

Social Security Benefits Analysis

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Motivation

- Income from SSA has reduced the poverty rate for Americans age ≥ 65 from about 40% to below 10%
- SSA set to become financially insolvent in the year 2034.
- Important to make sure that people who are in desperate need of it have access to it
- Should Millionaires/Billionaires avail SS benefits?

Questions Posed

- Are there Cities/States that have high inequality in terms of average SS benefits received ?
- Is it possible qualitatively gauge income inequality within cities/states by looking at the SS benefits received

Approach

- Get data from Data.gov released by SSA
- Exclude categories that genuinely need assistance, e.g. Disabled, children etc.
- Compute average benefits per beneficiary in each zip code
- Analyze top and bottom 5% of the zip codes
- Plot the observations on a map to uncover patterns

Highest and Lowest Benefit amount per ZIP code

77010, Houston, Texas

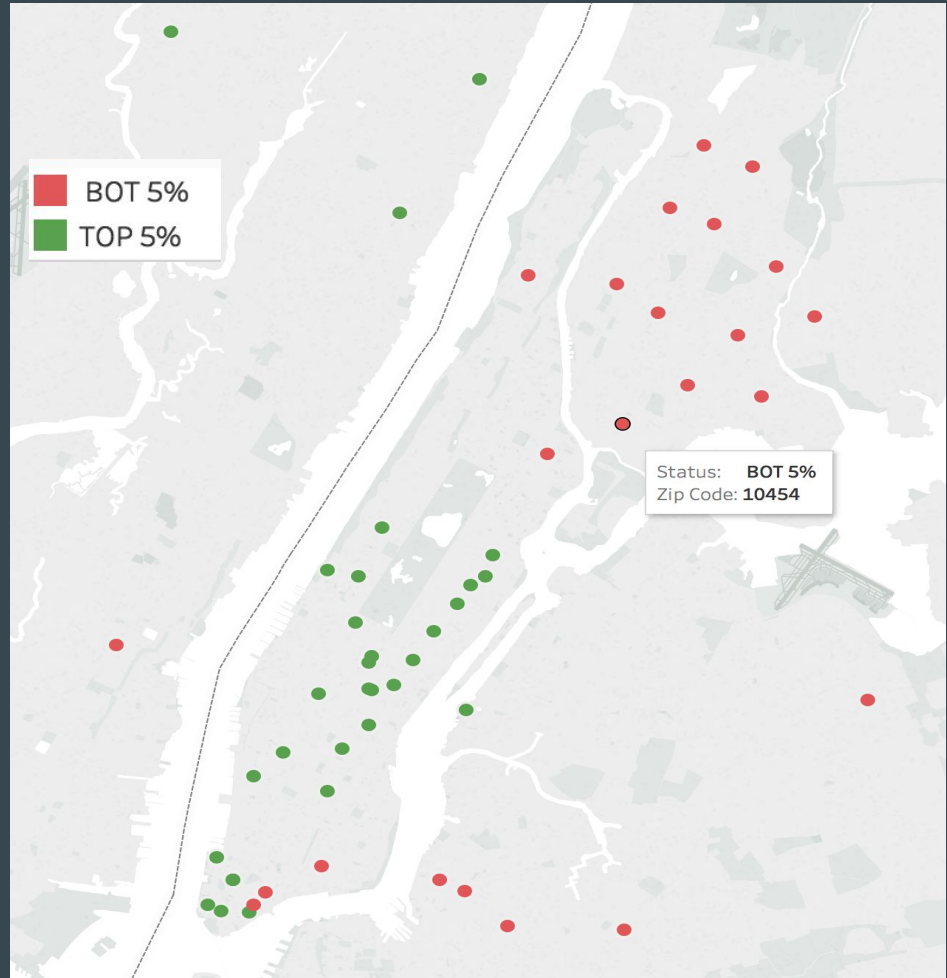
- Median household income : \$250,000
- Benefits per Person : \$2,155

80231, Denver County, Missouri

- Median household income : \$51,099
- Benefits per Person : \$300

Observation

- Bronx Vs Manhattan, NYC
- Richer Neighborhoods in Manhattan yet a lot of top 5%
- Bronx has some of the poorest neighborhoods in the country and a lot of bottom 5%
- Many such cases throughout the country



- Nothing really apparent because the differences are not huge
- Not a good idea to look at the state level metrics because of cost of living, migration etc.
- Probably because the gap between the rich and poor exists everywhere



Conclusions

- A lot of rich people, who probably don't need SS benefits are availing them
- Eligibility criteria for SS benefits should change to take into account not just taxable income but the total value of assets at the time the claims are made

Future Work

- Combine this dataset with Income/wealth data and do further analysis
- Combine this dataset with zip code wise racial and gender distribution of data and find patterns if any
- Is it possible to find cases of widespread fraud using these datasets?

Thank you!