



Supplemental Security Income

Informational
Paper
45

Wisconsin Legislative Fiscal Bureau

January, 2019

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Supplemental Security Income

The supplemental security income (SSI) program provides federal and state benefits to guarantee minimum income for qualifying disabled, elderly, and blind individuals. As of July, 2018, approximately 119,300 Wisconsin residents received cash benefits under the program. In 2019, an eligible individual may receive a maximum monthly federal benefit of \$771, and an eligible individual with an eligible spouse may receive a maximum monthly federal benefit of \$1,157. These monthly maximum amounts are reduced by subtracting the individual or family's countable income. Although the federal benefit amount decreases as an individual or couple's countable income increases, the monthly state-funded supplement is a flat payment, and is based on several factors other than the countable income of the individual or couple.

The federal Social Security Administration (SSA) administers the program under the authority provided in Title XVI of the federal Social Security Act that specifies eligibility standards, federal benefit levels, and other program policies. SSA contracts with the Wisconsin Department of Health Services (DHS) to make program eligibility determinations. DHS administers the state-funded supplements to the federal benefit.

This paper describes the SSI program, including eligibility requirements, benefit levels, program administration, and participation and cost trends.

Eligibility

Federal law establishes financial and non-financial eligibility requirements for federal SSI

benefits.

Nonfinancial Criteria. In order to qualify for SSI benefits, an individual must be disabled, blind, or at least 65 years old. An adult can qualify for SSI due to a disability if he or she has certain disabling conditions, or cannot engage in "substantial gainful activity" (SGA) because of a physical or mental condition expected to last for over a year, or result in death. Each year, SSA establishes the level of work activity and earnings considered to be SGA. For 2019, the SGA, as it applies to SSI benefits, is \$1,220 per month. This SGA standard is the same as the standard used to determine eligibility for the federal Social Security Disability Insurance (SSDI) program for non-blind, disabled individuals.

A child with a disability can qualify if he or she has a physical or mental condition that results in severe functional limitations, and that is expected to last for over a year or result in death.

In Wisconsin, the DHS Disability Determination Bureau conducts disability assessments. SSA produces and updates a list of medical criteria the DHS Disability Determinations Bureau uses for disability determinations. Individuals diagnosed with a listed condition automatically meet the program's disability requirements. If the list does not include an adult applicant's condition, the Bureau determines whether the condition prevents the individual from engaging in SGA, and is comparable in severity to the listed conditions. All applicants under 18 years of age require an assessment to compare their condition against appropriate age norms.

To qualify for SSI based on blindness, a person must have vision no better than 20/200, or have a restricted visual field of 20 degrees or less with the

Table 1: Wisconsin Recipients of Federal SSI Benefits, by Eligibility Category*

Year	Disabled	Elderly	Blind	Total	% Increase	Under 18 Years Old (Subset of Total)	% Increase
2008	90,523	7,643	848	99,014		18,474	
2009	95,242	7,431	830	103,503	4.5%	19,681	6.5%
2010	99,395	7,228	853	107,476	3.8	20,587	4.6
2011	102,916	7,099	866	110,881	3.2	21,191	2.9
2012	106,148	7,086	868	114,102	2.9	21,953	3.6
2013	108,903	6,918	882	116,703	2.3	22,755	3.7
2014	109,865	6,901	875	117,641	0.8	22,606	-0.7
2015	110,790	6,796	901	118,487	0.7	22,889	1.3
2016	110,139	6,784	896	117,819	-0.6	22,063	-3.6
2017	110,417	6,778	894	118,089	0.2	21,422	-2.9

*Enrollment shown is of December 1 of each year.

best corrective eyeglasses.

Individuals over the age of 65 who are not disabled or blind may qualify for SSI benefits by meeting the program's financial eligibility criteria.

Table 1 shows the number of individuals in Wisconsin who received federal SSI benefits in each year, from 2008 through 2017 by eligibility category, and the number of recipients under 18 years old. As shown in the table, individuals receiving benefits on the basis of a disability comprise the largest group of recipients. These eligibility categories may not be mutually exclusive, as an elderly person with a disability may be counted as disabled when eligibility is initially determined.

Table 2 provides additional national demographic information on recipients of federal SSI payments as of December, 2017.

