Policy Opportunities to Increase the Supplemental Security Income (SSI) Resource Limit

Kate Lang, Director, Federal Income Security, Justice in Aging
Kathleen Romig, Director of Social Security and Disability Policy, Center on Budget and Policy Priorities

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Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we’ve focused our efforts primarily on fighting for people who have been marginalized and excluded from justice, such as women, people of color, LGBTQ+ individuals, and people with limited English proficiency.
Justice in Aging’s Commitment to Advancing Equity

To achieve Justice in Aging, we must:

• **Advance equity** for low-income older adults in economic security, health care, housing, and elder justice initiatives.

• Address the enduring harms and inequities caused by systemic racism and other forms of discrimination that uniquely impact low-income older adults in marginalized communities.

• Recruit, support, and retain a diverse staff and board, including race, ethnicity, gender, gender identity and presentation, sexual orientation, disability, age, and economic class.
Housekeeping

• All on mute. Use Questions function for substantive questions and for technical concerns.

• Problems with getting on to the webinar? Send an email to trainings@justiceinaging.org.

• Find materials for this training and past trainings by searching the Resource Library, justiceinaging.org/resource-library. A recording will be posted to Justice in Aging's Vimeo page at the conclusion of the presentation, vimeo.com/justiceinaging.

• Enable closed captioning by selecting “CC” from the Zoom control panel.
Today’s Webinar

• Overview of Supplemental Security Income (SSI)
• Overview of SSI Resource Limit
• CBPP Research on Updating SSI Resource Limit
• Legislative Opportunities for Updating SSI Resource Limit
Supplemental Security Income (SSI)

- Federal program administered by the Social Security Administration (SSA)
- “Means-tested” program
- Subsistence level income for aged, blind, or individuals with disabilities
SSI vs. RSDI: Similarities

**Supplemental Security Income (SSI)**
- Title XVI

**Retirement, Survivors, and Disability Insurance (RSDI)**
- Title II
- Social Security
- Social Security Disability Insurance (SSDI)

- Both administered by Social Security Administration
- Both apply the same disability standard to determine eligibility
# SSI vs. RSDI: Differences

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<thead>
<tr>
<th><strong>SSI</strong></th>
<th><strong>RSDI</strong></th>
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<tbody>
<tr>
<td>• Funded by general fund taxes</td>
<td>• Funded through payroll (FICA) taxes, paid into Social Security trust funds</td>
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<tr>
<td>• Strictly need-based, “means-tested” program</td>
<td>• Employment-based social insurance program</td>
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Basic Eligibility for SSI

• Specific Category
  • Blind or disabled, or
  • Aged 65 or older

• Financial
  • Limited income, and
  • Limited resources

• Status
  • U.S. citizen, or in one of certain categories of immigrants
  • Living in U.S.
7.5 Million People Currently Receive SSI Benefits

May 2023

- Under 18: 1 million
- 18 to 64: 4.1 million
- 65 or older: 2.4 million
2023 Federal Benefit Rate (monthly): $914/individual, $1,371/couple

Average monthly payment = $675
SSI Resource Limit
Resources

• What is a resource for SSI purposes?
  Anything available to use for food and shelter.
Resource Limit

• Maximum allowed value:
  • Under $2,000 for an individual
  • Under $3,000 for a couple
How and When Resources are Counted

• How Resources are Counted
  • Based on the equity an individual has in the resource

• When Resources are Counted
  • Once a month
  • At the beginning of the first day of the month following receipt
  • Resources held only in the middle of the month are not counted
Excluded Resources

• Home
• Household goods and personal property
• One vehicle
• Burial plot
• Burial funds and/or life insurance (up to $1,500)
• Retroactive benefits up to 9 months after receipt
• Earned Income Tax and Child Tax Credits up to 9 months after receipt
• Economic Impact Payments (stimulus payments)
Overpayments

• Leading cause of SSI overpayments – financial accounts over resource limit
• SSA estimates this results in $1.4 billion in SSI overpayments annually
• Can also result in SSI benefits being suspended prospectively
Transfer Penalty

• Transfer of resources for less than market value
• Transfer period: Transfer occurring any time in the prior 36 months
• Consequence: Ineligibility for up to 36 months, depending on the value of the transfer
• Example: Older adult with an extra car that puts them over the resource limit can’t give it to their child for free or will become ineligible for SSI
• Learn More: NCLER SSI Transfer Penalty: Walk through a Case
The Case for Updating
SSI Asset Limits

Raising or Eliminating Limits
Would Improve Access and
Reduce Burdens Without
Dramatically Increasing Costs

Kathleen Romig
July 6, 2023
Supplemental Security Income’s Asset Limits Are Outdated

- Current limits (frozen since 1989)
- If limits had been adjusted for inflation since 1972

More Than Half of Supplemental Security Income Beneficiaries Have No Other Source of Income

Percent of SSI beneficiaries receiving other sources of income, by age, December 2021

- **Children under 18**:
  - Earned income: 0.2%
  - Other unearned income: 6.2%
  - Social Security: 23.1%
  - No other income: 73.1%

- **Adults 18-64**:
  - Earned income: 4.1%
  - Other unearned income: 7.4%
  - Social Security: 27.7%
  - No other income: 63.7%

- **Adults over 65**:
  - Earned income: 1.1%
  - Other unearned income: 10.4%
  - Social Security: 37.9%
  - No other income: 56.9%

Note: Totals do not add to 100 percent because beneficiaries may fall into multiple categories.
Source: Social Security Administration, SSI Annual Statistical Report, 2021, Table 8
Even Radical Changes to SSI’s Asset Limit Do Not Dramatically Change Projected Participation

Percent change in SSI beneficiaries at higher asset limits

![Bar Chart](chart)

New asset limit for an individual

Note: SSI = Supplemental Security Income. Under current law, SSI eligibility is limited to those who have only $2,000 in assets, or $3,000 for married couples. “Excluding retirement” refers to the exclusion of retirement account balances in determining asset eligibility. For each proposal, the new asset limit for married couples would be twice the limit for individuals.

Source: CBPP analysis of Survey of Income and Program Participation data for 2014
Legislative Opportunities
Legislative Opportunities

• SSI Savings Penalty Elimination Act
  • S. 4102 (2022)

• SSI Restoration Act
  • S. 2065/HR 3824 (2021)
Questions?

Kathleen Romig, kromig@cbpp.org
Kate Lang, klang@justiceinaging.org