

United States of America

Exchange rate: Currency is the US dollar (\$).

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1935 (social security) and 1972 (social assistance), implemented in 1974.

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed persons, including household employees with at least \$2,100 in gross annual income, federal government employees hired since January 1, 1984, and most state and local government employees; and self-employed persons with at least \$400 in annual net income.

Exclusions: Members of certain religious groups, nonresident workers who are temporarily in the United States, nonresidents employees of foreign governments and international organizations in the United States, and certain students who work for the educational institutions they are enrolled in.

Special systems for railroad employees, federal government employees hired before January 1, 1984, and certain state and local governments employees.

Social assistance: Needy citizens and nationals of the United States who reside in one of the 50 states, the District of Columbia, or the Northern Mariana Islands, and are not absent from the country for a full calendar month or for 30 consecutive days or more; and noncitizens who meet certain conditions.

Exclusions: Needy citizens and nationals of the United States who reside in American Samoa, Guam, Puerto Rico, or the U.S. Virgin Islands.

Source of Funds

Insured person

Social insurance: 6.2% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are \$132,900. (This maximum is adjusted annually based on changes in the national average wage.)

Social assistance: None.

Self-employed person

Social insurance: 12.4% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are \$132,900. (This maximum is adjusted annually based on changes in the national average wage.)

Social assistance: None.

Employer

Social insurance: 6.2% of covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are \$132,900. (This maximum is adjusted annually based on changes in the national average wage.)

Social assistance: None.

Government

Social insurance: A portion of the revenue from taxes on social security benefits (paid by higher income social security beneficiaries) is allocated to the Social Security Trust Fund; contributes as an employer for government employees not covered by a special system.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (Social Security, social insurance): Age 66 (gradually rising to age 67 by 2027) with at least 40 quarters of coverage.

Quarters of coverage are based on the insured's covered earnings in each year of contributions. The minimum amount of annual earnings to receive one quarter of coverage is \$1,360 in 2019. (This amount is adjusted annually based on changes in the national average wage.)

Employment may continue.

Early pension: Age 62 with at least 40 quarters of coverage.

Employment may continue.

Earnings test: If the insured is younger than the normal retirement age, the old-age pension is reduced with annual earnings exceeding \$17,640 (for years before the year the insured reaches the normal retirement age) or \$46,920 (for the year the insured reaches the normal retirement age). Beginning the month the insured reaches the normal retirement age, there is no earnings test. This earnings test also applies to dependents younger than the normal retirement age.

Deferred pension: The pension may be deferred until age 70.

Spouse's benefit: Paid to a spouse (same sex or opposite sex) aged 62 or older who has been married to the insured

for at least one year; any age if caring for a child younger than age 16 (no limit if the child receives disability benefits). Generally, a divorced spouse must have been married to the insured for at least 10 years and currently be unmarried. A spouse or divorced spouse is ineligible if he or she receives or is entitled to receive a greater social security benefit based on his or her own earnings record.

Child's benefit: Paid for unmarried children younger than age 18 (age 19 if a full-time elementary or secondary school student, no limit if disabled before age 22). Benefits for stepchildren end upon divorce.

The old-age pension is payable abroad to citizens of the United States residing in most countries, and to noncitizens under reciprocal agreements or under certain other conditions. Noncitizen dependents who were first eligible for social security benefits after 1984 must meet certain residency requirements unless an exception applies.

Old-age supplemental income benefit (Supplemental Security Income, social assistance, means tested):
Age 65.

Means test: Earned and unearned income (including other benefits) and assets (including cash, investments, land, and property) must not exceed certain limits.

The old-age supplemental income benefit is not payable abroad and ceases 30 days after the beneficiary leaves the United States.

Disability pension (Social Security, social insurance): Must be assessed as incapable of substantial gainful activity as the result of a physical or mental impairment that is expected to last at least a year or result in death, and meet the recent work and duration of work requirements.

