," with urban clusters of 10,000-49,999 people, and non-core areas lacking a centralized population of any kind. Dr. Gallardo's initial calculations distinguished between "small cities" and "rural" counties. For Social Security Works, he created a weighted average of "small cities" and "rural" counties that allowed us to classify both as "non-metropolitan" figures. US Department of Agriculture, Economic Research Service (ERS), What is Rural?, March 16, 2015. [http://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural.aspx#\\_UeSSGcGTTWGN](http://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural.aspx#_UeSSGcGTTWGN)

**Total Personal Income, 2013:** Bureau of Economic Analysis, "CA1 Personal Income, Population, Per Capita Personal Income," November 20, 2014. <http://bea.gov/regional/>

**Median Household Income, 2013:** US Census Bureau, *Small Area Estimates Branch, Small Area Income and Poverty Estimates, 2013*, "Table 1: 2013 Poverty and Median Income Estimates—Counties," 2014. <http://www.census.gov/did/www/saie/data/statecounty/data/2013.html>

**Percentage in Poverty, 2013:** US Census Bureau, *Small Area Income and Poverty Estimates, 2013*, "Table 1: 2013 Poverty and Median Income Estimates—Counties," 2014. <http://www.census.gov/did/www/saie/data/statecounty/data/2013.html>

**Population over 65, 2013:** US Census Bureau, *2014 Population Estimates*, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipalities: April 1, 2010 to July 1, 2014," 2015. <http://factfinder2.census.gov/>

**Percent of Population Receiving Benefits, 2013:** SSA, *OASDI Benefits by State and County, 2014*, "Table 4. Number of beneficiaries in current-payment status, by county, type of benefit, and sex of beneficiaries aged 65 or older, December 2014," July 2015. [http://www.ssa.gov/policy/docs/statcomps/oasdi\\_sc/](http://www.ssa.gov/policy/docs/statcomps/oasdi_sc/)

**Annual Total Benefits, 2014:** SSA, *OASDI Benefits by State and County, 2014*, "Table 5. Amount of benefits in current-payment status, by county, type of benefit, and sex of beneficiaries aged 65 or older, December 2014," July 2015. [http://www.ssa.gov/policy/docs/statcomps/oasdi\\_sc/](http://www.ssa.gov/policy/docs/statcomps/oasdi_sc/)

**Social Security Beneficiaries by Characteristic, 2014:** SSA, *Ibid*, Table 4.

**Percentage of Population Receiving Medicare, 2012:** Calculation based on Medicare enrollment data for 2012 and 2012 population data. Centers for Medicare and Medicaid Services, "Medicare Aged and Disabled By State and County, As of July 1, 2012," accessed June 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MedicareEnrpts/Downloads/County2012.pdf>. 2012 Population data: US Census Bureau, *2014 Population Estimates*, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipalities: April 1, 2010 to July 1, 2014," 2015. <http://factfinder2.census.gov/>

**Percentage of Population Receiving Medicaid, 2011:** Calculation based on Medicaid enrollment data for 2011 and 2011 population data. Medicaid Enrollment Data: Unpublished data provided to Social Security works by Centers for Medicare and Medicaid Services, "FY2011 Average Monthly Enrollment by State and County," June 2015. Population data: US Census Bureau, *2014 Population Estimates*, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipalities: April 1, 2010 to July 1, 2014," 2015. <http://factfinder2.census.gov/>. Due to limitations in availability of data, the percentage of residents receiving Medicaid in some counties could not be provided.

