

Supplemental Security Income (SSI) is a need-based income program for the aged, blind and disabled who have limited income and assets.

Age 65 is the minimum for the age category, although the blind or disabled can be any age. The federal portion of the benefit is administered by the Social Security Administration (SSA), and some states offer a supplemental amount that may be administered by either the SSA or a state agency. Many states also give Medicaid eligibility automatically to those who are SSI eligible.

The SSI benefit payment amount is a minimum monthly income standard based upon the recipient's living arrangement and other available support and income. State supplements may increase this amount. In determining the SSI payment, all other income is counted unless it is specifically excluded. Examples of countable income

include work earnings, Social Security and other government benefits, child support, and gifts of food, clothing or shelter.

Not all countable income actually reduces benefits.

The first \$20 of "unearned" income each month is not counted. Examples of unearned income include Social Security benefits, trust distributions and gifts. The first \$65 of the remainder of "earned", or work, income each month is also not counted.

Total countable assets or "resources" cannot exceed \$2,000. Certain resources are not counted, including irrevocable burial contracts, a personal residence, a vehicle of limited value, household items, and a \$1,500 insurance policy or bank account designated for burial.

In the month that something of value is received, it is considered income. If it is retained the following month, it becomes

a resource. Income and resources of a spouse, parent to a child under age 18, or alien sponsor, are "deemed" as available to the recipient for eligibility with certain exclusions.

If a recipient gives away a countable resource or source of income for less than market value, the SSI benefit will be reduced or suspended based upon the value of the gifted amount. The reduction or suspension formula is the loss of one month's benefit for each monthly federal and state supplement benefit rate amount gifted away. The maximum disqualification period is 36 months regardless of the gifted amount. The disqualification period may be waived due to hardship exceptions.

Certain gifts do not cause a SSI disqualification period. These include gifts to a spouse, disabled child, a personal residence to a child whose care keeps the recipient out of a nursing home for two

years or longer, or a share of a home co-owned by a sibling who has lived there for a year or longer. Gifted property causing a disqualification period that is given back to the SSI recipient will reverse the disqualification.

A recipient may also put property into a supplemental needs trust without having the trust property become a countable resource or cause a disqualification period. The trust must be created under certain statutory requirements, including payback of the state Medicaid agency upon the recipient's death for all benefits received.



Special needs require special lawyers.

Special Needs Alliance members are available nationwide.

To contact a member in your area, call **877-572-8472**, or visit us online at **www.specialneedsalliance.com**.



Providing the best
quality of life
requires informed
decisions.

The best way to provide your special needs child with compassionate care and a comfortable life is to support your legal and financial decisions with reliable information and proven expertise. That's why America's finest disability lawyers have combined their talents to create the Special Needs Alliance.

As lawyers in the field of Disability and Public Benefits Law, we help to enhance your child's quality of life. Every member of the alliance has the resources and legal expertise to help you maintain public benefits for your child and develop effective estate plans that protect your assets.



This brochure is provided as a service of the Special Needs Alliance and is informational only. It is not intended to serve as legal advice or replace the advice of a legal professional.

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