A person is assessed as incapable of substantial gainful activity if his or her monthly earnings do not exceed \$1,220 (if sighted) or \$2,040 (if blind).

Recent work requirement: If the disability began before age 24, the insured must have at least six quarters of coverage in the three years before the disability began; from age 24 to 30, the insured must have at least two quarters of coverage for each year from age 21 to the quarter in which the disability began; at age 31 or older, the insured must have at least 20 quarters of coverage in the 10 years before the disability began.

Quarters of coverage are based on the insured's annual earnings in each year of contributions. The minimum amount of annual earnings to receive one quarter of coverage is \$1,360 in 2019. (This amount is adjusted annually based on changes in the national average wage.)

Duration of work requirement: If the insured is younger than age 62 at the time the disability began, he or she must have at least six quarters of coverage and the total quarters of coverage must be at least equal to the deceased's age minus 21. If the insured is aged 62 or older, he or she must have at least 40 quarters of coverage.

The qualifying conditions for young and blind persons are less strict.

Employment may continue if monthly earnings do not exceed the limit for substantial gainful activity.

Spouse's benefit: Paid to a spouse (same sex or opposite sex) aged 62 or older who has been married to the insured for at least one year; any age if caring for a child younger than age 16 (no limit if the child receives disability benefits). Generally, a divorced spouse must have been married to the insured for at least 10 years and be currently unmarried. A spouse or divorced spouse is ineligible if he or she receives or is entitled to receive a greater social security benefit based on his or her earnings record.

Child's benefit: Paid for unmarried children younger than age 18 (age 19 if a full-time elementary or secondary school student, no limit if disabled before age 22).

The disability pension ceases at the normal retirement age and is replaced by an old-age pension.

The disability pension is payable abroad to citizens of the United States residing in most countries, and to noncitizens under reciprocal agreements or under certain other conditions. Noncitizen dependents who were first eligible for social security benefits after 1984 must meet certain residency requirements unless an exception applies.

Disability supplemental income benefit (Supplemental Security Income, social assistance, means tested):
Must be younger than age 65 and blind or assessed with a disability.

Means test: Earned and unearned income (including other benefits) and assets (including cash, investments, land, and property) must not exceed certain limits. Certain impairment-related work expenses are deductible from income.

The disability supplemental income benefit is not payable abroad and ceases 30 days after the beneficiary leaves the United States.

Survivor pension (Social Security, social insurance):

The deceased received an old-age or disability pension; was entitled to receive an old-age pension; or was younger than age 62 and had at least six quarters of coverage and the total quarters of coverage was at least equal to the deceased's age minus 21.

Quarters of coverage are based on the deceased's covered earnings in each year of contributions. The minimum amount of annual earnings to receive one quarter of coverage is \$1,360 in 2019. (This amount is adjusted annually based on changes in the national average wage.)

If the deceased did not qualify but had at least six quarters of coverage in the 13-quarter period ending with the quarter he or she died, the survivor pension is only paid to eligible orphans and to a widow(er) caring for an eligible dependent child.

Eligible survivors include a widow(er) (same sex or opposite sex) aged 60 or older and married to the insured for at

least nine months before the death (at least 10 years and did not remarry before age 60 for a divorced widow(er)); a widow(er) at any age if caring for a child younger than age 16 or disabled and receiving social security benefits; a widow(er) with a disability or surviving divorced spouse aged 50 or older with a disability that started before or within seven years of the deceased's death; an unmarried orphan younger than age 18 (age 19 if a full-time elementary or secondary student, no limit if disabled before age 22); and a dependent parent aged 62 or older, not remarried since the insured's death, and at least 50% dependent on the deceased at the time of death.

Earnings test: If the survivor is younger than the normal retirement age, the survivor pension is reduced with annual earnings exceeding \$17,640 (for years before the year he or she reaches the normal retirement age) or \$46,920 (for the year he or she reaches the normal retirement age). Beginning the month the survivor reaches the normal retirement age, there is no earnings test.