## Endnotes

- 1 The committee described this figure as “a conservative estimate.” Committee on Economic Security, “Report of the Committee on Economic Security,” January 15, 1935. <http://www.ssa.gov/history/reports/ces5.html>
- 2 Virginia P. Reno and Benjamin Veghte, “Economic Status of the Elderly in the United States,” National Academy of Social Insurance, September 2010. <http://www.nasi.org/sites/default/files/research/Economic%20Status%20of%20the%20Elderly%20in%20the%20United%20States.pdf>. Poverty figures in this report are based on the official poverty measure. Since 2010 the Census has also been tracking an updated poverty measure, the Supplemental Poverty Measure (SPM), based on a recommendation from the National Academy of Sciences. The SPM measures poverty in terms of thresholds based on the actual cost of living, which varies by household size and expenses. In large part because of seniors’ high out-of-pocket health care costs, it reports substantially higher poverty levels for seniors than does the official poverty measure. U.S. Census Bureau (Kathleen Short), *The Research Supplemental Poverty Measure: 2011*, November 2012. [https://www.census.gov/hhes/povmeas/methodology/supplemental/research/Short\\_ResearchSPM2011.pdf](https://www.census.gov/hhes/povmeas/methodology/supplemental/research/Short_ResearchSPM2011.pdf)
- 3 Gary V. Engelhardt and Jonathan Gruber, “Social Security and the Evolution of Elderly Poverty,” National Bureau of Economic Research Working Paper No. 10466, May 2004. <http://www.nber.org/papers/w10466>
- 4 Total annual benefits in 2014: \$812,045,000. Social Security Administration (SSA), *Annual Statistical Supplement, 2015*, “Table 5.J1—Estimated total annual benefits paid, by state or other area and program, 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html>. Total beneficiaries as of December 2014: 57,978,610. SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014.” Total U.S. population 2014: 318,857,056. U.S. Census Bureau, “Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Muncipios: April 1, 2010 to July 1, 2014,” *2014 Population Estimates*, 2015. <http://factfinder2.census.gov/>
- 5 Calculated by subtracting number of beneficiaries 65 and older (42,084,088) from total beneficiaries (59,007,158). SSA, *ibid.*, “Table 5.J3—Number and total monthly benefits for beneficiaries aged 65 or older, by state or other area and sex, December 2014.”
- 6 Congressional Research Service (CRS) (Thomas Gabe), “Social Security’s Effect on Child Poverty,” January 23, 2015. <http://www.pennyhill.com/jmsfileseller/docs/RL33289.pdf>
- 7 SSA, *ibid.*, 2015, “Table 5.F4—Number of children and total monthly benefits, by type of benefit, December 1940–2014, selected years,” accessed June 25, 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5f.html#table5.f4> Disabled children may receive benefits indefinitely as long as the disability was incurred before reaching age 22.
- 8 Average benefit found by dividing total spending by total beneficiaries. Total annual benefits from SSA, *ibid.*, “Table 5.J1—Estimated total annual benefits paid, by state or other area and program, 2015 (in millions of dollars),” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html>. Total beneficiaries from SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014.” Average retired worker benefit found by multiplying average monthly retired worker benefit by 12. SSA, *ibid.*, “Table 5.J6—Percentage distribution of monthly benefit for retired workers, by state or other area and monthly benefit, December 2014.”
- 9 SSA, *Income of the Population 55 or Older, 2012*, Table 9.A1, April 2014. [http://www.ssa.gov/policy/docs/statcomps/income\\_pop55/2012/sect09.html](http://www.ssa.gov/policy/docs/statcomps/income_pop55/2012/sect09.html)
- 10 Unpublished tabulations by the Center on Budget and Policy Priorities (CBPP) for Social Security Works of data from the U.S. Census Bureau, Current Population Survey, March 2014.
- 11 SSA (Michelle Stegman Bailey and Jeffrey Hemmeter), “Characteristics of Noninstitutionalized DI and SSI Program Participants, 2010 Update,” Research and Statistics Note Nr. 2014-02, February 2014, Table 2. <http://www.ssa.gov/policy/docs/rsnotes/rsn2014-02.html>
- 12 Stegman and Hemmeter, *ibid.*, Table 5.
- 13 The \$631,000 value of disability benefits includes \$443,000 of Disability Insurance benefits, and \$189,000 of Old-Age and Survivors Insurance benefits once the disabled worker reaches the full retirement age. SSA, “The Present Value of Expected Lifetime Benefits for a Hypothetical Worker Dying or Becoming Disabled at Age 30,” Unpublished Memorandum from Michael Clingman, Kyle Burkhalter, and Chris Chaplain, Actuaries, to Alice H. Wade, Deputy Chief Actuary, November 5, 2014.
- 14 SSA, “Estimated Number of Fully Insured Workers, by Age Group and Sex, on December 31, 1970-2014.” <http://www.ssa.gov/OACT/STATS/table4c2FI.html> (accessed June 21, 2015).
- 15 SSA, “Fact Sheet,” April 2, 2014. <http://www.ssa.gov/pressoffice/factsheets/basicfact-alt.pdf>
- 16 SSA, *ibid.*
- 17 SSA Office of the Chief Actuary (Robert Baldwin and Sharon Chu), “A Death and Disability Life Table for Insured Workers Born in 1985,” Actuarial Note 2005.6, February 2006. <http://www.ssa.gov/oact/NOTES/ran6/an2005-6.pdf>
- 18 Total beneficiaries from SSA, *Annual Statistical Supplement, 2014*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j2>. State population data from U.S. Census Bureau, “Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Muncipios: April 1, 2010 to July 1, 2014,” *2014 Population Estimates*, 2015. <http://factfinder2.census.gov/>
- 19 Total annual benefits from SSA, *Annual Statistical Supplement, 2015*, “Table 5.J1—Estimated total annual benefits paid, by state or other area and program, 2014 (in millions of dollars),” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j1>. Benefits’ equivalent percentage of total personal income calculated using state figures from Bureau of Economic Analysis, *Regional Economic Accounts*, “SA1-3 Personal Income Summary (thousands of dollars),” March 25, 2015. <http://www.bea.gov/regional/index.htm>
- 20 Average benefit found by dividing total spending by total beneficiaries. Total annual benefits from Social Security Administration (SSA), *Annual Statistical Supplement, 2015*, “Table 5.J1—Estimated total annual benefits paid, by state or other area and program, 2014 (in millions of dollars),” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j1>. Total beneficiaries from SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2013,” July 2014. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j2>
- 21 Unpublished tabulations by the Center on Budget and Policy Priorities (CBPP) for Social Security Works of data from the U.S. Census Bureau, Current Population Survey, March 2014. State estimates are based on a three-year average (for 2010-2012) to improve their reliability; the national data are for 2012.
- 22 For the purposes of this report, “seniors” describes individuals aged 65 or older.
- 23 SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j2>
- 24 For the purposes of this analysis, “typical” is used to describe the “median” benefit. Monthly median benefit multiplied by 12 to calculate annual figure. SSA, *ibid.*, “Table 5.J6—Percentage distribution of monthly benefit for retired workers, by state or other area and monthly benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j6>
- 25 Unpublished tabulations by the Center on Budget and Policy Priorities (CBPP) for Social Security Works of data from the U.S. Census Bureau, Current Population Survey, March 2014.

26 See Endnote 3 for more on how poverty is measured.

27 Unpublished tabulations by the Center on Budget and Policy Priorities (CBPP) for Social Security Works of data from the U.S. Census Bureau, Current Population Survey, March 2014.

28 SSA, *ibid.*, “Table 5.J5.1—Number, by state or other area, and sex, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j1>. Percentage of women receiving benefits calculated using total female population from U.S. Census Bureau, “Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2014,” *2014 Population Estimates*, 2015. <http://factfinder2.census.gov/>

29 Total spouses receiving benefits calculated by adding number of spouses of retired workers to number of spouses of disabled workers. SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j2>

30 Unpublished tabulations by the Center on Budget and Policy Priorities (CBPP) for Social Security Works of data from the U.S. Census Bureau, Current Population Survey, March 2014.

31 CBPP, unpublished, *ibid.*

32 SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j2>

33 Monthly median benefit multiplied by 12 to calculate annual figure. SSA, *ibid.*, “Table 5.J9—Percentage distribution of nondisabled widow(er)s, by state or other area and monthly benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j9>

34 The data here are for disabled workers receiving disability benefits. It does not include those disabled workers and “disabled adult children” who receive old-age (retirement) or survivors benefits. In this report, any use of the term “disabled worker” will refer only to those disabled workers receiving disability benefits.

35 SSA, *ibid.*, “Table 5.J2—Number, by state or other area, program, and type of benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j2>

36 Monthly median benefit multiplied by 12 to calculate annual figure. SSA, *ibid.*, “Table 5.J8—Percentage distribution of disabled workers, by state or other area and monthly benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j8>

37 In this case, “children” refers to individuals under age 18, and includes neither disabled adult children, nor individuals aged 18-19. When discussing Social Security’s insurance protections for children, children under age 18 was considered the most appropriate group to reference in this analysis, since even students aged 18-19 receiving benefits as dependents of a disabled or deceased parent must have qualified for benefits before age 18. While disabled adult children may receive benefits for a severe disability sustained at age 18 or later, it must occur before age 22, meaning that a large proportion of beneficiaries will likely have begun receiving benefits before age 18 as well. Population under age 18: U.S. Census Bureau, “Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2014,” *2014 Population Estimates*, 2015. <http://factfinder2.census.gov/>. Data on percentage of children insured from SSA, *Survivors Benefits*, July 2013, p. 4. <http://www.ssa.gov/pubs/EN-05-10084.pdf>

38 SSA, *Annual Statistical Supplement*, 2015, “Table 5.J10—Number of children, by state or other area and type of benefit, December 2014,” July 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2015/5j.html#table5.j10>

39 U.S. Census Bureau, *2011-2013 American Community Survey 3-Year Estimates*, “Relationship to Householder for Children under 18 Years in Households,” 2014. <http://factfinder2.census.gov>

40 The term “households” as it is used here refers to households reporting income in the past 12 months. Households receiving Social Security benefits are those households listed as receiving “Social Security income.” U.S. Census Bureau, *2011-2013 American Community Survey 3-Year Estimates*, “Selected Population Profile in the United States,” 2013. <http://factfinder2.census.gov/>

