

**Annual Report
of the
Supplemental
Security
Income Program**

**Social Security Administration
May 2009**



SOCIAL SECURITY

The Commissioner

May 29, 2009

President Barack H. Obama
The White House
Washington, D.C.

The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, D.C.

The Honorable Joseph R. Biden, Jr.
President of the Senate
Washington, D.C.

Dear Mr. President, Madam Speaker, and Mr. Biden:

It is my pleasure to submit to you the 2009 Annual Report of the Supplemental Security Income Program (the thirteenth such report), in compliance with section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Sincerely,

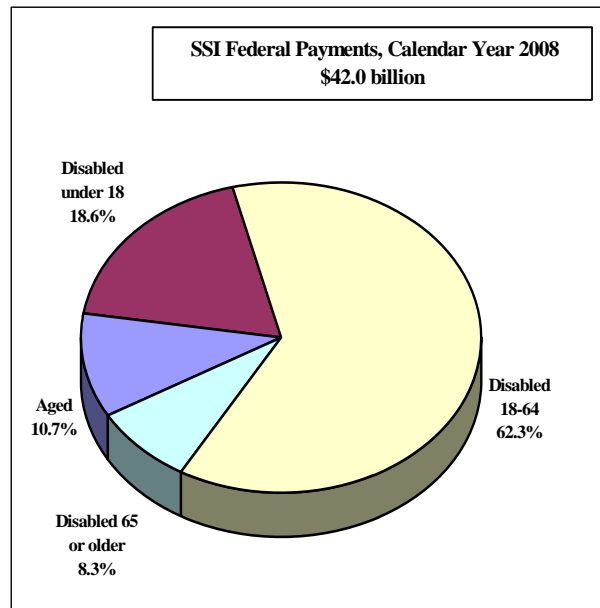
Michael J. Astrue

EXECUTIVE SUMMARY

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) directs the Social Security Administration (SSA) to report annually to the President and to the Congress on the status of the Supplemental Security Income (SSI) program. A required element of these reports is to provide projections of program recipients and costs through at least 25 years. This report is the thirteenth of such reports, and following are its major highlights and findings.

Highlights of the SSI Program

- The SSI program is a nationwide Federal assistance program administered by SSA that guarantees a minimum level of income for needy aged, blind, or disabled individuals. It acts as a safety net for individuals who have limited resources and little or no Social Security or other income.
- In January 2009, 7.2 million individuals received monthly Federal SSI payments averaging \$474, up slightly from 7.1 million recipients with an average payment of \$445 in January 2008.
- Federal expenditures for cash payments under the SSI program during calendar year 2008 increased 6.4 percent to \$42 billion, while the funds made available to administer the SSI program in fiscal year 2008 remained level at \$2.9 billion. In calendar year 2007 the corresponding Federal program expenditures were \$39.5 billion.



Major Findings of the Report

- By 2033, the end of the 25-year projection period, the Federal SSI recipient population is estimated to reach 9.7 million. The projected growth in the SSI program over the 25-year period is largely due to the overall growth in the U.S. population, although the current economic recession is expected to temporarily generate additional growth beyond what might be expected from historical trends. The percentage of the population receiving SSI is projected to vary somewhat by age group, with the percentage for those age 65 or older projected to decline and the percentage for those under 65 projected to increase slightly.
- Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients increased slightly from 2.28 percent in 2007 to 2.31 percent in 2008 and is projected to increase gradually to 2.56 percent of the population by 2033 due largely to the changing age distribution of the population.
- Federal expenditures for SSI payments in calendar year 2009 are estimated to increase by \$2.8 billion to \$44.9 billion, an increase of 6.7 percent from 2008 levels.
- In constant 2009 dollars, Federal expenditures for SSI payments are projected to increase to \$57 billion in 2033, a real increase of 1.3 percent per year.
- When compared to the Gross Domestic Product (GDP), Federal SSI expenditures are projected to temporarily increase from the 2008 level of 0.29 percent of GDP due to the effects of the economic recession, but thereafter gradually decline over time to 0.25 percent of GDP by 2033.

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I. INTRODUCTION

The SSI program was established by Congress in 1972, with payments beginning in January 1974. It is administered by SSA. SSI replaced the former Federal-State programs of Old-Age Assistance, Aid to the Blind, and Aid to the Permanently and Totally Disabled in the 50 States and the District of Columbia. Residents of the Northern Mariana Islands became eligible for SSI in January 1978.

Under the SSI program, each eligible person living in his/her own household and having no other countable income is provided in 2009 a monthly Federal cash payment of \$674 (\$1,011 for a couple if both members are eligible). Since 1975, these Federal SSI benefit rates have been increased by applying the same cost-of-living adjustment that has been applied to benefits under the Old-Age, Survivors, and Disability Insurance (OASDI) program. In addition to setting a Federal benefit standard, the legislation establishing SSI also permitted individual States to supplement the Federal payment with an additional monthly amount. As described in section III, these State supplementary payments can be either voluntary at the option of the individual States or, in certain cases, mandatory under requirements in effect when the SSI program began.

Under section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, SSA is required to submit a report on the SSI program to the President and Congress no later than May 30 of each year. This is the thirteenth annual report on the SSI program. The legislative mandate requires that the report include:

- A comprehensive description of the SSI program;
- Historical and current data relating to (1) claims intake and dispositions at all levels of decision making; (2) demographic information about recipients, including program cost and prior enrollment in other public benefit programs; (3) redeterminations, continuing disability reviews, and utilization of work incentives; (4) administrative costs; and (5) State supplementation program operations;
- 25-year projections of future recipients and program costs;
- A historical summary of statutory changes to title XVI of the Social Security Act; and
- Summaries of any relevant research on the SSI program by SSA or others.

In addition, the legislation specified that the report may include views of the SSI program by the Social Security Advisory Board.

Much of the required information is the subject of extensive ongoing research. In responding to each of the specific requests for information, every effort has been made to provide the best information available at this time. SSA will continue to make improvements upon such information, in order to provide the President and Congress with the input necessary to effectively manage this important part of our society's social safety net.

II. HIGHLIGHTS

The SSI program is a nationwide Federal assistance program administered by SSA that guarantees a minimum level of income for needy aged, blind, or disabled individuals. This section presents highlights of recent SSI program experience, a summary of important changes to the program in the last year, a discussion of current issues facing the SSI program, and a summary of the key results from the 25-year projections.

A. RECENT PROGRAM EXPERIENCE

SSI program experience during the past year included the following:

- During calendar year 2008, 2 million individuals applied for SSI benefits based on blindness or disability, an increase of 5 percent over 2007. An additional 147 thousand applied for SSI benefits based on age, an increase of 2 percent from 2007. In 2008, 930 thousand applicants were awarded SSI benefits, an increase of 10 percent as compared to the 844 thousand awarded benefits in 2007.
- Each month on average during calendar year 2008, 7.2 million individuals received Federal SSI benefits. This group was composed of 1.1 million aged recipients, 6 million disabled recipients, and 66 thousand blind recipients. Of the 6.1 million blind or disabled recipients, 0.8 million were aged 65 or older. During the year, 8.1 million aged, blind, or disabled individuals received at least 1 month's Federal SSI benefit.
- Federal expenditures for payments under the SSI program in calendar year 2008 totaled \$42 billion, up from \$39.5 billion in 2007.
- Each month on average during calendar year 2008, 2.3 million individuals received Federally-administered State supplementary payments. This group was composed of 0.6 million aged recipients, 1.7 million disabled recipients, and fewer than 50 thousand blind recipients. During calendar year 2008, 2.6 million individuals received at least 1 month's Federally-administered State supplementary payment.
- State expenditures for Federally-administered supplements, excluding fees for Federal administration, totaled \$4.4 billion in calendar year 2008, up from \$4.3 billion in 2007.
- The percentage of SSI recipients participating in direct deposit reached 60 percent in fiscal year 2008. SSI recipient participation in direct deposit has increased gradually in recent years after experiencing a period of sharp growth when it more than doubled from 24 percent in 1995 to 49 percent in 2000.
- The cost of administering the SSI program in fiscal year 2008 was \$2.9 billion, which was roughly 6 percent of total Federally-administered SSI expenditures.
- In January 2009, 7.5 million individuals received Federally-administered monthly SSI benefits averaging \$504. Of these, 7.2 million received monthly Federal SSI payments averaging \$474, and 2.3 million received monthly State supplementation payments averaging \$156.

B. SSI LEGISLATION SINCE THE 2008 ANNUAL REPORT

Since the 2008 SSI Annual Report was transmitted to the President and Congress on May 30, 2008, the following legislative changes were made to the SSI program:

Public Law 110-245, enacted June 17, 2008

Provides that most cash military compensation will be treated as earned income for SSI purposes, thus allowing the service member to benefit from the SSI program's more favorable consideration of earned income.

Provides that privatized military housing allowances withdrawn directly from a service member's pay by military payroll and paid to the landlord, will be considered in-kind income and the SSI benefit reduction attributable to the housing allowance will be capped at one-third of the Federal benefit rate. In other cases, housing allowances will be considered earned income.

Excludes State-provided pensions for aged, blind, or disabled veterans (or their spouses) from income and resource considerations for SSI purposes.

Excludes any cash or in-kind benefits provided under an AmeriCorps program from income consideration for SSI purposes.

Public Law 110-328, enacted September 30, 2008

Extends the 7-year eligibility period for certain refugees, asylees, and other humanitarian immigrants (including victims of human trafficking) to 9 years for the period October 1, 2008 through September 30, 2011.

The 2-year extension also applies to those noncitizens whose SSI had previously ceased due to the expiration of the 7-year period. For these individuals, SSI benefits will be paid prospectively, monthly over the duration of the noncitizen's renewed eligibility.

Exempts time-limited noncitizens from the 7-year cap on SSI eligibility during the 3-year window of October 1, 2008, through September 30, 2011, if they have naturalization applications pending or are awaiting the swearing-in ceremony.

Public Law 111-5, enacted February 17, 2009

Provides a one-time economic recovery payment of \$250 to individuals not residing in Medicaid-funded treatment facilities who were eligible for SSI benefits in November 2008, December 2008, or January 2009. This payment will not be counted as income or taken into account for resources for the month of receipt and the following 9 months.

C. CURRENT ISSUES FACING THE SSI PROGRAM

Throughout the past year, SSA has continued to ensure that its programs provide support for millions of beneficiaries. In particular, the SSI program provides a safety net for the neediest of aged, blind, and disabled Americans—an especially valuable form of aid during this severe economic downturn, when an increasing number of Americans rely on the Federal Government for assistance. Concurrently, an increase in the number of program beneficiaries generates additional burdens for SSA that are inherent in the administration of the SSI program. Confronted with the uncertainty of annual appropriations needed to support our large workloads, SSA must constantly balance the mandate to provide the required cash assistance to eligible SSI recipients with the equally important stewardship obligation to ensure that the correct levels of SSI payments are made and that these payments only go to those who truly meet the legislatively established requirements of the program. Our ability to manage these competing challenges will ultimately

be the measure of success in our administration of the SSI program. Additional details of some successes and challenges recognized since the 2008 report are provided in the following paragraphs.

Economic Recovery Payments

The American Recovery and Reinvestment Act of 2009 provided for a one-time payment of \$250 to adult Social Security beneficiaries, and to SSI recipients, except those in Medicaid-funded treatment facilities. Congress worked with the Administration to provide this relief to millions of beneficiaries. In response, SSA has worked with several Federal agencies including the Department of the Treasury, the Department of Veterans Affairs, and the Railroad Retirement Board to ensure that beneficiaries receive these payments in a timely manner. As a result, these Economic Recovery payments to nearly 55 million Social Security and SSI beneficiaries were made in May, 3 to 6 weeks ahead of the statutory requirement.

Expected Significant Increases in Claims Receipts

As a result of the economic downturn, SSA also expects to see substantial increases in applications for both Social Security and SSI benefits. While the baby-boom retirement wave has been expected, increases beyond those anticipated could occur due to persons who have been recently unemployed choosing to leave the labor force and elect earlier-than-expected retirement. In addition, the sharp increase in unemployment is expected to generate a significant increase in disability claims. Because SSI is predominately a program paying benefits to persons with disabilities, such increases in disability claims would result in significant increases in SSI program outlays and administrative costs. In addition to the increase in SSA's workloads, the demographics of an aging labor force also affect our ability to meet these workload challenges. Many of SSA's most experienced staff are baby boomers themselves. Recent projections indicate that we might lose more than 40 percent of our current employees by 2016. Through additional funding recently provided by the President and Congress, we have started to replenish our staff, although newly hired staff will not have an immediate impact on our workloads since hiring and training employees is a lengthy process.

Payment Accuracy

As mentioned in last year's report, SSI payment accuracy is beginning to reflect the strain of years of underfunding of SSA's administrative budget. Since then, payment accuracy (measured as percentage of SSI payments made that are free from overpayments) continues to decline, from 90.9 percent in FY 2007 to 89.7 percent in FY 2008. This number is measured by internal quality reviews and is our most comprehensive measure of program performance. As in past years, the two areas with the highest error rate are earned income and resources (primarily bank accounts). This decline in payment accuracy is almost certainly related to recent declines in the resources available to conduct nonmedical redeterminations.

Beginning in FY 2009, however, increased resources are being provided for such nonmedical redeterminations, and it is hoped that this change will help reverse the downward trend in payment accuracy. In addition, we are committed to developing additional tools to assist in the process of ensuring payments are made properly. An example of such a tool is the Access to Financial Institutions (AFI) initiative. Under this program, SSA is able to electronically submit requests for verification of bank data, helping to determine whether SSI applicants have undisclosed resources, a factor that could affect their eligibility for SSI benefits. The AFI initiative has been tested in three States and results to date have shown a positive return on investment, suggesting that expansion of the AFI initiative on a nationwide basis would improve our stewardship of the program. However, in order to continue AFI operations in these three States, as well as complete a nationwide expansion, we need sustained dedicated funding for training and systems development, in addition to funding of ongoing maintenance costs.

Performing More CDRs and Redeterminations

Robust program stewardship and program integrity are necessary for preserving the public's trust in our programs. As indicated above, one of our important tools in assuring payment accuracy is the nonmedical redetermination which periodically reviews the factors that can change or eliminate the eligibility of an individual. In addition, the main tool in evaluating whether disabled individuals continue to satisfy the medical eligibility requirements of the SSI program is the continuing disability review (CDR). In recent years, due to reduced funding for such efforts, SSA has had to defer some of these program integrity efforts. However, with the funds appropriated to SSA by Congress in the *Omnibus Appropriations Act, 2009* (Public Law 111–8), we expect to conduct 1.7 million SSI redeterminations, an increase of nearly 500,000 compared to FY 2008. Furthermore, estimates continue to indicate that SSA will achieve a savings in Federal SSI payments of roughly \$10 for every \$1 spent conducting additional redeterminations above our base workload volume. The FY 2010 President's Budget includes \$759 million for our program integrity efforts, an increase of \$255 million from FY 2009. This increased funding would allow us to complete a total of 794,000 CDRs¹ and 2,322,000 SSI redeterminations during FY 2010.

Potential Program Improvements

Because the public expects secure, convenient, and easy-to-use electronic services, we have enhanced two online programs. Ready Retirement and Disability Direct allow Social Security claimants to simplify the process for filing for benefits, while also allowing claimants to file from any home or office with Internet access. In the long term, we would like to provide an Internet option for SSI applicants as well. However, because of the complexity of SSI, automation will be challenging. Were certain eligibility and benefit calculations to be simplified, automation of the application process might be more tractable. However, such simplification efforts must be balanced against the means-tested nature and aims of the SSI program. Achieving such a balance is an ongoing challenge, but we remain committed to finding ways to simplify SSI, and to providing a wide array of service options for our beneficiaries.

Although legislative and regulatory changes have attempted to simplify aspects of the SSI program, the means-testing requirements remain complicated. We expect to work with Congress in support of the President's proposal to revisit asset limits for Federal means-tested programs, many of which have remained unchanged for over 20 years. Nevertheless, even with needed simplification and reformed assets tests, we are in the early phases of the SSI automation initiative, and we anticipate that at its completion beneficiaries will have more filing options, and our employees will—in some cases—have a less labor intensive adjudication process.

We are also continuing efforts to strengthen our representative payee program. We have begun to pull sample sets of representative payee cases and perform spot checks to ensure integrity and compliance. There is also an effort underway to match data with National Protection and Advocacy groups. This will allow us to flag potential “problem” cases and check them against our data to ensure that representative payees are properly financially managing the SSI payments of our beneficiaries who are incapable of managing their own payments.

Moving Forward

The SSI program is one of the most relied upon programs for some of the nation's neediest individuals. Because of the program's important role as a safety net, we must be mindful that we have a responsibility to wisely use our resources. Given the proper resources, we can strive to achieve the high level of SSI payment accuracy that legislators and the public expect from us. However, even with sufficient resources, we

¹ This figure is the total number of CDRs expected to be processed in 2010, including cases involving OASDI and/or SSI. Over the past several years, CDRs involving SSI recipients have represented about 45 percent of the total number of CDRs processed.

realize that the SSI program still needs to be simplified. New legislative or regulatory proposals may be needed to address issues identified by our stewardship reviews. With the continued support of Congress and adequate funding, we will strive to overcome these challenges. We are committed to carry out our mission of advancing the economic security of the nation's people through compassionate and vigilant leadership.

D. KEY RESULTS FROM THE 25-YEAR PROJECTIONS

The major findings in the 25-year projections prepared for this report are summarized below:

- Following small declines in the SSI recipient population in the late 1990s due to the combined impact of Public Law 104-121 and Public Law 104-193, modest growth in the SSI rolls resumed in 2000, and is expected to continue throughout the projection period largely due to the growth in the U.S. population, although the current economic recession is expected to temporarily generate additional growth beyond what might be expected from recent historical trends. By 2033, the Federal SSI recipient population is estimated to reach 9.7 million. Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients is projected to increase slightly from 2.31 percent of the population in 2008 to 2.56 percent by 2033 due largely to the changing age distribution of the population.
- Federal expenditures for SSI payments in calendar year 2009 are estimated to increase by \$2.8 billion to \$44.9 billion, an increase of 6.7 percent from 2008 levels. In constant 2009 dollars, SSI program outlays are projected to increase to \$57.0 billion in 2033, a real increase of 1.3 percent per year.
- When compared to the GDP, Federal SSI expenditures are projected to temporarily increase from the 2008 level of 0.29 percent of GDP due to the effects of the economic recession, but thereafter gradually decline over time to 0.25 percent of GDP by 2033.

III. THE SUPPLEMENTAL SECURITY INCOME PROGRAM

This section presents a brief history and comprehensive description of the SSI program. This section also includes information on the administration of the program and coordination with other programs.

A. BACKGROUND

Federal entitlement programs for the aged, blind, or disabled have their roots in the original Social Security Act of 1935. That Act established an old-age social insurance program to be administered by the Federal Government and an old-age means-tested assistance program to be administered by the States. Similar programs for the blind or disabled were added to the Act in later years. Means-tested assistance provided a safety net for individuals who were either ineligible for Social Security or whose benefits could not provide a basic level of income.

This means-tested assistance comprised three separate programs—Old-Age Assistance, Aid to the Blind, and Aid to the Permanently and Totally Disabled. Despite substantial Federal financing, these programs were essentially State programs. Federal law established only broad guidelines for assistance. The Federal Government provided matching funds to support whatever payment levels the States established, with no maximum or minimum standards. Consequently, each State was responsible for setting its own standards for determining who would get assistance and how much they would receive.

Beginning in the early 1960s, this State-operated, Federally-assisted welfare system drew criticism that was directed at the “crazy quilt” eligibility requirements and payment levels. Other criticism centered on specific requirements, such as lien laws and provisions that required certain relatives to bear responsibility for the maintenance of needy family members.

Responding to these concerns, Congress passed and the President approved the SSI program in 1972, reversing the Federal and State roles with regard to adult assistance. Under the new arrangement, SSI would provide a uniform Federal income floor while optional State programs supplemented that floor. The new program was historic in that it shifted from the States to the Federal Government the responsibility for determining who would receive assistance and how much assistance they would receive.

B. THE BASIC PLAN

The main objective of the SSI program is to provide the basic financial support of needy aged, blind, or disabled individuals. Congress designed the SSI program based on the following principles:

- Eligibility requirements and benefit standards that are nationally uniform and eligibility determinations based on objective criteria;
- An assistance source of last resort for the aged, blind, or disabled whose income and resources are below specified levels;
- Incentives and opportunities for those recipients able to work or to be rehabilitated that would enable them to reduce their dependency on public assistance;
- An efficient and economical method of providing assistance;
- Inducements to encourage States to provide supplementation of the basic Federal benefit and protection for former recipients of State adult assistance programs who were converted to the SSI program; and

- Appropriate coordination of the SSI program with the food stamp, medical assistance, and other programs.¹

C. UNIFORM STANDARDS AND OBJECTIVE CRITERIA

Prior to the SSI program, the eligibility of aged, blind, or disabled individuals for Federally-funded adult assistance depended on the State in which they lived. Benefit amounts varied from State to State. The SSI program replaced the State-run programs with a national program with uniform standards and objective eligibility criteria. These standards include:

- A uniform limitation on the dollar amount or value of income and resources that an individual can have and still qualify for SSI assistance. The countable income limits for individuals and couples are equal to their respective Federal benefit rates² and hence are increased annually according to changes in the cost of living. Effective January 1, 2009, the Federal benefit rate is \$674 a month for individuals and \$1,011 a month for couples. The resource limit is \$2,000 in countable resources for individuals and \$3,000 for couples.
- A uniform standard of 65 as the minimum age requirement for assistance based on age.
- A uniform definition of disability and blindness. The definitions for individuals age 18 or older are the same as those used for the Social Security Disability Insurance (SSDI) program. In order to be considered disabled, an individual must have a medically determinable physical or mental impairment which is expected to last or has lasted at least 12 continuous months or is expected to result in death and (1) if age 18 or older, prevents him/her from doing any substantial gainful activity³ or (2) if under age 18, results in marked and severe functional limitations. However, individuals for whom addiction to drugs or alcoholism is a contributing factor material to the determination of their disabilities are not eligible for benefits. In order to be considered blind, an individual must have central visual acuity of 20/200 or less in the better eye with the use of a correcting lens or have tunnel vision of 20 degrees or less.
- Uniform standards for citizenship and residency. In order to be eligible for SSI, an individual must be a citizen or national of the United States, an American Indian born in Canada who is admitted to the United States under section 289 of the Immigration and Nationality Act (INA), an American Indian born outside the United States who is a member of a Federally recognized Indian tribe under section 4(e) of the Indian Self-Determination and Education Assistance Act, a noncitizen who was receiving SSI benefits on August 22, 1996, or be a qualified alien in one of the following categories:⁴

— Certain noncitizens who are blind or disabled and were lawfully residing in the United States on August 22, 1996;

¹ For example, as explained in section III.H, SSI recipients in most States are also automatically eligible for Medicaid, which generally provides for their medical needs.

² See table IV.A2 for historical and estimated future Federal benefit rates.

³ “Substantial gainful activity” (SGA) is used to describe a level of work activity that is both substantial—i.e., involves the performance of significant physical and/or mental duties which are productive—and gainful—i.e., performed for remuneration or profit. SGA rules do not apply to the SSI blind. Generally earnings from work activity of over \$980 a month is evidence of ability to engage in SGA. If an SSI *applicant* is earning over \$980 a month, he/she generally would not be considered disabled. However, if an SSI *recipient* is earning over \$980 a month, he/she could continue to be eligible for SSI. (See “Incentives for Work and Opportunities for Rehabilitation” section III.E.) The SGA level of \$980 was increased from \$940 effective January 1, 2009 (73 FR 64652). Yearly increases in the SGA level are based on increases in the national average wage index.

⁴ Under the “SSI Extension for Elderly and Disabled Refugees Act,” that became law on September 30, 2008, the 7-year period was extended to 9 years during the window of October 1, 2008 through September 30, 2011. Afterwards, the 9-year period reverts back to 7 years. Noncitizens who have naturalization applications pending during this same 3-year window are exempt from the 7-year limitation.

- Refugees (eligibility generally limited to the 7-year period after their arrival in the United States);
- Asylees (eligibility generally limited to the 7-year period after the date they are granted asylum);
- Noncitizens who have had their deportations withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or who have had their removals withheld under section 241(b)(3) of the INA (eligibility generally limited to the 7-year period after the date that deportation or removal is withheld);
- Cuban and Haitian entrants as defined by Federal statute, including: 1) section 501(e) of the Refugee Education Assistance Act of 1980; 2) former parolees and other aliens who became residents under the Cuban Adjustment Act of 1966; 3) aliens who became permanent residents under the Nicaraguan and Central American Relief Act; 4) aliens who adjusted status as Cuban/Haitian entrants under the provisions of the Immigration Reform and Control Act of 1986; and 5) aliens who became permanent residents under the Haitian Refugee Immigration Fairness Act (eligibility for these categories is generally limited to the 7-year period after the date that entrant status is granted);
- Amerasian immigrants admitted pursuant to section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, and subsequent amendments (eligibility generally limited to the 7-year period after their arrival in the United States);
- Noncitizen active duty Armed Forces personnel, honorably discharged veterans, and their spouses and dependent children; or
- Lawful permanent residents who have earned, or can be credited (from their spouses or parents) with, 40 qualifying quarters of earnings.

Qualified alien status includes noncitizens (or their parents or children) who have been battered or subjected to extreme cruelty in the United States by a spouse or parent (or a member of the spouse's or parent's family) with whom they live, and who have an approved petition, or have a petition pending, setting forth a *prima facie* case for adjustment of their immigration status. A complete list of noncitizens who are considered qualified aliens can be found in the Glossary under "Qualified Alien." However, to be eligible to receive SSI benefits, these noncitizens also must be in one of the categories listed above.

In addition, certain noncitizens may be eligible for SSI if they have been certified by the Department of Health and Human Services to be victims of trafficking in persons in the United States¹. Such individuals are treated for SSI purposes as refugees. That is, they are eligible for SSI for 7 years after a determination is made that they are trafficking victims.