The widow(er)'s pension ceases if the widow(er) remarries before age 60.

The survivor pension is payable abroad to citizens of the United States residing in most countries, and to noncitizens under reciprocal agreements or under certain other conditions. Noncitizen survivors who were first eligible for social security benefits after 1984 must meet certain residency requirements unless an exception applies.

Death benefit (Social Security, social insurance):

The deceased had at least six quarters of coverage in the 13-quarter period ending with the quarter he or she died, or had at least six quarters of coverage and the total quarters of coverage was at least equal to the deceased's age minus 21.

Paid to the widow(er) (same sex or opposite sex) living with the insured when he or she died. If they were living apart, paid if the widow(er) was receiving benefits on the insured's record or became eligible in the month of the insured's death. If there is no eligible widow(er), orphans are eligible if they were receiving benefits on the insured's record or became eligible in the month of the insured's death.

The death benefit is payable abroad in most countries.

Old-Age Benefits

Old-age pension (Social Security, social insurance):

The pension is based on the average of the insured's 35 best years of earnings. The earnings for years before age 60 are adjusted based on increases in the national average wage.

The maximum monthly old-age pension is \$2,861.

Early pension: The pension is reduced for each month it is claimed before the normal retirement age.

Earnings test: The pension is reduced by \$1 for every \$2 of annual earnings exceeding \$17,640 until the year the insured reaches the normal retirement age. The pension is

reduced by \$1 for every \$3 of annual earnings exceeding \$46,920 in the year the insured reaches the normal retirement age. Beginning the month the insured reaches the normal retirement age, there is no earnings test.

Deferred pension: The pension is increased by 0.67% for each month it is deferred until age 70.

Spouse's benefit: 50% of the old-age pension is paid to a spouse or divorced spouse who has reached the normal retirement age or is caring for an eligible child. A reduced benefit is paid if the benefit is claimed before the normal retirement age.

Child's benefit: Up to 50% of the old-age pension is paid for each eligible child.

The maximum combined old-age benefits for a family are 100% to 180% of the insured's old-age pension. A divorced spouse's benefit is not counted against the maximum.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Old-age supplemental income benefit (Supplemental Security Income, social assistance, means tested): Up to \$771 a month is paid for an individual; \$1,157 a month for a couple.

States and territories may supplement these benefit amounts in their jurisdictions.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Permanent Disability Benefits

Disability pension (Social Security, social insurance):

The pension is based on the insured's average covered earnings (adjusted based on increases in the national average wage) from age 21 up to the quarter the disability began, excluding up to five years of the lowest earnings.

There is no minimum pension for insured persons whose disability began after 1981.

Spouse's benefit: 50% of the disability pension is paid to a spouse or divorced spouse who has reached the normal retirement age or is caring for an eligible child. A reduced benefit is paid if the benefit is claimed before the normal retirement age.

Child's benefit: Up to 50% of the disability pension is paid for each eligible child.

The maximum combined disability benefits for a family are 100% to 150% of the insured's disability pension. A divorced spouse's benefit is not counted against the maximum.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Disability supplemental income benefit (Supplemental Security Income, social assistance, means tested): Up to \$771 a month is paid for an individual; \$1,157 a month for a couple.

States and territories may supplement these benefit amounts in their jurisdictions.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Survivor Benefits

Survivor pension (Social Security, social insurance)

Spouse's pension: 100% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or divorced widow(er) who has reached the normal retirement age; 75% to a widow(er) or divorced widow(er) of any age caring for an eligible child; 71.5% to 99% to a widow(er) or divorced widow(er) aged 60 to the normal retirement age, depending on the widow(er)'s age when the claim is made; 71.5% to a disabled widow(er) aged 50 to 59.