Financial Criteria. In general, household income may not exceed the maximum federal benefit level, plus \$20. In 2019, the maximum federal benefit equals \$771 per month, so the upper income limit to qualify for the program equals \$791. Individual recipients may not have more than \$2,000 in countable assets, and married couples may not have more than \$3,000 in countable assets. Assets such as cash, bank accounts, and

stocks are included, but a person's home, one vehicle, and life insurance policies of no more than \$1,500 are excluded. The earned and unearned income and assets of the parents of a blind or disabled child are considered when determining the child's eligibility, although certain income, such as foster care payments, are excluded from the calculation.

Table 2: National Demographic Information on SSI Participants, December, 2017

Total U.S. Participants	U.S. Total 8,227,676
Eligibility Category	
Disabled	85%
Elderly	14
Blind	1
Gender	
Male	47%
Female	53
Age	
Under 18	15%
18-64	58
65 or Older	27
Living Arrangement	
Own Household	82%
Parent's Household	12
Another's Household	4
Institutional Setting	2

Eligibility for Other Programs. SSI benefits can be provided in addition to other SSA-administered benefits, such social security retirement benefits, and SSDI benefits.

All SSI recipients automatically qualify for health care coverage under the state's medical assistance (MA) program, commonly referred to as Medicaid. In addition, SSI recipients may qualify for health coverage under Medicare. For individuals who are dually-eligible for both programs, the Medicare program is the primary payer for acute medical services, and the Medicaid program pays any Medicare premiums or cost-sharing, and pays for other services not covered by Medicare, including many types of long-term care services.

SSI recipients are not eligible to participate in Wisconsin Works (W-2), although their spouses may participate in W-2. Individuals may also qualify for other need-based programs, such as the federal supplemental nutrition assistance program, known as "FoodShare" in Wisconsin.

Benefits

Benefit Types. SSI recipients in Wisconsin may receive several types of payments:

- (a) federal benefit;
- (b) basic state supplement;
- (c) exceptional expense supplement (SSI-E); and
- (d) caretaker supplement.

Table 3 shows the payment level for each of these benefits in 2019. Appendix I shows the maximum federal and state benefit levels for individuals who live independently, for calendar years 1998 to 2019.

Federal Benefit. In 2019, SSA provides a federal payment of up to \$771 per month to SSI

recipients. This payment amount depends on individual income, with the payment amount decreasing as individual income increases. Individuals with no countable income receive the maximum payment amount.

The maximum benefit amount varies by living arrangement and marital status. If a recipient's spouse also receives SSI benefits, the couple receives a combined maximum benefit. The maximum allowable federal SSI benefit for a participant living in the household of another person is two-thirds of the benefit for individuals living independently.

The federal SSI benefit is adjusted annually to reflect cost-of-living adjustments (COLAs). The COLA reflects increases in the consumer price index for urban wage earners and clerical workers (CPI-W), as determined by the Bureau of Labor Statistics. If the CPI-W increases by less than 0.05 percent, or decreases by any amount compared to the third quarter of the year the last COLA was provided, the federal maximum benefit does not

Table 3: Maximum Monthly Payment Levels, 2017*

Maximum Federal Payment (FED)

<i>Living Independently</i>	
Individual	\$771.00
Couple	1,157.00

Living in Another Person's Household

Individual	\$514.00
Couple	771.33

State Supplement (GPR)

Individual	\$83.78
Couple	132.05

SSI-E (GPR)

Individual	\$95.99
Couple	345.36

Caretaker Supplement (FED)

One Child	\$250.00
Each Additional Child	150.00

*The benefit level for a couple applies if both individuals are SSI recipients.

change. The maximum federal benefit increased by 2.0% from 2017 to 2018, and by 2.8% from 2018 to 2019.

For individuals who enter an institution where the MA program pays for over half of the cost of care, such as a nursing home, the monthly federal SSI payment is reduced to \$30. This payment is considered a personal needs allowance for minor expenses, and the limitation begins in the first full month that an individual resides in the institution. However, if a physician certifies that a person's stay in an institution should not exceed 90 days and the person needs to maintain a home outside of the institution, the recipient continues to receive the full SSI benefit for up to three months.

Some children with disabilities receive medical treatment at home under MA state home care plans. If the child previously received the \$30 personal needs allowance while in an institution, he or she may still receive the allowance regardless of the parent or caretaker's income or resources.