Finally, certain Iraqi or Afghan noncitizens granted special immigrant status under emergency conditions are also treated as refugees for SSI purposes. Unlike trafficking victims, however, Iraqi and Afghan noncitizen eligibility is time-limited to 6 months (or 8 months for certain Iraqis or Afghans who provided valuable service to the U.S. Government).²

¹ Generally defined as the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

² Effective March 11, 2009, Afghan special immigrants are generally eligible for 8 months from the date of entry into the United States or the date the special immigrant status was granted if already admitted to the United States (Section 602, Division F of Public Law 111-8). This same 8-month eligibility period was effective January 28, 2008, for Iraqi special immigrants providing valuable service to the U.S. Government (Section 1244 of Public Law 110-181).

In addition to having to be a U.S. citizen (or national) or in one of the potentially eligible noncitizen categories, an individual must reside in the 50 States, the District of Columbia, or the Northern Mariana Islands. An individual also must be physically present in the United States¹ for 30 consecutive days, if he/she had been outside of the United States for 30 or more consecutive days. There are two exceptions to the residency and physical presence requirements:

- Blind or disabled children who are citizens of the United States may continue to be eligible for payments if they are living outside the United States with a parent who is on duty as a member of the U.S. Armed Forces. This exception also applies to blind and disabled children of military personnel who (1) are born overseas, (2) become blind or disabled overseas, or (3) applied for SSI benefits while overseas.
- Students studying abroad for not more than 1 year also may continue to be eligible for payments if the studies are sponsored by a U.S. educational institution but could not be conducted in the United States.

D. ASSISTANCE OF LAST RESORT

As a means-tested program, SSI takes into account all income and resources that an individual has or can access. The amount of an individual's countable income and resources are the measure of his/her need for assistance.

1. Income

The amount of an individual's income is used to determine both eligibility for, and the amount of, his/her SSI benefit. As countable income increases, an individual's SSI benefit amount decreases. Generally, ineligibility for SSI occurs when countable income equals the Federal benefit rate plus the amount of applicable Federally-administered State supplementary payment (State supplementation is discussed later).

The monthly Federal benefit rate² is reduced dollar-for-dollar by the amount of the individual's "countable" income—i.e., income less all applicable exclusions. Countable income is determined on a calendar month basis. The result of this computation determines SSI eligibility and the amount of the benefit payable. These benefit rates are adjusted annually (in January) to reflect changes in the cost of living.

When an individual lives in the household of another and receives support and maintenance in kind (i.e., generally room and board) from the householder, the Federal SSI benefit rate is reduced by one-third in lieu of counting the actual value of the support and maintenance as unearned income. The value of food or shelter-related items the individual receives in kind from persons other than the householder (including in-kind assistance from outside the household in which he/she lives) is counted as unearned income.³ However, the amount that is countable is limited to an amount equal to one-third of the applicable Federal benefit rate plus \$20.

SSI law defines two kinds of income—earned and unearned. Earned income is wages, net earnings from self-employment, remuneration for work in a sheltered workshop, royalties on published work, and honoraria for services. All other income is unearned including, for example, Social Security benefits, other pensions, and unemployment compensation. The distinction between earned and unearned income is significant because different exclusions apply to each type of income.

¹ Fifty States, the District of Columbia or the Northern Mariana Islands.

² See table IV.A2 for historical and estimated future Federal benefit rates.

³ Effective February 7, 2005, SSA simplified the SSI program (70 FR 6340) by generally eliminating clothing from the definition of income and from the definition of in-kind support and maintenance.

However, not everything an individual receives is considered to be income. Generally, if the item received is not food or shelter or cannot be used to obtain food or shelter, it will not be considered as income. For example, if someone pays an individual's medical bills, or offers free medical care, or if the individual receives money from a social services agency that is a repayment of an amount he/she previously spent, that value is not considered income to the individual. In addition, some items that are considered to be income are excluded when determining the amount of an individual's benefit.

Income Exclusions¹

The principal *earned* income exclusions are:

- The first \$65 per month plus one-half of the remainder;
- Impairment-related work expenses of the disabled and work expenses of the blind;
- Income set aside or being used to pursue a plan to achieve self-support (PASS) by a disabled or blind individual; and
- The first \$30 of infrequent or irregularly received income in a quarter.

The principal *unearned* income exclusions are:

- The first \$20 per month;²
- Income set aside or being used to pursue a PASS by a disabled or blind individual;
- State or locally funded assistance based on need;
- Rent subsidies under the Department of Housing and Urban Development (HUD) programs;
- The value of food stamps; and
- The first \$60 of infrequent or irregularly received income in a quarter.

2. Resources

The value of an individual's resources is used to determine whether he/she is eligible for SSI in any given month. SSI law states that eligibility is restricted to individuals who have countable resources, determined monthly, that do not exceed \$2,000 (\$3,000 for a couple). Although "resources" is not defined, the law lists those items that are not considered resources.

Regulations stipulate that a resource is cash or other liquid asset or any real or personal property that individuals (or their spouses) own and could convert to cash to be used for their support and maintenance. This definition is consistent with the general philosophy of the SSI program that only items that can be used for an individual's food or shelter should be used in determining his/her eligibility and benefit amount. Not all resources an individual owns are counted. The value of an item may be totally excluded or counted only to the extent that its value exceeds specified limits.

If an applicant disposes of resources at less than fair market value within the 36-month period prior to his/her application for SSI or at any time thereafter, he/she may be penalized. The penalty is a loss of SSI ben-

¹ A complete list of the SSI income exclusions can be found in section V.B.

² Any portion of this \$20 amount not used to exclude unearned income may be used to exclude earned income.

efits for a number of months (up to a 36-month maximum).¹ The penalty does not apply if, among other things, the applicant can show that the resources were disposed of exclusively for a purpose other than establishing SSI eligibility.

Resource Exclusions²

The principal resource exclusions are:

- The home and land appertaining to it, regardless of value;
- Life insurance policies whose total face value does not exceed \$1,500;
- Burial funds not in excess of \$1,500 each for an individual and spouse (plus accrued interest);
- Household goods, if needed for maintenance, use and occupancy of the home, and personal effects;³
- An automobile, if used to provide necessary transportation;⁴
- Property essential to self-support;
- Resources set aside to fulfill a PASS; and
- Amounts deposited into either a Temporary Assistance for Needy Families (TANF) or “Assets for Independence Act” individual development account (IDA), including matching funds, and interest earned on such amounts.

3. Filing for Other Benefits

As the “program of last resort,” SSI benefits are provided to eligible individuals only to the extent that their needs are not met by other sources. That is, after evaluating all other income and resources, SSI pays what is necessary to bring an individual to the statutorily prescribed income “floor.” In keeping with this principle, SSI law requires that SSI applicants and recipients file for other payments for which they may be eligible, such as annuities, pensions, retirement or disability benefits, workers’ compensation, and unemployment insurance benefits.

SSA must provide an individual with written notice of potential eligibility for other benefits and of the requirement to take all appropriate steps to pursue these benefits. The individual has 30 days from receipt of the notice to file for the benefits involved.

4. Eligibility Issues for Residents of Public Institutions or Medical Treatment Facilities

State and local governments—rather than the Federal Government—traditionally have taken the financial responsibility for residents of their public institutions. The SSI program continues this long-standing public assistance policy. Residents of public institutions for a full calendar month are generally ineligible for SSI unless one of the following exceptions applies:

¹ The number of months of penalty is obtained by dividing the uncompensated value of disposed-of-resources by the Federal benefit rate plus the maximum Federally-administered State supplementary payment, if any, applicable to the individual’s living arrangement.

² A complete and more detailed list of the SSI resource exclusions can be found in section V.B.

³ The \$2,000 value limit on household goods and personal effects was removed effective February 7, 2005 (70 FR 6340).

⁴ SSA also changed the evaluation of automobiles as an excludable resource, effective February 7, 2005 (70 FR 6340). Under the old rules, one automobile could be excluded (regardless of value) if necessary for employment, medical treatment or essential daily activities. If not excludable under this criteria, one automobile could be excluded to the extent its current market value did not exceed \$4,500. The revised exclusion, applicable to any one automobile used for transportation, simplifies the evaluation of this resource.

- The public institution is a medical treatment facility and Medicaid pays more than 50 percent of the cost of care, or in the case of a child under age 18, Medicaid or private health insurance pays more than 50 percent of the cost of care—in these situations, the SSI payment is limited to \$30;
- The public institution is a publicly operated community residence which serves no more than 16 residents;
- The public institution is an emergency shelter for the homeless (payments are limited to no more than 6 months in any 9-month period);
- The recipient was eligible under section 1619(a) or (b)¹ for the month preceding the first full month in the public institution and is permitted by the institution to retain any benefits (payable for up to 2 months); or
- A physician certifies that the recipient's stay in a medical treatment facility is likely not to exceed 3 months and continued SSI eligibility is needed to maintain and provide for the expenses of the home to which the individual will return. In these situations, the recipient may continue to receive the full benefit for any of the first 3 full months of medical confinement if all other conditions for payment are met.

5. Personal Needs Allowance

When individuals enter medical treatment facilities in which more than half of the bill is paid by the Medicaid program, their monthly Federal benefit rate is generally reduced to \$30, beginning with the first full calendar month they are in the facility. In the case of an individual under age 18, the \$30 payment amount is also applicable if more than half of the bill is paid by private insurance or a combination of Medicaid and private insurance. The theory behind this provision is that the individual's basic needs are being met by the medical treatment facility. In these cases, the SSI program provides up to \$30 a month, which is intended to take care of small comfort items not provided by the facility.

6. Deeming

In certain situations the income and resources of others are counted in determining whether an individual's income and resources fall below the levels established by law. This process is called "deeming" and is applied in cases where an eligible individual lives with an ineligible spouse, an eligible child lives with an ineligible parent, or an eligible noncitizen has a sponsor.² In concept, the practice takes into account the responsibility of the spouse, parent, or sponsor to provide for the basic needs of the eligible individual.

a. Spouse-to-Spouse Deeming

When an eligible individual lives in the same household with a spouse who is not eligible for SSI, the ineligible spouse's income and resources are deemed to be available to the eligible individual. In determining the amount of income and resources available to the eligible individual, all applicable exclusions are used. In addition, a living allowance is provided for the ineligible spouse, as well as any ineligible children under age 18³ living in the household. The allowance reduces the amount of income to be deemed. Spouse-to-spouse deeming is intended to result in the same amount of income available to the couple as would be available if both members of the couple were aged, blind, or disabled and eligible for SSI.

¹ See section III.E.6 of this report for a description of the special section 1619 provisions for disabled individuals who work.

² Deeming also applies to an individual who lives with an essential person (a concept carried over from the former State assistance plans). However, there are fewer than 100 of these cases remaining.

³ Under age 22, if a student, effective June 16, 2008 (73 FR 28033). Previously, under age 21, if a student.

Deeming does not apply when the eligible individual is not living in the same household as the ineligible spouse. However, if the ineligible spouse's absence is temporary or is due solely to an active duty assignment as a member of the U.S. Armed Forces, deeming would continue to apply.

b. Parent-to-Child Deeming

A child under age 18 is subject to deeming from an ineligible natural or adoptive parent (and that parent's spouse, if any) living in the same household. Deeming does not apply if a child lives in a household with only the spouse of a parent (i.e., a stepparent) and the natural or adoptive parent has permanently left the household. Certain amounts of the parent's income are excluded, living allowances are provided for the parent(s) and an allocation is set aside for each ineligible child under age 18 (or under age 22 and a student) who is living in the household. Deeming to a child would continue if the parent is absent from the household but the absence is temporary or is due solely to active duty assignment as a member of the U.S. Armed Forces. If a child lives in a household in which all members are receiving public assistance benefits, that child is not considered to be receiving any support and deeming would not apply.

c. Sponsor-to-Alien Deeming

The income and resources of noncitizens are deemed to include those of their sponsors. The way the income and resources are deemed and the length of the deeming period depend on whether the sponsor signed a legally enforceable affidavit of support¹ or the previous version of the affidavit. Generally, noncitizens who entered the country before 1998 did so under the old version of the affidavit.²

Under the old version of the affidavit, deeming of the sponsor's income and resources lasts until the noncitizen has been in the United States for 3 years.³ Living allowances equal to the Federal benefit rate are provided for the sponsor, and allowances equal to one-half of the Federal benefit rate are provided for each of the sponsor's dependents. Allowances are also provided for the sponsor and his/her family members in determining deemed resources. These allowances reduce the amount of the sponsor's income and resources deemed to the noncitizen.

For noncitizens admitted into the United States under a legally enforceable affidavit of support, deeming generally applies until the noncitizen becomes a U.S. citizen. Deeming ends before citizenship if the noncitizen has earned, or can be credited with, 40 qualifying quarters of earnings. Children and spouses of workers may be credited with quarters earned by the worker. A quarter otherwise earned after 1996 does not count as one of the required 40 if the noncitizen or worker received Federal means-tested public benefits during the relevant period.

Also for this group of noncitizens, deeming does not apply for specified periods if the noncitizens or their children or parents have been battered or subjected to extreme cruelty while in the United States or if sponsors leave the noncitizens indigent by not providing them with sufficient support.

E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION

SSI benefits provide a basic level of assistance for individuals who are blind or disabled with limited earnings capacity due to their impairments. Nonetheless, for recipients who want to work, the SSI program is designed to encourage and support their work attempts in order to help them achieve greater degrees of

¹ Legally enforceable affidavits of support are required by Public Law 104-208.

² The Immigration and Naturalization Service now known as the United States Citizenship and Immigration Services (USCIS) began using the new, legally enforceable affidavits on December 19, 1997. However, if a potential immigrant had a visa issued before that date, the sponsor would sign an old version of the affidavit even if the affidavit was signed after December 19, 1997.

³ For a temporary period—January 1994 through September 1996—the deeming period was 5 years.

independence. The SSI program includes a number of work incentives that enable recipients who are blind or disabled to work and retain benefits or to increase their levels of work activity without the loss of SSI disability status or Medicaid. These incentives provide higher amounts of income or resource exclusions as recognition of the expenses associated with working or as inducements to seek rehabilitation services and support for work efforts.

The SSI program also includes provisions to help disabled recipients obtain vocational rehabilitation and employment support services. These provisions were revised by legislation establishing the Ticket to Work program, which is described in section III.E.7.

1. Earned Income Exclusion

The first \$65 (\$85 if the individual has no income other than earnings) of any monthly earned income plus one-half of remaining earnings are excluded for SSI benefit computation purposes. This general earned income exclusion is intended to help offset expenses incurred when working. It assures that SSI recipients who are working will be rewarded for their efforts.

2. Impairment-Related Work Expense Exclusion

The costs of certain impairment-related services and items that a disabled (but not blind) individual needs in order to work are excluded from earned income in determining SSI eligibility and benefit amounts.

In calculating these expenses, amounts equal to the costs of certain attendant care services, medical devices, equipment, prostheses, vehicle modifications, residential modifications to accommodate wheelchairs, and similar items and services are deductible from earnings. The costs of routine drugs and routine medical services are not deductible unless these drugs and services are necessary to control the disabling condition. They are paid for by the individual, and they are not reimbursable from another source such as Medicaid.

3. Work Expenses of the Blind Exclusion

Any earned income by a blind individual that is used to meet expenses needed to earn that income is excluded from earned income in determining SSI eligibility and benefit amounts. A deductible expense need not be directly related to the worker's blindness; it need only be an ordinary and necessary work expense of the worker.

Some frequently excluded work expenses include transportation to and from work, meals consumed during work hours, job equipment, licenses, income or FICA taxes, and costs of job training.

4. Student Earned Income Exclusion

The student earned income exclusion is an additional exclusion for an individual who is under age 22 and regularly attending school. It is intended to help defray the cost of educational training. Under current regulations, up to \$1,640 of earned income per month but no more than \$6,600 per year may be excluded.¹

¹ Increased from \$1,550 and \$6,240, respectively, effective January 1, 2009 (73 FR 64651). Under current regulations this exclusion is increased yearly based on changes in the cost of living.

5. Plan to Achieve Self-Support

A plan to achieve self-support (PASS) allows a disabled or blind individual to set aside income and resources to get a specific type of job or to start a business. This may involve setting aside funds for education or vocational training. Funds can even be set aside to purchase work-related equipment or pay for transportation related to the work goal. The income and resources that are set aside are excluded under the SSI income and resources tests.

The individual must have a feasible work goal, must have a specific savings or spending plan, and must provide for a clearly identifiable accounting for the funds which are set aside. The PASS must be approved by SSA. The individual must then follow the plan and negotiate revisions as needed. SSA monitors the plans by reviewing them periodically to evaluate the individual's progress towards attaining the work goal.

6. Special Provisions for Disabled Recipients Who Work

This work incentive generally is referred to by its section number in the Social Security Act, section 1619. Under section 1619(a), disabled individuals who would cease to be eligible because of earnings over the substantial gainful activity level may receive special cash benefits so long as they:

- Continue to have the disabling condition;
- Have income under the amount which would cause ineligibility for any payment under SSI income counting rules; and
- Meet all other nondisability requirements for SSI payment.

In many States, being a recipient of the special benefit permits the individual to be eligible for Medicaid benefits.

Under section 1619(b), "SSI recipient" status for Medicaid eligibility purposes also is provided to individuals:

- Whose earnings preclude any SSI payment but are not sufficient to provide a reasonable equivalent of SSI benefits, social services, and Medicaid benefits that an individual would have in the absence of earnings; and
- Whose ability to continue working would be seriously inhibited by the loss of social services and Medicaid benefits.

To qualify for extended Medicaid coverage under section 1619(b) an individual must:

- Have a disabling condition;
- Need Medicaid in order to work;
- Not be able to afford equivalent medical coverage and publicly funded personal or attendant care without assistance;
- Meet all nondisability requirements for SSI payment other than earnings; and
- Have received a regular SSI cash payment in a previous month within the current period of eligibility. (In some States, the individual must have qualified for Medicaid the month preceding the first month of 1619 eligibility.)

In determining whether individuals' earnings are not sufficient to provide them with the equivalent benefits they would be eligible for if they stopped working, their earnings are compared to a threshold amount for their State of residence. Section 1619(b) status continues if the earnings are at or below the threshold. If earnings exceed the State threshold, an individualized assessment of the need for Medicaid is made and 1619(b) status may continue.

7. Vocational Rehabilitation/Ticket to Work Program

Since the beginning of the SSI program, State Vocational Rehabilitation (VR) agencies have provided services to those blind or disabled SSI recipients whom they have accepted as clients. SSA has traditionally reimbursed the VR agency for services provided in situations where the services result in the individual's working at the substantial gainful activity level for a continuous period of 9 months and in certain other limited situations.

The Ticket to Work and Work Incentives Improvement Act of 1999 established a Ticket to Work and Self-Sufficiency program under which a blind or disabled beneficiary may obtain vocational rehabilitation, employment, and other support services from a qualified private or public provider, referred to as an "employment network" (EN), or from a State VR agency. In addition, the Ticket legislation provided that ENs would be compensated under an outcome or outcome-milestone payment system.¹ By expanding the pool of providers and giving the providers incentives for achieving success, this program seeks to expand a disabled beneficiary's access to these services in order to assist the beneficiary in finding, entering, and retaining employment and reducing his/her dependence on cash benefits.

The Ticket to Work program has been in operation nationwide since November 2003. Under this program SSA provides eligible individuals who receive SSI benefits due to blindness or disability with a ticket. These individuals may use the ticket to obtain the vocational rehabilitation services, employment services, and other support services needed to return to work or go to work for the first time. The Ticket to Work program provides that as long as the beneficiary is "using a ticket" SSA will not initiate a continuing disability review to determine whether the beneficiary has medically improved.

ENs and State VR agencies are the only providers of VR services to disabled SSI recipients that can be compensated for those services by SSA. All ENs are compensated through the outcome-based system. State VR agencies are compensated under the traditional VR reimbursement system unless they have elected to participate as an EN for specific cases. Any services provided by the State VR agencies to SSI recipients who are not yet eligible for a ticket will be compensated under the traditional VR reimbursement system.

Individuals who improve medically and, therefore, are no longer considered disabled or blind may continue to receive SSI benefits if they are actively participating in the Ticket to Work program or another approved program of VR services, employment services, or other support services. In addition, SSA must determine that continuing or completing the program will increase the likelihood that they will be permanently removed from the SSI rolls. SSI benefits and Medicaid generally continue until the approved program is completed or until the individual ceases to participate in the program.

In 2008, SSA revised the Ticket to Work regulations to enhance beneficiary choice and improve the effectiveness of the program. The revisions extended the program to all adult SSDI and SSI blind or disabled beneficiaries, removed disincentives for ENs to participate in the program, provided incentives for ENs to support beneficiaries through a more gradual return to work and positioned ENs to better support ongoing

¹ State VR agencies generally have the option on a case-by-case basis of electing to be paid under an EN payment system or under the traditional cost reimbursement payment system. Effective July 21, 2008, a State VR agency under the traditional cost reimbursement option and an EN under the EN payment system may be compensated for providing successive services to a beneficiary.

retention of employment. The regulations also encourage partnership between State VR agencies and ENs to provide long-term services to a beneficiary by allowing the beneficiary to assign a ticket to an EN after receiving VR services.

8. Expedited Reinstatement

A disabled or blind individual whose eligibility for SSI payments ended because of earnings can request expedited reinstatement of his/her SSI benefits without filing a new application. To qualify for expedited reinstatement, the individual must make the request within 60 months after his/her eligibility ended and must have a disabling medical condition that: (1) is the same as (or related to) the disabling medical condition that led to the previous period of eligibility and (2) prevents him/her from performing substantial gainful activity. In determining whether the individual is disabled or blind, the medical improvement review standard is applied. Normal nonmedical requirements for SSI eligibility still apply.

An individual requesting expedited reinstatement may receive up to 6 months of provisional benefits while his/her request is pending. These benefits generally are not considered an overpayment if the request is denied. Provisional benefits may include Medicaid but do not include any State supplementary payments.

F. ADMINISTRATION OF THE SSI PROGRAM

The framers of the SSI program chose SSA to administer the SSI program because the basic system for paying monthly benefits to a large number of individuals was already in place in the form of the Social Security program, and SSA had a long-standing favorable reputation for dealing directly with the public.

1. Application Process

Individuals can apply for SSI benefits at any one of the approximately 1,300 SSA field offices around the country or through SSA teleservice centers. Although many of the eligibility requirements for the Social Security program and the SSI program are different, the application process is very similar. Many times, individuals file for benefits under both programs at the same time.

SSA corroborates information provided by applicants for SSI through independent or collateral sources. Generally, the basic responsibility for obtaining evidence lies with the claimant, although SSA often gives advice and assistance on ways to obtain the needed information. Because of the special circumstances of the SSI population (for example, financial need, old age, or illness), SSA makes special efforts to assist claimants in obtaining the necessary proofs.

With regard to disability and blindness claims, SSA determines the nonmedical eligibility factors whereas each State's disability determination services (DDS) determines the medical eligibility factors.¹

2. Determination of Eligibility for Benefits

SSI applications have no retroactivity and become effective in the month after the month of filing or the month after all eligibility requirements are met, whichever is later. Eligibility for benefits in a month is based on income received in that month. The amount of the monthly benefit is generally calculated using income in the second month preceding the month for which the benefit is paid.² However, at the start of a period of eligibility or re-eligibility, the amount of benefits for the first and second months are both determined using the income received in the first month.

¹ The applicant can appeal unfavorable determinations of either the nonmedical or medical eligibility factors. The administrative review process consists of several steps, which must be requested within certain time periods.

² This method of calculating the benefit is called retrospective monthly accounting.

3. Payment of Benefits

SSI benefits generally are paid on the first day of each month. If the first of the month falls on a weekend or legal public holiday, benefit payments are delivered on the first working day preceding such Saturday, Sunday, or holiday. While SSA strongly encourages all SSI beneficiaries to receive their monthly benefits by direct deposit, benefit payments are also made by check if individuals do not wish to use direct deposit. Monthly benefit payments include both the Federal SSI and State amounts if the recipient lives in a State in which SSA administers the State supplementary payment. (See section III.G.)

4. Ensuring Continued Eligibility for Benefits

SSI recipients are required to have their nonmedical eligibility factors redetermined periodically, generally every 1 to 6 years depending on their specific situation.

In addition to these nonmedical reviews, medical reviews are conducted on disabled or blind recipients in order to determine if they continue to be disabled or blind. For administrative efficiency the medical reviews are done most often on those disabled or blind recipients whose medical conditions are likely to improve. Medical reviews are required for disabled or blind recipients under the following circumstances:

- When earnings of recipients exceed the substantial gainful activity level;¹
- At least once every 3 years for recipients under age 18 whose medical conditions are considered likely to improve;
- Within 12 months after birth for recipients whose low birth weight is a contributing factor material to the determination of their disability, unless SSA determines that the impairment is not expected to improve within 12 months of the child's birth; and
- Within 1 year after attaining age 18 for those recipients whose eligibility was established under the disabled child eligibility criteria. The required review is done using the adult eligibility criteria.

Applicants and recipients are required to report events and changes of circumstances that may affect their SSI eligibility and benefit amounts. Such reports are required, for example, when an individual has a change in the amount of his/her income or resources, changes living arrangements, or leaves the United States. Failure or delay in reporting such a change can result in monetary penalties or ineligibility for SSI benefits.

The basic "failure to report" penalty is \$25 for the first such failure or delay, \$50 for the second such failure or delay, and \$100 for each subsequent failure or delay. However, in cases of fraud or false representation of material facts, SSA's Inspector General can assess civil monetary penalties in amounts as large as \$5,000. SSA also has the authority to suspend eligibility to SSI benefits for periods of 6, 12, or 24 months.

Additionally, SSA may use an accelerated rate of overpayment recovery to encourage accurate reporting. Overpayments to SSI recipients are generally recovered by withholding from the monthly benefit an amount equal to 10 percent of the individual's countable monthly income. For many recipients whose only income is SSI, this amounts to 10 percent of their monthly SSI payment. However, if SSA determines that the recipient misrepresented or concealed material information, 100 percent of the monthly SSI benefit may be subject to recovery.