Earnings test: The pension is reduced by \$1 for every \$2 of annual earnings exceeding \$17,640 until the year the widow(er) reaches the normal retirement age. The pension is reduced by \$1 for every \$3 of earnings exceeding \$46,920 in the year the widow(er) reaches the normal retirement age. Beginning the month the widow(er) reaches the normal retirement age, there is no earnings test.

Orphan's pension: 75% of the old-age or disability pension the deceased received or was entitled to receive is paid for each eligible orphan.

Dependent parent's pension: 82.5% of the old-age or disability pension the deceased received or was entitled to receive is paid to one eligible parent; 75% to each parent if there are two eligible parents.

The maximum combined survivor pension is 100% to 180% of the old-age pension (or 100% to 150% of the disability pension) the deceased received or was entitled to receive. A surviving divorced spouse's benefit is not counted against the maximum.

Benefit adjustment: Benefits are adjusted annually based on changes in the cost of living.

Death benefit (Social Security, social insurance): A lump sum of \$255 is paid. If there are multiple eligible survivors, the benefit is split among them.

Administrative Organization

Social Security Administration (<https://www.ssa.gov/>), an independent agency within the executive branch of government, administers the programs through regional program centers, district offices, and branch offices.

Treasury Department (<https://www.treasury.gov/>) supervises the collection of Social Security taxes through the Internal Revenue Service and supervises the payment of benefits and the management of funds.

Sickness and Maternity

Regulatory Framework

First and current laws: 1965 (health insurance for older persons); 1965 (health insurance for low-income persons); 1972 (health insurance for the disabled); 1997 (health insurance for children); 2003 (prescriptions drugs), implemented in 2006; and 2010 (Affordable Care Act), implemented in stages.

Type of program: Social insurance, mandatory private insurance, and social assistance system. Medical benefits only.

Note: There are no national statutory programs for cash sickness and maternity benefits. Workers in industry and commerce and agriculture in 11 states (Arizona, California, Connecticut, Maryland, Massachusetts, Michigan, New Jersey, Oregon, Rhode Island, Vermont, and Washington) and Puerto Rico are covered for cash sickness benefits. (There is a special federal system for railroad employees and certain public-sector employees.) Private-sector workers in California, New York, and Rhode Island and public- and private-sector workers in New Jersey are covered for family leave insurance.

Under the Family and Medical Leave Act of 1993, eligible employees of covered employers may take unpaid, job-protected leave, including continuation of group health insurance coverage, for specified family and medical reasons. Covered employers include all public state, local, and federal agencies, including local education agencies, and most private-sector employers with at least 50 employees.

Medicare (social insurance) consists of: Part A (hospitalization); Part B (medical services); Part D (prescription drug insurance plans); and Part C (private Medicare Advantage plans that may be substituted for Parts A, B, and D because they provide hospitalization, medical service, and prescription drug coverage).

Coverage

Cash sickness and maternity benefits: No statutory benefits are provided.

Medical benefits

Medicare Part A (social insurance) and Affordable Care Act (mandatory private insurance): Citizens and legal residents of the United States.

Special systems for some employees of state and local governments.

Medicare Parts B, C, and D (social insurance): Voluntary coverage for persons entitled to Medicare Part A.

Medicaid and Children's Health Insurance Program (CHIP) (social assistance): Needy citizens and legal residents of the United States.

Source of Funds

Insured person

Medicare Part A (social insurance): 1.45% of earnings plus 0.9% of annual earnings above \$200,000 (single person) or \$250,000 (married couple). Medicare Part A beneficiaries pay a monthly premium that varies depending on quarters of coverage: no premium with at least 40 quarters of coverage, \$240 with 30 to 39 quarters, or \$437 with less than 30 quarters of coverage. (A spouse, divorced spouse, or widow(er) aged 65 or older can qualify for premium-free coverage based on the insured person's quarters of coverage.)

There are no minimum or maximum earnings used to calculate contributions for Medicare Part A.

The insured person's contributions for Medicare Part A also finance the hospitalization benefits provided under Medicare Part C.