Basic State Supplement. All Wisconsin residents who qualify for federal SSI benefits also qualify for a basic state supplement, funded with state general purpose revenue (GPR). Unlike the federal benefit, the basic state supplement is a flat payment that does not change based on income or living situation. If an individual qualifies for a federal SSI payment of any amount, he or she qualifies for the state basic supplement of \$83.78 per month. Married couples where both individuals qualify for SSI receive a monthly state supplement of \$132.05. A couple that includes one SSI-eligible individual and an ineligible individual receives a monthly state supplement of \$130.43.

Prior to 1996, individuals could receive the state supplement even if they received no federal payment, if their income was less than the combined amount of the federal and state benefits. Beginning in 1996, new applicants can only receive the state supplement if they qualify for a federal SSI benefit. However, individuals who received

only the state supplement as of December 31, 1995, continue to receive the state supplement as long as they meet all other SSI eligibility requirements. In July, 2018, 3,222 "grandfathered" individuals received only the basic state supplement and no federal payment. These individuals may not necessarily receive the full state supplement amount, as their benefit equals the difference between their income and the combined state and federal benefit, subject to the \$83.78 limit.

The current monthly state supplement amount has not changed since 1994. Rather than setting the amount of the monthly state supplement payment in law or administrative rule, state statutes provide a process by which DHS can change the state supplement payment amount by submitting a request to the Department of Administration (DOA). DOA may then submit the request to the Joint Committee on Finance, for consideration under a 14-day passive review process. Any changes made by the Committee are subject to approval by the Governor. If the Governor takes no action within 10 days of the Committee's action, the Committee's decision takes effect.

Exceptional Expense Supplement (SSI-E). Certain SSI recipients qualify for an additional state supplemental payment of \$95.99 per month for exceptional expenses, referred to as "SSI-E," in addition to the basic state supplement of \$83.78. The SSI-E amount for an eligible couple is \$345.06 per month. Like the basic state supplement, SSI-E is GPR-funded and does change based on income. In July, 2018, a total of 24,760 SSI recipients received SSI-E payments.

An individual who lives in a home or apartment may qualify for SSI-E if:

(a) the SSI recipient requires at least 40 hours per month of supportive home care, respite care, daily living skills training, or community support program services. For children living with a parent or recipients living with a spouse, only services needed when the parent or spouse is away from

home for employment count toward the 40-hour requirement. Additionally, for recipients living with a spouse, services needed because the spouse is physically or mentally unable to provide care count toward the 40-hour requirement;

- (b) the SSI recipient lives in a foster or group home for children, or in an adult family or foster home, if their expenses exceed the combined federal benefit, state basic supplement and SSI-E benefit; or
- (c) the SSI recipient lives in a community-based residential facility of 20 beds or fewer, adult family home, or a certified residential care apartment complex.

Caretaker Supplement. Certain SSI recipients with non-SSI eligible dependent children qualify for caretaker supplement payments of \$250 per month for one dependent child, and \$150 per month for each additional dependent child. Federal temporary assistance for needy families (TANF) funding transferred to DHS from the state Department of Children and Families supports these supplemental payments.

In July, 2018, 6,018 SSI recipients received a caretaker supplement, on behalf of 11,457 dependent children. An SSI recipient may receive the caretaker supplement if all of the following apply: (a) the child has two custodial parents, each custodial parent receives state SSI benefits; (b) the custodial parent assigns to the state any right to support payments received from any other person; (c) the child would have met the eligibility requirements for aid for families with dependent children (AFDC) if that program still existed; and (d) the child does not receive federal SSI benefits.

Table 4 provides the total GPR and TANF expenditure for the state supplement, SSI-E and caretaker supplement payments from state fiscal year 2008-09 through 2017-18.

Table 4: Total SSI-Related Benefit Costs, FY 2008-09 through 2017-18 (\$ in Millions)

Fiscal Year	Expenditures			% Change
	GPR	TANF	Total	
2008-09	\$137.3	\$28.1	\$165.4	
2009-10	139.9	29.2	169.1	2.2%
2010-11	143.9	30.4	174.3	3.1
2011-12	144.2	31.4	175.6	0.7
2012-13	148.5	30.5	179.0	1.9
2013-14	150.9	30.5	181.4	1.3
2014-15	153.5	29.5	183.0	0.9
2015-16	156.2	27.3	183.5	0.3
2016-17	156.6	25.7	182.3	-0.7
2017-18	156.4	24.6	181.0	-0.7

Federal "Pass-along" Requirement. When Congress implemented the COLA for federal SSI payments in 1974, some states responded by reducing state supplement payment level by an amount equal to the federal increase. Consequently, program beneficiaries may not have seen an increase in combined state and federal SSI payments. To prevent this and ensure that the COLA directly benefited program enrollees, Congress enacted the "pass-along" requirement in 1977, requiring that any state making supplemental payments maintain either the total annual expenditure level, or the benefit amount for each category of recipients.

