

## Supplemental Security Income (SSI)

Supplemental Security Income (SSI) is a means-tested program meaning that the individual has a financial need for the benefit due to low income and resources. SSI disability benefits are payable to adults or children who have a disability, have limited income and resources, and are otherwise eligible. SSI “supplements” the “income” not available for food and shelter. Therefore, an individual’s living situation dictates the need for and amount of the benefit. The maximum federal benefit rate is \$750 (for an individual/\$1,125 for a couple) in 2018. Some states have programs to provide additional supplements. *SSI’s rules are designed to encourage work and increase income through employment.* People who are on SSI benefits are usually financially better off when they go to work. Beneficiaries that receive SSI automatically get Medicaid right away.

### Supplemental Security Income (SSI) Eligibility

#### **Qualifications for Supplemental Security Income (SSI):**

- Be a U.S. citizen or qualified alien
- Have a disability
- Have low income and resources

**SSI Resource Limit:** To qualify for SSI benefits an individual has a resource limit of \$2,000 in countable resources (for an individual/\$3,000 for a couple). Cash or property that can be converted to cash that can be used to support you is considered a resource. Some resources don’t count towards SSI’s resource limit, like the home you live in and one vehicle. Social Security has a complete list of additional excluded resources on their website. (<https://www.ssa.gov/ssi/spotlights/spot-resources.htm>)

#### **How to Apply:**

- At your local Social Security office (<https://secure.ssa.gov/ICON/main.jsp>)
- Call 1-800-772-1213 or 1-800-325-0778 (TTY).

You can start the application online but must complete it by phone or in person. (<https://www.ssa.gov/benefits/ssi/>)

### SSA Rules Maximize Earnings

Social Security provides work incentives as ways to test out work without the fear of losing healthcare or eligibility status. Individuals on SSI who go to work will generally have more money.

#### **SSI Work Incentives**

**Income Exclusions:** Income you earn that Social Security does not count when calculating how much your SSI check should be for that month.

**General Income Exclusion:** The first \$20 of any income is not counted.

**Earned Income Exclusion:** The first \$65 of earnings is not counted.

**2 for 1 Reduction:** After discounting the above exclusions, Social Security divides the rest of your gross income to determine the portion of your work income that they will countable income. Translation: *For every two dollars you earn, you keep one dollar of your SSI cash benefits.* By the time your cash benefit is reduced to zero, you are making twice as much; and still have healthcare.

**Impairment Related Work Expenses (IRWE):** Documented expenses paid out-of-pocket that are related to the disability, without which you could not work are not counted. Expense for items such as mobility devices, doctor visits, prescription copayments, assisted technology, and personal care services are deducted from countable income. Expenses must have a receipt and be approved by Social Security.

Calculating Countable Earned Income and New SSI Cash Benefits While Working:

<b>SSI Recipient Who Is Not Blind:</b>		
Step 1:	Total gross earnings each month (before taxes)	Earned Income
Step 2:	Subtract \$20 ( <i>General Income Exclusion</i> )	- \$20
Step 3:	Subtract \$65 ( <i>Earned Income Exclusion</i> )	- \$65
Step 4:	Subtract out-of-pocket disability-related expenses ( <i>IRWE's</i> )	- IRWE's
Step 5:	Divide what's left (the Remainder) by 2 ( <i>2 for 1 Reduction</i> )	÷ 2
		= Countable Earned Income
Step 6:	SSI cash benefit received (\$750 max in 2018)	SSI Cash Benefit
Step 7:	Subtract Countable Income	- Countable Earned Income
Step 8:	New SSI check amount, based on work earnings.	= New SSI Check Amount

**Blind Work Expenses (BWE):** Individuals who are legally blind according to Social Security can use Blind Work Expenses. Unlike an IRWE, BWEs do not have to be related to blindness or other medical condition or disability. BWEs can be any expense related to work including federal, state, and local taxes; Social Security taxes; and visual and sensory aids.