Medicare Part B (social insurance): Medicare Part B beneficiaries pay a monthly premium that varies depending on income level: \$134 with an annual income up to \$85,000 (single person) or \$170,000 (married couple), or \$189.60 to \$460.20 with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple). (There is a late enrollment penalty of 10% of the premium for each full 12-month period that an individual was eligible but did not enroll.) Low-income persons may be eligible for premium or cost-sharing subsidies.

Medicare Part C (social insurance): See source of funds for Medicare Part A for hospitalization benefits. Medicare Part C beneficiaries pay a monthly premium that varies depending on the plan.

Medicare Part D (social insurance): Medicare Part D beneficiaries pay a monthly premium that varies depending on the plan. A beneficiary with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple) pays an additional amount directly to the government that ranges from \$12.40 to \$77.40 a month, depending on income level. (There is a late enrollment penalty based on the number of full uncovered months of coverage.) Low-income persons may be eligible for premium or cost-sharing subsidies.

Affordable Care Act (mandatory private insurance): Premiums vary depending on the plan.

Medicaid and Children's Health Insurance Program (CHIP) (social assistance): None.

Self-employed person

Medicare Part A (social insurance): 2.9% of declared earnings plus 0.9% of annual earnings exceeding \$200,000 (single person) or \$250,000 (married couple). Medicare Part A beneficiaries pay a monthly premium that varies depending on the quarters of coverage: no premium with at least 40 quarters of coverage, \$240 with 30 to 39 quarters, or \$437 with less than 30 quarters of coverage. (A spouse,

divorced spouse, or widow(er) aged 65 or older can qualify for premium-free coverage based on the self-employed person's quarters of coverage.)

There are no minimum or maximum earnings used to calculate contributions for Medicare Part A.

The self-employed person's contributions for Medicare Part A also finance the hospitalization benefits provided under Medicare Part C.

Medicare Part B (social insurance): Medicare Part B beneficiaries pay a monthly premium that varies depending on income level: \$135.50 with an annual income up to \$85,000 (single person) or \$170,000 (married couple), \$189.60 to 460.50 with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple). (There is a late enrollment penalty of 10% of the premium for each full 12-month period that an individual was eligible but did not enroll.) Low-income persons may be eligible for premium or cost-sharing subsidies.

Medicare Part C (social insurance): See source of funds for Medicare Part A for hospitalization benefits. Medicare Part C beneficiaries pay a monthly premium that varies depending on the plan.

Medicare Part D (social insurance): Medicare Part D beneficiaries pay a monthly premium that varies depending on the plan. A beneficiary with an annual income exceeding \$85,000 (single person) or \$170,000 (married couple) pays an additional amount directly to the government that ranges from \$12.40 to \$77.40 a month, depending on income level. (There is a late enrollment penalty based on the number of full uncovered months of coverage.) Low-income persons may be eligible for premium or cost-sharing subsidies.

Affordable Care Act (mandatory private insurance): Premiums vary depending on the plan.

Medicaid and Children's Health Insurance Program (CHIP) (social assistance): None.

Employer

Medicare Part A (social insurance): 1.45% of payroll.

There are no minimum or maximum earnings used to calculate contributions for Medicare Part A.

The employer's contributions for Medicare Part A also finance the hospitalization benefits provided under Medicare Part C.

Medicare Part B (social insurance): None.

Medicare Part C (social insurance): See source of funds for Medicare Part A.

Medicare Part D (social insurance): None.

Affordable Care Act (mandatory private insurance): None.

Medicaid and Children's Health Insurance Program (CHIP) (social assistance): None.

Government

Medicare Part A (social insurance): The total cost for certain noninsured elderly persons; contributes as an employer for government employees not covered by a special system.

Medicare Part B (social insurance): A portion of the revenue from earmarked taxes on social security benefits; and subsidies.

Medicare Part C (social insurance): Annual payments to participating companies.