41 CBPP, unpublished, *ibid.*

42 CBPP, unpublished, *ibid.*

43 SSA, *Income of the Population 55 or Older, 2012*, Table 9.A3, April 2014. [http://www.ssa.gov/policy/docs/statcomps/income\\_pop55/2012/sect09.html#table9.a3](http://www.ssa.gov/policy/docs/statcomps/income_pop55/2012/sect09.html#table9.a3)

44 SSA, *Social Security is Important for African Americans*, April 2014. <http://www.ssa.gov/news/press/factsheets/africanamer.htm>

45 The term “households” as it is used here refers to households reporting income in the past 12 months. Households receiving Social Security benefits are those households listed as receiving “Social Security income.” U.S. Census Bureau, *2011-2013 American Community Survey 3-Year Estimates*, “Selected Population Profile in the United States,” 2014. <http://factfinder2.census.gov/>

46 CBPP, unpublished, *ibid.*

47 CBPP, unpublished, *ibid.*

48 SSA, *Income of the Population 55 or Older, 2012*, Table 9.A3, April 2014. [http://www.ssa.gov/policy/docs/statcomps/income\\_pop55/2012/sect09.html#table9.a3](http://www.ssa.gov/policy/docs/statcomps/income_pop55/2012/sect09.html#table9.a3)

49 SSA, *Social Security is Important to Hispanics*, June 2015. <http://www.ssa.gov/news/press/factsheets/hispanics-alt.pdf>. This is the most recent statistically valid data available. Fernando Torres-Gil et al., “Hispanics’ Large Stake in the Social Security Debate,” June 28, 2005. <http://www.cbpp.org/files/6-28-05socsec.pdf>

50 The term “households” as it is used here refers to households reporting income in the past 12 months. Households receiving Social Security benefits are those households listed as receiving “Social Security income.” For states in which there are large numbers of Asian American residents as well as Native Hawaiian and Pacific Islander residents, the numbers of beneficiaries and residents were added to calculate percentage of total Asian American, Native Hawaiian and Pacific Islander residents receiving benefits. U.S. Census Bureau, *2011-2013 American Community Survey 3-Year Estimates*, “Selected Population Profile in the United States,” 2014. <http://factfinder2.census.gov/>

51 SSA, *Income of the Population 55 or Older, 2012*, Table 9.A3, April 2014. [http://www.ssa.gov/policy/docs/statcomps/income\\_pop55/2012/sect09.html#table9.a3](http://www.ssa.gov/policy/docs/statcomps/income_pop55/2012/sect09.html#table9.a3)

52 SSA, *Social Security is Important to Asian Americans and Pacific Islanders*, April 2014. <http://www.ssa.gov/news/press/factsheets/asian.htm>.

53 SSA, *OASDI Beneficiaries by State and County, 2014*, July 2015. [http://www.ssa.gov/policy/docs/statcomps/oasdi\\_sc/](http://www.ssa.gov/policy/docs/statcomps/oasdi_sc/)

54 Unpublished calculations of Social Security Administration and Bureau of Economic Analysis data performed by Dr. Roberto Gallardo, Mississippi State University Extension Service, on behalf of the Center for Rural Strategies, and shared with Social Security Works. For the purposes of this analysis, “rural” refers to counties designated by the Office of Management and Budget (OMB) as non-metropolitan, including micropolitan areas, or “small cities,” with urban clusters of 10,000-49,999 people, and non-core areas lacking a centralized population of any kind. “Metropolitan” refers to counties with at least one urbanized area of 50,000 people or more, and adjacent counties in which 25 percent of the workforce or more commutes to county with 50,000 people or more. Dr. Gallardo’s initial calculations distinguished between “small cities” and “rural” counties. For Social Security Works, he created a weighted average of “small cities” and “rural” counties that allowed us to contrast metropolitan and non-metropolitan figures. U.S. Department of Agriculture, Economic

Research Service (ERS), *What is Rural?*, March 16, 2015. [http://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural.aspx#\\_UeSGcGTTWGN](http://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural.aspx#_UeSGcGTTWGN)

55 Latino and Asian American status are defined here by self-identification, not nativity, and “immigrants” refers to foreign-born residents of the United States refer to foreign-born Americans. ere by ethnicity, not nativity. e redistributive shifts in income from the bottom . U.S. Census Bureau, *American Community Survey 2011-2013 3-Year Estimates*, “Selected Characteristics of the Native and Foreign-Born Populations,” 2014. <http://factfinder2.census.gov/>. Social Security provided all or nearly all of the income for over half (52.6 percent) of Latino senior households, and more than 4 in 10 (44.4 percent) Asian senior households in 2012, compared with one-third (34.6 percent) of white senior households. SSA, *Income of the Population 55 or Older, 2012*, Table 9.A3, April 2014. [http://www.ssa.gov/policy/docs/statcomps/income\\_pop55/2012/sect09.html#table9.a3](http://www.ssa.gov/policy/docs/statcomps/income_pop55/2012/sect09.html#table9.a3)

56 U.S. Census Bureau, *American Community Survey 2011-2013,3-Year Estimates*, “Selected Characteristics of the Native and Foreign-Born Populations,” 2014. <http://factfinder2.census.gov/>

57 Six in ten (60 percent) workers who retired earlier than expected in 2014 cited a health problem or disability as the cause. Employee Benefit Research Institute (EBRI), “2015 Retirement Confidence Survey Fact Sheet #2: Changing Expectations about Retirement,” April 21, 2015, p. 2. <http://ebri.org/pdf/surveys/rcs/2015/RCS15.FS-2.Expects.pdf>

58 Center for Economic and Policy Research (CEPR) (Hye Jin Rho), *Hard Work? Patterns in Physically Demanding Labor Among Older Workers*, Table 8, August 2010, p. 14. <http://www.cepr.net/documents/publications/older-workers-2010-08.pdf>

59 SSA, Office of the Chief Actuary, *Estimated Long-Range Financial Effects on Social Security of the “Border Security, Economic Opportunity, and Immigration Modernization Act,” legislation introduced as S. 744 (113th Congress) by Senator Marco Rubio and passed by the Senate on June 27, 2013*, February 2014. [http://ssa.gov/oact/solvency/MRubio\\_20130627.pdf](http://ssa.gov/oact/solvency/MRubio_20130627.pdf).

60 Prior to the Supreme Court’s June 26, 2015 ruling, same-sex couples who were legally married, but living in a state that did not legally recognize gay marriage, could not receive Social Security spousal and dependent child benefits. Following the ruling, on July 9, 2015, the Department of Justice announced that married same-sex couples in every state could begin receiving these and other federal marriage benefits. Department of Justice, “Attorney General Lynch Announces Federal Marriage Benefits Available to Same-Sex Couples Nationwide,” July 9, 2015. <http://www.justice.gov/opa/pr/attorney-general-lynch-announces-federal-marriage-benefits-available-same-sex-couples>

61 Lauren Jow, “UCLA’s Williams Institute research played role in historic same-sex marriage decision,” UCLA Newsroom, June 26, 2015. <http://newsroom.ucla.edu/stories/ucla-s-williams-institute-research-played-role-in-historic-same-sex-marriage-decision> .