¹ A medical review cannot be initiated while the SSI recipient is "using a ticket" under the Ticket to Work program.

5. Representative Payees

When SSI recipients are incapable of managing their benefits or are declared legally incompetent, SSA appoints representative payees for them, and their SSI benefits are sent to the representative payees. In many cases the representative payee is a spouse, a parent, or other close relative who will act in the recipient's best interest. In some cases, SSA approves an organization to serve as a payee. SSA authorizes certain types of organizations to collect a fee from the benefit for acting as payee. The fee cannot exceed the lesser of 10 percent of the benefit amount or a specified amount (\$37 a month in 2009¹).

Representative payees may use an SSI recipient's benefit only for the use and benefit of the recipient and must account for all benefits received. Representative payees also are required to report any changes that may affect SSI recipients' eligibility and payment amount and may be held liable for certain overpayments that occur. In cases in which a child is due a retroactive payment that exceeds six times the Federal benefit rate, the representative payee is required to establish a dedicated account at a financial institution to maintain the retroactive payment. Expenditures from the account must be used primarily for certain expenses related to the child's impairment.

6. Appeal Rights

Recipients must receive advance notice of adverse actions SSA plans to take and may request that their benefits continue while a decision at the first level of appeal is pending. Recipients may qualify for payment continuation when they appeal an adverse action within 10 days of receiving the advance notice. Slightly different rules apply to medical cessation cases. When appealing medical cessation cases, individuals may elect to have their benefits continued at both the reconsideration and hearing levels of appeal.

7. Fees for Attorneys and Non-attorney Representatives

At any time, an individual may appoint a representative in any dealings with SSA. If such a representative is an attorney, he/she must be in good standing, have the right to practice law before a court, not be disqualified or suspended from acting as a representative in dealings with SSA, and not be prohibited by any law from acting as a representative. If the individual is not an attorney, he/she must meet qualifications specified by SSA (e.g., be of good character and able to provide valuable service to claimants).

A representative may charge and receive a fee for his/her services, but SSA generally decides how much the fee will be. The representative may request authorization to charge and receive a fee under either a fee agreement or fee petition. The fee that may be authorized under a fee agreement is currently limited to the lesser of 25 percent of the retroactive payment or \$5,300.² There is no limit on the amount of the fee that may be authorized under a fee petition; a reasonable fee is authorized for specific services provided by the representative. A representative cannot charge or receive more than the fee amount authorized.

The SSI program has traditionally differed from the Social Security program in that amounts could not be withheld from an individual's SSI benefits to pay for attorney fees. SSI claimants were responsible for paying such fees directly to their attorneys. However, beginning February 28, 2005, direct payment of attorney fees has temporarily been extended to the SSI program.³ As in the fee process for the Social Security program, attorneys are now charged an assessment of the smaller of 6.3 percent of each authorized fee withheld or \$83. The flat-rate cap is adjusted based on annual cost-of-living adjustments, rounded down to the next lower dollar.

¹ For disabled recipients who also have a drug addiction or alcoholism condition, the maximum permitted fee in 2009 is \$72 a month.

² Fee agreements entered into prior to February 1, 2002, were limited to the lesser of 25 percent of the retroactive payment or \$4,000. Effective June 22, 2009, fee agreements will be limited to the lesser of 25 percent of the retroactive payment or \$6,000 (74 FR 6080).

³ Public Law 108-203, enacted March 2, 2004, granted temporary extension of the attorney fee payment system to title XVI claims for a period of 5 years. SSA began direct payments on February 28, 2005; thus the extension will expire February 28, 2010.

In addition, SSA is conducting a nationwide demonstration project extending fee withholding to non-attorney representatives under Social Security and SSI. In order to be eligible to participate in the demonstration project, non-attorney representatives will have to meet specified prerequisites that include: having a bachelors' degree or equivalent; having experience in representing claimants before SSA; having liability insurance; passing a criminal background check; and passing an examination given by SSA that tests relevant knowledge of the Social Security Act and recent court decisions. The authority for both SSI fee withholding and the demonstration project expires after 5 years.

8. Advance Payments

The SSI program has procedures which help to respond to the immediate needs of new claimants. These procedures are in addition to State and local programs designed to help those in need, pending decisions on their SSI status.

a. Emergency Advance Payments

A new claimant who faces a financial emergency, and for whom there is a strong likelihood of being found eligible, may receive up to 1 month of SSI benefits; i.e., the Federal payment amount plus any applicable State supplement. The amount paid is recovered from later SSI payments (in full from the first payment or in increments over no more than a 6-month period, depending upon the circumstances). However, if the claim is subsequently denied because the claimant is not disabled or blind, repayment would be waived. If the claim is denied for other reasons, the amount paid would be an overpayment and processed as such.

b. Presumptive Disability or Blindness

A claimant applying for benefits based on disability or blindness may be paid up to 6 months' benefits when the available evidence reflects a high degree of probability that his/her impairment will meet the definition of disability or blindness and he/she is otherwise eligible. These payments are not considered overpayments if the individual is later determined not to be disabled or blind. If the claim is disallowed for other reasons, the amount paid would be an overpayment and processed as such.

G. STATE SUPPLEMENTATION

In designing the SSI program, Congress recognized that States,¹ in many instances, may want to provide a higher level of income maintenance than was available under the Federal program. At the same time States were given the option either to provide no supplementation to the Federal assistance payments or to supplement those payments based on their views of the needs of their citizens. Congress also mandated that States assure that their citizens would not receive lower benefits under the Federal program than they had under the former State program. The following paragraphs describe the various forms of State supplementation that currently exist. Table III.H1 summarizes State-specific participation in these programs as well as other programs requiring State and Federal coordination as discussed in section III.H.

1. Optional State Supplementary Payment Programs

For individuals who first became eligible for SSI in 1974 or later, each State could supplement Federal payments to whatever extent it found appropriate with respect to the needs of its citizens and resources of the State. Currently, 46 States have optional State supplementary payment programs.

¹ References to State include, in addition to the 50 States, the District of Columbia. The applicable State supplementation provisions would also apply to the Northern Mariana Islands if it began making State supplementary payments.

Some States provide supplementary payments to all individuals eligible for SSI benefits, while others may limit them to certain SSI recipients such as the blind or residents of domiciliary-care facilities or may extend them to persons ineligible for SSI because of excess income. States' flexibility in setting supplementary payments, however, has been significantly restricted by the passalong provisions (see Passalong Provisions section below).

2. Mandatory State Supplementary Payment Programs

States are required¹ to maintain the December 1973 income levels of individuals who were transferred in 1974 from the former State adult assistance programs to the SSI program, except for Texas which has a constitutional bar against mandatory State supplementation. Over the years, many individuals who were converted to SSI from the State benefit rolls have died and others have had their incomes increased above the December 1973 level. As a result, there are few individuals who continue to receive mandatory State supplementary payments.

3. Administration of State Supplementary Payments

A State may administer its supplementary program or enter into an agreement under which SSA will make eligibility determinations and payments on behalf of the State. Under State administration, the State pays its own program benefits and absorbs the full administrative costs. Under Federal administration, States are required to pay SSA a fee for each supplementary payment issued. In fiscal year 2009, the fee is \$10.45 per payment issued. Fees are subject to change in succeeding fiscal years, based on increases in the CPI.

States that administer their own supplementary payment programs to title XVI recipients establish their own eligibility criteria for the supplementary payments. States with Federally-administered programs may supplement the Federal benefit among a limited number of geographical and living arrangement variations for title XVI recipients.²

4. Passalong Provisions

When the SSI program began in 1974, Congress did not require States to maintain their efforts with regard to levels of State supplementary payments. However, in 1976 in reaction to States reducing their supplementary payment amounts when SSI payments were increased, Congress mandated that States pass along SSI benefit increases resulting from cost-of-living adjustments.

To meet the passalong requirement, a State may either maintain each State payment level from year-to-year—the “payment levels” method—or it may spend the same amount of money, in the aggregate, that it spent for supplementary benefits in the 12-month period preceding the increase in the SSI benefit rate—the “total expenditures” method. Currently, 41 States use the levels method and 9 use the expenditure method. West Virginia has no optional supplementary plan and was not required to establish a mandatory plan because Federal SSI income standards exceeded all payments made under the State's adult assistance programs in 1973.

¹ Requirement does not affect West Virginia, since, in 1973, SSI Federal benefit rates exceeded the applicable income standards under the State's adult assistance programs.

² Includes, for this purpose, those eligible for title XVI benefits but for income.

H. COORDINATION WITH OTHER PROGRAMS

SSI benefits are not the only form of assistance available to needy aged, blind, or disabled individuals. Medicaid, food stamps, and temporary State assistance also are important in keeping individuals from sliding further into poverty. SSA plays a limited but important role in helping States with regard to administration of Medicaid and Food Stamp programs, and provisions in the SSI statute ensure that payments made by States or under the Social Security program are not duplicated by SSI benefits.

1. Windfall Offset

If a person receives SSI payments and is later determined to be entitled to retroactive Social Security benefits, such retroactive benefits are reduced by the amount of SSI payments the person would not have been eligible for had the Social Security benefits been paid in the month they were due. This process is called the “windfall offset” and was enacted to prevent windfall payments to individuals when Social Security and SSI payments were paid for the same period.

2. Medicaid Determinations

Generally, SSI recipients are categorically eligible for Medicaid. A State may either use SSI eligibility criteria for determining Medicaid eligibility or use its own criteria so long as the criteria are no more restrictive than the State’s January 1972 medical assistance standards. Forty States use SSI criteria and 11 States use eligibility criteria more restrictive than those of the SSI program.

States also may enter into agreements with SSA for SSA to make Medicaid eligibility determinations on their behalf, so long as the eligibility requirements of the State’s Medicaid plans are the same as those for the SSI program. Under these agreements, SSA determines only when an individual is eligible for Medicaid; SSA does not determine Medicaid ineligibility. SSA has Medicaid determination agreements with 33 States.

Continued Medicaid eligibility is provided for certain Social Security beneficiaries who lose SSI eligibility due to entitlement to Social Security benefits or due to a change in Social Security benefits resulting from:

- Cost-of-living adjustments;
- Actuarial increases in disabled widow(er)s benefits before age 60;
- Changes in the definition of disability for widow(er)s benefits; or
- Increases in or entitlement to childhood disability benefits.

3. Food Stamp Applications

SSI recipients in all States, except California,¹ may be eligible for food stamps. Under agreements entered into by the Department of Agriculture and SSA, Social Security offices notify Social Security and SSI applicants and recipients of their potential benefits under the Food Stamp Program and make food stamp applications available to them.

¹ California “cashes out” food stamps and SSI recipients there receive a cash payment in their State supplementary payment in lieu of food stamps.

The law also provides for Social Security offices to take food stamp applications from eligible or potentially eligible SSI households that are not already receiving food stamps and do not have a food stamp application pending. Food stamp applications from SSI households may be taken in connection with initial SSI claims or at the time of a redetermination. Food stamp applicants have the option of applying at Social Security offices or applying at State food stamp offices if expedited service is required. Social Security offices forward the food stamp applications and any supporting documents to the local food stamp offices within 1 day of taking the application. Eligibility is determined by the food stamp office.

4. Interim Assistance Reimbursement

SSA may enter into agreements under which States or local governments are reimbursed for basic needs assistance provided during the period that either an eligible individual's SSI application for benefits was pending or the individual's SSI benefits were suspended and subsequently reinstated (the interim period).

Under these interim assistance reimbursement agreements, if the individual has given SSA written authorization, SSA first reimburses the State, then pays the remainder in installments to the recipient or his/her representative payee.¹ In certain disabled children cases, SSA pays the remainder in installments into special dedicated financial institution accounts for the children. Thirty-nine States have interim assistance agreements with SSA.

¹ In those cases where the retroactive benefits are less than a certain amount, SSA sends an individual's first SSI benefit check relating to the interim period to the State or local jurisdiction that had provided the interim assistance. The State then deducts the amount it is owed and is required to forward the remainder to the claimant within 10 days. Beginning February 2005, when an authorized representative fee may be paid directly, SSA reimburses the State and then pays the approved fee. Any remainder will be paid in installments, or the full remainder will be paid to the recipient. This change is a 5-year demonstration project.

Table III.H1.—SSI State Supplementation^a and Coordination with Other Programs

United States and District of Columbia	Optional State program— Administered by:			Method of mandatory passalong of benefit increases from cost-of-living adjustments		Medicaid eligibility determination—		Interim assistance reimbursement agreement with SSA	
	State	Federal (SSA)	Federal & State	“Payment levels”	“Total expenditures”	Based on:			
						Federal criteria	State criteria		
							Agreement with SSA to determine eligibility		
Alabama ^b	*			*		*		*	
Alaska	*				*	*			*
Arizona	*			*		*		*	
Arkansas ^c				*		*		*	
California ^d		*		*		*		*	
Colorado	*				*	*		*	
Connecticut ^b	*			*			*		*
Delaware ^d		*		*		*		*	
District of Columbia ^d		*			*	*		*	
Florida ^b	*			*		*		*	
Georgia ^d	*			*		*		*	
Hawaii ^b		*		*			*		*
Idaho	*			*		*			
Illinois	*			*			*		*
Indiana ^b	*			*			*		*
Iowa ^d			*	*		*		*	
Kansas ^c				*		*			*
Kentucky ^b	*			*		*		*	
Louisiana ^d	*			*		*		*	
Maine	*			*		*		*	
Maryland ^d	*			*		*		*	
Massachusetts ^d		*		*		*		*	
Michigan ^d			*	*		*		*	* e
Minnesota ^b	*			*			*		*
Mississippi ^c				*		*		*	
Missouri	*			*			*		*
Montana ^d		*		*		*		*	
Nebraska	*				*	*			*
Nevada ^b		*		*		*			*
New Hampshire	*			*			*		* e
New Jersey ^d		*		*		*		*	
New Mexico	*			*		*		*	* e
New York ^d			*	*		*		*	
North Carolina	*			*		*		*	
North Dakota ^b	*			*			*		
Ohio ^d	*			*			*		*
Oklahoma	*				*		*		
Oregon	*				*	*			*
Pennsylvania ^d			*	*		*		*	
Rhode Island ^b		*		*		*		*	* e
South Carolina ^b	*			*		*		*	
South Dakota ^d	*			*		*		*	
Tennessee ^c				*		*		*	
Texas ^f	*			*		*		*	
Utah ^b		*		*		*			*
Vermont ^b			*	*		*		*	
Virginia ^b	*				*		*		*
Washington	*				*	*		*	
West Virginia ^f						*		*	
Wisconsin	*				*	*		*	
Wyoming	*			*		*		*	
Total number of States	31	10	5	41	9	40	11	33	39

^a See body of text for description of the various forms of State supplementation.

^b State has no recipients receiving mandatory minimum State supplementation.

^c Mandatory minimum State supplementation program is Federally-administered. No optional program.

^d Mandatory minimum State supplementation program is Federally-administered.

^e State provides assistance only in initial application cases. No assistance provided during periods that SSI benefits are suspended or terminated.

^f State does not have a mandatory minimum State supplementation program.

IV. ESTIMATES OF PROGRAM RECIPIENTS AND FEDERAL EXPENDITURES UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM, 2009-33

As described in section III, eligibility for payments under the SSI program depends on satisfying a collection of requirements related to the socioeconomic status of the individual, as well as the evaluation of disability or blindness for all persons under age 65, and for certain individuals at ages 65 or older. Consequently, future SSI program eligibility and expenditures will depend on a variety of difficult-to-predict factors including the performance of national and local economies, distribution of personal income, the prevalence of disability in the general population, and the determination of disability as defined in the Social Security Act. Nonetheless, for planning purposes it is important to develop the best possible projections of future SSI program recipients and expenditures.

This section includes projections of program recipients and expenditures under the SSI program for a period of 25 years. The current projection model uses estimates of the general population by single year of age and gender. Transitions into payment status are projected separately for: (1) new recipients resulting from an application for program benefits and (2) returns to payment status from suspended status. Movements out of payment status are projected separately for (1) terminations due to death and (2) suspensions of payment for all other reasons.¹ The assumptions and methods used in preparing these projections are reexamined each year in the light of recent experience and new information about future conditions and are revised if warranted. The presentation of projection results in the remainder of this section provides SSI recipient information for selected age groups.

A. DEMOGRAPHIC AND ECONOMIC ASSUMPTIONS

The estimates of program recipients and Federal expenditures presented in this section have been prepared using the intermediate demographic and economic projections developed for the 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance (OASDI) Trust Funds.² The single economic parameter that has the most direct effect on the level of SSI benefits is the Consumer Price Index for Urban Wage Earners and Clerical Workers (hereafter denoted as CPI),³ which is used for indexing the SSI Federal benefit rate. A detailed discussion of these demographic and economic projections is presented in sections V.A and V.B of the Trustees Report.⁴ An important feature of the intermediate assumptions for the 2009 Trustees Report is a continuation of the recent economic downturn through part of 2009, with a return to a sustainable path for the economy over the following several years. As explained later in this section, the economic recession is expected to result in an increase in applications for SSI disability benefits in the near term and a consequent increase in projected SSI expenditures.

The key parameters utilized for the estimates presented in this report are summarized in the following two tables. Table IV.A1 presents population projections summarized for the age subgroups that are used in the presentation of SSI recipient projections discussed in the next section. Table IV.A2 presents a complete history of the cost-of-living adjustment factors and Federal benefit rates since the inception of the program, along with projections of such amounts consistent with the economic assumptions underlying the SSI expenditure estimates discussed in section IV.C.

¹ The two main reasons other than death for termination of SSI payments are (1) failure to satisfy income and resource limitations of the SSI program and (2) recovery from a qualifying disability.

² House Document 111-41, published May 12, 2009.

³ Historical values of the CPI are developed and published by the Bureau of Labor Statistics.

⁴ *Ibid*, Section V.A, *Demographic Assumptions and Methods* and Section V.B, *Economic Assumptions and Methods*.

Table IV.A1.—Historical and Projected Social Security Area Population based on the Intermediate Assumptions of the 2009 OASDI Trustees Report, as of July 1, 1974-2033
[In thousands]

Year	Age groups ^a						Total all ages
	0-17	18-34	35-49	50-64	65-74	75 or older	
Historical data:							
1974	71,044	59,770	36,417	32,792	13,832	8,899	222,754
1975	70,079	61,731	36,392	33,152	14,137	9,117	224,609
1976	69,099	63,647	36,504	33,434	14,449	9,387	226,519
1977	68,199	65,381	36,834	33,712	14,774	9,648	228,548
1978	67,381	66,988	37,370	33,960	15,119	9,896	230,715
1979	66,627	68,601	37,982	34,126	15,443	10,167	232,945
1980	66,060	70,178	38,545	34,256	15,747	10,449	235,236
1981	65,702	71,436	39,374	34,337	16,036	10,752	237,637
1982	65,458	72,184	40,767	34,307	16,326	11,076	240,119
1983	65,335	72,676	42,339	34,229	16,581	11,405	242,565
1984	65,362	73,059	43,849	34,150	16,815	11,718	244,953
1985	65,544	73,306	45,371	34,032	17,093	12,029	247,374
1986	65,814	73,455	46,950	33,880	17,409	12,338	249,846
1987	66,071	73,559	48,600	33,776	17,701	12,642	252,348
1988	66,315	73,666	50,286	33,760	17,941	12,947	254,915
1989	66,710	73,635	52,032	33,829	18,141	13,275	257,622
1990	67,464	73,265	53,810	33,932	18,358	13,623	260,452
1991	68,511	72,576	55,598	34,108	18,606	13,957	263,356
1992	69,611	71,769	57,319	34,511	18,818	14,287	266,315
1993	70,639	71,006	58,898	35,121	18,971	14,604	269,239
1994	71,547	70,263	60,487	35,770	19,064	14,913	272,044
1995	72,302	69,570	62,180	36,360	19,092	15,244	274,749
1996	72,939	69,034	63,653	37,198	19,059	15,594	277,478
1997	73,448	68,669	64,645	38,543	18,971	15,945	280,222
1998	73,819	68,436	65,454	40,055	18,842	16,265	282,871
1999	74,173	68,321	66,241	41,525	18,697	16,549	285,506
2000	74,539	68,341	66,853	43,005	18,608	16,881	288,227
2001	74,888	68,535	67,273	44,528	18,576	17,256	291,055
2002	75,212	68,864	67,494	46,123	18,590	17,580	293,863
2003	75,477	69,210	67,540	47,756	18,672	17,863	296,518
2004	75,732	69,551	67,552	49,449	18,826	18,129	299,239
2005	76,035	69,892	67,634	51,206	19,048	18,367	302,182
2006	76,365	70,312	67,662	52,982	19,372	18,533	305,226
2007	76,638	70,942	67,434	54,686	19,896	18,594	308,189
2008	76,805	71,813	66,955	56,260	20,602	18,577	311,012
Projected:							
2009	76,946	72,787	66,376	57,828	21,309	18,561	313,807
2010	77,133	73,730	65,758	59,473	21,923	18,580	316,597
2011	77,395	74,597	65,146	60,916	22,710	18,626	319,391
2012	77,733	75,348	64,616	61,928	23,860	18,709	322,194
2013	78,138	75,980	64,185	62,780	25,069	18,853	325,006
2014	78,601	76,494	63,894	63,613	26,183	19,040	327,825
2015	79,093	76,903	63,832	64,270	27,286	19,265	330,648
2016	79,593	77,269	63,981	64,693	28,379	19,559	333,474
2017	80,084	77,632	64,256	64,918	29,414	19,994	336,299
2018	80,562	78,023	64,550	65,027	30,401	20,556	339,119
2019	81,065	78,410	64,776	65,096	31,461	21,122	341,931
2020	81,605	78,738	64,947	65,174	32,626	21,639	344,729
2021	82,131	79,053	65,151	65,175	33,683	22,316	347,509
2022	82,624	79,389	65,526	64,941	34,482	23,304	350,266
2023	83,087	79,715	66,128	64,486	35,209	24,369	352,994
2024	83,500	79,998	66,900	63,943	35,980	25,369	355,688
2025	83,903	80,188	67,779	63,368	36,743	26,363	358,344
2026	84,333	80,314	68,679	62,803	37,449	27,381	360,958
2027	84,753	80,473	69,496	62,316	38,049	28,437	363,524
2028	85,148	80,708	70,196	61,923	38,537	29,529	366,041
2029	85,518	81,018	70,767	61,663	38,885	30,654	368,504
2030	85,864	81,398	71,201	61,618	39,038	31,793	370,913
2031	86,188	81,837	71,549	61,769	38,980	32,944	373,267
2032	86,492	82,304	71,862	62,036	38,764	34,107	375,566
2033	86,781	82,779	72,183	62,321	38,501	35,244	377,810

^a Age as of last birthday.

Notes: 1. Totals do not necessarily equal the sums of rounded components.

2. Historical data are estimated and subject to revision.

Table IV.A2.—SSI Federal Benefit Rate Increases and Levels: Historical and Projected on the Basis of the Intermediate Assumptions of the 2009 OASDI Trustees Report, 1974-2033

Year	Benefit rate increase ^a	Federal benefit rate		
		Individual	Couple	Essential person ^b
Historical data:				
Initial benefit paid January 1, 1974 ^c	—	\$140.00	\$210.00	\$70.00
1974.....	^d 4.3%	146.00	219.00	73.00
1975.....	8.0	157.70	236.60	78.90
1976.....	6.4	167.80	251.80	84.00
1977.....	5.9	177.80	266.70	89.00
1978.....	6.5	189.40	284.10	94.80
1979.....	9.9	208.20	312.30	104.20
1980.....	14.3	238.00	357.00	119.20
1981.....	11.2	264.70	397.00	132.60
1982.....	7.4	284.30	426.40	142.50
1983.....	^d 7.0	304.30	456.40	152.50
1984.....	3.5	314.00	472.00	157.00
1985.....	3.5	325.00	488.00	163.00
1986.....	3.1	336.00	504.00	168.00
1987.....	1.3	340.00	510.00	170.00
1988.....	4.2	354.00	532.00	177.00
1989.....	4.0	368.00	553.00	184.00
1990.....	4.7	386.00	579.00	193.00
1991.....	5.4	407.00	610.00	204.00
1992.....	3.7	422.00	633.00	211.00
1993.....	3.0	434.00	652.00	217.00
1994.....	2.6	446.00	669.00	223.00
1995.....	2.8	458.00	687.00	229.00
1996.....	2.6	470.00	705.00	235.00
1997.....	2.9	484.00	726.00	242.00
1998.....	2.1	494.00	741.00	247.00
1999.....	1.3	500.00	751.00	250.00
2000.....	^e 2.5	^f 513.00	769.00	257.00
2001.....	3.5	^f 531.00	796.00	266.00
2002.....	2.6	545.00	817.00	273.00
2003.....	1.4	552.00	829.00	277.00
2004.....	2.1	564.00	846.00	282.00
2005.....	2.7	579.00	869.00	290.00
2006.....	4.1	603.00	904.00	302.00
2007.....	3.3	623.00	934.00	312.00
2008.....	2.3	637.00	956.00	319.00
2009.....	5.8	674.00	1,011.00	338.00
Projected:				
2010.....	0.0	674.00	1,011.00	338.00
2011.....	0.0	674.00	1,011.00	338.00
2012.....	1.4	684.00	1,025.00	342.00
2013.....	2.8	703.00	1,054.00	352.00
2014.....	3.1	725.00	1,087.00	363.00
2015.....	3.0	746.00	1,120.00	374.00
2016.....	2.8	767.00	1,151.00	384.00
2017.....	2.8	789.00	1,183.00	395.00
2018.....	2.8	811.00	1,216.00	406.00
2019.....	2.8	833.00	1,250.00	417.00
2020.....	2.8	857.00	1,285.00	429.00
2021.....	2.8	881.00	1,321.00	441.00
2022.....	2.8	906.00	1,358.00	454.00
2023.....	2.8	931.00	1,396.00	466.00
2024.....	2.8	957.00	1,436.00	479.00
2025.....	2.8	984.00	1,476.00	493.00
2026.....	2.8	1,011.00	1,517.00	507.00
2027.....	2.8	1,040.00	1,560.00	521.00
2028.....	2.8	1,069.00	1,603.00	535.00
2029.....	2.8	1,099.00	1,648.00	550.00
2030.....	2.8	1,129.00	1,694.00	566.00
2031.....	2.8	1,161.00	1,742.00	582.00
2032.....	2.8	1,194.00	1,791.00	598.00
2033.....	2.8	1,227.00	1,841.00	615.00

^a Increases prior to 1984 were effective for the payment due on July 1 of the year. Increases shown for 1984 and later are effective for the payment due on January 1 of the year.