Medicare Part D (social insurance): Provides subsidies funded by general revenues, as needed. State governments pay a portion of the cost for certain workers also covered under certain state assistance programs.

Affordable Care Act (mandatory private insurance): Provides tax credits to small businesses and to persons with incomes from 100% to 400% of the federal poverty level; subsidizes insurance plans for persons with income from 100% to 250% of the federal poverty level.

The federal poverty level is based on annual gross family income and ranges from \$12,490 for one person to \$43,430 for a family of eight. (For families/households with more than eight persons, the level rises by \$4,420 a year for each additional person.)

Medicaid and Children's Health Insurance Program (CHIP) (social assistance): Jointly funded by individual states and the federal government.

Qualifying Conditions

Cash sickness and maternity benefits: No statutory benefits are provided.

Medical benefits

Medicare Parts A and B (social insurance): Must be aged 65 or older; younger than age 65 with a disability and receiving a disability pension for at least two years (no waiting period for persons with end-stage renal disease or Amyotrophic Lateral Sclerosis).

Medicare Part C (social insurance): Same as for Parts A and B. Persons with end-stage renal disease who are new to Medicare are usually excluded.

Medicare Part D (social insurance): Must be entitled to Medicare Part A, B, or C.

Affordable Care Act (mandatory private insurance): Most citizens and legal residents of the United States must have qualified health insurance through private insurers if they are not covered by Medicare, Medicaid, or another public health insurance program. There is no penalty for failing to meet this coverage requirement.

Medicaid (social assistance, income tested): States set individual eligibility criteria within federal minimum

standards. Many states have expanded coverage, particularly for children, above the federal minimums.

Income test: Family income must not exceed a specified percentage of the federal poverty level, depending on the size of the family.

The federal poverty level is based on annual gross family income and ranges from \$12,490 for one person to \$43,430 for a family of eight. (For families/households with more than eight persons, the level rises by \$4,420 a year for each additional person.)

Children's Health Insurance Program (CHIP) (social assistance, income tested): Provided for children up to age 19 who are not covered by private health insurance and whose family income is too high to qualify them for Medicaid. States set their own income eligibility standards.

Sickness and Maternity Benefits

No statutory benefits are provided.

Workers' Medical Benefits

Medicare Part A (social insurance): Inpatient care is provided for stays of up to 90 days (may be extended by up to 60 days); the beneficiary has a deductible of \$1,364 and no copay for up to 60 days; \$341 a day for the 61st to the 90th day; and \$682 a day for more than 90 days for up to 60 lifetime reserve days. (The insured pays all costs once the 60 lifetime reserve days are exhausted.) Post-hospital skilled nursing facility care is provided for an additional 100 days (the patient pays \$170.50 a day for the 21st to the 100th day), laboratory and X-ray services for inpatients, and post-hospital home health services.

Medicare Part B (social insurance): Most preventive care services are free. 80% of medically necessary charges above \$185 a year is paid for physician's services, outpatient diagnostic and physical therapy, laboratory services, appliances, and transportation.

Medicare Part C (social insurance): Benefits are at least the same as for Parts A and B and usually include a prescription drug component. Copayments, deductibles, and annual out-of-pocket maximums vary depending on the plan.

Medicare Part D (social insurance): The maximum allowable deductible is \$415 a year; some plans do not have a deductible. The plan and the insured share the cost of prescription drugs, up to a combined limit of \$3,820 a year. The insured pays a higher percentage of the combined total cost of prescription drugs from \$3,820 to \$5,100. (That percentage is gradually falling from 25% (brand-name prescription drugs) or 37% (generic) of the cost in 2019, to 25% (brand-name or generic) in 2020.) For the rest of the calendar year, insured persons who have reached the limit have a minimum copay that varies depending on the type of drug.

