



# OUTCOMES: SUPPLEMENTAL SECURITY INCOME

**Supplemental Security Income (SSI) is a federal benefit that provides cash assistance to people who have low incomes, limited assets, and are disabled, blind, or elderly.** [SSI is a means-tested program](#), meaning that it is only available to people with very few monetary resources and certain other qualifying factors. For applicants with a disability, SSI uses [the same strict standard](#) that is used to determine eligibility for non-means-tested Social Security Disability Insurance (SSDI), requiring the long-term inability to earn more than the amount determined to be “substantial gainful activity.” While SSI and SSDI both assist people with disabilities, the programs have [different purposes](#). SSDI serves as insurance for anyone who has worked long enough to qualify before becoming disabled, while SSI is instead intended as “assistance of last resort” for those who are most in need. Children with severe disabilities are also eligible for SSI benefits. In 2015, [the average monthly federally administered SSI benefit](#) was \$541. Some states supplement SSI benefits, and in most states, SSI beneficiaries are also automatically eligible for Medicaid.

For a helpful guide from the Center on Budget and Policy Priorities, click [here](#).

## Who benefits?

**Nearly all SSI recipients have a disability, and SSI benefits only the most disadvantaged.** In August 2016, more than [8.3 million people](#) collected SSI, including more than 1.2 million children and nearly 2.2 million elderly. In 2015, [86% of all SSI](#) recipients were eligible due to a disability or blindness. Nearly [58%](#) of recipients claim SSI as their only income

**Women are disproportionately beneficiaries of SSI.** [According to 2015 data](#) from the Social Security Administration, 67% of elderly beneficiaries are women, and 52% of disabled beneficiaries ages 18 to 64 are women.

**Many SSI recipients have worked.** Many SSI recipients have worked long enough to collect Social Security, but receive a low enough benefit to also receive SSI. In 2014, 33% of SSI recipients [received Social Security as well](#).

## Critical Funding is At Risk or Nonexistent

**The FY 2017 Labor-HHS-Ed spending bill passed by the House Appropriations Committee does not match the President’s requested funding.** On July 14, 2016, the House Appropriations Committee passed their FY 2017 Labor, Health and Human Services and Education spending bill. [The bill](#) would appropriate to the Supplemental Security Income Program about \$662.4 million less than what the [President’s budget requested](#) for FY 2017.

**Speaker Ryan’s Poverty Plan would entirely eliminate SSI cash benefits for children with disabilities.** House Speaker Paul Ryan released his poverty plan, entitled “A Better Way,” in June 2016. In the plan, the Speaker proposes to entirely modify SSI for children with disabilities, eliminating cash benefits and providing services instead. This proposal flies in the face of the substantial research pointing to [SSI’s success](#) in helping to offset the cost of raising a child with a disability and in helping reduce poverty rates among families with disabled children. Additionally, [according to the Consortium for Citizens with Disabilities](#), replacing cash assistance with services would decrease the ability of families to tailor their SSI benefits specifically to their children’s needs, as they would no longer be able to purchase many items and services their children need and would instead be restricted to only the specific services provided by the government.

**Even absent cuts, SSI benefits are too low and do not reach enough people.** According to the Center on Budget and Policy Priorities (CBPP), basic SSI benefits are [about three-fourths](#) of the poverty line for a single person and are often inadequate to cover basic living expenses. In 2002, for the first time the average cost of renting a modest one-bedroom apartment in the US exceeded the SSI benefit level. Further, according to the National Women’s Law Center (NWLC), between 2011 and 2012, the [number of seniors](#) living in deep poverty rose by 235,000, while the number of seniors receiving SSI benefits rose by fewer than 23,000.

Updated October 2016. For this outcomes sheet and more, visit [www.chn.org/outcomes](http://www.chn.org/outcomes).

**Further, SSI's requirements are extremely out of date.** [According to NWLC](#), the income exclusion before additional Social Security benefits cause an equal reduction in SSI benefits has remained at \$20 a month since the SSI program's creation 40 years ago, even though the value of \$20 has eroded significantly with inflation. Further, the asset limit for SSI eligibility has remained at \$2,000 for an individual and \$3,000 for a couple for nearly 30 years, denying SSI to otherwise eligible people with minimal savings.

## Why it Matters: Good Outcomes of SSI

### **SSI provides vital assistance and alleviates poverty.**

- SSI helps lift beneficiaries out of poverty: according to a CBPP analysis that accounts for underreporting, SSI lifts about [4.9 million](#) people above the poverty line. Census Bureau data that does not account for underreporting shows that SSI lifted [3.3 million](#) people above the poverty line in 2015.
- SSI also reduces the depth of poverty. [According to CBPP](#), SSI reduced the aggregate poverty gap (the total amount of money needed to lift SSI recipients out of poverty) by more than two-thirds in 2010.
- According to the Consortium for Citizens with Disabilities, SSI, on average, increases overall household income [by 20%](#) and decreases the likelihood of a family living in poverty by 11%.
- SSI helps low-income parents deal with the added financial costs of caring for a child with a disability. The average cost associated with raising a disabled child is about [\\$6,150 a year](#); for the most impaired children, this number is about \$20,000 a year. According to the Center for American Progress' [TalkPoverty](#) project, families raising children with disabilities are more than twice as likely to face material hardships like homelessness, food insecurity, and utility shutoff. SSI benefits [help offset](#) some of the most commonly incurred disability-related costs as well as the lost income when a parent must stay home or reduce hours to care for a child.
- Researchers have found that SSI is [particularly effective](#) at targeting benefits to those who need them most, especially poor elderly women. According to data from a 2002 study, 75% of SSI benefits to the elderly population go to elderly women, and this closely reflects the percentage of the poor elderly population that is female: 76%.

### **SSI helps people with disabilities integrate back into society and into the workforce.**

- SSI (in conjunction with Medicaid and other forms of assistance) makes living in a community possible for people with severe mental illness and intellectual disabilities. According to CBPP, 10 years before the establishment of SSI, more than half a million people with severe mental disabilities lived in mental hospitals. Between 1955 and 2003, this [number declined](#) to about 60,000, and most of the decline occurred after SSI was established.
- SSI helps people with disabilities return to work and retain employment, even if they are unable to support themselves entirely through work. In December 2014, [roughly 315,000](#) SSI beneficiaries with disabilities were employed. When an SSI beneficiary transitions to work, they are not penalized by losing SSI income dollar for dollar— instead, after the first \$65 of earnings the SSI grant is reduced by 50 cents for every dollar earned.

### **SSI improves health.**

- Because SSI beneficiaries in most states are automatically eligible for Medicaid, SSI is [an important means](#) of connecting them to critical medical care. Additionally, recipients of SSI are, in most states, [eligible for SNAP](#), which has been shown to reduce food insecurity and promote good health.

### **SSI reaches those truly in need, with very little abuse.**

- SSI [eligibility requirements are strict](#): only around 40% of applications are approved, and less than one-fourth of children with disabilities received SSI in August of 2012.
- CBPP reports that there is [no reliable evidence](#) of widespread abuse among families receiving SSI on behalf of disabled children, despite rumors to the contrary. While anecdotal evidence has occasionally reported that families will place their children on certain medicines or pull their children out of school to qualify for SSI, actual data shows that children taking psychotropic drugs are actually *less* likely to qualify for SSI compared to the average applicant, and 98.6% of non-institutionalized children ages 6 to 12 who receive SSI are enrolled in school.