^b A concept carried over from the former State assistance plans. There are currently fewer than 100 of those cases remaining.

^c Benefits paid in January, 1974 were based on the Federal benefit rates established by Public Law 92-603, enacted October 30, 1972: \$130.00 for individuals; \$195.00 for couples; and \$65.00 for essential persons. Retroactive payments were subsequently made to adjust initial payments to the higher Federal benefit rates established by Public Law 93-233, enacted December 31, 1973.

^d Ad hoc increases as specified in the law.

^e Originally determined as 2.4 percent, but pursuant to Public Law 106-554, enacted December 21, 2000, is effectively now 2.5 percent.

^f Benefits originally paid in 2000 and through July 2001 were based on Federal benefit rates of \$512.00 and \$530.00, respectively. Pursuant to Public Law 106-554, monthly payments beginning in August 2001 were effectively based on the higher \$531 amount. Lump-sum compensation payments were made based on an adjusted benefit rate for months prior to August 2001.

As described in section III.D.1, the monthly Federal benefit rate is adjusted in January of each year for all recipients to reflect the increase in the CPI generally from the third quarter of the second prior calendar year to the third quarter of the prior calendar year. This cost-of-living adjustment is identical to the adjustment applied to Social Security benefits under the OASDI program after initial benefit eligibility. In previous years, occasional ad hoc increases were also applied to the Federal benefit rates, either in place of or in addition to the automatic adjustments. The history of legislation affecting the Federal benefit rates is presented in table V.A1. It is worth noting that the benefit rate increases for January 1, 2010 and January 1, 2011 are both shown in table IV.A2 as 0.0 percent. This is consistent with the underlying assumption that the CPI in 2009 will be below the actual level achieved in the third quarter of 2008 and will not rise above that 2008 level until the second quarter of 2011.

Estimates presented in the sections that follow are based on the demographic and economic parameters described in this section. For the purpose of making these estimates, it is assumed that no changes will occur during the projection period in the present statutory provisions and regulations under which the SSI program operates.

B. NUMBERS OF SSI PROGRAM RECIPIENTS

This section presents projections of the numbers of persons receiving Federal SSI payments by category and age group.¹ SSI recipients are categorized as (1) aged or (2) blind or disabled. The following paragraphs discuss the age groupings and recipient categories in more detail.

- The *aged* category includes those individuals whose eligibility for SSI benefits is established based on meeting the age-65-or-older requirement² and other SSI eligibility requirements including income and resource limits. In December 2008, there were 1.203 million aged recipients of Federally-administered SSI payments.
- The *blind or disabled* category includes those individuals whose eligibility is established based on meeting the definition of blindness or disability and the applicable income and resource limits as well as any other SSI eligibility requirements. This category is often subdivided into two subcategories based on age: *blind or disabled adults* (age 18 or older) and *blind or disabled children* (under age 18). In December 2008, there were 6.317 million blind or disabled recipients of Federally-administered SSI payments.
 - The *blind or disabled adults* subcategory includes those individuals age 18 or older who meet the definition of blindness or disability for individuals age 18 or older and SSI income and resource limits. Included in this category are students age 18 to 21 who must meet the adult definition of disability; they differ from other adults only in that they qualify for a special student earned income exclusion. After attaining age 65, these individuals generally continue to be classified as blind or disabled adults (rather than aged). In December 2008, there were 5.163 million blind or disabled recipients of Federally-administered SSI payments age 18 or older, including 7 thousand students who used the special student earned income exclusion and 830 thousand disabled or blind recipients age 65 or older.
 - The *blind or disabled children* subcategory includes those individuals whose eligibility is established based on meeting the definition of blindness or disability for individuals under age 18. These children are subject to parent-to-child deeming until they reach the age of 18. At age 18 these individuals continue to be eligible for SSI if they meet the definition of blindness or disability for individuals age 18 or older as well as other eligibility criteria and, as a result, are reclassified as blind or disabled adults. In December 2008, there were 1.154 million blind or disabled recipients of Federally-administered SSI payments who were under age 18.

Table IV.B1 presents historical and projected numbers of persons applying for SSI benefits, by calendar year of application. Figure IV.B1 presents the same information in graphical form. Recent historical data indicate that the number of applications grew fairly rapidly beginning in calendar year 2002 and that this growth continued through calendar year 2005. The rate of growth in applications slowed significantly from 2005 to 2007, but increased significantly again in 2008, with the actual number of applications for 2008 coming in 2.8 percent higher than was estimated in the 2008 Annual Report, largely due to the economic recession. The fairly rapid growth in applications from 2002 to 2004 was largely attributable to two main factors: (1) the downturn in the economy that began early in 2001 and (2) implementation of the signature proxy process³ introduced by SSA in June 2004. The more recent large increase in applications is

¹ Recipient flows are projected on a calendar-year-age basis, with activity throughout a given year tabulated according to age at the end of the calendar year. Tabulations of recipients in current-payment status are provided as of December of each calendar year at which time calendar year of age and age last birthday are the same. However, the tabulations that reflect activity throughout the calendar year are summarized according to calendar year of age and will not correspond precisely to tabulations summarized according to age last birthday. For example, applications for the 0-17 age group for a given calendar year include applications only for those individuals who are under 18 at the end of the calendar year.

² Individuals may apply for SSI benefits based on age as of the day preceding their 65th birthday.

³ The signature proxy process eases the application process by eliminating the requirement for a signed paper application from SSI applicants filing claims via the telephone. Previously, some portion of those telephone applicants never followed through with a signed paper application and as a result were not counted as received applications. Under the signature proxy process, most of those previously uncounted applications are now reported in SSA workload totals. However, many of these "new" applications are never completed with the required financial or medical evidence resulting in an increase in the number of recorded denials, but not a corresponding increase in the numbers of new SSI recipients.

Table IV.B1.—SSI Federally-Administered Applications,^a Calendar Years 1974-2033
[In thousands]

Calendar year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974 ^{b, c}	125	590	626	1,303	158	20	1,434	1,496	2,822	2,931	5,752
1975 ^b	94	276	258	443	15	^d	238	145	1,086	382	1,468
1976	82	260	250	384	8	^d	175	80	984	254	1,239
1977	100	286	246	401	7	1	174	84	1,040	259	1,298
1978	94	276	256	413	7	^d	170	88	1,046	258	1,304
1979	106	282	268	426	7	^d	178	84	1,090	262	1,352
1980	122	310	272	438	8	1	187	89	1,151	276	1,427
1981	78	206	173	271	5	^d	88	42	733	130	864
1982	88	246	206	278	11	1	93	48	830	141	971
1983	102	258	225	311	5	1	122	68	902	190	1,092
1984	103	267	247	321	7	^d	178	108	944	286	1,230
1985	114	294	297	409	7	^d	151	73	1,122	223	1,345
1986	122	316	334	426	7	1	150	81	1,205	231	1,437
1987	108	287	299	331	7	1	134	66	1,033	200	1,233
1988	114	282	301	317	7	1	131	69	1,021	200	1,221
1989	116	297	323	329	7	^d	146	76	1,072	222	1,294
1990	149	335	380	356	6	^d	156	71	1,226	227	1,454
1991	237	391	453	391	7	^d	159	68	1,479	227	1,706
1992	339	453	522	407	8	^d	163	64	1,728	226	1,955
1993	473	506	570	416	7	^d	158	61	1,973	218	2,191
1994	517	492	571	402	6	^d	136	52	1,989	188	2,177
1995	473	435	524	363	6	^d	121	44	1,801	165	1,966
1996	431	393	500	345	9	1	108	44	1,678	153	1,831
1997	306	317	438	307	8	1	82	35	1,377	117	1,494
1998	318	317	453	331	9	1	96	39	1,428	136	1,563
1999	338	317	470	336	6	^d	107	39	1,468	145	1,614
2000	337	321	486	341	6	^d	102	39	1,493	140	1,633
2001	351	346	502	354	4	^d	98	35	1,558	134	1,691
2002	385	388	550	384	4	^d	105	38	1,711	142	1,853
2003	400	404	565	408	4	^d	100	36	1,781	135	1,916
2004	420	438	604	452	4	^d	101	37	1,919	138	2,057
2005	429	439	604	477	5	^d	112	44	1,954	156	2,110
2006	415	437	584	484	4	^d	109	41	1,925	150	2,075
2007	421	442	578	502	5	^d	105	39	1,948	143	2,091
2008	434	482	593	535	5	^d	109	38	2,048	147	2,195
Projected:											
2009	458	524	630	594	6	^d	114	39	2,212	152	2,364
2010	462	528	628	605	5	^d	116	39	2,228	154	2,382
2011	457	515	605	598	6	^d	126	39	2,181	164	2,345
2012	442	495	576	582	6	^d	135	39	2,101	174	2,274
2013	412	460	531	547	6	^d	140	39	1,955	178	2,133
2014	412	454	524	547	6	^d	144	39	1,944	183	2,127
2015	415	452	524	549	6	^d	149	39	1,946	188	2,135
2016	422	457	532	557	6	^d	154	40	1,975	194	2,169
2017	427	462	537	559	7	^d	159	41	1,992	200	2,192
2018	434	469	544	563	7	^d	163	42	2,017	206	2,222
2019	438	473	546	565	7	^d	169	43	2,030	212	2,242
2020	441	474	547	565	7	^d	174	44	2,035	218	2,253
2021	443	476	548	564	7	^d	179	46	2,039	225	2,264
2022	446	479	552	560	8	^d	182	48	2,044	231	2,275
2023	448	480	558	554	8	^d	186	50	2,049	236	2,285
2024	450	482	565	548	8	^d	189	52	2,054	241	2,295
2025	452	483	573	543	8	^d	192	54	2,059	247	2,305
2026	455	483	580	538	8	^d	195	56	2,064	251	2,315
2027	457	484	586	534	8	^d	196	58	2,070	255	2,324
2028	458	486	592	533	8	^d	198	60	2,077	258	2,335
2029	460	488	596	533	8	^d	198	63	2,085	260	2,345
2030	462	490	600	534	7	^d	196	65	2,093	261	2,354
2031	463	493	603	536	7	^d	194	67	2,103	261	2,363
2032	464	496	605	539	7	^d	192	69	2,112	261	2,373
2033	466	499	609	541	7	^d	190	71	2,121	261	2,383

^a Based on data reported in the Integrated Workload Management System (formerly known as the District Office Workload Report).

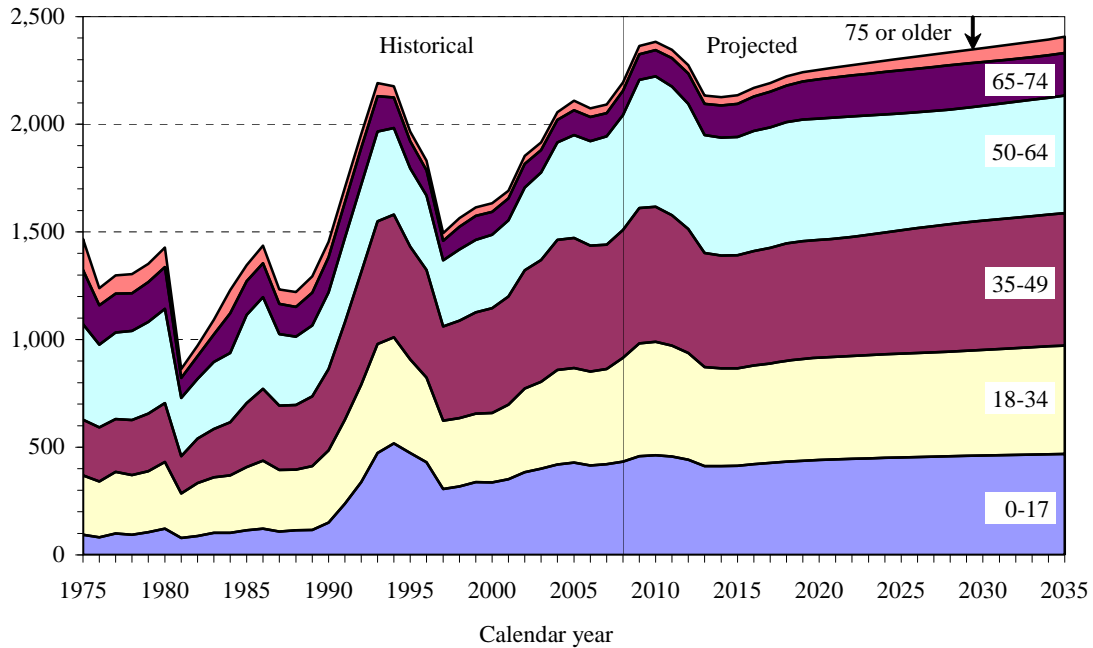
^b "All" column estimated by the Office of Research, Evaluation, and Statistics using a 10-percent sample and published in the SSI Annual Statistical Report.

^c Includes conversions from State programs and applications received in 1973.

^d Fewer than 500.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Figure IV.B1.—SSI Federally-Administered Applications by Age Group, Calendar Years 1975-2035
[In thousands]



presumed to be attributable to the worsening economy. During the projected recession, higher levels of unemployment are assumed to result in further sharp temporary increases in applications above the general trend level. The elevated levels are assumed to subside as the economy recovers, and to briefly drop below the general trend level on the assumption that some of the earlier additional applications will be cases that would have applied in a later year. In the longer term, applications are estimated to grow roughly in line with overall population growth, although the trend level of applications reflects a permanent upward shift due to the signature proxy process.

The adjudication of these applications involves an evaluation of levels of income and resources available to the applicants, as well as other eligibility factors including marital and citizenship status and living arrangements. In addition, over 90 percent of the applications are for disability benefits which generally require an evaluation of an alleged impairment by the appropriate State DDS. An unfavorable disability determination may then be appealed by the applicant through several administrative levels of appeal. If all administrative levels of appeal are exhausted, the applicant may in turn carry his/her appeal to the Federal courts. Data on recent historical experience for this disability decision process are presented in section V.C.

Table IV.B2 and figure IV.B2 present historical and projected numbers of persons who start receiving SSI payments as a result of this decision process. Individuals are counted as of the first month that they move into SSI payment status. For this reason, we refer to these individuals as “new recipients” rather than “awards.”¹ During the 2002 to 2004 period, growth in new recipients did not keep pace with the growth in applications. From 2005 to 2007, the numbers of new recipients declined even though there were more applications during this period than in the preceding years. There were two main factors contributing to the slower growth for new recipients as compared to applications: (1) since 2001 there was substantial

¹ In addition, these counts differ slightly from other similar totals identified as “awards” and published by the Office of Research, Evaluation, and Statistics (ORES) in the *Annual Statistical Supplement to the Social Security Bulletin*. The ORES totals are similar in concept to those used in this report, but differ slightly due to the timing of the action being tabulated. For example, ORES does not count a disability benefit as being awarded until the disability decision is made. In contrast, under the procedures used in this report, individuals first coming on the SSI rolls through a finding of presumptive disability would be counted as a “new recipient” in the first month of presumptive disability payment.

Table IV.B2.—SSI Federally-Administered New Recipients, Calendar Years 1974-2033
[In thousands]

Calendar year ^a	Blind or disabled, by age group					Aged, by age group			Totals ^b		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974 ^c	63	390	381	925	141	18	1,211	1,268	1,919	2,479	4,398
1975.....	58	133	105	272	16	^d	216	131	584	347	931
1976.....	43	105	88	207	9	^d	147	70	452	218	669
1977.....	48	104	84	184	8	1	140	69	429	209	637
1978.....	43	92	76	154	6	^d	127	66	370	193	563
1979.....	44	87	62	133	4	^d	116	53	330	169	499
1980.....	41	92	61	142	4	^d	125	59	341	184	524
1981.....	37	77	49	106	3	^d	80	37	272	117	389
1982.....	38	63	51	90	4	^d	72	31	245	103	348
1983.....	47	88	62	117	3	^d	95	51	317	146	463
1984.....	47	109	78	142	4	^d	131	78	380	209	589
1985.....	48	104	80	148	4	^d	106	46	384	152	536
1986.....	55	127	109	153	5	^d	110	51	449	161	610
1987.....	48	119	106	157	5	^d	116	52	435	167	602
1988.....	50	101	108	146	5	1	112	56	412	167	579
1989.....	48	113	115	155	5	^d	127	62	436	189	625
1990.....	76	136	134	182	5	^d	149	66	533	215	748
1991.....	126	146	172	200	6	^d	139	54	650	193	844
1992.....	221	199	221	233	6	^d	133	48	881	181	1,062
1993.....	235	194	221	225	6	^d	136	49	881	185	1,066
1994.....	204	164	207	215	6	^d	116	42	796	157	953
1995.....	177	147	207	218	5	^d	105	36	755	141	895
1996.....	145	134	193	203	6	1	93	35	681	128	809
1997.....	116	111	171	178	4	^d	68	25	580	93	673
1998.....	135	117	181	194	7	1	78	30	634	108	742
1999.....	140	114	186	195	5	^d	88	33	640	120	760
2000.....	145	112	180	191	5	^d	84	31	633	115	748
2001.....	157	121	185	198	4	^d	79	28	665	107	772
2002.....	171	128	195	212	4	^d	82	29	710	111	821
2003.....	180	132	194	214	4	^d	77	27	724	104	828
2004.....	183	138	202	231	4	^d	78	27	757	105	862
2005.....	178	131	192	238	4	^d	81	29	744	111	854
2006.....	175	128	190	243	3	^d	81	28	739	109	849
2007.....	172	128	186	252	3	^d	75	27	741	103	844
2008.....	183	146	204	289	4	^d	79	26	825	105	930
Projected:											
2009.....	198	155	212	315	5	^d	82	27	884	109	994
2010.....	195	159	214	324	5	^d	85	27	897	112	1,009
2011.....	193	156	206	320	6	^d	94	28	881	122	1,003
2012.....	187	150	196	310	6	^d	102	28	849	130	979
2013.....	174	139	179	288	6	^d	106	28	786	134	919
2014.....	173	137	175	285	6	^d	109	28	776	137	914
2015.....	174	136	175	285	6	^d	112	29	776	141	917
2016.....	177	138	178	289	7	^d	116	29	789	145	934
2017.....	178	140	179	291	7	^d	119	30	794	149	944
2018.....	180	142	181	294	7	^d	123	31	804	153	958
2019.....	182	143	182	295	7	^d	127	32	809	158	967
2020.....	183	143	182	294	7	^d	130	32	810	163	973
2021.....	184	144	182	293	8	^d	134	33	811	167	979
2022.....	185	145	183	291	8	^d	136	35	813	171	984
2023.....	186	145	185	288	8	^d	139	37	813	175	989
2024.....	187	146	188	286	8	^d	141	38	814	179	993
2025.....	188	146	190	283	8	^d	143	39	815	183	998
2026.....	189	146	193	280	8	^d	145	41	816	186	1,002
2027.....	191	146	194	277	8	^d	146	42	816	188	1,004
2028.....	191	147	196	276	8	^d	147	44	817	190	1,007
2029.....	192	147	197	275	8	^d	147	45	819	192	1,011
2030.....	192	148	198	276	7	^d	145	47	822	192	1,014
2031.....	193	149	199	276	7	^d	143	48	825	191	1,016
2032.....	194	150	200	277	7	^d	141	50	828	191	1,019
2033.....	194	150	201	278	7	^d	140	51	831	191	1,022

^a Represents period in which first payment was made, not date of first eligibility for payments.

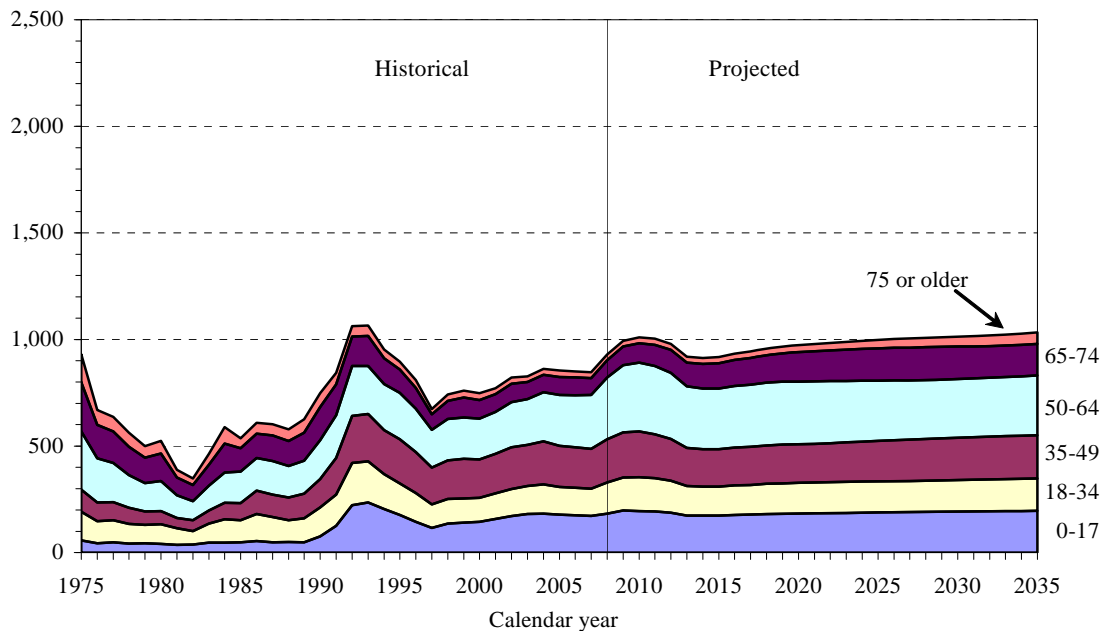
^b Historical totals estimated based on 1-percent or 10-percent sample data.

^c Totals for 1974 include recipients converted from previous State programs as well as new recipients to the SSI program during 1974.

^d Fewer than 500.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Figure IV.B2.—SSI Federally-Administered New Recipients by Age Group, Calendar Years 1975-2035
[In thousands]



growth in the numbers of claims pending adjudication which was consistent with a longer lag time between application and the allowance decision; and (2) since the introduction of the signature proxy process there was a significant increase in the numbers of denials for applications where the applicant did not meet the nonmedical criteria, causing a permanent downward shift in the allowance rate. In 2008, however, there was a substantial increase in the numbers of new recipients which was likely attributable to: (1) the sharp increase in applications, (2) improvements in claims processing, and (3) an initiative to accelerate the processing of cases pending adjudication thereby resulting in an increase in the number of adjudications and allowances during this period. Over the next several years, the numbers of new recipients are projected to increase in a fashion similar to the growth in applications described above, reaching its peak in 2010 and dropping to a relative low point by 2014. Over the longer term the numbers of new recipients are estimated to increase gradually in line with the projected growth in applications.

Some of the persons receiving SSI benefits in a year will be removed from current-payment status during the year because of death or the loss of SSI eligibility. The loss of eligibility can occur either as the result of a redetermination of the recipient's nonmedical factors of eligibility, including income and resources, or due to a determination that he/she is no longer disabled as defined under the Social Security Act, as a result of a continuing disability review.¹ For example, disabled children, upon attainment of age 18, lose eligibility if they do not qualify for benefits under the disabled adult eligibility criteria. For purposes of this presentation, we refer to the net reduction in the number of SSI recipients in payment status during a period as the number of SSI terminations for that period.

In the following tables, we have separated the numbers of persons moving out of payment status into those leaving due to death (table IV.B3), and those leaving for all other reasons (table IV.B4). Table IV.B5 and figure IV.B3 present historical and projected numbers of total terminations by calendar year.

¹ Some historical details on income and resource redeterminations and the results of continuing disability reviews are presented in section V.D. Section V.E presents information on certain incentive programs intended to encourage disabled SSI recipients to return to work.