62 Lauren Jow, *ibid.*

63 Lauren Jow, *ibid.*

64 Social Security does not contribute to the deficit, because benefits can only be paid from revenue collected by the Social Security trust funds—the Old-Age and Survivors Insurance (OASI) trust fund and Disability Insurance (DI) trust fund—which are completely separate from the general budget. Social Security Trustees, *2015 Social Security Trustees Report*, July 2015, Table II.B1. <http://www.ssa.gov/oact/tr/2015/tr2015.pdf>. The trust funds do not have borrowing authority, and therefore cannot deficit-spend. In the event that trust fund revenues fall short of what is needed to pay 100 percent of benefits, then, by law, benefits could not be paid in full and on time. That is why, if Congress does nothing to shore up the program’s finances by 2034, Social Security will only have sufficient revenue to pay about three-quarters of scheduled benefits through 2090. This modest funding shortfall is often cited as evidence that the program is financially unsustainable, or “in deficit.” In fact, it is just the opposite: it attests to Social Security’s self-sustaining funding structure that bars it from deficit-spending or borrowing from the general budget in any way.

65 White House, Office of Management and Budget, *Table 1.1 Summary of Receipts, Outlays and Surpluses or Deficits: 1789-2018*, 2013. <http://www.whitehouse.gov/omb/budget/Historicals>

66 Social Security Works, “Ensuring Social Security Is in Long-Term Actuarial Balance,” July 2015. <http://www.socialsecurityworks.org/ensuring-social-security-is-in-long-term-actuarial-balance/>

67 Social Security Trustees, *2015 Social Security Trustees Report*, July 2015. <http://www.ssa.gov/oact/tr/2015/tr2015.pdf>

68 Social Security Trustees, *ibid.*

69 Social Security Trustees, *ibid.*, “Table II.D5.—OASDI and HI Annual and Summarized Income, Cost, and Balance as a Percentage of GDP, Calendar Years 2015-90.”

70 Social Security Trustees, *ibid.*

71 National Academy of Social Insurance (NASI) (Janice M. Gregory, Thomas N. Bethell, Virginia P. Reno and Benjamin W. Veghte), “Strengthening Social Security for the Long Run,” November 2010, p. 7. [http://www.nasi.org/sites/default/files/research/SS\\_Brief\\_035.pdf](http://www.nasi.org/sites/default/files/research/SS_Brief_035.pdf)

72 Michael Greenstone and Adam Looney, “The Uncomfortable Truth About American Wages,” *The New York Times*, October 22, 2012. [http://economix.blogs.nytimes.com/2012/10/22/the-uncomfortable-truth-about-american-wages/?\\_php=true&\\_type=blogs&r=0](http://economix.blogs.nytimes.com/2012/10/22/the-uncomfortable-truth-about-american-wages/?_php=true&_type=blogs&r=0)

73 Thomas Piketty and Emmanuel Saez, “Income Inequality in the United States, 1913-1998,” Table A3, last modified August 2013. <http://elsa.berkeley.edu/~saez/TabFig2012prel.xls>

74 SSA, *Annual Statistical Supplement, 2013*, “Table 4.B4—Percentage of workers with earnings below annual maximum taxable, by sex, selected years 1937-2012,” April 2015. <http://www.ssa.gov/policy/docs/statcomps/supplement/2014/4b.html#table4.b4>; SSA, “Benefits Planner: Maximum Taxable Earnings (1937-2015).” <http://www.ssa.gov/planners/maxtax.htm> (accessed June 24, 2015)

75 Congressional Budget Office, “The 2015 Long-Term Budget Outlook,” June 16, 2015, p. 122. <http://www.cbo.gov/publication/50250>

76 Social Security Works, “High Earners Should Contribute Fair Share to Social Security: Policy Options,” April 6, 2015. [http://www.socialsecurityworks.org/wp-content/uploads/2015/04/High-Earners-Should-Contribute-Fair-Share-to-Social-Security\\_Policy-Options\\_FINAL.pdf](http://www.socialsecurityworks.org/wp-content/uploads/2015/04/High-Earners-Should-Contribute-Fair-Share-to-Social-Security_Policy-Options_FINAL.pdf)

77 Thomas Paine, *Agrarian Justice: With a new Foreword by Nancy J. Altman*, “Social Security, Thomas Paine, and the Spirit of America”, 2015. <http://amzn.to/1IAjuhT>

78 Social Security Trustees, *2015 Social Security Trustees Report*, July 2015. <http://www.ssa.gov/oact/tr/2015/tr2015.pdf>

79 Stephen C. Goss, “The Financing Challenges Facing the Social Security Disability Insurance Program,” March 14, 2013. [http://www.ssa.gov/oact/testimony/HouseWM\\_20130314.pdf](http://www.ssa.gov/oact/testimony/HouseWM_20130314.pdf)

80 Goss, *ibid.*, p. 10.

81 Social Security Works, “Social Security Awaits Routine Technical Correction,” May 27, 2014. [http://www.socialsecurityworks.org/wp-content/uploads/2014/05/Social-Security-Awaits-Routine-Technical-Correction\\_FINAL-3.pdf](http://www.socialsecurityworks.org/wp-content/uploads/2014/05/Social-Security-Awaits-Routine-Technical-Correction_FINAL-3.pdf). The joint effect of the last two rebalancings in 1983 and 1994 was to shift funds away from the disability to the retirement fund. Kathy Ruffing and Paul N. Van de Water, “Boosting Disability Insurance Share of Social Security Payroll Tax Would Not Harm Retirees,” Center on Budget and Policy Priorities, December 2, 2014. <http://www.cbpp.org/cms/?fa=view&id=4241>

82 Social Security Works, “High Earners Should Contribute Fair Share to Social Security: Policy Options,” April 6, 2015. [http://www.socialsecurityworks.org/wp-content/uploads/2015/04/High-Earners-Should-Contribute-Fair-Share-to-Social-Security\\_Policy-Options\\_FINAL.pdf](http://www.socialsecurityworks.org/wp-content/uploads/2015/04/High-Earners-Should-Contribute-Fair-Share-to-Social-Security_Policy-Options_FINAL.pdf)

83 As discussed in more detail below, Medicare began covering people with disabilities in 1972, 43 years ago.

84 National Academy of Social Insurance (NASI), “Medicare Finances: Findings of the 2012 Trustees Report,” April 2012. [http://www.nasi.org/sites/default/files/research/Medicare\\_Finances\\_Findings\\_of\\_the\\_2012\\_Trustees\\_Report.pdf](http://www.nasi.org/sites/default/files/research/Medicare_Finances_Findings_of_the_2012_Trustees_Report.pdf)



85 U.S. Census Bureau, “Health Insurance Coverage Status by Sex by Age,” 2011–2013 *American Community Survey* 3-Year Estimates, 2014. <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>. Of Americans aged 65 and older who received Medicare in 2012, 92.5 percent were enrolled in both Part A and Part B, while 7.5 percent were enrolled in Part A alone. Centers for Medicare and Medicaid Services (CMS), Medicare Enrollment - Aged Beneficiaries: as of July 1, 2012.” Accessed June 3, 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MedicareEnrpts/Downloads/12Aged.pdf>

86 People with ALS (Lou Gehrig’s disease) are not subject to the waiting period—they can go on Medicare as soon as they receive SSDI. People with end-stage renal disease do not have to be collecting SSDI in order to enroll in Medicare (but to be eligible must have some work history—either their own or through a family member); they also do not have a waiting period.

