

Supplemental Security Income

By Kathleen Romig and Katie Windham,
Center on Budget and Policy Priorities

Supplemental Security Income (SSI) is a means-tested program that provides cash benefits for low-income people who are disabled, blind, or elderly. The Social Security Administration (SSA) runs the program.

HISTORY

Congress created SSI in 1972 to replace the former program of grants to states to aid the aged, blind, or disabled.

PROGRAM SUMMARY

SSI provides monthly cash assistance to persons who are unable to work due to age or medical conditions and have little income and few assets. In 2021, the basic monthly SSI benefit is \$794 for an individual and \$1,191 for a couple. Beneficiaries who live in another person's household and receive in-kind maintenance and support receive one-third less than that amount, while beneficiaries who receive long-term care in a Medicaid-funded institution receive \$30 per month. Many states supplement the federal SSI benefit, although state budget cuts are severely constraining those additional payments.

SSI benefits are reduced when recipients have other sources of income. Each dollar of earnings exceeding \$65 a month (or \$85 for someone with no unearned income) reduces SSI benefits by 50 cents, a provision that is meant to encourage work. Each dollar of other income exceeding \$20 per month, such as Social Security benefits, pensions, or interest income, reduces SSI benefits by one dollar. SSI benefits are unavailable to people whose assets exceed \$2,000 for an individual or \$3,000 for a couple (with certain exceptions).

Although run by the same agency, SSI is distinct from the Old-Age, Survivors, and Disability Insurance Programs commonly known as Social Security. To collect Social Security, beneficiaries

must have worked a certain number of quarters and paid the requisite payroll taxes in addition to meeting certain age or disability requirements. Many SSI recipients have worked long enough to collect Social Security, but their Social Security benefit is low enough that they also qualify for SSI. About a quarter of adult SSI recipients under age 65, and more than half of recipients older than 65, also get Social Security.

In most states, anyone who receives SSI benefits is automatically eligible for Medicaid. More than 60% of SSI recipients also utilize SNAP, the Supplemental Nutrition Assistance Program, formerly known as food stamps. About a quarter of recipients also receive housing assistance.

Nearly 95% of SSI recipients are U.S. citizens. The 1996 welfare reform law eliminated most noncitizens' eligibility for SSI unless they fall into one of three main groups: lawful residents who entered the United States by August 1996; refugees who entered after that date, who can receive SSI only on a temporary basis, currently for seven years; or immigrants who entered after August 1996 and have earned 40 quarters of coverage under Social Security.

Individuals may apply for SSI online, by phone, or in person at one of SSA's field offices. SSA will verify the applicant's identity, age, work history, and financial qualifications. In the case of disability applications, state agencies called Disability Determination Services (DDSs) weigh the medical and related evidence to judge whether the applicant meets the criteria set out by law to determine whether they suffer from a severe impairment that will last at least 12 months or result in death that makes it impossible to engage in substantial work. A slightly different definition applies to disabled children under age 18. If DDS initially denies the application, claimants have several levels of appeal and may choose to be represented by an attorney.

Although SSI benefit levels are low, they are critical to obtaining and maintaining housing for many recipients. SSI benefits enable some homeless recipients to qualify for supportive housing programs, subsidized housing vouchers, or units prioritized for people with disabilities. Supportive housing providers may also receive Medicaid reimbursement for certain services provided to clients who qualify for Medicaid via SSI. Still, the benefits are insufficient for many recipients to afford market-rate housing.

While SSI benefits provide critically needed resources to people with disabilities, they can be difficult to obtain. Nationwide, only about one-quarter of adult disability claims are approved at the initial level; about one-third are approved after all appeals. Allowance rates for disabled children are slightly higher. The process is especially challenging for people who are homeless. Barriers include difficulty obtaining medical documentation and in making and keeping appointments. SSA requires evidence of a disability to come from an “acceptable medical source,” such as a physician or psychologist. Starting in 2017, physicians’ assistants, audiologists, and advanced practice registered nurses became acceptable medical sources given the licensed scope of their practices. The list of acceptable medical sources excludes other providers, such as licensed clinical social workers, although such professionals often provide supporting documentation.