Table IV.B3.—SSI Federally-Administered Terminations Due to Death, Calendar Years 1974-2033
[In thousands]

Calendar year	Blind or disabled, by age group					Aged, by age group			Totals ^a		All
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	
Historical data:											
1974	b	3	8	34	7	2	40	97	55	137	192
1975	1	5	12	35	10	2	39	108	65	147	212
1976	2	5	9	36	12	1	34	103	64	137	201
1977	1	5	12	30	15	1	36	101	65	137	203
1978	2	5	8	34	16	2	31	95	67	126	193
1979	2	6	9	32	18	2	29	92	67	121	189
1980	3	5	9	31	22	1	27	100	71	127	198
1981	3	5	8	31	24	2	21	92	73	112	186
1982	3	4	8	28	21	2	16	80	65	96	161
1983	3	6	8	25	21	3	15	79	65	94	158
1984	3	4	9	29	18	5	13	83	67	96	163
1985	2	6	10	29	24	6	17	84	77	101	178
1986	2	8	12	28	22	8	15	83	80	98	178
1987	3	8	13	30	23	10	15	82	87	97	184
1988	5	8	14	31	25	12	16	81	95	97	191
1989	3	8	16	33	23	12	15	78	95	93	187
1990	4	9	18	36	22	14	16	75	103	92	194
1991	4	9	20	39	23	17	17	74	112	91	203
1992	4	11	22	38	22	15	16	69	111	84	195
1993	6	13	27	41	23	17	16	72	127	88	215
1994	6	14	27	41	23	17	16	69	127	85	212
1995	6	13	30	43	24	18	16	65	135	81	216
1996	7	12	30	44	24	18	16	67	135	83	218
1997	5	10	24	43	24	19	15	64	127	79	206
1998	5	9	24	43	25	20	14	64	127	78	205
1999	5	9	25	45	25	21	13	63	131	76	207
2000	5	8	27	46	25	21	12	61	132	73	205
2001	5	8	28	47	25	22	11	60	135	71	207
2002	5	8	28	49	24	21	11	58	135	70	205
2003	5	9	28	51	26	21	10	56	138	66	204
2004	5	8	27	52	25	22	10	56	140	65	205
2005	5	8	28	54	25	22	9	54	141	63	204
2006	5	8	27	55	25	22	9	54	143	62	205
2007	5	8	26	57	25	23	8	54	145	62	207
2008	5	8	25	60	25	21	8	53	144	62	206
Projected:											
2009	5	9	25	63	26	24	8	52	153	60	213
2010	5	10	25	66	26	24	8	52	156	59	215
2011	5	10	25	68	27	25	8	52	159	59	219
2012	5	10	24	70	27	25	8	51	163	59	222
2013	5	10	24	72	28	26	8	51	165	59	224
2014	5	10	23	73	29	26	8	51	166	59	225
2015	5	10	23	73	30	26	8	51	167	59	226
2016	5	10	22	73	31	27	9	50	168	59	227
2017	5	10	22	73	32	27	9	50	169	59	228
2018	5	10	22	72	33	27	9	50	170	59	229
2019	5	10	22	72	34	28	9	50	171	59	230
2020	5	10	22	71	35	28	10	50	172	60	231
2021	4	10	22	71	36	29	10	50	173	60	233
2022	4	10	22	70	37	30	10	50	173	61	234
2023	4	10	22	69	37	31	10	51	174	61	235
2024	4	10	22	68	38	32	11	52	175	62	237
2025	4	10	23	67	39	33	11	52	175	63	238
2026	4	10	23	66	39	34	11	53	176	64	240
2027	4	10	23	65	39	35	11	54	176	65	242
2028	4	10	23	64	39	36	11	55	177	66	243
2029	4	10	23	64	39	37	11	57	177	68	245
2030	4	10	23	63	39	39	11	58	178	69	247
2031	4	10	23	63	39	40	11	60	179	71	249
2032	4	10	23	63	38	41	11	61	179	72	251
2033	4	10	23	63	37	43	11	63	180	74	253

^a Historical totals estimated based on 1-percent or 10-percent sample data.

^b Fewer than 500.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Table IV.B4.—SSI Federally-Administered Terminations Due to Reasons Other Than Death, Calendar Years 1974-2033
[In thousands]

Calendar year	Blind or disabled, by age group					Aged, by age group			Totals ^a		All
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	
Historical data:											
1974	5	33	34	69	12	2	27	29	154	56	210
1975	7	50	44	104	15	2	88	91	221	180	401
1976	11	70	61	139	24	1	107	133	306	240	546
1977	13	65	56	110	19	1	76	92	265	168	433
1978	11	64	49	97	18	1	64	86	241	150	391
1979	12	59	43	96	23	1	58	85	234	144	378
1980	19	48	43	80	23	1	44	77	214	121	334
1981	17	43	39	72	21	1	49	86	192	134	326
1982	19	48	43	79	23	1	50	87	212	137	348
1983	18	43	36	63	14	1	25	61	175	86	261
1984	13	51	37	77	21	1	37	60	200	98	298
1985	11	42	37	68	13	2	23	54	172	77	249
1986	18	49	47	73	16	3	34	60	206	94	300
1987	19	51	48	75	17	3	32	57	214	89	302
1988	19	52	51	74	15	5	33	59	216	93	309
1989	19	55	52	72	16	4	33	58	218	91	308
1990	14	52	57	73	17	8	40	68	221	108	330
1991	20	50	70	84	18	5	33	58	248	91	339
1992	39	68	94	103	19	8	34	56	329	90	419
1993	34	73	97	106	22	8	37	55	340	92	433
1994	41	73	101	107	18	8	32	49	348	81	429
1995	47	81	111	115	20	7	32	48	382	80	461
1996	47	89	128	119	21	8	29	49	413	78	491
1997	128	105	147	115	18	8	24	40	522	64	586
1998	67	89	112	110	19	8	22	38	406	61	466
1999	119	111	120	116	20	9	24	43	495	68	563
2000	84	99	111	112	22	9	22	38	437	61	498
2001	65	95	111	118	20	9	22	38	418	60	478
2002	78	100	122	133	20	9	20	35	463	55	517
2003	72	95	122	135	20	9	20	36	453	56	509
2004	85	101	136	156	23	9	24	38	510	62	572
2005	64	101	129	157	20	8	15	30	479	45	524
2006	56	96	131	162	21	8	19	30	473	50	522
2007	46	108	124	160	20	8	18	29	466	48	513
2008	63	112	131	185	20	8	18	27	518	45	563
Projected:											
2009	45	103	123	201	22	9	18	30	501	48	549
2010	54	114	123	203	21	9	20	30	523	50	573
2011	54	118	120	200	21	9	21	31	521	52	573
2012	60	117	112	181	22	9	23	34	501	57	558
2013	64	125	119	195	23	10	24	34	535	57	593
2014	67	129	117	199	24	10	24	34	547	58	605
2015	79	133	114	198	25	11	25	36	560	61	620
2016	92	136	114	198	27	11	26	37	578	62	641
2017	83	140	117	202	28	12	26	37	582	63	645
2018	74	142	118	202	29	12	27	37	577	63	640
2019	77	142	118	201	31	12	27	36	581	64	644
2020	76	145	119	202	33	13	29	37	587	65	652
2021	76	145	120	201	33	13	30	37	587	67	654
2022	76	146	121	199	34	13	30	39	590	69	658
2023	76	147	123	197	35	14	31	40	592	70	662
2024	76	148	125	195	36	14	32	41	594	72	666
2025	77	148	127	193	36	15	32	42	595	74	669
2026	77	148	129	191	37	15	33	43	597	76	673
2027	77	148	131	190	37	16	33	45	599	78	677
2028	78	148	132	189	38	17	34	46	601	80	680
2029	78	148	133	188	38	17	34	48	603	81	684
2030	79	149	134	188	37	18	34	49	605	83	688
2031	79	149	135	189	37	19	34	51	608	85	692
2032	80	150	135	190	37	19	34	53	611	86	697
2033	80	151	136	190	36	20	33	54	613	88	701

^a Historical totals estimated based on 1-percent or 10-percent sample data.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Table IV.B5.—SSI Federally-Administered Terminations for All Reasons, Calendar Years 1974-2033
[In thousands]

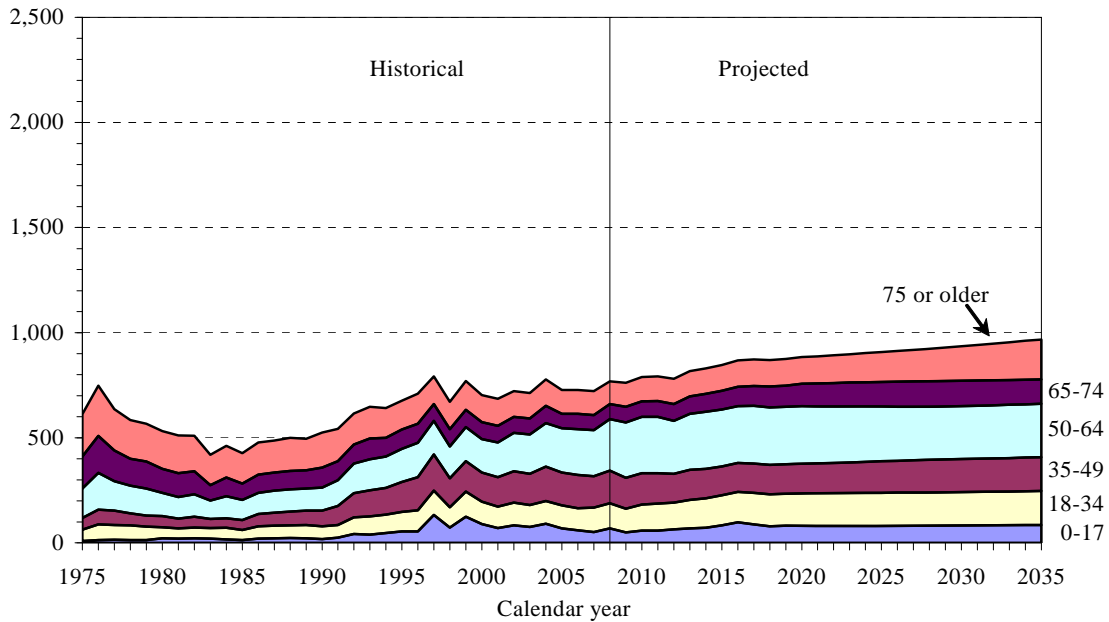
Calendar year	Blind or disabled, by age group					Aged, by age group			Totals ^a		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974	5	36	42	103	19	4	67	126	209	193	402
1975	8	55	56	140	25	3	127	199	287	326	613
1976	13	75	71	174	35	3	141	236	371	377	748
1977	14	71	68	140	34	3	112	194	330	305	636
1978	14	70	58	130	34	3	94	181	308	276	584
1979	13	65	52	128	41	2	88	177	301	265	566
1980	22	53	52	111	45	2	70	177	284	248	532
1981	20	48	47	103	45	3	69	177	266	246	512
1982	21	52	51	107	43	2	65	168	277	233	510
1983	21	49	44	87	34	4	39	140	240	180	419
1984	16	55	46	106	39	6	50	144	267	194	461
1985	13	47	47	97	37	8	40	138	249	178	427
1986	21	58	59	101	38	11	48	143	287	192	478
1987	22	59	61	106	40	13	47	138	301	185	486
1988	24	60	65	105	39	18	49	140	311	189	500
1989	22	63	69	105	39	15	47	136	312	183	496
1990	18	61	75	109	39	22	56	144	324	200	524
1991	25	60	90	123	40	22	50	132	360	182	542
1992	42	78	115	140	41	23	50	125	440	175	614
1993	40	86	124	148	45	24	54	127	467	181	648
1994	47	87	128	148	41	24	48	118	475	166	642
1995	54	94	142	158	44	25	47	113	517	160	677
1996	54	101	158	163	45	27	45	116	548	161	710
1997	133	116	172	159	43	26	39	105	648	143	792
1998	73	98	136	153	44	29	36	102	533	138	671
1999	124	120	146	161	45	31	38	106	626	144	770
2000	89	107	138	159	46	29	35	99	569	134	703
2001	70	103	139	166	45	31	34	98	554	132	685
2002	83	108	150	182	44	30	31	93	598	124	722
2003	76	104	149	186	46	30	31	92	591	122	713
2004	90	109	163	208	48	31	34	93	650	127	777
2005	69	109	157	211	45	30	24	84	621	107	728
2006	61	104	158	217	46	31	28	84	615	112	727
2007	51	116	150	218	46	31	27	83	610	110	720
2008	68	120	155	245	45	29	26	80	663	106	769
Projected:											
2009	50	112	148	264	48	32	26	82	653	108	762
2010	59	124	148	268	47	33	28	82	679	109	788
2011	59	128	144	268	48	34	29	83	680	111	792
2012	65	127	136	251	50	34	31	85	663	116	780
2013	69	136	143	267	51	35	32	85	700	116	817
2014	72	140	140	272	53	36	32	85	713	118	830
2015	84	143	137	271	55	37	33	86	727	120	846
2016	97	146	136	271	58	38	34	87	746	121	868
2017	88	151	139	274	60	39	35	87	751	122	873
2018	78	152	140	275	62	39	36	87	747	122	869
2019	81	153	140	273	65	40	37	86	752	123	875
2020	80	155	141	273	68	41	39	86	759	125	883
2021	81	155	142	271	69	42	40	87	760	127	887
2022	81	156	143	269	71	43	40	89	763	129	892
2023	81	157	145	266	72	45	41	91	766	132	898
2024	81	158	147	263	74	46	42	92	768	134	903
2025	81	158	149	260	75	48	43	94	771	137	908
2026	81	158	152	257	76	49	44	96	773	140	913
2027	81	158	154	255	76	51	44	99	775	143	918
2028	82	158	155	253	77	53	45	102	777	146	924
2029	82	158	156	252	77	55	45	104	780	149	929
2030	83	159	157	252	76	57	45	107	783	152	935
2031	83	159	158	252	76	59	45	110	786	155	941
2032	83	160	158	253	75	60	44	114	790	158	948
2033	84	161	159	253	74	62	44	117	793	161	954

^a Historical totals estimated based on 1-percent or 10-percent sample data.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Actual numbers of terminations increased in 2008 compared to 2007. This increase appears to be attributable to a modest increase in nonmedical redeterminations processed in fiscal year 2008. Thereafter, projected terminations reflect an assumed gradual return to processing schedules for both continuing disability reviews and nonmedical redeterminations consistent with more resources being made available to SSA to carry out these legislatively mandated workloads.

Figure IV.B3.—SSI Federally-Administered Terminations by Age Group, Calendar Years 1975-2035
[In thousands]



Combining the number of persons coming on the SSI payment rolls during a year with the number of those already receiving benefits at the beginning of the year, and subtracting the number leaving the rolls during the year, yields the number of persons receiving Federally-administered SSI payments at the end of the specified period. Individuals receiving Federal SSI payments, who comprise the great majority of Federally-administered recipients, are presented in table IV.B6 and in figure IV.B4. The net effect of actual experience in 2008 was that the number of Federal SSI recipients at the end of 2008 was about 2.2 percent higher than the corresponding number at the end of 2007, but relatively close to what was projected in last year's report.

Table IV.B6.—SSI Recipients with Federal Benefits in Current-Payment Status as of December, 1974-2033
[In thousands]

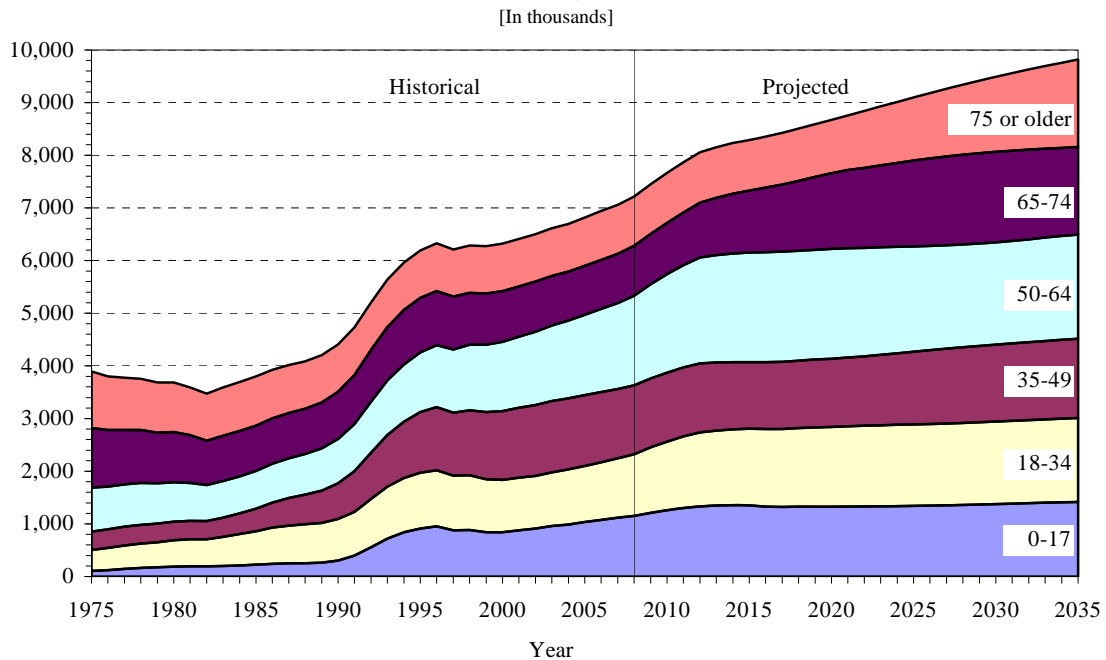
Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974	70	338	321	756	109	13	1,010	1,019	1,606	2,029	3,635
1975	106	395	352	838	164	14	963	1,062	1,869	2,025	3,893
1976	124	420	352	813	208	14	864	1,003	1,932	1,867	3,799
1977	147	442	358	800	249	16	785	980	2,013	1,765	3,778
1978	165	460	361	791	277	16	728	958	2,069	1,686	3,755
1979	176	472	359	764	307	16	656	938	2,094	1,593	3,687
1980	188	500	351	750	342	17	609	925	2,149	1,533	3,682
1981	194	514	349	720	366	17	541	888	2,160	1,430	3,590
1982	191	517	346	683	386	21	459	871	2,144	1,329	3,473
1983	198	555	366	692	412	28	449	890	2,250	1,339	3,590
1984	210	595	393	700	406	48	463	884	2,352	1,347	3,699
1985	226	634	426	717	402	72	462	860	2,477	1,322	3,799
1986	240	688	475	739	397	91	465	827	2,630	1,291	3,922
1987	249	717	524	756	392	113	464	804	2,751	1,268	4,019
1988	254	738	564	774	387	127	468	777	2,844	1,245	4,089
1989	263	757	613	799	382	145	488	760	2,959	1,247	4,206
1990	306	788	677	840	389	156	508	749	3,156	1,257	4,412
1991	395	833	769	897	390	166	542	736	3,451	1,279	4,730
1992	555	920	877	970	402	173	577	727	3,898	1,304	5,202
1993	721	990	979	1,034	410	179	604	720	4,312	1,324	5,636
1994	839	1,032	1,071	1,089	425	182	610	716	4,638	1,326	5,965
1995	915	1,058	1,150	1,134	435	188	601	713	4,880	1,315	6,194
1996	954	1,066	1,198	1,176	444	192	586	711	5,029	1,296	6,326
1997	878	1,039	1,196	1,198	457	193	547	704	4,960	1,251	6,212
1998	885	1,038	1,238	1,243	464	197	521	705	5,063	1,226	6,289
1999	845	1,005	1,274	1,278	474	195	499	704	5,072	1,203	6,275

Table IV.B6.—SSI Recipients with Federal Benefits in Current-Payment Status as of December, 1974-2033 (Cont.)
[In thousands]

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data: (Cont.)											
2000	844	994	1,303	1,313	484	196	483	703	5,134	1,186	6,320
2001	879	995	1,329	1,353	493	196	461	703	5,245	1,165	6,410
2002	912	1,002	1,344	1,394	502	200	447	705	5,354	1,152	6,505
2003	956	1,023	1,353	1,436	511	204	430	703	5,482	1,133	6,614
2004	990	1,044	1,350	1,476	515	208	412	699	5,584	1,111	6,695
2005	1,034	1,065	1,347	1,523	522	215	408	705	5,706	1,113	6,819
2006	1,076	1,095	1,334	1,575	529	220	405	704	5,830	1,109	6,939
2007	1,119	1,124	1,316	1,634	540	228	397	704	5,960	1,101	7,061
2008	1,151	1,173	1,306	1,704	550	234	396	704	6,119	1,100	7,219
Projected:											
2009	1,213	1,241	1,309	1,785	561	239	401	703	6,348	1,104	7,452
2010	1,259	1,302	1,312	1,868	571	246	403	705	6,558	1,107	7,665
2011	1,302	1,356	1,312	1,940	590	251	413	704	6,751	1,117	7,868
2012	1,333	1,401	1,312	2,009	617	257	427	702	6,930	1,129	8,059
2013	1,347	1,425	1,291	2,044	642	263	444	700	7,012	1,143	8,155
2014	1,355	1,443	1,272	2,068	667	267	463	697	7,071	1,160	8,231
2015	1,349	1,457	1,264	2,083	692	271	484	695	7,116	1,179	8,295
2016	1,330	1,472	1,268	2,091	721	275	507	693	7,156	1,200	8,356
2017	1,322	1,481	1,275	2,090	750	280	527	696	7,198	1,224	8,422
2018	1,325	1,493	1,283	2,088	780	284	548	703	7,253	1,252	8,505
2019	1,325	1,505	1,290	2,087	810	290	573	710	7,308	1,283	8,591
2020	1,327	1,512	1,296	2,085	840	296	600	717	7,357	1,317	8,674
2021	1,329	1,522	1,305	2,077	867	306	618	735	7,406	1,353	8,760
2022	1,331	1,532	1,319	2,061	890	321	629	762	7,454	1,391	8,845
2023	1,332	1,541	1,337	2,042	914	333	644	787	7,499	1,431	8,930
2024	1,334	1,548	1,359	2,021	936	345	658	813	7,543	1,471	9,014
2025	1,338	1,549	1,383	2,000	957	357	673	840	7,585	1,513	9,098
2026	1,343	1,551	1,406	1,980	975	371	686	869	7,626	1,555	9,181
2027	1,351	1,553	1,424	1,963	988	385	697	899	7,665	1,596	9,261
2028	1,360	1,556	1,440	1,950	999	400	706	931	7,704	1,637	9,340
2029	1,368	1,559	1,452	1,942	1,004	415	712	963	7,742	1,675	9,417
2030	1,377	1,565	1,461	1,943	1,003	430	715	997	7,779	1,712	9,491
2031	1,386	1,571	1,470	1,949	997	445	715	1,031	7,817	1,745	9,562
2032	1,394	1,577	1,478	1,957	988	460	711	1,064	7,854	1,775	9,629
2033	1,401	1,584	1,487	1,965	979	474	706	1,097	7,891	1,803	9,693

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Figure IV.B4.—SSI Recipients with Federal Benefits in Current-Payment Status, by Age Group, as of December, 1975-2035



As illustrated in figure IV.B4, the implementation of Public Law 104-121 and Public Law 104-193 resulted in a decline in the Federal recipient population from 1996 to 1997. From the end of 1997 through the end of 2000, the Federal SSI recipient population grew at an annual rate of less than 1 percent. From the end of 2000 to the end of 2008, the growth rate for the Federal SSI recipient population averaged 1.7 percent per year. However, as described earlier, the impact of the ongoing economic recession on applications and new recipients is projected to result in more rapid growth with year-to-year increases from the end of 2008 through the end of 2012 averaging approximately 2.8 percent. By 2018, the growth in the projected numbers of Federal SSI recipients gradually returns to a rate of about 1 percent per year over the remainder of the 25-year projection period. In order to place this projected growth in the context of overall population growth, table IV.B7 and figure IV.B5 present Federal SSI recipients as percentages of selected Social Security Area population totals.

Table IV.B7.—SSI Recipients with Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1974-2033

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled ^a	Aged ^b	All ^c
Historical data:											
1974	0.10	0.56	0.88	2.29	0.77	0.14	7.21	11.26	0.72	8.80	1.63
1975 .....	.15	.63	.97	2.51	1.14	.15	6.71	11.42	.83	8.56	1.73
1976 .....	.18	.65	.96	2.42	1.42	.14	5.90	10.46	.85	7.71	1.67
1977 .....	.22	.67	.97	2.36	1.66	.17	5.23	9.98	.88	7.11	1.65
1978 .....	.25	.68	.96	2.32	1.81	.16	4.75	9.50	.89	6.63	1.62
1979 .....	.27	.68	.94	2.23	1.97	.15	4.19	9.04	.90	6.13	1.58
1980 .....	.29	.71	.90	2.18	2.14	.16	3.82	8.68	.91	5.77	1.56
1981 .....	.30	.72	.87	2.09	2.26	.16	3.34	8.09	.91	5.26	1.50
1982 .....	.29	.71	.83	1.99	2.34	.19	2.78	7.70	.89	4.78	1.44
1983 .....	.30	.76	.85	2.02	2.46	.24	2.68	7.65	.92	4.72	1.47
1984 .....	.32	.81	.88	2.05	2.39	.40	2.73	7.40	.96	4.66	1.50
1985 .....	.35	.86	.92	2.11	2.32	.58	2.67	7.01	1.00	4.47	1.53
1986 .....	.37	.94	.99	2.18	2.26	.73	2.64	6.58	1.05	4.28	1.56
1987 .....	.38	.97	1.06	2.24	2.20	.87	2.59	6.25	1.09	4.12	1.59
1988 .....	.38	1.00	1.10	2.29	2.14	.97	2.59	5.89	1.11	3.98	1.60
1989 .....	.40	1.03	1.16	2.36	2.09	1.07	2.67	5.61	1.14	3.92	1.63
1990 .....	.45	1.08	1.24	2.47	2.10	1.12	2.74	5.40	1.21	3.88	1.69
1991 .....	.58	1.15	1.36	2.62	2.08	1.17	2.89	5.19	1.30	3.88	1.79
1992 .....	.80	1.29	1.51	2.79	2.12	1.19	3.05	5.00	1.46	3.89	1.94
1993	1.02	1.40	1.64	2.91	2.15	1.21	3.16	4.85	1.59	3.90	2.08
1994	1.17	1.48	1.75	3.02	2.22	1.20	3.19	4.72	1.70	3.87	2.18
1995	1.27	1.53	1.82	3.09	2.27	1.21	3.14	4.60	1.77	3.79	2.25
1996	1.31	1.55	1.86	3.11	2.33	1.21	3.07	4.48	1.80	3.71	2.27
1997	1.20	1.52	1.84	3.04	2.41	1.19	2.89	4.34	1.76	3.56	2.21
1998	1.20	1.52	1.88	3.05	2.46	1.19	2.77	4.27	1.78	3.47	2.21
1999	1.14	1.47	1.91	3.02	2.54	1.16	2.67	4.19	1.77	3.39	2.19
2000	1.14	1.45	1.94	3.00	2.60	1.14	2.59	4.10	1.77	3.31	2.18
2001	1.18	1.45	1.97	2.98	2.65	1.12	2.48	4.01	1.79	3.22	2.19
2002	1.22	1.45	1.99	2.97	2.69	1.12	2.40	3.95	1.81	3.16	2.21
2003	1.27	1.47	2.00	2.95	2.72	1.12	2.29	3.89	1.84	3.07	2.22
2004	1.31	1.50	2.00	2.93	2.72	1.13	2.17	3.80	1.86	2.98	2.23
2005	1.36	1.52	1.99	2.92	2.72	1.16	2.12	3.79	1.88	2.94	2.25
2006	1.41	1.55	1.97	2.92	2.70	1.18	2.06	3.76	1.90	2.89	2.26
2007	1.47	1.58	1.96	2.94	2.66	1.22	1.96	3.76	1.93	2.83	2.28
2008	1.51	1.62	1.96	2.99	2.62	1.25	1.88	3.77	1.96	2.77	2.31
Projected:											
2009	1.58	1.69	1.98	3.04	2.59	1.28	1.85	3.76	2.02	2.74	2.37
2010	1.64	1.76	2.01	3.09	2.56	1.31	1.81	3.76	2.06	2.70	2.41
2011	1.69	1.81	2.02	3.15	2.54	1.34	1.78	3.75	2.11	2.66	2.45
2012	1.72	1.85	2.04	3.22	2.52	1.36	1.74	3.72	2.14	2.60	2.49
2013	1.73	1.87	2.02	3.23	2.50	1.38	1.73	3.67	2.15	2.56	2.50
2014	1.73	1.88	1.99	3.23	2.49	1.39	1.73	3.62	2.15	2.52	2.50
2015	1.71	1.89	1.98	3.22	2.48	1.39	1.74	3.56	2.14	2.49	2.50
2016	1.67	1.90	1.98	3.22	2.49	1.38	1.75	3.49	2.14	2.46	2.50
2017	1.65	1.90	1.98	3.21	2.50	1.37	1.76	3.42	2.13	2.43	2.50
2018	1.65	1.91	1.98	3.21	2.52	1.36	1.77	3.35	2.13	2.41	2.50
2019	1.64	1.92	1.99	3.20	2.53	1.35	1.79	3.30	2.13	2.39	2.50

Table IV.B7.—SSI Recipients with Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1974-2033 (Cont.)