87 Kaiser Family Foundation (KFF), “Income and Assets of Medicare Beneficiaries, 2013—2030,” January 2014. <https://kaiserfamilyfoundation.files.wordpress.com/2014/01/8540-income-and-assets-of-medicare-beneficiaries-2013-e28093-20301.pdf>

88 Social Security Works, “Shifting More Medicare Costs to Seniors Is an Indirect Social Security Cut,” January 2014. [http://www.socialsecurityworks.org/wp-content/uploads/2014/01/Shifting-More-Medicare-Costs-to-Seniors-Is-an-Indirect-Social-Security-Cut\\_Final-Jan-27.pdf](http://www.socialsecurityworks.org/wp-content/uploads/2014/01/Shifting-More-Medicare-Costs-to-Seniors-Is-an-Indirect-Social-Security-Cut_Final-Jan-27.pdf)

89 People with severe disabilities become eligible for Medicare coverage only after receiving Social Security Disability Insurance (DI) benefits for 24 months. People with End-Stage-Renal Disease (ESRD) and Lou Gehrig’s disease become eligible for Medicare as soon as they qualify for Medicare. KFF, *A Primer on Medicare: Key Facts about the Medicare Program and the People It Covers*, March 20, 2015. <http://kff.org/medicare/report/a-primer-on-medicare-key-facts-about-the-medicare-program-and-the-people-it-covers/>

90 Center for Medicare & Medicaid Services (CMS), “CMS Fast Facts,” April 21, 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/CMS-Fast-Facts/index.html>. Not all Medicare beneficiaries were workers; a small share are people with disabilities who are eligible for Medicare on the work history and social insurance contributions of a parent or other family member, i.e. as a Childhood Disability Beneficiary (CDB) or as a disabled spouse of a deceased spouse. SSA, “Medicare,” July 2015. <http://ssa.gov/pubs/EN-05-10043.pdf>

91 Average expenditure per beneficiary is total Medicare benefit payments divided by the total number of beneficiaries. KFF, *ibid*.

92 KFF, *ibid*.

93 Up to 50 percent of Social Security benefits for couples with more than \$32,000 and singles with more than \$25,000 are subject to income taxes, the revenues of which flow into the Social Security trust fund. Up to 85 percent of Social Security benefits for couples with more than \$44,000 and singles with more than \$34,000 are subject to income taxes, and these additional revenues go to Medicare’s hospital insurance fund. Virginia Reno, “What’s Next for Social Security,” October 2013. [https://www.nasi.org/sites/default/files/research/Whats\\_Next\\_for\\_Social\\_Security\\_Oct2013.pdf](https://www.nasi.org/sites/default/files/research/Whats_Next_for_Social_Security_Oct2013.pdf). The ACA also introduced the Medicare Net Investment Income Tax of 3.8 percent of the lesser of a household’s net investment income, or the amount by which its modified adjusted gross income exceeds \$200,000 (\$250,000 for joint filers). The revenues from this tax do not flow to the Medicare trust funds, however. Medicare Trustees, *2015 Medicare Trustees Report*, July, 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/ReportsTrustFunds/Downloads/TR2015.pdf>

94 KFF, “Medicare’s Income-Related Premiums: A Data Note,” March 20, 2015. <http://kff.org/medicare/issue-brief/medicares-income-related-premiums-a-data-note/>

95 KFF, “Medicare’s Income-Related Premiums: A Data Note,” June 3, 2015. <http://kff.org/medicare/issue-brief/medicares-income-related-premiums-a-data-note/>

96 Medicare Rights Center, “Medicare Interactive.org.” [http://www.medicareinteractive.org/page2.php?topic=counselor&page=script&script\\_id=390](http://www.medicareinteractive.org/page2.php?topic=counselor&page=script&script_id=390) (accessed July 14, 2015)

97 KFF, *A Primer on Medicare: Key Facts about the Medicare Program and the People It Covers*, March 20, 2015. <http://kff.org/medicare/report/a-primer-on-medicare-key-facts-about-the-medicare-program-and-the-people-it-covers/>

98 Medicare Payment Advisory Board (Medpac), *Report to the Congress: Medicare Payment Policy, Chapter 4*, March 2010. [http://www.medpac.gov/documents/reports/mar10\\_ch04.pdf?sfvrsn=0](http://www.medpac.gov/documents/reports/mar10_ch04.pdf?sfvrsn=0)

99 White House, Office of the Press Secretary, “The Affordable Care Act: Strengthening Medicare, Combating Misinformation and Protecting America’s Seniors,” June 8, 2010. <http://www.whitehouse.gov/the-press-office/affordable-care-act-strengthening-medicare-combating-misinformation-and-protecting->

100 White House, Office of the Press Secretary, *Ibid*.

101 Center for Medicare & Medicaid Services (CMS), “CMS Fast Facts,” November 2014. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/CMS-Fast-Facts/index.html>

102 KFF, *ibid*.

103 KFF, “Medicare’s Income-Related Premiums: A Data Note,” June 3, 2015. <http://kff.org/medicare/issue-brief/medicares-income-related-premiums-a-data-note/>

104 In 2014, total Medicare expenditures (on Parts A, B and D) were \$613.3 billion, of which \$8.8 billion, or 1.4 percent, was spent on administrative expenses. Looking just at Parts A and B, spending amounted to \$535.2 billion, with administrative expenses of \$8.5 billion, or 1.6 percent. Administrative expense data for Medicare Part C (Medicare Advantage) plans in 2013 is not available. Medicare Trustees, “Table II.B1—Medicare Data for Calendar Year 2014,” *2015 Medicare Trustees Report*, July 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/ReportsTrustFunds/Downloads/TR2015.pdf>

105 Congressional Budget Office (CBO), “Key Issues in Analyzing Major Health Insurance Proposals,” December 2008, p. 70. <http://www.cbo.gov/ftpdocs/99xx/doc9924/12-18-KeyIssues.pdf>

106 Government Accountability Office, “Medicare Advantage Organizations: Actual Expenses and Profits Compared to Projections for 2006,” December 8, 2008. <http://www.gao.gov/products/GAO-09-132R>

107 General Accounting Office, “Medicare Advantage 2011. Profits Similar to Projections for Most Plans, but Higher for Plans with Specific Eligibility Requirements,” December 2013, p. 10. <http://www.gao.gov/assets/660/659836.pdf>

108 Organization for Economic Cooperation and Development, *OECD Factbook 2014: Economic, Environmental and Social Statistics* (Paris: OECD Publishing, 2014). [http://www.oecd-ilibrary.org/economics/oecd-factbook-2014\\_factbook-2014-en](http://www.oecd-ilibrary.org/economics/oecd-factbook-2014_factbook-2014-en)

109 CMS Office of the Actuary, “National Health Expenditure Data—Historical: Table 21—Medicare and Private Health Insurance: Per Enrollee Expenditures and Annual Percent Change, Calendar Years 1969–2013.” <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html> (accessed June 28, 2015). Common benefits refers to benefits commonly covered by Medicare and Private Health Insurance. These benefits are hospital services, physician and clinical services, other professional services and durable medical products.