Affordable Care Act (mandatory private insurance):

Individuals without employer-provided health insurance can choose (through health insurance marketplaces run by the federal government or certain state governments) among plans that meet certain benefit and cost standards. Small businesses can purchase coverage through separate marketplaces. Certain provisions are still being implemented.

Benefits include a basic package of free preventive health services. Private insurance may not exclude pre-existing conditions or apply annual or lifetime limits on the dollar value of coverage. Companies may not rescind coverage except in cases of fraud.

Medicaid and Children's Health Insurance Program (CHIP) (social assistance, income tested): States determine the type, amount, duration, and scope of services within broad federal guidelines. States have the option to charge premiums and to establish out of pocket spending (cost sharing) requirements for Medicaid.

Dependents' Medical Benefits

Medicare (social insurance): Dependents must qualify for benefits in their own right.

Affordable Care Act (mandatory private insurance): Benefits for children up to age 26 are the same as those for the insured.

Medicaid (social assistance, income tested): Dependents must qualify for benefits in their own right.

Children's Health Insurance Program (CHIP) (social assistance, income tested): Eligible children are covered in their own right.

Administrative Organization

Social insurance (Medicare)

Department of Health and Human Services (<https://www.hhs.gov/>) provides general supervision.

Centers for Medicare and Medicaid Services (CMS) (<https://www.cms.gov/>) administer the program in cooperation with the Public Health Service, the Social Security Administration, and state health departments.

Treasury Department (<https://www.treasury.gov/>) supervises the collection of Medicare taxes through the Internal Revenue Service.

Private carriers and public agencies, under contract as intermediary administrative agents, determine and make payments to service providers or to patients.

Carriers either pay medical service providers directly or partially reimburse the insured.

CMS contracts with individual companies that provide prescription drugs directly to the insured.

Mandatory private insurance (Affordable Care Act)

Department of Health and Human Services (<https://www.hhs.gov/>) provides general supervision.

Private health insurance companies provide health insurance.

Social assistance (Medicaid and CHIP)

Department of Health and Human Services (<http://www.hhs.gov/>) through the Centers for Medicare and Medicaid Services (CMS) (<http://www.cms.gov/>) provides general supervision.

Center for Medicaid and CHIP Services (<https://www.medicaid.gov/>) oversees the programs.

Individual states administer their own programs.

Work Injury

Regulatory Framework

First laws: 1908 (federal employees) and 1911 (nine state laws).

Current laws: Most laws were enacted before 1920.

Type of program: Employer-liability system.

Coverage

Most public- and private-sector employees. (All states, Puerto Rico, the District of Columbia, Guam, and the U.S. Virgin Islands.)

Exclusions: Self-employed persons, agricultural employees, some small businesses, casual workers, and household workers.

Special system for coal miners who develop pneumoconiosis (black lung).

Source of Funds

Insured person: Nominal contributions in a few states.

Self-employed person: Not applicable.

Employer: The total cost (most states) or most of the cost is financed through either insurance premiums varying with the assessed degree of risk or self-insurance. (The average cost of premiums in 2017 was 1.25% of payroll.)

Government: None; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

66.6% of the employee's earnings is paid after a three- to seven-day waiting period (in most states). Benefits are paid

retroactively if the disability lasts for a specified period, ranging from five days to six weeks.

Dependent's supplement: Paid in about 20% of all states, in some instances as a lump sum.

The maximum weekly benefit varies by state.

Benefit adjustment: About 80% of all states increase benefits automatically based on increases in state average wages.

Permanent Disability Benefits

For a total disability, 66.6% of the employee's earnings is paid for the duration of the disability (in most states).

Partial disability: A reduced pension is paid based on the assessed loss of earning capacity, or at the full rate for fewer weeks for certain injuries.

Constant-attendance supplement: Paid in some states if the employee requires the constant attendance of others to perform daily functions. The supplement is paid for life or for the duration of the disability (in 80% of all states); or for 104 to 500 weeks (in some states).

Dependent's supplement: Paid for life or the duration of the disability (in 80% of all states); or for 104 to 500 weeks (in some states).