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled ^a	Aged ^b	All ^c
Projected: (Cont.)											
2020	1.63	1.92	1.99	3.19	2.53	1.34	1.80	3.26	2.13	2.38	2.51
2021	1.62	1.92	2.00	3.19	2.54	1.34	1.81	3.21	2.12	2.37	2.51
2022	1.61	1.93	2.00	3.18	2.55	1.34	1.80	3.17	2.12	2.36	2.52
2023	1.61	1.93	2.01	3.18	2.56	1.33	1.81	3.15	2.12	2.36	2.52
2024	1.60	1.93	2.02	3.17	2.57	1.33	1.81	3.13	2.11	2.36	2.53
2025	1.60	1.93	2.03	3.17	2.57	1.32	1.81	3.11	2.11	2.36	2.53
2026	1.60	1.93	2.03	3.16	2.58	1.32	1.81	3.10	2.11	2.36	2.54
2027	1.60	1.93	2.04	3.16	2.57	1.32	1.82	3.09	2.10	2.36	2.54
2028	1.60	1.92	2.04	3.16	2.57	1.32	1.82	3.08	2.10	2.37	2.54
2029	1.60	1.92	2.05	3.15	2.57	1.32	1.82	3.07	2.10	2.38	2.55
2030	1.61	1.92	2.05	3.15	2.56	1.32	1.83	3.06	2.09	2.39	2.55
2031	1.61	1.91	2.05	3.15	2.56	1.32	1.83	3.06	2.09	2.40	2.55
2032	1.62	1.91	2.05	3.15	2.55	1.32	1.84	3.05	2.09	2.41	2.56
2033	1.62	1.91	2.05	3.15	2.55	1.32	1.84	3.05	2.08	2.42	2.56

^a Blind or disabled recipients as a percentage of the total Social Security Area population.

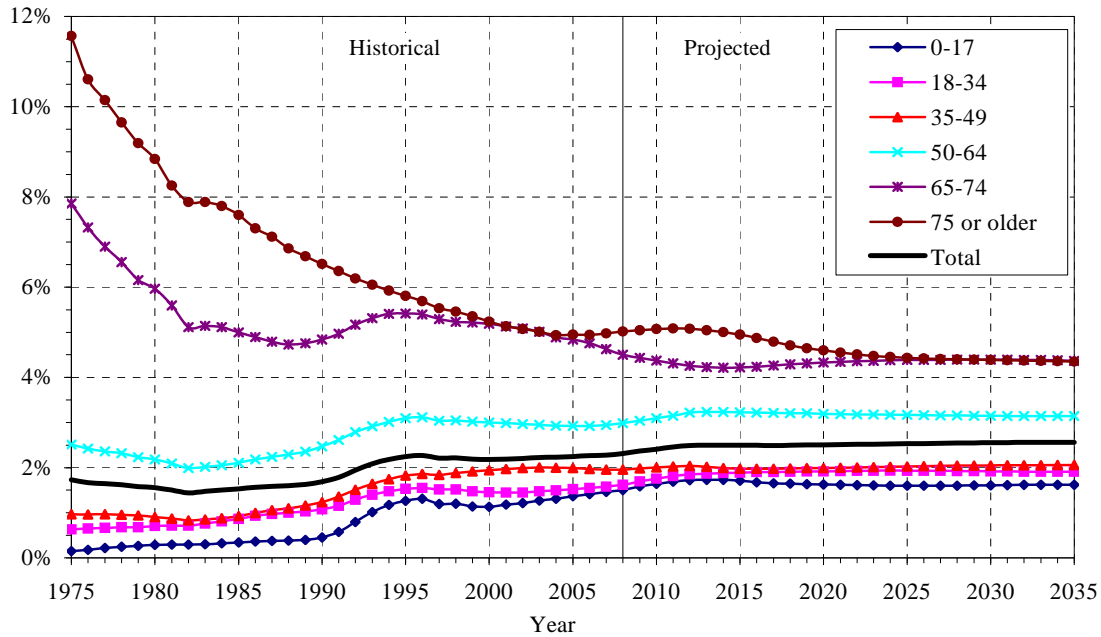
^b Aged recipients as a percentage of the 65 or older Social Security Area population.

^c Total recipients as a percentage of the total Social Security Area population. Totals do not equal sums of components due to overlapping populations.

For the totals shown in table IV.B7, the percentages are calculated using the population age group totals corresponding to the age groups in the Federal recipient categories. Because the ratios for the separate recipient categories are computed as percentages of differing base populations, the percentage for the total SSI recipient population is not the arithmetic sum of the percentages for the respective recipient categories. As indicated in the table, the percentage of the total Social Security Area population who were receiving Federal SSI payments declined from 1975 through the early 1980s. In 1983, this percentage started increasing and continued to increase through 1996. Due to factors described previously, the percentage of the total population receiving Federal SSI payments declined in 1997, but leveled out over the next few years. It has increased slightly over the past few years and is expected to increase gradually over the projection period, due largely to the changing age distribution of the underlying population.

The various subcategories of Federal SSI recipients, however, follow significantly different growth patterns in relationship to their respective population totals. The aged Federal SSI recipient population declines steadily as a percentage of the 65 or older population throughout the historical period and most of the projection period, with the decline leveling off near the end of the projection period. In contrast, except for decreases in the late 1990s due to the eligibility redeterminations and continuing disability reviews mandated by Public Law 104-193, the number of blind or disabled children receiving Federal SSI payments increased steadily throughout the historical period as a percentage of the under age 18 population, with the increase being quite steep in the early 1990s. The total blind or disabled Federal SSI recipient population as a percentage of the total population remained fairly level until the early 1980s when it started increasing and continued to increase through 1996. After the modest decrease in the late 1990s due to the implementation of legislation described in other sections, the number of blind or disabled persons receiving Federal SSI payments began a gradual increase as a percentage of the total population that is estimated to continue through 2014, reaching more than 2.1 percent of the total population. In the later years of the projection period, the percentage is expected to gradually decline under the assumption that SSA will receive the resources necessary to carry out the normal CDR and nonmedical redetermination workloads.

Figure IV.B5.—SSI Recipients with Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Age Groups, as of December, 1975-2035



Historical and projected numbers of individuals who receive only a Federally-administered State supplement are presented in table IV.B8.

Table IV.B8.—SSI Recipients with Federally-Administered State Supplementary Benefits Only, in Current-Payment Status as of December, 1974-2033
[In thousands]

Year	Blind or disabled, by age group					Aged, by age group			Totals		All
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	
Historical data:											
1974	1	12	20	57	13	1	138	120	104	257	361
1975	1	15	25	74	21	2	144	138	139	282	421
1976	1	14	27	87	26	2	134	146	156	280	437
1977	1	16	27	94	35	2	136	150	174	286	460
1978	1	16	26	93	41	2	127	155	180	282	462
1979	1	18	25	89	49	2	121	157	184	278	462
1980	2	20	26	82	52	2	112	162	185	274	460
1981	1	19	26	75	58	2	94	155	181	248	429
1982	1	18	23	68	53	2	82	137	165	219	384
1983	1	17	19	50	44	4	65	111	136	176	312
1984	1	18	23	50	47	7	68	116	147	184	331
1985	1	21	28	53	45	8	67	115	157	182	339
1986	1	23	31	55	45	11	66	116	166	182	348
1987	1	26	36	60	43	12	72	115	178	187	366
1988	1	26	42	59	44	14	74	114	187	188	375
1989	2	28	45	60	45	16	76	115	195	192	387
1990	2	31	54	60	44	17	82	116	208	197	405
1991	2	29	54	59	42	17	78	108	203	186	389
1992	2	29	55	59	37	16	70	97	197	167	364
1993	2	29	58	59	34	15	64	88	197	151	348
1994	2	28	59	56	32	14	59	81	192	139	331
1995	3	25	59	56	32	14	54	77	188	131	320
1996	2	21	54	53	29	13	49	68	172	116	288
1997	2	20	55	53	29	13	46	65	172	111	283
1998	2	18	54	55	28	13	43	63	171	106	277
1999	2	18	57	58	28	13	43	62	177	105	282
2000	2	17	57	60	29	13	42	61	179	103	282
2001	2	17	56	62	29	12	41	59	179	100	278
2002	3	17	57	64	30	12	42	58	183	100	283
2003	3	18	58	67	30	12	42	58	188	100	288
2004	3	18	58	70	31	12	43	58	193	100	293
2005	3	18	56	73	31	12	44	58	193	102	295
2006	3	18	55	76	32	12	45	58	194	103	297
2007	2	18	53	77	32	12	46	57	195	103	298
2008	3	18	52	80	34	12	46	57	198	103	301

Table IV.B8.—SSI Recipients with Federally-Administered State Supplementary Benefits Only, in Current-Payment Status as of December, 1974-2033 (Cont.)
[In thousands]

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Projected:											
2009	3	19	51	82	33	12	44	56	201	100	301
2010	3	21	51	88	34	12	44	56	208	100	308
2011	3	22	51	92	35	12	45	56	215	101	316
2012	3	22	51	95	37	12	47	57	221	103	325
2013	3	23	50	97	39	13	49	57	225	106	331
2014	3	24	50	98	41	13	51	58	230	109	339
2015	3	24	51	100	43	13	54	58	234	112	345
2016	3	25	51	100	45	13	56	59	237	114	351
2017	3	25	51	100	46	14	58	60	239	117	356
2018	3	25	51	100	48	14	60	61	241	120	361
2019	3	25	51	100	50	14	62	62	243	124	367
2020	3	25	51	100	51	15	65	63	246	128	373
2021	3	26	52	99	53	15	66	65	248	132	380
2022	3	26	52	98	54	16	68	68	250	136	386
2023	3	26	53	98	56	17	69	70	252	140	392
2024	3	26	54	97	57	17	71	73	254	144	398
2025	3	26	55	96	58	18	72	75	256	148	404
2026	3	26	56	95	59	19	74	78	258	152	410
2027	3	26	57	94	60	19	75	81	259	156	415
2028	3	26	57	93	61	20	76	84	261	160	420
2029	3	26	58	93	61	21	76	87	262	163	425
2030	3	26	58	93	61	22	77	90	263	167	430
2031	3	26	59	93	60	22	77	93	264	170	434
2032	3	27	59	93	60	23	76	96	265	172	437
2033	3	27	59	94	59	24	76	99	266	175	441

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

The combined numbers of persons receiving either a Federal SSI payment or a Federally-administered State supplement are displayed in table IV.B9.

In examining the numbers of SSI recipients in the recent past and projections of such numbers for the near future, certain patterns are worth noting. The rapid increase in the total number of SSI recipients in the early 1990s is a function of the growth in the numbers of disabled adults and children. The growth in the numbers of children receiving SSI resulted in large part from the Supreme Court decision in the case of Sullivan v. Zebley, which greatly expanded the criteria used for determining disability for children. The growth in the numbers of disabled adults is a more complicated phenomenon which is not completely understood. However, extensive research conducted under contract to SSA and the Department of Health and Human Services suggests that this growth was the result of a combination of factors including (1) demographic trends, (2) a downturn in the economy in the late 1980s and early 1990s, (3) long-term structural changes in the economy, and (4) changes in other support programs (in particular the reduction or elimination of general assistance programs in certain States). The recent modest changes in program participation reflect the combined effects of recent legislation described in previous sections, along with changes in some of the factors mentioned above.

Table IV.B9.—SSI Recipients with Federally-Administered Benefits in Current-Payment Status as of December, 1974-2033

Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974	71	349	341	813	122	14	1,148	1,138	1,710	2,286	3,996
1975	107	410	378	911	185	16	1,107	1,200	2,007	2,307	4,314
1976	125	434	379	900	234	15	999	1,149	2,088	2,148	4,236
1977	147	458	385	893	284	18	921	1,130	2,187	2,051	4,238
1978	166	476	387	884	319	17	855	1,113	2,249	1,968	4,217
1979	177	490	384	852	357	17	777	1,095	2,278	1,872	4,150
1980	190	521	377	833	393	20	721	1,086	2,334	1,808	4,142
1981	195	533	375	795	424	19	635	1,043	2,341	1,678	4,019
1982	192	535	369	751	439	23	541	1,008	2,309	1,549	3,858
1983	198	572	386	742	456	32	514	1,001	2,386	1,515	3,901
1984	212	613	417	751	453	54	531	999	2,499	1,530	4,029
1985	227	655	454	769	447	80	530	975	2,634	1,504	4,138
1986	241	711	506	794	442	102	531	942	2,796	1,473	4,269
1987	251	743	560	816	436	124	536	920	2,930	1,455	4,385
1988	255	764	606	833	431	142	543	891	3,030	1,433	4,464
1989	265	785	658	859	427	160	564	875	3,154	1,439	4,593
1990	309	819	731	900	432	172	589	865	3,363	1,454	4,817
1991	397	863	823	956	432	183	620	845	3,654	1,465	5,118
1992	556	949	932	1,029	440	189	647	824	4,095	1,471	5,566
1993	723	1,019	1,036	1,093	445	194	667	808	4,509	1,475	5,984
1994	841	1,060	1,130	1,146	457	196	669	797	4,830	1,466	6,296
1995	917	1,083	1,209	1,190	467	202	656	790	5,068	1,446	6,514
1996	955	1,087	1,252	1,229	472	205	634	778	5,201	1,413	6,614
1997	880	1,059	1,251	1,252	486	205	593	770	5,133	1,362	6,495
1998	887	1,056	1,292	1,298	492	209	564	768	5,234	1,332	6,566
1999	847	1,024	1,331	1,336	503	208	543	765	5,249	1,308	6,557
2000	847	1,011	1,360	1,373	513	209	525	764	5,312	1,289	6,602
2001	882	1,012	1,385	1,415	522	209	502	762	5,424	1,264	6,688
2002	915	1,019	1,401	1,458	532	212	489	763	5,536	1,252	6,788
2003	959	1,040	1,410	1,503	541	216	471	761	5,670	1,233	6,902
2004	993	1,062	1,408	1,546	546	221	455	756	5,777	1,211	6,988
2005	1,036	1,083	1,404	1,596	553	228	452	763	5,900	1,214	7,114
2006	1,079	1,113	1,388	1,651	560	232	450	762	6,024	1,212	7,236
2007	1,121	1,142	1,369	1,711	572	240	443	761	6,155	1,205	7,360
2008	1,154	1,191	1,358	1,784	584	246	442	761	6,317	1,203	7,521
Projected:											
2009	1,216	1,260	1,360	1,867	594	251	445	759	6,548	1,204	7,753
2010	1,262	1,323	1,363	1,956	604	258	447	761	6,766	1,207	7,973
2011	1,305	1,378	1,363	2,032	625	263	458	760	6,966	1,218	8,185
2012	1,336	1,424	1,363	2,104	655	270	474	759	7,152	1,232	8,384
2013	1,350	1,448	1,341	2,141	681	276	493	757	7,237	1,250	8,486
2014	1,358	1,466	1,322	2,167	707	280	514	755	7,301	1,269	8,570
2015	1,352	1,481	1,315	2,182	735	284	538	753	7,350	1,290	8,640
2016	1,334	1,496	1,319	2,191	765	288	563	751	7,393	1,314	8,707
2017	1,326	1,506	1,326	2,190	796	293	585	756	7,437	1,341	8,777
2018	1,328	1,518	1,334	2,188	828	298	608	764	7,494	1,372	8,866
2019	1,328	1,530	1,342	2,187	860	305	635	772	7,551	1,407	8,958
2020	1,331	1,538	1,348	2,184	892	311	665	780	7,603	1,445	9,047
2021	1,333	1,548	1,356	2,176	921	321	685	800	7,654	1,485	9,139
2022	1,334	1,558	1,371	2,159	945	337	697	830	7,704	1,527	9,231
2023	1,335	1,567	1,390	2,139	970	350	713	858	7,751	1,570	9,322
2024	1,337	1,574	1,413	2,117	994	362	729	886	7,797	1,615	9,412
2025	1,341	1,575	1,438	2,095	1,016	375	745	916	7,841	1,661	9,502
2026	1,347	1,577	1,462	2,075	1,034	389	760	947	7,884	1,707	9,591
2027	1,354	1,579	1,481	2,057	1,048	405	772	980	7,925	1,752	9,677
2028	1,363	1,581	1,498	2,043	1,059	420	782	1,015	7,964	1,796	9,760
2029	1,372	1,586	1,510	2,035	1,065	436	788	1,050	8,003	1,839	9,842
2030	1,381	1,591	1,520	2,035	1,064	451	792	1,087	8,042	1,879	9,921
2031	1,390	1,597	1,528	2,041	1,057	467	791	1,124	8,081	1,915	9,995
2032	1,398	1,603	1,536	2,051	1,047	483	787	1,161	8,119	1,947	10,066
2033	1,405	1,610	1,546	2,059	1,039	498	781	1,196	8,157	1,977	10,134

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

C. FEDERAL PAYMENTS UNDER SSI

In order to estimate future amounts of Federal expenditures under SSI, the projected Federal benefit rates shown in table IV.A2 are first modified to reflect actual payment levels, taking into account historical and projected levels of adjustments for other actual or deemed income. Combining these actual payment levels with the projected numbers of persons receiving Federal SSI payments yields estimates of the amounts of Federal SSI payments. Historical amounts of such payments on a calendar year basis are shown in table IV.C1. For purposes of this presentation, these payment amounts are computed on a cash-flow basis consistent with the concepts used to define SSI obligations for the Federal Budget. As a result, for months after January 1978, SSI payments due on the first of the month are tabulated in the previous month, if the first of the month falls on a weekend or Federal holiday.¹

Table IV.C1.—SSI Federal Payments in Current Dollars,^a Calendar Years 1974-2009
[In millions]

Calendar year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
1974.....	\$40	\$438	\$452	\$968	\$135	\$17	\$825	\$958	\$2,050	\$1,783	\$3,833
1975.....	128	537	499	1,099	190	17	812	1,031	2,471	1,843	4,314
1976.....	176	605	541	1,147	241	17	762	1,023	2,727	1,785	4,512
1977.....	227	671	579	1,174	298	17	721	1,016	2,966	1,737	4,703
1978 ^b	302	781	655	1,312	381	18	736	1,111	3,449	1,847	5,296
1979.....	340	809	650	1,296	429	21	667	1,093	3,546	1,760	5,306
1980.....	397	931	731	1,420	544	28	642	1,230	4,051	1,872	5,923
1981.....	458	1,079	821	1,542	654	32	643	1,320	4,586	1,963	6,549
1982.....	512	1,211	883	1,590	704	38	630	1,364	4,937	1,994	6,931
1983.....	574	1,372	985	1,704	774	58	624	1,440	5,466	2,064	7,530
1984.....	659	1,576	1,128	1,835	836	102	670	1,512	6,136	2,182	8,318
1985.....	736	1,709	1,250	1,924	833	160	699	1,499	6,611	2,198	8,809
1986.....	831	1,929	1,452	2,043	848	209	731	1,479	7,312	2,210	9,522
1987.....	900	2,081	1,618	2,157	846	259	765	1,444	7,860	2,210	10,069
1988.....	955	2,228	1,818	2,303	874	304	814	1,449	8,481	2,263	10,744
1989.....	1,025	2,431	2,048	2,481	936	366	881	1,479	9,286	2,361	11,647
1990.....	1,201	2,660	2,395	2,792	969	407	987	1,532	10,423	2,519	12,943
1991.....	1,678	3,129	2,966	3,305	1,060	463	1,169	1,637	12,601	2,806	15,407
1992.....	3,154	3,900	3,577	3,790	1,124	487	1,303	1,690	16,033	2,993	19,026
1993.....	3,909	4,465	4,164	4,188	1,208	513	1,471	1,759	18,447	3,230	21,677
1994.....	4,167	4,504	4,666	4,533	1,274	538	1,566	1,814	19,682	3,380	23,063
1995.....	4,657	4,777	5,155	4,896	1,357	565	1,599	1,900	21,407	3,499	24,906
1996.....	4,947	5,004	5,614	5,298	1,427	590	1,643	1,977	22,880	3,621	26,501
1997.....	4,920	5,031	5,564	5,410	1,505	614	1,586	2,046	23,044	3,632	26,675
1998.....	4,965	5,150	5,901	5,777	1,588	635	1,542	2,136	24,017	3,678	27,695
1999.....	4,835	5,132	6,185	6,037	1,660	654	1,503	2,206	24,503	3,709	28,212
2000.....	4,789	5,121	6,404	6,293	1,717	675	1,470	2,309	24,999	3,779	28,778
2001.....	5,104	5,354	6,817	6,783	1,838	713	1,470	2,454	26,608	3,924	30,532
2002.....	5,353	5,484	7,048	7,131	1,909	738	1,433	2,520	27,663	3,953	31,616
2003.....	5,686	5,715	7,243	7,532	1,984	771	1,408	2,601	28,932	4,009	32,941
2004.....	6,036	5,954	7,384	7,943	2,054	809	1,366	2,657	30,179	4,023	34,202
2005.....	6,488	6,291	7,624	8,437	2,148	871	1,358	2,778	31,859	4,136	35,995
2006.....	6,948	6,656	7,760	8,943	2,235	924	1,413	2,895	33,467	4,308	37,775
2007.....	7,346	7,067	7,871	9,539	2,333	981	1,406	2,970	35,137	4,376	39,514
2008 ^c	7,831	7,623	8,172	10,387	2,459	1,051	1,438	3,078	37,523	4,516	42,040
2009 ^{c, d}	8,495	8,309	8,389	11,245	2,600	1,122	1,492	3,200	40,160	4,692	44,853

^a Total historical payments for 1974-77 agree with those presented in the *Annual Statistical Supplement to the Social Security Bulletin*. Total historical payments for 1978-83 are estimated.

^b Includes 13 months of payments since payments due on January 1, 1978 and January 1, 1979 were both paid in calendar year 1978.

^c Payments for 2008 include \$1.4 billion for SSI checks mailed in late December 2008, but reported by the Department of the Treasury in January 2009. These checks are normally reported in December.

^d Partially estimated.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Using this cash-flow concept causes these payments to differ from similar amounts shown in other Social Security Administration publications, such as the *Annual Statistical Supplement to the Social Security Bulletin*, in two main ways. First, the payments shown in the *Annual Statistical Supplement* are tabulated for

¹ Public Law 95-216, the Social Security Amendments of 1977, enacted December 20, 1977, added a statutory requirement that SSI payments, which are normally due on the first of the month, be delivered early when the normal delivery date falls on a Saturday, Sunday or Federal holiday. When the first of the month falls on a weekend or Federal holiday, all payments due on that day are paid in the previous month. Payments presented on a cash-flow basis are tabulated according to the month in which they are actually paid.

the month the payment is due, while the amounts shown in table IV.C1 are tabulated for the month they are actually paid. In particular, since January 1 of each year is a Federal holiday, SSI payments due on January 1 of years 1979 and later are actually paid in December of the previous year. Thus, for example, the calendar year 2008 payment amounts shown in table IV.C1 reflect payments made in January-December, 2008, and include the payments due on January 1, 2009 (which were actually paid in December, 2008), but not the payments due on January 1, 2008 (which were actually paid in December, 2007). Second, beginning in 1991, SSI obligations as accounted for in the Federal Budget are not reduced for certain recovered overpayments which are remitted directly to the Department of the Treasury. The payments shown in the *Annual Statistical Supplement* continue to report an amount which is reduced by such overpayment recoveries, as was done for the Budget prior to 1991.

Corresponding amounts of SSI outlays on a fiscal year¹ basis are presented in table IV.C2 for fiscal years 1978-2009. Fiscal years prior to 1978 are omitted from table IV.C2 since historical SSI payment amounts on a fiscal year basis for years prior to 1978 are not readily available. As with the calendar year figures, these fiscal year amounts are shown on a cash-flow basis. Consequently, fiscal years 1979 and later may contain 11, 12, or 13 months of payments, depending on whether October 1 of the current and succeeding fiscal years falls on a weekend.² Fiscal year 1978 contains 13 months of payments.