Wisconsin currently meets the pass-along requirement by maintaining total annual expenditures, also known as maintenance-of-effort (MOE). Total supplemental payments for all recipients in a calendar year must meet or exceed the total expenditure in the preceding calendar year. The state could decrease the per-recipient payment level of \$83.78 and still comply with the pass-along requirements as long as total expenditures remain above the MOE level due to increased caseload.

Wisconsin currently funds all SSI benefits as caseload increases out of a sum-sufficient GPR appropriation. As a result, the state's required MOE amount has grown steadily over time. Wisconsin's

MOE amount for calendar year 2018 equaled approximately \$157 million GPR, based on calendar year 2017 benefit expenditures.

Benefit Calculation Examples. Appendix II provides four examples of benefit determinations for individuals living independently in 2019. The examples show the monthly benefit calculations for individuals in situations with difference levels of earned and unearned income. In these examples, the individuals do not receive SSI-E or caretaker supplement payments.

The federal SSI payment an individual receives equals the difference between the maximum benefit level and the individual's countable income (earned and unearned income, minus certain exclusions). Earned income includes wages and net earnings from self-employment; unearned income includes social security, veterans compensation, worker's compensation, pensions, annuities, gifts, maintenance-in-kind such as food and shelter, and interest. The income of an ineligible spouse or custodial parent living with a recipient counts toward that individual's eligibility status and payment amount.

SSI participants must apply for all other benefits for which they may qualify. Generally, cash benefits such as social security, veterans and worker's compensation benefits, and pensions are considered countable income. Need-based assistance funded with state revenue, however, is generally not considered countable income.

When determining countable income, \$20 of unearned income and \$65 of earned income is automatically excluded. Also, half of earned income is disregarded after all other exclusions are taken.

Work Incentives. Federal law includes a number of work incentive provisions for SSI participants:

- Section 1619(a) of the Social Security Act allows disabled and blind recipients working at or above the SGA level to continue to receive SSI benefits as long as the disabling condition does not improve. However, the cash benefit gradually decreases as earnings increase. In December, 2017, 285 Wisconsin SSI participants with average monthly earnings of \$1,394 benefited from this provision.

- Section 1619(b) maintains an individual's eligibility for MA even if the individual no longer receives an SSI payment because of earned income. This provision applies to individuals who are blind or have a disabling condition, continue to meet all other eligibility requirements (except for earnings), need MA-funded services in order to work, and have insufficient earnings to purchase comparable health care benefits. In December, 2017, 2,393 Wisconsin SSI recipients, with average monthly earnings of \$1,294, benefited from this provision.

- The "plan for achieving self-support" (PASS) allows disabled recipients and blind recipients to set aside income and resources under a written plan to achieve a vocational goal. These funds do not count against the SSI financial limits for up to 48 months. A PASS may also help establish initial financial eligibility by reducing an individual's countable income or resources to a level below the SSI limits. In December, 2017, nine Wisconsin SSI participants had an active PASS.

- Finally, federal law allows blind or disabled participants to disregard certain work expenses when determining SSI eligibility and benefit amount. Blind individuals may also disregard certain work expenses for items that do not relate to the person's condition. In December, 2017, 90 Wisconsin SSI recipients disregarded work expenses due to a disability, and 27 recipients disregarded work or other expenses due to blindness.

Administration

Local SSA offices process applications for SSI. The SSA contracts with the DHS Disability Determination Bureau to assess the disability status of SSI applicants. States may administer their own supplemental benefit payments, or contract with the SSA to administer the state supplement.

DXC Technology, formerly HP Enterprise Services, the MA fiscal agent contracted by DHS, administers the state supplement. DXC distributes payments and responds to questions from recipients. Under an addendum to the state's MA

contract with DXC, the state paid \$879,800 GPR in fiscal year 2017-18 to support administrative information technology costs, the production of benefit payments, historical file maintenance, communications with recipients, payment error recoupment, and the operation of a helpline.