110 Michael Chernen, “Examining the Present and Future of the Health Spending Growth Slowdown,” Health Affairs Blog, September 3, 2014. <http://healthaffairs.org/blog/2014/09/03/examining-the-present-and-future-of-the-health-spending-growth-slowdown/>

- 111 If we look at total program expenditures per enrollee (not just those on commonly provided benefits), we find that Medicare's spending growth has declined from 6.5 percent per annum from 2000-10 to 0.7 percent per annum from 2010-13. CMS Office of the Actuary, "National Health Expenditure Data—Historical: Table 21—Medicare and Private Health Insurance; Per Enrollee Expenditures and Annual Percent Change, Calendar Years 1969-2013," 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html> (accessed June 28, 2015).
- 112 Robert Wood Johnson Foundation, "How Does the ACA Control Health Care Costs?" July 2011. [http://www.rwjf.org/content/dam/farm/reports/issue\\_briefs/2011/rwjf71451](http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2011/rwjf71451)
- 113 Judy Feder, Paul N. Van de Water and Henry Aaron, "The Case against Premium Support," Center for Budget and Policy Priorities, December 21, 2011. <http://www.cbpp.org/research/the-case-against-premium-support>; CMS, "About the CMS Innovation Center," <http://innovation.cms.gov/about/index.html> (accessed June 25, 2015)
- 114 Medicare Trustees, 2015 *Medicare Trustees Report*, July 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/ReportsTrustFunds/Downloads/TR2015.pdf>
- 115 The present value of the Hospital Insurance Trust Fund deficit over the next 75 years was 3.9 percent of taxable payroll in 2009, and is 0.68 percent of taxable payroll today. American Academy of Actuaries, "Medicare's Financial Condition: Beyond Actuarial Balance," May 2009. [http://www.actuary.org/files/trustees\\_09.4.pdf/trustees\\_09.4.pdf](http://www.actuary.org/files/trustees_09.4.pdf/trustees_09.4.pdf); Medicare Trustees, 2015 *Medicare Trustees Report*, July 2015. <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/ReportsTrustFunds/Downloads/TR2015.pdf>;
- 116 On the proposal, see: National Committee to Preserve Social Security and Medicare, "The Fiscal Year 2016 House and Senate Republican Budget Resolutions and Their Effect on Seniors," March 2015. <http://www.ncpssm.org/PublicPolicy/Medicare/Documents/ArticleID/1400/The-Fiscal-Year-2016-House-and-Senate-Republican-Budget-Resolutions-and-Their-Effect-on-Seniors>.
- 117 For a cogent analysis of voucherization of Medicare, also known as "premium support," see: Judy Feder, Paul N. Van de Water and Henry Aaron, "The Case against Premium Support," Center for Budget and Policy Priorities, December 21, 2011. <http://www.cbpp.org/research/the-case-against-premium-support>
- 118 KFF, "The Medicare Prescription Drug Benefit Fact Sheet," September 19, 2014. <http://kff.org/medicare/fact-sheet/the-medicare-prescription-drug-benefit-fact-sheet/>
- 119 Alan M. Garber and Harold C. Sox, "The Role of Comparative Effectiveness Research," *Health Affairs*, Vol. 29, no. 10 (October 2010), 1805-11. <http://content.healthaffairs.org/content/29/10/1805.full>
- 120 KFF, "Medicare Spending Estimates by State of Residence (in millions), 2009," December 2011. <http://www.statehealthfacts.org/comparemaptable.jsp?ind=620&cat=6>. Total health care spending from: KFF, "Health Care Expenditures by State of Residence (in millions), 2009," December 2011. <http://www.statehealthfacts.org/comparemaptable.jsp?ind=592&cat=5>
- 121 Average benefit found by dividing total spending by total beneficiaries. KFF, "Medicare Spending Estimates by State of Residence (in millions), 2009," December 2011. <http://www.statehealthfacts.org/comparemaptable.jsp?ind=620&cat=6> KFF, "Distribution of Medicare Beneficiaries by Eligibility Category, 2009," 2010. <http://www.statehealthfacts.org/comparetable.jsp?ind=293&cat=6>
- 122 KFF, "Total Number of Medicare Beneficiaries, 2012." <http://kff.org/medicare/state-indicator/total-medicare-beneficiaries/> (accessed June 2015). Data for 2012 Medicare enrollment are the most recent available. State population data from U.S. Census Bureau, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2014," 2014 *Population Estimates*, 2015. <http://factfinder2.census.gov/>
- 123 KFF, "Distribution of Medicare Beneficiaries by Eligibility Category, 2012." <http://kff.org/medicare/state-indicator/distribution-of-medicare-beneficiaries-by-eligibility-category-2/> (accessed June 2015). Data for 2012 distribution of Medicare beneficiaries are the most recent available.
- 124 KFF, *ibid.*
- 125 National Institutes of Health, U.S. National Library of Medicine (NLM), "End-stage Kidney Disease," 2011. <http://www.nlm.nih.gov/medlineplus/ency/article/000500.htm>
- 126 NLM, "Amyotrophic Lateral Sclerosis," 2011. <http://www.nlm.nih.gov/medlineplus/amyotrophiclateralsclerosis.html>
- 127 Rosemary A. Stevens, "Health Care in the Early 1960s," *Health Care Financing Review* 18, no. 2, Winter 1996. <http://www.ssa.gov/history/pdf/HealthCareEarly1960s.pdf>
- 128 Rosemary A. Stevens, *ibid.*
- 129 Lyndon Baines Johnson, "Special Message to the Congress: Advancing the Nation's Health," January 7, 1965. <http://www.presidency.ucsb.edu/ws/?pid=27240>
- 130 Lyndon Baines Johnson, "Annual Message to the Congress on the State of the Union," January 8, 1964. <http://www.presidency.ucsb.edu/ws/?pid=26787>
- 131 National Center for Health Statistics, "Health Insurance Coverage: United States—July 1962-June 1963," August 1964. [http://www.cdc.gov/nchs/data/series/sr\\_10/sr10\\_011acc.pdf](http://www.cdc.gov/nchs/data/series/sr_10/sr10_011acc.pdf)
- 132 U.S. Census Bureau, Current Population Survey, "Annual Social and Economic (ASEC) Supplement," Tables HI03 and HI04, 2014. <http://www.census.gov/hhes/www/cpstable/032014/health/toc.htm>
- 133 The Affordable Care Act's expansion of Medicaid and Children's Health Insurance Program (CHIP) eligibility alone is projected to result in the enrollment of an additional 25 million Americans in Medicaid and CHIP by 2025. Congressional Budget Office, "Insurance Coverage Provisions of the Affordable Care Act—CBO's March 2015 Baseline," Table 2. Effects of the Affordable Care Act on Health Insurance Coverage, March 2015.
- 134 KFF, "Monthly Medicaid Enrollment December 2013." <http://kff.org/medicaid/state-indicator/monthly-medicare-enrollment-in-thousands/> (accessed July 1, 2015)
- 135 U.S. Department of Health and Human Services, "2015 Poverty Guidelines." <http://aspe.hhs.gov/poverty/15poverty.cfm#thresholds> (accessed July 2, 2015)
- 136 Adam Peck and Tara Culp-Ressler, "Without Obamacare, Families Making Under \$5,000 Aren't Poor Enough For Medicaid In Some States," ThinkProgress, August 15, 2012. <http://thinkprogress.org/health/2012/08/15/690761/without-obamacare-families-making-under-5000-arent-poor-enough-for-medicare-in-some-states/>
- 137 These waivers are termed Section 1115 demonstration waivers.
- 138 These declines were between early 2013 and early 2015. Medicaid expansion took effect in most states in January 2014. Sharon K. Long et al., "Taking Stock: Gains in Health Insurance Coverage under the ACA as of March 2015," Urban Institute Health Reform Monitoring Survey, April 16, 2015. <http://hms.urban.org/briefs/Gains-in-Health-Insurance-Coverage-under-the-ACA-as-of-March-2015.html>
- 139 Alan B. Cohen et al., ed., *Medicare and Medicaid at 50* (New York: Oxford University Press, 2015), p. 348.
- 140 KFF, "Medicaid Moving Forward," March 9, 2015. <http://kff.org/health-reform/issue-brief/medicaid-moving-forward/>
- 141 KFF, "Medicaid Spending by Enrollment Group, FY 2011." <http://kff.org/medicaid/state-indicator/medicaid-spending-by-enrollment-group/> (accessed July 13, 2015)