Disability claimants often face an extended wait for a decision. Initial review of a disability application typically takes three to four months, although there is a fast-track program for certain severe conditions. Appeals to the Administrative Law Judge level typically take about sixteen months to be processed. SSA is working to eliminate the hearings backlog but tight resources have hampered progress. Some states and localities offer interim assistance while an applicant awaits a decision on SSI, eventually recouping the money from any retroactive benefits.

Some initiatives have demonstrated success in increasing SSI access for homeless people with

disabilities. The Social Security Outreach and Access to Recovery (SOAR) Program has used a train-the-trainer model combined with technical assistance to teach caseworkers how to conduct outreach and assist homeless applicants. SOAR is an interagency initiative involving SSA, HUD, and the Department of Health and Human Services’ Substance Abuse and Mental Health Services Administration. Through 2017, clients at SOAR-trained sites in 49 states and the District of Columbia had an average initial approval rate of 64%.

As of October 2020, 8.0 million people received SSI benefits: 1.1 million children under age 18, 4.6 million disabled adults aged 18-64, and 2.3 million people 65 or older.

FUNDING

As an entitlement program, SSI is available to anyone who meets its eligibility requirements. Total SSI expenditures were about \$60 billion in 2020. More than \$9 of every \$10 pay for benefits; the rest covers administrative costs.

FORECAST FOR 2021

SSA’s customer service has been severely disrupted by the pandemic, particularly for SSI applicants, and problems will likely continue well into 2021. SSA’s field operation closed for in-person service in March 2020, after which applications for SSI fell significantly. In July 2020, the number of SSI awards reached a 20-year low, over 40 percent below July 2019 levels, even as *more* potential applicants meet SSI’s strict income and asset tests during the recession. SSA does not have an online application for child or elderly SSI benefits, and only some disabled adults can apply for SSI online. While SSA’s field operation is closed, most SSI applicants must apply over the phone — and SSA’s phone lines are often busy or have long waits. The closure of field offices, the absence of an online application, and the problems with phone service all pose a barriers for many would-be SSI applicants, particularly for older Americans and people whose primary language is not English, according to agency statistics.

Since 2010, the Social Security Administration's operating budget has been severely constrained, even as its workloads and costs have grown substantially. SSA has been forced to make cuts in customer service by closing field offices, shortening field office hours, and shrinking its staff. These steps have taken their toll, leading to long waits on the phone and in field offices and record-high disability backlogs. Congress reached a budget deal for fiscal years 2020 and 2021 to ease some of the budgetary pressure that led to the cuts, but the fiscal year 2021 appropriations bills would not increase the budget for SSA operations. The House bill would not even keep up with inflation, and the Senate bill would not provide any increase at all, even as the agency faces rising workloads and pandemic-related service disruptions. If SSA does not receive adequate funding, the agency will be forced to freeze hiring, furlough employees, shutter more field offices, or further restrict field office hours, leading to yet longer wait times and backlogs.

As in past years, Members of Congress may propose cuts to SSI's already meager benefits or propose modernizing the program's outdated eligibility criteria. However, with divided government, these proposals are unlikely to pass into law.

WHAT TO SAY TO LEGISLATORS

Advocates should urge Congress to increase the operating budget of the Social Security Administration (part of the Labor, Health and Human Services, and related agencies appropriations bill) in order to improve customer service for their clients. They should also oppose cuts to the program's crucial benefits.

FOR MORE INFORMATION

Center on Budget and Policy Priorities, www.cbpp.org.

National Law Center on Homelessness & Poverty, www.nlchp.org.

National Health Care for the Homeless Council, www.nhchc.org.

National Senior Citizens Law Center, www.nsclc.org.

SOAR, www.prainc.com/soar.

Social Security Administration, www.socialsecurity.gov.