County eligibility determinations for the caretaker supplement are made through the client assistance for re-employment and economic support (CARES) system, administered by DHS. Individuals receive one check that includes both the monthly SSI check and the caretaker supplement. In fiscal year 2018-19, \$900,000 in federal TANF funding is budgeted for administrative costs related to the caretaker supplement.

Additional Resources

Additional state and federal information on SSI is available through the following resources:

Department of Health Services
www.dhs.wisconsin.gov/ssi

Social Security Administration
www.ssa.gov/disabilityssi/ssi.html

SSI Administration Handbook
www.emhandbooks.wi.gov/ssi-admin

SSI-E Handbook
www.emhandbooks.wi.gov/ssi-e

Caretaker Supplement Handbook
www.emhandbooks.wisconsin.gov/cts/cts.htm

APPENDIX I
Maximum Monthly SSI Benefit for an Individual Living Independently

Calendar Year	Federal		State		Total	
	Amount	% Change	Amount	% Change	Amount	% Change
2000	\$513.00		\$83.78		\$596.78	
2001	531.00	3.5%	83.78	0.0%	614.78	3.0%
2002	545.00	2.6	83.78	0.0	628.78	2.3
2003	552.00	1.3	83.78	0.0	635.78	1.1
2004	564.00	2.2	83.78	0.0	647.78	1.9
2005	579.00	2.7	83.78	0.0	662.78	2.3
2006	603.00	4.1	83.78	0.0	686.78	3.6
2007	623.00	3.3	83.78	0.0	706.78	2.9
2008	637.00	2.2	83.78	0.0	720.78	2.0
2009	674.00	5.8	83.78	0.0	757.78	5.1
2010	674.00	0.0	83.78	0.0	757.78	0.0
2011	674.00	0.0	83.78	0.0	757.78	0.0
2012	698.00	3.6	83.78	0.0	781.78	3.2
2013	710.00	1.7	83.78	0.0	793.78	1.5
2014	721.00	1.5	83.78	0.0	804.78	1.4
2015	733.00	1.7	83.78	0.0	816.78	1.5
2016	733.00	0.0	83.78	0.0	816.78	0.0
2017	735.00	0.3	83.78	0.0	818.78	0.2
2018	750.00	2.0	83.78	0.0	833.78	1.8
2019	771.00	2.8	83.78	0.0	854.78	2.5

APPENDIX II

**Examples of SSI Benefit Calculations
Based on 2019 Maximum Payment Amounts**

- Individual A: No income
 Individual B: \$400 earned income per month
 Individual C: \$400 Social Security benefit per month
 Individual D: \$400 Social Security benefit and \$400 earned income per month

Step 1: Determine Income

	<u>Individual A</u>	<u>Individual B</u>	<u>Individual C</u>	<u>Individual D</u>
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Earned Income

Wages (Including all other Exclusions)	\$0.00	\$400.00	\$0.00	\$400.00
\$65 Earned Income Exclusion	<u>0.00</u>	<u>-65.00</u>	<u>0.00</u>	<u>-65.00</u>
Earned Income Subtotal	\$0.00	\$335.00	\$0.00	\$335.00
Countable Earned Income (Half of Subtotal)	\$0.00	\$167.50	\$0.00	\$167.50

Unearned Income

Social Security Benefits Received	\$0.00	\$0.00	\$400.00	\$400.00
\$20 Unearned Income Exclusion	<u>0.00</u>	<u>0.00</u>	<u>-20.00</u>	<u>-20.00</u>
Countable Unearned Income	\$0.00	\$0.00	\$380.00	\$380.00
Total Countable Income	\$0.00	\$167.50	\$380.00	\$547.50

Step 2: Determine Federal Monthly Benefit Based on Income

Maximum Federal SSI Payment	\$771.00	\$771.00	\$771.00	\$771.00
Total Countable Income	<u>0.00</u>	<u>167.50</u>	<u>380.00</u>	<u>547.50</u>
Monthly Federal Payment	\$771.00	\$603.50	\$391.00	\$223.50
(Difference between maximum federal payment and countable income)				

Step 3: Add Monthly State Basic Supplement

Flat Payment Amount	\$83.78	\$83.78	\$83.78	\$83.78
Total Monthly Payment	\$854.78	\$687.28	\$474.78	\$307.28