Workers' Medical Benefits

All states require employers to provide medical care for as long as it is required.

Survivor Benefits

Survivor pension: 35% to 70% of the deceased's earnings is paid to the widow(er); 60% to 80% with dependent children.

Other eligible survivors (in some states) include dependent parents, brothers, and sisters.

Funeral grant: A lump sum is paid. The amount varies by state.

Administrative Organization

State workers' compensation agencies administer the employer liability program in about 50% of all states, state departments of labor administer the program in about 37.5% of all states, and courts administer the program in three states.

Employers must insure with the state fund in four states; with the state fund or a private carrier in 18 states; or with a private carrier in the remainder. In all but two states, certain employers may choose to self-insure.

Unemployment

Regulatory Framework

First and current federal law: 1935 (social security).

First and current state laws: All states, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia have separate laws creating their own programs. State laws were first enacted between 1932 and 1937.

Type of program: Social insurance system.

Coverage

Public- and private-sector employees, including military personnel, most agricultural employees, and household workers.

Exclusions: Self-employed persons, some agricultural employees, employees of religious organizations, casual workers, and family labor.

Special federal system for railroad employees.

Source of Funds

Insured person: None, except in Alaska, New Jersey, and Pennsylvania.

Self-employed person: Not applicable.

Employer

Federal program: 0.6% of annual payroll. (The full amount is 6.0% of annual payroll, but there is a 5.4% credit if states meet all federal requirements.)

The maximum annual earnings used to calculate contributions are \$7,000.

State programs: 5.4% of annual payroll (actual rates vary from zero to more than 10% depending on an employer's experience of having workers claim unemployment benefits.)

The maximum annual earnings used to calculate contributions vary from \$7,000 to \$45,000, depending on the state.

Government: Federal tax revenue finances federal and state administrative costs.

Qualifying Conditions

Most states require minimum earnings in the base period equal to a specified multiple of the weekly benefit amount or high-quarter wages, or a specified total amount of wages in the base period. A few states require a specified number of weeks of employment (for example, from 18 to 20 weeks). One state requires a certain number of hours of work.

Must be registered with the employment service, capable of and available for work, and actively seeking work. The insured will generally be disqualified for voluntarily leaving a job without good cause, being discharged from employment for misconduct, or refusing an offer of suitable work. The insured may be disqualified for participating in a labor dispute.

Dependent's supplement: A supplement is paid to dependents in about 25% of states.

Unemployment Benefits

About 50% of the insured's earnings is paid after a one-week waiting period, for up to 26 weeks in most states.

Dependent's supplement: From \$1 to \$154 a week is paid for each eligible child and sometimes for other dependents.

Federal law provides for up to 20 additional weeks of benefits in states with high levels of unemployment.

Some states provide income assistance to unemployed workers who have insufficient periods of covered employment or have exhausted their unemployment benefits and are participating in training programs.

Administrative Organization

Department of Labor (<https://oui.doleta.gov/unemploy/>) administers the program nationally through its Employment and Training Administration and Office of Unemployment Insurance.

Treasury Department (<https://www.treasury.gov/>) supervises the collection of federal Unemployment Insurance contributions through the Internal Revenue Service.

State workforce agencies administer individual state unemployment programs and pay benefits.

Family Allowances

Regulatory Framework

Some 80 different means-tested programs administered and funded by federal, state, and local governments provide cash payments, social services, educational assistance, housing assistance, vocational training, medical assistance, energy and utility assistance, child care, and child development programs.

The Earned Income Tax Credit provides a refundable tax credit through the federal tax system to working individuals or families with low to moderate income. The refund varies depending on income, marital status, and the number of children and ranges from up to \$538 a year with no children and annual income up to \$15,820 (single person) or \$21,710 (married couple), to up to \$6,660 a year with at least three children and annual income up to \$50,594 (single) or \$56,844 (married).