Table IV.C2.—SSI Federal Payments in Current Dollars, Fiscal Years 1978-2009
[In millions]

Fiscal year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
1978.....	\$206	\$740	\$668	\$1,438	\$312	\$22	\$772	\$1,076	\$3,386	\$1,848	\$5,234
1979 ^a	226	711	620	1,265	331	20	656	954	3,172	1,610	4,782
1980.....	372	877	698	1,360	506	26	629	1,184	3,840	1,813	5,653
1981.....	442	1,039	797	1,508	625	31	647	1,307	4,442	1,954	6,396
1982.....	499	1,181	861	1,570	693	36	640	1,356	4,840	1,996	6,836
1983.....	596	1,416	1,024	1,783	806	56	660	1,510	5,680	2,170	7,850
1984 ^a	588	1,411	1,005	1,665	760	85	613	1,391	5,514	2,004	7,517
1985.....	713	1,662	1,215	1,895	828	145	691	1,502	6,459	2,193	8,652
1986.....	800	1,864	1,386	1,995	840	196	723	1,487	7,080	2,209	9,290
1987.....	880	2,030	1,565	2,119	845	242	755	1,448	7,681	2,203	9,884
1988.....	1,009	2,356	1,898	2,425	932	316	860	1,559	8,935	2,419	11,354
1989 ^a	1,012	2,378	1,997	2,452	910	345	862	1,473	9,094	2,335	11,430
1990 ^a	1,039	2,378	2,115	2,479	876	362	879	1,394	9,247	2,273	11,521
1991.....	1,519	2,975	2,772	3,141	1,032	447	1,120	1,608	11,886	2,728	14,614
1992.....	2,684	3,621	3,398	3,653	1,099	476	1,269	1,680	14,932	2,949	17,881
1993.....	3,817	4,377	3,977	4,033	1,175	502	1,420	1,730	17,880	3,150	21,029
1994.....	4,328	4,771	4,866	4,756	1,344	569	1,659	1,930	20,635	3,588	24,223
1995 ^a	4,554	4,719	5,031	4,822	1,341	560	1,596	1,884	21,027	3,480	24,507
1996 ^a	4,543	4,595	5,123	4,830	1,305	540	1,510	1,808	20,936	3,317	24,254
1997.....	4,933	5,004	5,529	5,340	1,478	606	1,602	2,027	22,890	3,629	26,519
1998.....	4,915	5,114	5,816	5,688	1,567	630	1,548	2,110	23,729	3,658	27,387
1999.....	4,901	5,152	6,123	5,975	1,638	648	1,506	2,180	24,438	3,685	28,123
2000.....	5,152	5,500	6,827	6,692	1,822	718	1,599	2,453	26,710	4,052	30,763
2001 ^a	4,597	4,869	6,170	6,125	1,670	652	1,352	2,236	24,083	3,588	27,671
2002.....	5,290	5,456	6,998	7,041	1,889	731	1,444	2,500	27,405	3,944	31,349
2003.....	5,558	5,623	7,170	7,390	1,957	759	1,417	2,572	28,456	3,989	32,445
2004.....	5,910	5,868	7,327	7,797	2,031	796	1,380	2,638	29,729	4,018	33,748
2005.....	6,856	6,669	8,150	8,928	2,282	916	1,463	2,945	33,800	4,409	38,208
2006 ^a	6,832	6,560	7,739	8,813	2,207	908	1,404	2,863	33,060	4,267	37,327
2007 ^a	6,659	6,427	7,207	8,630	2,135	895	1,297	2,731	31,952	4,028	35,981
2008.....	7,651	7,411	8,063	10,106	2,416	1,027	1,419	3,035	36,673	4,454	41,127
2009 ^b	8,391	8,211	8,445	11,126	2,591	1,118	1,500	3,214	39,882	4,715	44,597

^a Payment due on October 1 of fiscal year paid in previous fiscal year.

^b Partially estimated.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

¹ Fiscal years 1977 and later cover the 12-month period ending September 30. For example, fiscal year 2009 payments include payments made from October 1, 2008 through September 30, 2009.

² Generally, for fiscal years 1979 and later, the number of months of payments included in the fiscal year is:

11 months if October 1 of the current, but not the succeeding fiscal year falls on a weekend;

12 months if October 1 of both the current and succeeding fiscal years falls during the week (all payments made in the fiscal year due);

12 months if October 1 of both the current and succeeding fiscal years falls on a weekend (both payments due on October 1 paid in preceding fiscal year); and

13 months if October 1 of the succeeding, but not current, fiscal year falls on a weekend.

When projecting dollar amounts over longer periods of time, the changing value of the dollar due to inflation can make meaningful comparisons of such amounts difficult. For this reason, in projecting SSI expenditures for 25 years, some means of removing inflation is generally desirable. The CPI, as discussed in section IV.A, is an appropriate means of standardizing projected SSI costs over time. Constant-dollar values of Federal SSI benefit payments (those adjusted by the CPI) are presented in table IV.C3 for both the historical period, calendar years 1974-2008, and the full 25-year projection period, 2009-33. This same information is presented in graphical form in figure IV.C1. Projections of the CPI used for this standardization are based on the intermediate economic assumptions of the 2009 OASDI Trustees Report.

The future growth in the “constant dollar” estimates is primarily attributable to the underlying growth in the U.S. population as shown in table IV.A1. However, an additional contributing factor is the projected growth in the number of SSI recipients as a percent of the population, as shown in table IV.B7. A notable aspect of the time series of constant dollar estimates illustrated below is that there is a rather sharp level increase from 2008 to 2009 in these amounts. This level shift is the result of the combination of the spike in the CPI for the third quarter of calendar year 2008, which caused the large 5.8 percent benefit rate increase for 2009, and the drop in the level of the CPI for 2009 after the 2008 spike.

Figure IV.C1.—SSI Federal Payments, by Age Group, in Constant 2009 Dollars, Calendar Years 1975-2035
[In billions]

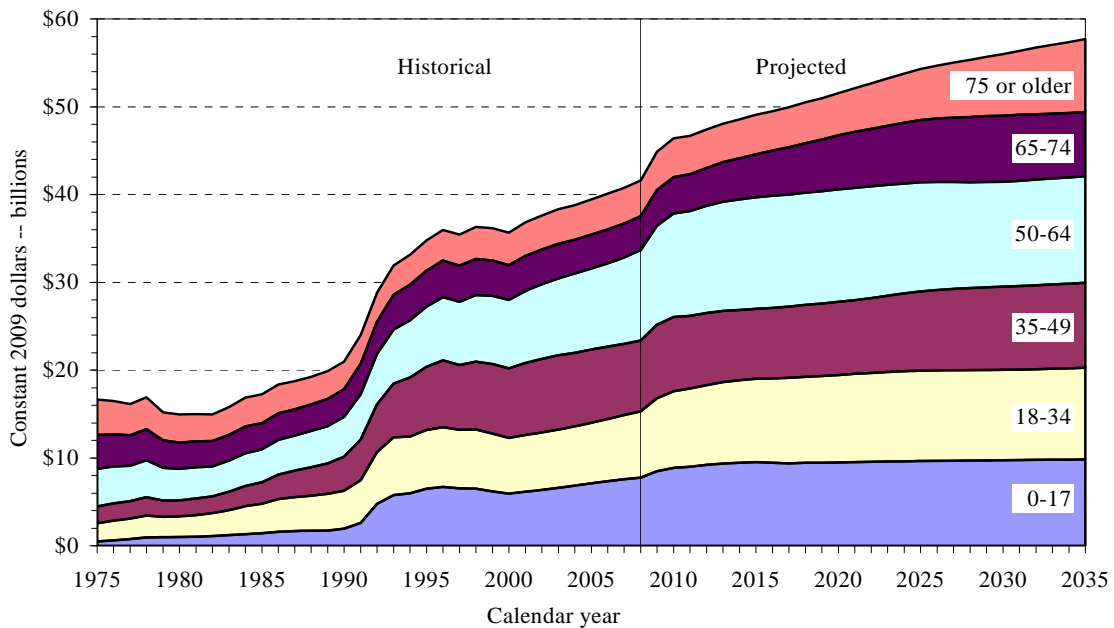


Table IV.C3.—SSI Federal Payments in Constant 2009 Dollars, Calendar Years 1974-2033

[Payment amounts in millions]

Calendar year	Adjusted CPI ^a	Blind or disabled, by age group					Aged, by age group			Totals		
		0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:												
1974.....	23.70	\$170	\$1,846	\$1,906	\$4,086	\$570	\$73	\$3,481	\$4,041	\$8,651	\$7,522	\$16,173
1975.....	25.87	496	2,076	1,929	4,247	734	67	3,140	3,984	9,550	7,124	16,673
1976.....	27.35	643	2,213	1,978	4,194	882	61	2,786	3,741	9,972	6,527	16,498
1977.....	29.12	781	2,303	1,988	4,032	1,022	60	2,477	3,487	10,185	5,963	16,149
1978 ^b	31.34	965	2,491	2,089	4,186	1,217	58	2,348	3,546	11,006	5,893	16,899
1979.....	34.92	973	2,318	1,862	3,712	1,230	60	1,909	3,131	10,155	5,040	15,195
1980.....	39.63	1,002	2,349	1,845	3,583	1,373	70	1,620	3,103	10,222	4,723	14,945
1981.....	43.69	1,049	2,469	1,879	3,530	1,497	72	1,471	3,022	10,496	4,493	14,989
1982.....	46.31	1,107	2,614	1,906	3,432	1,520	82	1,360	2,946	10,662	4,305	14,967
1983.....	47.72	1,202	2,875	2,064	3,571	1,622	121	1,308	3,017	11,455	4,325	15,780
1984.....	49.35	1,336	3,194	2,286	3,718	1,694	206	1,358	3,064	12,434	4,422	16,856
1985.....	51.10	1,440	3,344	2,446	3,766	1,630	313	1,368	2,933	12,939	4,301	17,240
1986.....	51.89	1,602	3,718	2,799	3,937	1,634	403	1,408	2,850	14,092	4,258	18,351
1987.....	53.76	1,673	3,870	3,010	4,012	1,574	482	1,424	2,686	14,621	4,110	18,732
1988.....	55.89	1,709	3,986	3,252	4,120	1,564	544	1,457	2,592	15,175	4,049	19,224
1989.....	58.58	1,750	4,149	3,495	4,234	1,598	624	1,504	2,525	15,851	4,029	19,880
1990.....	61.67	1,947	4,313	3,884	4,528	1,570	659	1,601	2,484	16,902	4,085	20,987
1991.....	64.16	2,616	4,877	4,623	5,151	1,653	721	1,822	2,552	19,640	4,374	24,014
1992.....	66.03	4,776	5,907	5,418	5,741	1,702	738	1,973	2,560	24,282	4,533	28,816
1993.....	67.89	5,758	6,576	6,133	6,169	1,780	756	2,167	2,590	27,172	4,757	31,929
1994.....	69.60	5,987	6,471	6,703	6,513	1,830	773	2,250	2,606	28,278	4,856	33,134
1995.....	71.57	6,507	6,674	7,203	6,841	1,896	790	2,234	2,655	29,910	4,889	34,800
1996.....	73.67	6,715	6,793	7,621	7,191	1,937	801	2,231	2,684	31,059	4,915	35,974
1997.....	75.30	6,534	6,681	7,390	7,185	1,998	815	2,106	2,717	30,603	4,823	35,426
1998.....	76.30	6,507	6,750	7,734	7,572	2,081	833	2,021	2,799	31,476	4,820	36,296
1999.....	78.01	6,198	6,578	7,928	7,739	2,128	838	1,927	2,828	31,409	4,755	36,164
2000.....	80.71	5,933	6,344	7,934	7,797	2,127	837	1,821	2,861	30,972	4,682	35,654
2001.....	82.93	6,155	6,456	8,220	8,179	2,216	860	1,773	2,959	32,086	4,732	36,819
2002.....	84.05	6,369	6,524	8,385	8,484	2,271	878	1,705	2,998	32,911	4,703	37,614
2003.....	85.93	6,617	6,650	8,429	8,765	2,309	898	1,638	3,026	33,669	4,665	38,333
2004.....	88.17	6,846	6,753	8,375	9,009	2,329	918	1,550	3,014	34,230	4,563	38,793
2005.....	91.27	7,108	6,893	8,353	9,244	2,354	955	1,488	3,044	34,907	4,532	39,439
2006.....	94.22	7,373	7,065	8,237	9,493	2,373	980	1,499	3,073	35,521	4,573	40,094
2007.....	96.90	7,581	7,293	8,123	9,844	2,407	1,013	1,451	3,065	36,260	4,516	40,776
2008.....	101.03	7,751	7,546	8,088	10,281	2,434	1,040	1,423	3,047	37,140	4,470	41,611
Projected:												
2009.....	100.00	8,495	8,309	8,389	11,245	2,600	1,122	1,492	3,200	40,160	4,692	44,853
2010.....	101.65	8,881	8,727	8,455	11,771	2,655	1,161	1,502	3,237	41,650	4,739	46,389
2011.....	104.04	9,016	8,890	8,284	11,935	2,690	1,167	1,500	3,180	41,983	4,679	46,662
2012.....	106.85	9,214	9,089	8,208	12,201	2,797	1,192	1,533	3,157	42,702	4,690	47,392
2013.....	110.13	9,370	9,260	8,106	12,436	2,910	1,224	1,593	3,156	43,306	4,749	48,055
2014.....	113.51	9,474	9,381	7,997	12,586	3,035	1,251	1,666	3,165	43,723	4,831	48,555
2015.....	116.70	9,525	9,498	7,975	12,691	3,168	1,280	1,749	3,179	44,138	4,928	49,065
2016.....	119.97	9,457	9,612	8,023	12,754	3,312	1,306	1,838	3,191	44,465	5,029	49,494
2017.....	123.32	9,404	9,710	8,110	12,789	3,465	1,342	1,920	3,225	44,819	5,144	49,964
2018.....	126.78	9,446	9,802	8,189	12,789	3,621	1,374	2,001	3,267	45,219	5,268	50,487
2019.....	130.33	9,453	9,887	8,254	12,786	3,775	1,412	2,096	3,308	45,567	5,404	50,971
2020.....	133.98	9,494	9,966	8,326	12,805	3,939	1,451	2,203	3,356	45,981	5,560	51,541
2021.....	137.73	9,530	10,047	8,405	12,784	4,086	1,511	2,275	3,450	46,363	5,725	52,089
2022.....	141.58	9,565	10,131	8,524	12,713	4,215	1,595	2,319	3,585	46,742	5,904	52,646
2023.....	145.55	9,586	10,218	8,673	12,623	4,348	1,669	2,375	3,711	47,116	6,086	53,202
2024.....	149.62	9,612	10,283	8,844	12,524	4,481	1,742	2,433	3,843	47,486	6,276	53,762
2025.....	153.81	9,663	10,304	9,017	12,410	4,601	1,817	2,492	3,981	47,813	6,473	54,286
2026.....	158.12	9,677	10,304	9,159	12,280	4,693	1,894	2,544	4,129	48,007	6,673	54,680
2027.....	162.55	9,685	10,294	9,270	12,164	4,763	1,974	2,592	4,291	48,149	6,882	55,031
2028.....	167.10	9,700	10,283	9,358	12,059	4,813	2,055	2,630	4,455	48,269	7,085	55,354
2029.....	171.78	9,722	10,285	9,423	11,994	4,843	2,139	2,658	4,627	48,405	7,285	55,690
2030.....	176.59	9,741	10,290	9,463	11,970	4,837	2,222	2,676	4,799	48,523	7,475	55,999
2031.....	181.53	9,773	10,309	9,508	11,992	4,809	2,308	2,681	4,983	48,699	7,664	56,362
2032.....	186.62	9,800	10,334	9,552	12,036	4,768	2,395	2,672	5,171	48,884	7,843	56,727
2033.....	191.84	9,815	10,357	9,597	12,068	4,729	2,475	2,657	5,350	49,040	8,007	57,048

^a The adjusted CPI is the CPI-W indexed to calendar year 2009. Projections of the adjusted CPI are based on the intermediate economic assumptions of the 2009 OASDI Trustees Report.

^b Payment amounts include 13 months of payments since payments due on January 1, 1978 and January 1, 1979 were both paid in calendar year 1978.

Note: Totals do not necessarily equal the sums of rounded components. Historical split among age groups is estimated on a calendar year of age basis.

Although detailed projections of SSI State supplementary payments are not prepared, historical information on the amounts of such supplements administered by SSA is presented in table IV.C4. These amounts are consistent with those presented in the *Annual Statistical Supplement to the Social Security Bulletin* and are shown only for the two broad recipient categories.

**Table IV.C4.—SSI Federally-Administered State Supplementary Payments
in Current Dollars, Calendar Years 1974-2008**

[In millions]

Calendar year	Aged	Blind or disabled	Total
1974	\$631	\$632	\$1,264
1975	674	729	1,403
1976	635	753	1,388
1977	627	804	1,431
1978	636	855	1,491
1979	661	928	1,590
1980	757	1,091	1,848
1981	731	1,108	1,839
1982	694	1,104	1,798
1983	645	1,066	1,711
1984	645	1,148	1,792
1985	694	1,278	1,973
1986	759	1,484	2,243
1987	849	1,714	2,563
1988	873	1,798	2,671
1989	954	2,001	2,955
1990	1,038	2,201	3,239
1991	999	2,232	3,231
1992	1,023	2,412	3,435
1993	934	2,336	3,270
1994	876	2,240	3,116
1995	864	2,253	3,118
1996	833	2,155	2,988
1997	824	2,090	2,913
1998	838	2,165	3,003
1999	921	2,380	3,301
2000	943	2,439	3,381
2001	956	2,505	3,460
2002	1,051	2,768	3,820
2003	1,098	2,906	4,005
2004	1,133	3,045	4,178
2005	1,128	3,050	4,178
2006	1,147	3,006	4,153
2007	1,187	3,133	4,320
2008 ^a	1,198	3,187	4,385

^a Split between recipient categories is a preliminary estimate.

Note: Totals do not necessarily equal the sums of rounded components.

Historical information on State-administered State supplementary payments was previously included in this report, but is no longer included since complete data for all States is generally not available. Information on selected characteristics of State assistance programs for SSI recipients can be found in the Social Security Administration publication, *State Assistance Programs for SSI Recipients*, January 2008.¹

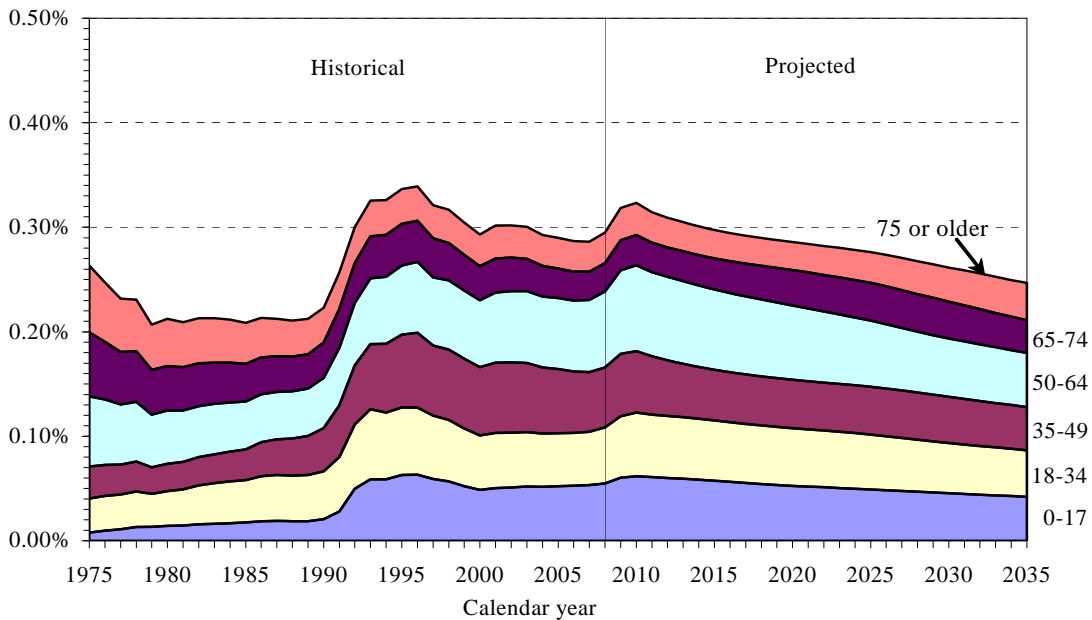
¹ Publication No. 13-11975, prepared by the Office of Research, Evaluation, and Statistics, is available on the internet at http://www.socialsecurity.gov/policy/docs/progdesc/ssi_st_asst/2008.

D. FEDERAL SSI PAYMENTS AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT

For SSI, an appropriate relative measure of program costs is produced by comparing estimated annual SSI costs to the Gross Domestic Product (GDP)¹. In addition to providing an inflation-independent measure of the cost of the SSI program, this provides a useful perspective on the proportion of the total output of the U.S. economy needed to provide Federal SSI benefits. As is shown in table IV.D1 and figure IV.D1, the total cost of the SSI program relative to GDP is projected to be relatively constant through 2013 and decline thereafter.

Table IV.D1 and figure IV.D1 present historical and projected Federal expenditures under the SSI program as a percentage of GDP. Following the initial higher costs of the program, total Federal SSI payments during the 1980s were a fairly constant percentage of GDP (0.21 percent). During the early 1990s, SSI experienced rather rapid growth (to 0.34 percent of GDP in 1996) due to a combination of factors discussed earlier in section IV. Legislation enacted in 1996² resulted in a drop in the cost of SSI as a percentage of GDP beginning in 1997 and continuing through 2000. The share of GDP devoted to Federal SSI expenditures increased slightly after the turn of the century in part in response to a slowdown in economic growth over that period, but resumed its very gradual downward trend from 2002 to 2007 due to relatively slower growth in the number of SSI recipients. In 2008, however, this trend was reversed due to an increase in program recipients described in earlier sections. This elevated level of cost as a percentage of GDP is projected to continue for the next two years as the economy begins to recover. Beyond that, the gradual downward trend is projected to resume. As described in last year's report, this ultimate trend is the net effect of two factors. First, Federal SSI expenditures, after adjusting for growth in prices, are projected to grow slightly faster than the population due to some estimated growth in the SSI recipient population as a percentage of the overall U.S. population, as discussed previously in section IV.C. Second, in years beyond the current economic downturn, the real growth projected for GDP under the 2009 Trustees Report intermediate assumptions is greater than the effect of these projected increases in SSI recipients. Thus, Federal SSI payments are projected to decline as a percentage of GDP over the remainder of the projection period, reaching 0.25 percent of GDP by 2033.

Figure IV.D1.—SSI Federal Payments, by Age Group, as a Percentage of GDP, Calendar Years 1975-2035



¹ The total value of goods and services produced in the United States.

² Public Law 104-121 and Public Law 104-193.

Table IV.D1.—SSI Federal Payments as a Percentage of GDP, Calendar Years 1974-2033

Calendar year	GDP ^a (In billions)	Blind or disabled, by age group					Aged, by age group			Totals		
		0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:												
1974	\$1,500	0.003	0.029	0.030	0.065	0.009	0.001	0.055	0.064	0.137	0.119	0.256
1975	1,638	.008	.033	.030	.067	.012	.001	.050	.063	.151	.112	.263
1976	1,825	.010	.033	.030	.063	.013	.001	.042	.056	.149	.098	.247
1977	2,031	.011	.033	.029	.058	.015	.001	.036	.050	.146	.086	.232
1978	2,295	.013	.034	.029	.057	.017	.001	.032	.048	.150	.080	.231
1979	2,563	.013	.032	.025	.051	.017	.001	.026	.043	.138	.069	.207
1980	2,790	.014	.033	.026	.051	.020	.001	.023	.044	.145	.067	.212
1981	3,128	.015	.034	.026	.049	.021	.001	.021	.042	.147	.063	.209
1982	3,255	.016	.037	.027	.049	.022	.001	.019	.042	.152	.061	.213
1983	3,537	.016	.039	.028	.048	.022	.002	.018	.041	.155	.058	.213
1984	3,933	.017	.040	.029	.047	.021	.003	.017	.038	.156	.055	.211
1985	4,220	.017	.040	.030	.046	.020	.004	.017	.036	.157	.052	.209
1986	4,463	.019	.043	.033	.046	.019	.005	.016	.033	.164	.050	.213
1987	4,739	.019	.044	.034	.046	.018	.005	.016	.030	.166	.047	.212
1988	5,104	.019	.044	.036	.045	.017	.006	.016	.028	.166	.044	.211
1989	5,484	.019	.044	.037	.045	.017	.007	.016	.027	.169	.043	.212
1990	5,803	.021	.046	.041	.048	.017	.007	.017	.026	.180	.043	.223
1991	5,996	.028	.052	.049	.055	.018	.008	.019	.027	.210	.047	.257
1992	6,338	.050	.062	.056	.060	.018	.008	.021	.027	.253	.047	.300
1993	6,657	.059	.067	.063	.063	.018	.008	.022	.026	.277	.049	.326
1994	7,072	.059	.064	.066	.064	.018	.008	.022	.026	.278	.048	.326
1995	7,398	.063	.065	.070	.066	.018	.008	.022	.026	.289	.047	.337
1996	7,817	.063	.064	.072	.068	.018	.008	.021	.025	.293	.046	.339
1997	8,304	.059	.061	.067	.065	.018	.007	.019	.025	.277	.044	.321
1998	8,747	.057	.059	.067	.066	.018	.007	.018	.024	.275	.042	.317
1999	9,268	.052	.055	.067	.065	.018	.007	.016	.024	.264	.040	.304
2000	9,817	.049	.052	.065	.064	.017	.007	.015	.024	.255	.038	.293
2001	10,128	.050	.053	.067	.067	.018	.007	.015	.024	.263	.039	.301
2002	10,470	.051	.052	.067	.068	.018	.007	.014	.024	.264	.038	.302
2003	10,961	.052	.052	.066	.069	.018	.007	.013	.024	.264	.037	.301
2004	11,686	.052	.051	.063	.068	.018	.007	.012	.023	.258	.034	.293
2005	12,422	.052	.051	.061	.068	.017	.007	.011	.022	.256	.033	.290
2006	13,178	.053	.051	.059	.068	.017	.007	.011	.022	.254	.033	.287
2007	13,808	.053	.051	.057	.069	.017	.007	.010	.022	.254	.032	.286
2008	14,260	.055	.053	.057	.073	.017	.007	.010	.022	.263	.032	.295
Projected:												
2009	14,088	.060	.059	.060	.080	.018	.008	.011	.023	.285	.033	.318
2010	14,585	.062	.061	.059	.082	.019	.008	.010	.023	.290	.033	.323
2011	15,437	.061	.060	.056	.080	.018	.008	.010	.021	.283	.032	.314
2012	16,382	.060	.059	.054	.080	.018	.008	.010	.021	.279	.031	.309
2013	17,355	.059	.059	.051	.079	.018	.008	.010	.020	.275	.030	.305
2014	18,327	.059	.058	.050	.078	.019	.008	.010	.020	.271	.030	.301
2015	19,267	.058	.058	.048	.077	.019	.008	.011	.019	.267	.030	.297
2016	20,165	.056	.057	.048	.076	.020	.008	.011	.019	.265	.030	.294
2017	21,107	.055	.057	.047	.075	.020	.008	.011	.019	.262	.030	.292
2018	22,087	.054	.056	.047	.073	.021	.008	.011	.019	.260	.030	.290
2019	23,100	.053	.056	.047	.072	.021	.008	.012	.019	.257	.030	.288
2020	24,158	.053	.055	.046	.071	.022	.008	.012	.019	.255	.031	.286
2021	25,264	.052	.055	.046	.070	.022	.008	.012	.019	.253	.031	.284
2022	26,420	.051	.054	.046	.068	.023	.009	.012	.019	.250	.032	.282
2023	27,631	.050	.054	.046	.066	.023	.009	.013	.020	.248	.032	.280
2024	28,897	.050	.053	.046	.065	.023	.009	.013	.020	.246	.032	.278
2025	30,222	.049	.052	.046	.063	.023	.009	.013	.020	.243	.033	.276
2026	31,602	.048	.052	.046	.061	.023	.009	.013	.021	.240	.033	.274
2027	33,050	.048	.051	.046	.060	.023	.010	.013	.021	.237	.034	.271
2028	34,563	.047	.050	.045	.058	.023	.010	.013	.022	.233	.034	.268
2029	36,153	.046	.049	.045	.057	.023	.010	.013	.022	.230	.035	.265
2030	37,818	.045	.048	.044	.056	.023	.010	.012	.022	.227	.035	.261
2031	39,566	.045	.047	.044	.055	.022	.011	.012	.023	.223	.035	.259
2032	41,401	.044	.047	.043	.054	.021	.011	.012	.023	.220	.035	.256
2033	43,320	.043	.046	.043	.053	.021	.011	.012	.024	.217	.035	.253

^a Projected values based on the intermediate economic assumptions of the 2009 OASDI Trustees Report.

