

Supplemental Security Income: Policy Updates and Proposals

Supplemental Security Income, or SSI, provides a lifeline and sustains millions of disabled children and adults who would otherwise succumb to poverty, homelessness, and sometime even death. However, the SSI program is encumbered with rules, regulations and restrictions, resulting in additional hardship on its recipients.

SSI has recently been the subject of much needed policy reform. The Social Security Administration updated its policy manual, providing clarification on the release of retroactive, or past-due, installment payments. The Social Security Advisory Board recently held a symposium on the SSI program, including the topics of resource limits and “In-Kind Maintenance and Support.” Finally, Speaker of the US House of Representatives, Paul Ryan recently announced a six-point initiative, including proposed reform to the SSI program.

Social Security Updates Policy Manual on SSI Installment Payments

The Social Security Administration recently updated Program Operations Manual System (‘POMS’), section 02101.020, “Large Past-Due SSI Payments by Installments.” This section requires that where the SSI beneficiary is entitled to a past-due amount of benefits, such amount must be released installments if the amount exceeds three times the current federal benefit rate (‘FBR’). Currently, the FBR is \$733 per month for SSI recipients. Accordingly, if the beneficiary is entitled to a past-due amount greater than \$2199 (after the reduction of attorneys fees), then the amount must be released in installments in six-month intervals.

Many SSI recipients struggle with this policy, especially given the lengthy period of time they have waited to be approved for these benefits. By the time they are approved, many are in serious debt, or have already lost their housing or cars. To have to wait a period of six months to receive a portion of their retroactive benefit does little to help them get back on their feet.

The only exceptions to this rule are if the beneficiary suffers from a terminal illness; or if the beneficiary is no longer eligible for the benefit by the time he or she is awarded (ie, a closed period). In these instances, the beneficiary may receive the entire retroactive amount.

This policy clarification provides direction for beneficiaries who need emergency assistance for debts for food, clothing, shelter and/or medical expenses. A beneficiary must provide proof of these debts and receive his or her installment early. The policy clarification further expounds on what is considered as debts for these essentials, including past due rent, utilities, mortgage payments or property taxes. Medical expenses may include a car to get to doctors appointments for those living in rural areas with restricted access to public transportation, or a phone to call treating providers to make appointments.

Social Security Advisory Board Hosts a Panel Discussion on the SSI Program

The Social Security Advisory Board (‘SSAB’) recently hosted a program, including several panel discussions on SSI. Among the topics of these panel discussions

were the resource limits for SSI recipients and In-Kind Maintenance and Support ('ISM').

Currently, to be eligible to receive SSI, after establishing the medical requirements for disability, the beneficiary must meet specific non-medical criteria. The SSI beneficiary must not have excessive resources, including more than \$2000, a home and one automobile. If the beneficiary's resources exceed these limits, he or she is not eligible to receive monthly benefits.

The SSAB panel discussion included a proposed increase in these limits. Participants cited benefits of this proposal include a reduction in poverty, as well as a reduction in the burden on the agency in calculating and monitoring the beneficiary's resources during the period of entitlement.

Also discussed at this program was the current policies related to In-Kind Support and Maintenance ('ISM'). The SSI beneficiary's benefit is reduced by up to one-third where he or she receives support, including food and/or shelter from a friend or family member.

Proposed changes to this policy included modification of this reduction. Specifically, a person living with family would receive two-thirds of the FBR; a person living with others (not family members) would receive the full FBR; and those living alone would receive ten percent over the FBR.

Speaker Ryan's New Plan for SSI

Speaker Ryan recently rolled out "A Better Way," a Republican sponsored initiative that includes six policy objectives aimed at fostering "a more confident America." Included in these six objectives is "Reducing Poverty." Chief among this objective is promoting return to the workforce among the impoverished, and reducing fraud and waste in federal benefit programs. The plan proposes that SSI benefits be converted to access to needed services in lieu of cash.