### Calculating Countable Earned Income and New SSI Cash Benefits While Working:

#### **SSI Recipient Who Is Blind:**

Step 1:	Total gross earnings each month (before taxes)	Earned Income
Step 2:	Subtract \$20 ( <i>General Income Exclusion</i> )	- \$20
Step 3:	Subtract \$65 ( <i>Earned Income Exclusion</i> )	- \$65
Step 4:	Divide what's left (the Remainder) by 2 ( <i>2 for 1 Reduction</i> )	÷ 2
Step 5:	Subtract out-of-pocket work-related expenses ( <i>BWE's</i> )	- BWE's
		= Countable Earned Income
Step 6:	SSI cash benefit received (\$750 max in 2018)	SSI Cash Benefit
Step 7:	Subtract Countable Income	- Countable Earned Income
Step 8:	New SSI check amount, based on work earnings.	= New SSI Check Amount

**Student Earned Income Exclusion (SEIE):** For students under 22 who are in school at least half-time can earn up to \$1,820 (monthly cap in 2018) without decreasing their SSI benefits. There is an annual cap of \$7,350 (in 2018) before the 2 for 1 Reduction is applied. Half-time in school means:

- 12 hours per week for grades 7 to 12
- 8 hours per week for college students
- 12 to 15 hours per week for job training

#### Needing SSI Again

If SSI cash benefits stopped due to income, they can restart if income goes down. If it has been less than 12 months since SSI cash benefits stopped due to income or if you qualify for SSI 1619(b), SSI benefits can restart without having to reapply by reporting changes in income and work status to the local Social Security office.

**Expedited Reinstatement (EXR):** For up to five years after SSI cash benefits have stopped due to income, a beneficiary can use Expedited Reinstatement (EXR) to restart benefits without the need to reapply. The person must not be able to work at Substantial Gainful Activity (SGA) level due to the same qualifying disability that made them originally eligible for SSI.

#### Programs That Let You Earn More and Save More of SSI

There are programs that allow saving beyond the \$2,000 resource limit (\$3,000 for couples) and keeping SSI. Money saved on these programs won't be considered countable income by the SSI program, leading to more in SSI benefits.

**Achieving a Better Life Experience (ABLE) Accounts:** ABLE accounts let people whose disability began before age 26 to save up to \$100,000 without the money saved affecting the resource limit requirement of many programs, including Supplemental Security Income (SSI), Medicaid, and Nutrition Assistance. There are rules about what the money in ABLE accounts can be used on, but there is a lot of flexibility. ABLE account money can be used for:

- Education
- Housing
- Transportation
- Health care
- Work-related expenses
- Assistive technology
- Other approved living expenses

ABLE accounts have tax advantages, such as money in the account won't be taxed and earned income saved may qualify for federal Saver's Credit. There are specific rules for how much can be contributed to an ABLE account yearly. If there is more than \$100,000 in your ABLE account, the money will be counted by the SSI program.

ABLE accounts can only be opened through specific programs or financial institutions. Each state regulates which financial institution offers ABLE accounts in that state. ABLE accounts can be opened in a different state than where a beneficiary resides. Even if a state offers an ABLE program, a person should compare different state ABLE accounts to see which state's program is best for them. The ABLE National Resource Center provides information about all ABLE accounts available. (<http://www.ablenrc.org/>)

**Plan for Achieving Self Support (P.A.S.S.):** A PASS is a detailed plan agreed between you and the SSA Pass Cadre to use your earnings and/or SSDI benefits or other income to purchase items and services you need to achieve a work related goal. If approved, Social Security will increase, or make you eligible for, SSI benefits so that you have money to live on. Income put into a PASS won't be counted as resources by SSI.

Money in a PASS must be used for a work-related goal, such as:

- School or training
- Starting a business
- Equipment, support services, and other work-related expenses

For a PASS to be approved the money saved must be for a work-related goal that will lead to increase self-sufficiency and dependency on benefits. It is recommended to use a Work Incentive Coordinator to create a PASS, but anyone can write the plan to be approved by a PASS Cadre.

### [Supplemental Security Income \(SSI\) and Health Care](#)

When a person receives Supplemental Security Income (SSI) benefit they automatically receive Medicaid health care coverage. One of the main concerns for people who receive SSI benefits is losing their Medicaid health care coverage if they go to work. But

that is not really an issue. Social Security rules are created to so people don't have to choice between increasing their financial wellbeing through work and health care.

As long as a person is eligible for SSI, their Medicaid coverage continues, even if their SSI cash benefits go to zero. If SSI cash benefits go to zero because of earnings and resources are below the \$2,000 limit, SSI's 1619(b) rule means you can keep your Medicaid coverage. If income goes over the 1619(b) limit or resources exceed SSI's limits, most states have the ability to buy-in to Medicaid for a low monthly premium (maximum of \$35 a month) if you are working. There are also other health coverage options such as employer-sponsored coverage or private individual coverage.

### [Getting Help with Benefit Planning](#)

Understanding SSI Social Security benefits can be confusing. Certified benefit planners are available to provide individualized benefits counseling to assist in learning how work will impact benefits. Some projects like Work Incentive Planning and Assistance (WIPA) provide comprehensive services for free. Services may also be paid for through providers like Vocational Rehabilitation or private pay.