142 KFF, "Distribution of Medicaid Enrollees by Enrollment Group, FY2011," accessed June 2015. <http://kff.org/medicaid/state-indicator/distribution-of-medicaid-enrollees-by-enrollment-group/>

143 KFF, "Dual Eligibles as a Percent of Total Medicare Beneficiaries, FY 2011." <http://kff.org/medicaid/state-indicator/duals-as-a-of-medicare-beneficiaries/> (accessed July 14, 2015)

144 KFF, "Medicaid Moving Forward," March 9, 2015, p. 2. <http://files.kff.org/attachment/issue-brief-medicaid-moving-forward>

145 KFF, "Medicaid: a Primer," March 2013, p. 7. <https://kaiserfamilyfoundation.files.wordpress.com/2010/06/7334-05.pdf>

146 Due to limitations in data availability, total Medicaid expenditures are for FY2013; however, the most recent state-level total health expenditure data available are for FY2009. Consequently, while FY2013 Medicaid expenditure data are available, FY2009 Medicaid expenditure data were used to calculate the Medicaid percentage of total health care spending in each state. Data for 2013 Medicaid expenditures are from KFF, "Total Medicaid Spending, FY2013," accessed June 2015. <http://kff.org/medicaid/state-indicator/total-medicaid-spending/>. Data for 2009 Medicaid expenditures are from KFF, "Total Medicaid Spending, FY2009," 2012, Unpublished; Data provided to Social Security Works by Lindsay Donaldson, Research Associate at the Kaiser Family Foundation. Medicaid's percent of total health care found by dividing total Medicaid spending by total health care expenditures. KFF, "Health Care Expenditures by State of Residence (in millions), 2009", 2010. <http://www.statehealthfacts.org/comparemaptable.jsp?ind=592&cat=5>. Medicaid spending figure includes portion of funding that comes from state and local governments.

147 Average found by dividing total spending by total beneficiaries. KFF, "Total Medicaid Spending, FY2013," accessed June 2015. <http://kff.org/medicaid/state-indicator/total-medicaid-spending/>; KFF, "Monthly Medicaid Enrollment (in thousands), Dec 2013." <http://kff.org/medicaid/state-indicator/monthly-medicaid-enrollment-in-thousands/> (accessed June 2015)

148 KFF, "Monthly Medicaid Enrollment (in thousands), Dec 2013." <http://kff.org/medicaid/state-indicator/monthly-medicaid-enrollment-in-thousands/> (accessed June 2015). State population data from U.S. Census Bureau, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2014," 2014 Population Estimates, 2015. <http://factfinder2.census.gov/>

149 KFF, "Distribution of Medicaid Enrollees by Enrollment Group, FY2011." <http://kff.org/medicaid/state-indicator/distribution-of-medicaid-enrollees-by-enrollment-group/> (accessed June 2015). 2011 Children's population data from U.S. Census Bureau, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2014," 2014 Population Estimates, 2015. <http://factfinder2.census.gov/>

150 KFF, "Distribution of Medicaid Enrollees by Enrollment Group, FY2011." <http://kff.org/medicaid/state-indicator/distribution-of-medicaid-enrollees-by-enrollment-group/> (accessed June 2015).

151 KFF, *ibid.*

152 KFF, "Distribution of Medicaid Spending on Long Term Care, FY2013." <http://kff.org/medicaid/state-indicator/spending-on-long-term-care/> (accessed June 2015)

153 KFF, "Overview of Nursing Facility Capacity, Financing, and Ownership in the United States in 2011," Tables 4 and 6, June 2013. <https://kaiserfamilyfoundation.files.wordpress.com/2013/06/8456-overview-of-nursing-facility-capacity.pdf>

154 MetLife Mature Market Institute, "Market Survey of Long-Term Care Costs: The 2012 MetLife Market Survey of Nursing Home, Assisted Living, Adult Day Services, and Home Care Costs," November 2012. <https://www.metlife.com/assets/cao/mmi/publications/studies/2012/studies/mmi-2012-market-survey-long-term-care-costs.pdf>

155 Matt Broaddus, "Medicaid Works: State Fact Sheets," Center on Budget and Policy Priorities, July 10, 2015. <http://www.cbpp.org/research/health/medicaid-works-state-fact-sheets>

156 Leadership Council of Aging Organizations, "Medicaid Per Capita Caps," December 2014. <http://www.lcao.org/files/2014/12/LCAO-Medicaid-PCC-Issue-Brief-Final1.pdf>; House of Representatives, "Concurrent Resolution on the Budget for Fiscal Year 2016," April 2015. [http://budget.house.gov/uploadedfiles/confrpt\\_on\\_s.con.res.\\_11.pdf](http://budget.house.gov/uploadedfiles/confrpt_on_s.con.res._11.pdf)

157 Jonathan Oberlander and Theodore R. Marmor, "The Road Not Taken: What Happened to Medicare for All," in *Medicare and Medicaid at 50*, ed. by Alan B. Cohen et al. (New York: Oxford University Press, 2015), 55-76.

