

FINANCIAL ASSISTANCE

Supplemental Security Income

Introduction

Supplemental Security Income (SSI) is a federal program administered by the Social Security Administration which provides income assistance to aged, blind, and disabled persons who do not own much property or have a lot of income. The SSI program provides monthly cash payments to those individuals who meet income and eligibility criteria. Essentially, the program guarantees a certain income to an individual or couple. SSI will provide supplemental payments so that the total income for an individual or couple will equal the guaranteed amount. The SSI program is administered by the Social Security Administration, but it differs from Social Security retirement or disability benefits because you can get SSI even if you have never paid into the Social Security system.

Eligibility

You may qualify for SSI on either the basis of age (65 or older) or physical impairment (blindness or disability).

Under the SSI program, “blindness” is defined as having central visual acuity of 20/200 or less in the better eye with the use of a corrective lens, or visual field restriction to 20 degrees or less. *See* SSI Web site at www.ssa.gov/notices/supplemental-security-income/text-eligibility-ussi.htm (last modified April 13, 2005).

“Disabled” is defined as inability to engage in any substantial gainful employment due to a physical or mental impairment, which has lasted or is expected to last for at least 12 months or is expected to result in death. An applicant’s monthly income will affect the determination of whether the applicant is able to engage in substantial gainful employment. In some cases, however, a blind applicant who can work may still qualify for benefits.

An individual or couple must satisfy the following asset and income requirements for eligibility:

- An applicant’s assets must total not more than \$2,000 for an individual or \$3,000 for a couple, after certain deductions and exclusions are made. *See* SSI Web site, *supra*.
- An applicant’s income also must fall below specific limits after certain exclusions and deductions. (Income limitations vary within states. Call (800) 772-1213 to obtain information on income limits.)

If your resources are over the eligibility limit, you may transfer your assets or spend them down to the resource level required for eligibility. In order to prove you no longer own the resources, you should keep receipts and other records of the ways you spend down your resources.

The following assets are NOT counted for SSI eligibility:

- your home and the land it is on;
- household goods and personal property that do not exceed \$2,000 in value (\$3,000 for a couple);
- the full value of your car if it is needed for employment or medical reasons; otherwise, up to \$4,500 in value;
- life insurance if the face value is \$1,500 or less;

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- money set aside for burial expenses up to \$1,500 (\$3,000 for a couple);
- burial space for you and immediate family;
- property that cannot be sold.

In some cases, SSI recipients are eligible for other low-income assistance programs, such as food stamps. In thirty-eight states, SSI recipients automatically are eligible for health benefits under the Medicaid program.

Income

Your “countable” income cannot exceed the current federal benefit rate in order to qualify for SSI. In Virginia, the 2005 rate for those whose income was solely from wages is \$1,243 per month for an individual and \$1,823 for a couple; for those whose income is not from wages, the rates are \$599 per month for individuals and \$889 for couples. All of these rates will increase in later years. If you qualify, the amount of your monthly SSI benefit will depend on your countable income. Generally, the more income you receive, the less your SSI benefit.

“Income” is money you receive from any source, such as wages, Social Security, pension, and money from friends and relatives. Income also includes free food, clothing, or housing. Some of your spouse’s income may also be counted. Certain types of income, however, are not counted for SSI eligibility:

- the first \$20 of most income;
- the first \$65 a month of earnings from employment;
- one-half of earnings from employment over \$65 per month;
- food stamps;
- shelter you receive from private nonprofit organizations;
- most home energy assistance.

You can receive SSI and Social Security retirement benefits at the same time. For example, if you were receiving \$300 per month in Social Security retirement benefits, you could receive \$190 per month in SSI benefits (if you had no other income, lived in a one-person household and owned little countable property). This totals \$490 per month because the first \$20 of the Social Security retirement income is not counted. For more particular information (based on where you live), call the Social Security Administration at 1-800-722-1213.

Penalties

Your SSI benefits may be reduced under the following conditions;

- you have unearned income of over \$20 a month; this income includes Social Security payments, pension, gifts, and other unearned money;
- you are living in the home of a friend or relative;
- you live in a nursing home.

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Additionally, an unmarried couple living together may be listed by the Social Security Administration as “holding out as husband and wife.” When this happens, and both persons are receiving SSI, their checks will be reduced, if necessary, so that the two checks together will equal the amount that a couple would receive.

There no longer is any SSI eligibility penalty for giving away property. There is, however, still a Medicaid eligibility penalty in effect. *See Medicaid*, p. 19.

Applying for Benefits

You can call the Social Security Administration’s toll-free number, (800) 772-1213, and complete an application over the phone, or go to your local Social Security office. If you file an application at a Social Security office, a Social Security representative will assist you with your application. Other agencies, such as your Area Agency on Aging, may be able to assist you in applying for SSI. Do not delay filing an application if you think you are eligible, because SSI may only be paid from the date of the application. See what you need to know when you get Supplemental Security Income (SSI) Publication Number SSA 05-11011.

Appeals Process for SSI

You should receive a decision from Social Security within 60 days of your application. If you are denied SSI, you may appeal, and you may be represented by a person of your choice at any step in the appeals process. Your representative does not necessarily have to be an attorney. You and your representative will receive notices of all decisions on your claim.

The first step in the appeals process is called the reconsideration. You must ask for the reconsideration within 60 days of the date you receive notice of the initial decision. Do not delay appealing because the process takes a long time. If you have been receiving benefits and you receive notice that your benefits are being reduced or terminated, you must make the request within 10 days so your benefits will continue during the appeal. A Social Security representative will help you with your request. If you are not satisfied with the result of the reconsideration, you may appeal again and ask for a hearing before an administrative law judge. Many decisions are reversed after the hearing. You must request the hearing within 60 days of the date you receive notice of the reconsideration decision. Again, you should appeal immediately. Further appeals of the administrative law judge’s decision are to the Appeals Council and to federal district court. You may want to contact the area Agency on Aging or Legal Aid office for assistance with your appeal or questions about SSI.

Overpayments

It is not uncommon for SSI recipients to receive a notice from the Social Security Administration that they have been overpaid. Do not panic if you receive such a notice. You may not have to repay the money or you may be able to repay as little as \$10 a month. You have the right to appeal if you do not believe you were overpaid. If you appeal within 30 days of the date on your overpayment notice, your benefits will continue during the appeal. Even if you did receive the overpayment, you may not have to pay it back if you were without fault in causing the overpayment and you are financially unable to pay it back. You must file a request for waiver of the overpayment with Social Security if you feel the overpayment was not your fault. Your local Legal Aid office may be able to help you get a waiver. Social Security may withhold as little as \$10 per month from you checks even if you were at fault. You must talk to a Social Security representative about this.