158 For a full analysis of the coverage gap, see KFF, "The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid—An Update," April 17, 2015. <http://kff.org/health-reform/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid-an-update/>

159 Sam Dickman et al., "Opting Out Of Medicaid Expansion: The Health And Financial Impacts," Health Affairs Blog, January 30, 2014. <http://healthaffairs.org/blog/2014/01/30/opting-out-of-medicaid-expansion-the-health-and-financial-impacts/>

160 Alicia H. Munnell, Wenliang Hou, and Anthony Webb, "NRRI Update Shows Half Still Falling Short," *Center for Retirement Research at Boston College*, December 2014. <http://crr.bc.edu/briefs/nrri-update-shows-half-still-falling-short/>

161 Nari Rhee and Illana Boivie, "The Continuing Retirement Savings Crisis," National Institute on Retirement Security, March 2015. [http://www.nirsonline.org/storage/nirs/documents/RSC%202015/final\\_rsc\\_2015.pdf](http://www.nirsonline.org/storage/nirs/documents/RSC%202015/final_rsc_2015.pdf)

162 This is a conservative estimate. The Center for Retirement Research at Boston College estimated that in 2006, just before the Great Recession, 44 percent of working-age households would be at risk of downward social mobility in retirement, but this percentage rose to 61 percent when health care costs were included, and to 64 percent when long term care costs were counted—an additional 21 percent. In its 2010 estimate, which projected that 53 percent of households were at-risk of not being able to maintain their living standards in retirement, the Center did not include an estimate of the additional share of households that would be at risk if health and long-term care costs were taken into account. If this additional share were equivalent to the 21 percent it amounted to in 2006, then more than 7 in 10 households would be at risk after taking into account health and long-term care costs. Alicia Munnell et al., "Health Care Costs Drive Up the National Retirement Risk Index," no. 8-3, Center for Retirement Research at Boston College, (February 2008). [http://crr.bc.edu/wp-content/uploads/2008/02/ib\\_8-3.pdf](http://crr.bc.edu/wp-content/uploads/2008/02/ib_8-3.pdf); Munnell et al., "The National Retirement Risk Index: An Update," no. 12-20, Center for Retirement Research at Boston College, October 2012. [http://crr.bc.edu/wp-content/uploads/2012/11/IB\\_12-20-508.pdf](http://crr.bc.edu/wp-content/uploads/2012/11/IB_12-20-508.pdf).

# KEY FACTS ABOUT SOCIAL SECURITY, MEDICARE AND MEDICAID IN NEBRASKA

## Social Security Works for Nebraska's Residents and Economy

- Social Security provided benefits to 326,078 Nebraskans in 2014, 1 in 6 (17.3 percent) residents.
- Nebraskans received Social Security benefits totaling \$4.7 billion in 2014, an amount equivalent to 5.3 percent of the state's total personal income [Figure 1 in full report].
- The average Social Security benefit in Nebraska was \$14,411 in 2013.
- Social Security lifted 101,000 Nebraskans out of poverty in 2013.

## Social Security Works for Nebraska's Seniors

- Social Security provided benefits to 226,858 Nebraska retired workers in 2014, two-thirds (69.6 percent) of beneficiaries [Figure 3 in full report].
- Social Security lifted 81,000 Nebraska residents aged 65 and older out of poverty in 2013. Without Social Security, the elderly poverty rate in Nebraska would have increased from 1 in 12 (8 percent) to 2 in 5 (39.8 percent) [Figure 4 in full report].

## Social Security Works for Nebraska's Workers with Disabilities

- Social Security provided disability benefits to 42,347 workers in 2014, 1 in 8 (13 percent) Nebraska beneficiaries [Figure 3 in full report].

## Social Security Works for Nebraska's Women

- Social Security provided benefits to 171,635 Nebraska women in 2014, 1 in 6 (18.2 percent) Nebraska women.
- Social Security lifted 50,000 Nebraska women aged 65 and older out of poverty in 2013. Without Social Security, the poverty rate of elderly women would have increased from 1 in 10 (9.7 percent) to half (45.7 percent) [Figure 4 in full report].

## Social Security Works for Nebraska's Children

- Social Security provided benefits to 21,326 Nebraska children in 2014, 1 in 15 (6.5 percent) Nebraska beneficiaries [Figure 3 in full report].

## Social Security Works for Nebraska's People of Color

- Social Security provided benefits to 2 in 9 (21.5 percent) African American households in Nebraska in 2013, 6,487 households.
- Social Security provided benefits to 1 in 9 (10.9 percent) Latino households in Nebraska in 2013, 4,919 households.
- Social Security provided benefits to 1 in 10 (10 percent) Asian American, Hawaiian Native, and Pacific Islander households in Nebraska in 2013, 1,096 households.

## Social Security Works for Nebraska's Rural Communities

- 1 in 5 (21.3 percent) rural or non-metropolitan Nebraskans received Social Security in 2014, compared with 1 in 7 (15.3 percent) metropolitan Nebraskans.

### **Medicare Works for Nebraska's Residents and Economy**

- 287,565 Nebraskans received Medicare benefits in 2012—1 in 6 state residents.
- Medicare provided \$3 billion in benefits to Nebraskans in 2009—19.9 percent of all health care spending in the state. The average expenditure per Medicare beneficiary was \$9,226 [Figure 1 in full report].

### **Medicare Works for Nebraska's Seniors and People with Disabilities**

- 247,869 of Nebraska's 287,565 Medicare beneficiaries were aged 65 or older in 2012—6 in 7 beneficiaries.
- 44,708 of Nebraska's 287,565 Medicare beneficiaries were people with disabilities in 2012—1 in 7 beneficiaries.

### **Medicaid Works for Nebraska's Residents and Economy**

- 201,200 Nebraskans received Medicaid benefits in 2013—1 in 9 state residents.
- A total of \$1.8 billion in Medicaid benefits were paid to Nebraskans in 2013. In 2009, Medicaid spending was 12.8 percent of all health care spending in the state. The average expenditure per Medicaid beneficiary in 2013 was \$9,113 [Figure 1 in full report].

### **Medicaid Works for Nebraska's Seniors, People with Disabilities and Long-Term Care Recipients**

- 24,700 of Nebraska's 201,200 Medicaid beneficiaries were aged 65 or older in 2011—1 in 11 beneficiaries.
- 40,400 of Nebraska's 201,200 Medicaid beneficiaries were people with disabilities in 2011—1 in 7 beneficiaries.
- Medicaid provided \$773.5 million in long-term care benefits for Nebraska residents in 2013. In 2011 Medicaid provided nursing home care for 6,321 nursing home residents, half of state residents enrolled in nursing homes.