Note: Totals do not necessarily equal the sums of rounded components. Historical GDP amounts subject to revision.

**E. THE SSI PROGRAM'S SHARE OF SSA'S ADMINISTRATIVE COSTS
AND BENEFICIARY SERVICES COSTS**

The SSI program is administered by the Social Security Administration, but unlike the OASDI program, is funded from general revenues. SSA was given responsibility for the SSI program when it was created in 1972 because of the agency's existing field office network and its administrative and automated data processing capabilities. Because of the integration of the administration of the SSI and OASDI programs, it is more practical to fund them from a single source. The trust funds and the general fund pay their appropriate share of administrative expenses through SSA's Limitation on Administrative Expenses (LAE) account, which in turn funds the total operating expenses of the agency. The appropriate share of administrative expenses borne by each funding source is determined based on a Government Accountability Office approved method of cost analysis, with a final settlement of costs by the end of the subsequent fiscal year. If necessary, section 201(g)(1) of the Social Security Act provides that SSI administrative expenses, including Federal administration of State supplementation payments, may be financed from the Social Security trust funds with reimbursement, including any interest lost, to the trust funds from general revenues.

The SSI program also provides beneficiary services to recipients through State Vocational Rehabilitation (VR) agencies and Employment Networks for VR services and payments under the Ticket to Work program. For SSI recipients, the objective of VR is to help disabled individuals achieve and sustain productive, self-supporting work activity.

Table IV.E1.—Selected SSI Costs, Fiscal Years 1978-2009
[Outlays in millions]

Fiscal year	SSI Administrative expenses ^a	Beneficiary services ^b
1978.....	\$539	\$31.6
1979.....	611	57.0
1980.....	668	33.1
1981.....	717	37.3
1982.....	780	12.0
1983.....	846	8.0
1984.....	864	^c 84.0
1985.....	956	3.0
1986.....	1,023	7.2
1987.....	977	9.5
1988.....	976	12.9
1989.....	1,052	20.0
1990.....	1,075	28.3
1991.....	1,230	33.1
1992.....	1,426	36.0
1993.....	1,468	32.3
1994.....	1,780	33.8
1995.....	1,978	48.2
1996.....	1,953	71.8
1997.....	2,055	77.3
1998.....	2,304	46.0
1999.....	2,493	52.0
2000.....	2,321	53.7
2001.....	2,397	43.9
2002.....	2,522	54.0
2003.....	2,656	37.0
2004.....	2,806	38.6
2005.....	2,795	30.4
2006.....	2,916	38.9
2007.....	2,857	36.1
2008.....	2,820	45.1
2009 (estimated).....	3,326	67.0

^a Includes user fees charged to participating States to reimburse SSA for the costs of administering their SSI State Supplementation program.

^b Payments for referral and monitoring services for Drug Addicts and Alcoholics are included through December 1996; these payments were terminated effective January 1997. The increase in the estimate for fiscal year 2009 assumed an increase in Ticket to Work activity.

^c Reflects a one-time payment to State VR agencies for prior year expenses.

V. APPENDICES

A. HISTORY OF PROVISIONS

Act

1. Basic Eligibility Requirements

1972

*Public Law 92-603,
enacted October 30*

An individual may qualify for payments on the basis of age, blindness, or disability.

Aged: Any person aged 65 or older.

Blind: Any person with 20/200 or less vision in the better eye with the use of a correcting lens, or with tunnel vision of 20 degrees or less. An individual transferred from a State Aid to the Blind (AB) program to SSI is eligible if he/she received such State aid in December 1973 and continues to meet the October 1972 State definition of blindness.

Disabled: Any person unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment expected to result in death or that has lasted or can be expected to last for a continuous period of at least 12 months. For a child under age 18, eligibility is based on disability of severity comparable with that of an adult. An individual transferred from a State Aid to the Permanently and Totally Disabled (APTD) program to SSI is also eligible if he/she received such State aid in December 1973 and continues to meet the October 1972 State definition of disability.

1973

*Public Law 93-233,
enacted December 31*

Only persons who had received APTD before July 1973 and were on the rolls in December 1973 may receive SSI on the basis of the State definition of disability; those who became eligible for State aid from July to December 1973 must meet the Federal definition of disability.

1980

*Public Law 96-265,
enacted June 9*

A disabled recipient who loses Federal SSI eligibility because of earnings at the substantial gainful activity level may continue to receive a special benefit under section 1619 and retain eligibility for Medicaid under title XIX of the Social Security Act. This special benefit status may continue as long as the recipient has the disabling impairment and meets all nondisability SSI eligibility criteria. States have the option of supplementing this special benefit.

This provision of the law was in effect from January 1, 1981, through December 31, 1983. Beginning in January 1984, under a 1-year demonstration project, this provision was continued for persons already eligible for either regular SSI payments or special monthly benefits.

1984

*Public Law 98-460,
enacted October 9*

The special benefit and Medicaid provisions of the 1980 legislation were extended through June 30, 1987 (retroactive to January 1, 1984).

1986

*Public Law 99-643,
enacted November 10*

The special benefit and Medicaid provisions of the 1980 amendments are made permanent. The provisions were amended effective July 1, 1987, with significant modifications to simplify administration and to allow free movement between regular SSI disability payments and either the special cash benefit or Medicaid eligibility under section 1619. The distinction between a disabled person eligible for regular SSI payments and one eligible for 1619(a) is that the latter has several months with gross earnings above the SGA level. Previously, section 1619(a) status required completion of a trial work period and the determination that the work was SGA.

Act

1996

*Public Law 104-193,
enacted August 22*

For individuals under age 18, the “comparable severity” standard is eliminated and replaced with a requirement that a child be considered disabled if he/she has a medically determinable impairment that results in “marked and severe functional limitations,” and meets the existing statutory duration requirement. The law also eliminates references to “maladaptive behaviors” from the personal/behavioral domain of the mental disorders in the Listing of Impairments for children, and discontinues the use of individualized functional assessments for children.

SSI eligibility is prohibited for an individual in any month during which such an individual is a fugitive felon, fleeing prosecution for a felony, or violating State or Federal conditions of probation or parole¹. In addition, SSI eligibility is prohibited for 10 years for those convicted of fraudulently claiming residence to obtain benefits simultaneously in two or more States.²

2006

*Public Law 109-171,
enacted February 8*

Requires the Commissioner to conduct reviews of a specific percentage of SSI initial disability and blindness cases involving individuals aged 18 or older that are allowed by the State DDS. The provision is phased in as follows—for fiscal year 2006, the Commissioner is required to review 20 percent of DDS allowances; in fiscal year 2007, the requirement is 40 percent; and, for fiscal years 2008 and thereafter, 50 percent of all DDS allowances are required to be reviewed. These reviews are to be made before the allowance decision is implemented.

2. Other Eligibility Provisions

a. Citizenship and U.S. Residency

1972

*Public Law 92-603,
enacted October 30*

The individual must reside within one of the 50 States or the District of Columbia and be a citizen or an alien lawfully admitted for permanent residence or permanently residing in the United States under color of law. Persons living outside the United States for an entire calendar month lose their eligibility for such a month.

1976

*Public Law 94-241,
enacted March 24*

Eligibility for SSI is extended to residents of the Northern Mariana Islands, effective January 9, 1978.

1980

*Public Law 96-265,
enacted June 9*

The income and resources of the immigration sponsors of aliens applying for SSI are considered in determining eligibility for and the amount of payment. After allowances for the needs of the sponsor and his/her family, the remainder is deemed available for the support of the alien applicant for a 3-year period after admission to the United States for permanent residence. This provision does not apply to those who become blind or disabled after admission, to refugees, or to persons granted political asylum. (See section 2.g. for subsequent changes to sponsor-to-alien deeming provisions.)

¹ In most respects, SSA stopped implementing the *fugitive felon* and *fleeing prosecution for a felony* aspects of the provision April 1, 2009, pursuant to a tentative settlement of a proposed nationwide class action.

² This last provision was repealed in 1999 by Public Law 106-169 and replaced with a provision providing for non-payment of benefits for up to 24 months for knowingly making false or misleading statements regarding material facts.

Act

1989

*Public Law 101-239,
enacted December 19*

SSI eligibility is continued for a disabled or blind child who was receiving SSI benefits while living in the United States and is now living with a parent who is a member of the U.S. Armed Forces assigned to permanent duty ashore outside the United States, but not where the parent is stationed in Puerto Rico or the territories and possessions of the United States.

1993

*Public Law 103-66,
enacted August 10*

Above provision made applicable where the parent is a member of the U.S. Armed Forces and stationed in Puerto Rico or the territories and possessions of the United States.

1996

*Public Law 104-193,
enacted August 22*

Prohibits SSI eligibility for anyone who is not a U.S. citizen or national unless they are in a “qualified alien” category and meet one of certain exceptions such as lawful permanent residents who earn or can be credited with 40 qualifying quarters of earnings, certain refugee type categories eligible for up to 5 years of time limited eligibility, or active duty U.S. military or veterans and their spouses and children. Extends eligibility for aliens receiving SSI as of August 22, 1996 (the enactment date of the law) for 1 year after the enactment date for those aliens found ineligible under the new standards.

*Public Law 104-208,
enacted September 30*

Amends Public Law 104-193 to add to the list of “qualified aliens” certain non-citizens (and their children) who have been battered or subjected to extreme cruelty by a spouse or parent or a member of the spouse’s or parent’s family living in the same household.

1997

*Public Law 105-18,
enacted June 12*

Extends eligibility for aliens receiving SSI as of August 22, 1996, until September 30, 1997, for those found ineligible under the new alien standards of Public Law 104-193.

*Public Law 105-33,
enacted August 5*

Further amends Public Law 104-193 to add Cuban and Haitian entrants, and the child of a parent who has been battered or subjected to extreme cruelty, to the list of qualified aliens. Provides that Cuban and Haitian entrants and Amerasian immigrants qualify for time limited eligibility, and increases the time limit from 5 to 7 years for all time-limited categories. Additional exceptions are added for qualified aliens: (1) lawfully residing in the United States and receiving SSI benefits on August 22, 1996; and (2) lawfully residing in the United States on August 22, 1996 and meeting the definition of blind or disabled in the Social Security Act.

Certain noncitizen American Indians are excepted from the alien nonpayment provisions of Public Law 104-193.

Extends eligibility for “nonqualified aliens” receiving SSI as of August 22, 1996, until September 30, 1998.

1998

*Public Law 105-306,
enacted October 28*

Permanently extends eligibility of all remaining “nonqualified aliens” who were receiving SSI benefits when Public Law 104-193 was enacted on August 22, 1996.

2000

*Public Law 106-386,
enacted October 28*

Noncitizens may be eligible for SSI to the same extent as refugees, if they have been certified by the Department of Health and Human Services to be victims of “severe forms of trafficking in persons.”

Act

2004

*Public Law 108-203,
enacted March 2*

Extends SSI eligibility to blind or disabled children who are U.S. citizens living with a parent assigned to permanent U.S. military duty outside of the United States, and who were not receiving SSI benefits while in the United States. Previously, only blind or disabled children who received an SSI benefit for the month before the parent reported for permanent duty abroad were eligible. Effective April 2004 for applications filed after enactment.

2007

*Public Law 110-161,
enacted December 26*

Provides certain Iraqi and Afghan aliens with special immigrant status, as described in section 101(a)(27) of the Immigration and Nationality Act. As special immigrants, these Iraqi and Afghan aliens are eligible for resettlement assistance, entitlement programs, and other benefits available to refugees admitted under section 207 of such Act (admission of refugees in emergency situations) for a period not to exceed 6 months.

2008

*Public Law 110-181,
enacted January 28*

Provides certain Iraqi aliens who have provided service to the United States with special immigrant status, as described in section 101(a)(27) of the Immigration and Nationality Act. As special immigrants, these Iraqis are eligible for resettlement assistance, entitlement programs, and other benefits available to refugees admitted under section 207 of such Act (admission of refugees in emergency situations) for a period not to exceed 8 months.

*Public Law 110-328,
enacted September 30*

Extends the 7-year SSI eligibility period for certain refugees, asylees, and other humanitarian immigrants (including victims of human trafficking) to 9 years for the period October 1, 2008 through September 30, 2011. For those with naturalization applications pending or awaiting the swearing-in-ceremony, the eligibility period is extended through September 30, 2011. Also applies to the noncitizens whose SSI had previously ceased due to the expiration of the 7-year period. For these noncitizens, SSI benefits will be paid for months in the period October 1, 2008 through September 30, 2011, for the duration of the noncitizen's reestablished eligibility.

b. Other Benefits

1980

*Public Law 96-272,
enacted June 17*

SSI applicants and recipients are not required as a condition of eligibility to elect to receive Veterans Administration pensions under the Veterans and Survivors' Pension Improvement Act of 1978 if the State of residence lacks a medically-needy program under title XIX.

c. Drug Addiction and Alcoholism (DA&A)

1972

*Public Law 92-603,
enacted October 30*

Any disabled individual who has been medically determined to be an alcoholic or drug addict must accept appropriate treatment, if available, in an approved facility and demonstrate compliance with conditions and requirements for treatment.

SSI payments are required to be made through a representative payee—another person or public or private agency designated by SSA to manage the recipient's benefit on his/her behalf.

1994

*Public Law 103-296,
enacted August 15*

Any individual who is receiving SSI based on a disability where drug addiction or alcoholism is a contributing factor material to the finding of disability must comply with the DA&A treatment requirements. The individual must accept appropriate treatment when it is available and comply with the conditions and

Act

terms of treatment. Instances of noncompliance with the requirements result in progressively longer payment suspensions. Before payments can resume, the individual must demonstrate compliance for specific periods; 2 months, 3 months, and 6 months, respectively, for the first, second, third and subsequent instances of noncompliance. An individual who is not in compliance with the DA&A treatment requirements for 12 consecutive months shall not be eligible for payments; however, this does not prevent such individuals from reapplying and again becoming eligible for payments.

SSI disability payments based on DA&A are also limited to a total of 36 benefit months (beginning March 1995) regardless of whether appropriate treatment is available. Months for which benefits are not due and received do not count towards the 36-month limit.

Payments based on DA&A must be made to a representative payee. Preference is required to be given to community based nonprofit social service agencies and Federal, State, or local government agencies in representative payee selection. These agencies when serving as payees for individuals receiving payments based on DA&A may retain the lesser of 10 percent of the monthly benefit or \$50 (adjusted annually after 1995 by the Consumer Price Index (CPI)) as compensation for their services.

Establishment of one or more referral and monitoring agencies for each State is required.

1996

*Public Law 104-121,
enacted March 29*

An individual is not considered disabled if DA&A is a contributing factor material to a finding of disability.

Applies DA&A representative payee requirements enacted under Public Law 103-296 to disabled SSI recipients who have a DA&A condition and are incapable of managing their benefits. In addition, these recipients shall be referred to the appropriate State agency administering the State plan for substance abuse treatment.

d. Institutionalization**1972**

*Public Law 92-603,
enacted October 30*

An individual who is an inmate of a public institution is ineligible for SSI payments unless the institution is a facility approved for Medicaid payments and is receiving such payments on behalf of the person. Under *regulations*, the Medicaid payment must represent more than 50 percent of the cost of services provided by the facility to the individual.

1976

*Public Law 94-566,
enacted October 20*

An inmate of a publicly operated community residence serving no more than 16 persons may, if otherwise eligible, receive SSI.

1983

*Public Law 98-21,
enacted April 20*

Payments may be made to persons who are residents of public emergency shelters for the homeless for a period of up to 3 months in any 12-month period.

1986

*Public Law 99-643,
enacted November 10*

Effective July 1, 1987, disabled or blind recipients who were receiving special SSI payments or had special SSI recipient status under section 1619 in the month preceding the first full month of institutionalization, may receive payments based on the full Federal benefit rate for the initial 2 full months of institutionalization, if they reside in certain public medical, psychiatric or Medicaid facilities, or in private Medicaid facilities.

Act

1987

*Public Law 100-203,
enacted December 22*

Effective January 1, 1988, payments may be made to persons who are residents of public emergency shelters for the homeless, for up to 6 months in a 9-month period.

Effective July 1, 1988, continued payment of SSI benefits for up to 3 months is permitted, at the rate that was applicable in the month prior to the first full month of institutionalization, for individuals whose expected institutional stay on admission is not likely to exceed 3 months, as certified by a physician, and for whom the receipt of benefits is necessary to maintain living arrangements to which they may return.

1996

*Public Law 104-193,
enacted August 22*

Effective December 1996, institutionalized children under age 18 whose private health insurance is making payments to the institution may receive no more than \$30 per month in Federal SSI.

e. Vocational Rehabilitation and Treatment

1972

*Public Law 92-603,
enacted October 30*

Blind or disabled individuals receiving Federal SSI benefits who are under age 65, must be referred to the State agency providing services under the Vocational Rehabilitation Act and must accept the services offered. States are reimbursed for the cost of services.

1976

*Public Law 94-566,
enacted October 20*

Blind or disabled children under age 16 must be referred to the State agency administering crippled children's services or to another agency designated by the State. States are reimbursed for the cost of services.

Of funds provided for these services, at least 90 percent must be used for children under age 6 or for those who have never attended public schools.

1980

*Public Law 96-265,
enacted June 9*

Disabled SSI recipients who medically recover while enrolled in approved vocational rehabilitation programs of State VR agencies, may continue to receive benefits during their participation in such programs if the Commissioner of Social Security determines that continuation in the program will increase the probability that they leave the rolls permanently.

1981

*Public Law 97-35,
enacted August 13*

Funding no longer provided under title XVI for medical, social, developmental and rehabilitative services to disabled or blind children.

Reimbursement for the cost of rehabilitation services will be made only if the services result in the recipient's return to work for a continuous period of 9 months. The work must be at the substantial gainful activity earnings level.

1984

*Public Law 98-460,
enacted October 9*

Authorizes the reimbursement of States for the cost of VR services provided to individuals who (1) continue to receive benefits after medical recovery because they are participating in a State VR program or (2) refuse, without good cause, to continue in or cooperate with the VR program in which they had been participating.

Act

1987

*Public Law 100-203,
enacted December 22*

Extends the provision for continuation of payments to disabled SSI recipients who have medically recovered while enrolled in an approved vocational rehabilitation program to include blind SSI recipients.

1990

*Public Law 101-508,
enacted November 5*

Reimbursement authorized for the cost of vocational rehabilitation services provided in months in which the individual was not receiving Federal SSI payments, if:

- SSI recipient status for Medicaid eligibility purposes was retained under work incentive provisions; or
- Benefits were in suspense¹ status (for a reason other than cessation of disability or blindness); or
- Federally-administered State supplementation was received.

Extends benefit continuation provision to disabled SSI recipients who medically recover while participating in a non-State VR program.

1999

*Public Law 106-170,
enacted December 17*

Establishes a Ticket to Work and Self-Sufficiency program which will provide SSI (and OASDI) disability beneficiaries with a ticket that can be used to obtain vocational rehabilitation services, employment services, or other support services, from an employment network (EN) of their choice. An EN chooses one of the two EN payment options at the time it submits an application to SSA to become an EN. The chosen payment system will apply to all beneficiaries served. An EN can elect to receive payment under the:

- Outcome payment system, under which it can receive payment for up to 60 outcome payment months, which are defined as months in which SSA does not pay any Federal disability cash benefits to a beneficiary because of work or earnings; or
- Outcome-milestone payment system, under which it can receive payment for one or more milestones in addition to reduced outcome payments, but will receive less in total than under the outcome payment system.

The Commissioner of Social Security will initially establish and periodically review the amount and duration of the outcome payments and the number and amounts of the outcome-milestone payments.

Also eliminates the requirement that blind or disabled SSI recipients age 16 through 64 be referred to the State VR agency and accept the services offered.

Under the initial regulation, effective January 28, 2002:

- The outcome payment system provided that ENs could receive payment for up to 60 outcome payment months for both SSDI and SSI beneficiaries based on earnings exceeding the substantial gainful activity level and the beneficiary no longer receiving Federal disability cash benefits because of work or earnings; and

¹ Recipients who have lost eligibility for SSI benefits for fewer than 13 consecutive months are in suspended payment status.

Act

- The outcome-milestone payment system provided that ENs could receive up to four milestone payments in addition to reduced outcome payments. The four milestones were based on gross earnings exceeding the substantial gainful activity level for specified months. Milestone payments were made only for milestones achieved prior to the first outcome payment month, and outcome payments were reduced by the amount of milestone payments received. Four milestone payments plus 60 months of reduced outcome payments equaled 85 percent of the total that would be available if the EN chose the outcome payment system.

Under the revised regulation, effective July 21, 2008:

- The outcome payment system provides that ENs can receive payment for up to 60 outcome payment months for an SSI beneficiary and up to 36 outcome payment months for an SSDI beneficiary (including a concurrent title II/title XVI disability beneficiary), with the reduction in available number of outcome months for SSDI beneficiaries offset by an increased outcome payment; and
- The outcome-milestone payment system provides that ENs can receive the following milestone payments in addition to outcome payments:
 - Up to four Phase 1 milestones achieved by either an SSDI or SSI beneficiary (including a concurrent title II/title XVI disability beneficiary); and
 - Up to 11 Phase 2 milestones achieved by an SSDI or concurrent beneficiary or up to 18 Phase 2 milestones achieved by an SSI beneficiary.

Phase 1 milestones are based on gross earnings at or above trial work level for specified months, and Phase 2 milestones are based on gross earnings exceeding the substantial gainful activity level for specified months. These milestones must occur before the EN enters the first month for which it is eligible for an outcome payment. If an available milestone payment is not paid prior to the outcome period, it is payable in a reconciliation payment when the beneficiary reaches the 12th outcome month. This payment amount is equal to the total amount of unpaid Phase 1 and Phase 2 milestones that were available when the ticket was first assigned. The Phase 1 and Phase 2 milestone payments and outcome payments equal 90 percent of the total that would be available if the EN chose the outcome payment system.

f. Continuing Disability Reviews and Eligibility Redeterminations

1994
Public Law 103-296,
enacted August 15

During each of fiscal years 1996, 1997, and 1998, requires SSA to conduct continuing disability reviews (CDRs) on a minimum of 100,000 SSI recipients. In addition, during the same period, requires SSA to redetermine the SSI eligibility of at least one-third of all child SSI recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18. Redeterminations for persons turning age 18 could count toward the 100,000 CDR requirement.

Act

1996

*Public Law 104-193,
enacted August 22*

Repeals the requirement that SSA redetermine the eligibility of at least one-third of all child SSI recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18.

Requires a CDR:

- At least once every 3 years for SSI recipients under age 18 who are eligible by reason of an impairment which is likely to improve, and
- Not later than 12 months after birth for recipients whose low birth weight is a contributing factor material to the determination of their disability.

Requires eligibility redetermination under the adult disability standard for all child SSI recipients eligible for the month before the month in which they attain age 18.

Requires redetermination of eligibility for children considered disabled based on an individual functional assessment and/or consideration of maladaptive behavior.

Requires the representative payee of a child SSI recipient whose continuing eligibility is being reviewed to present evidence that the recipient is receiving treatment which is considered medically necessary and available for the condition which was the basis for providing SSI benefits.

1997

*Public Law 105-33,
enacted August 5*

Modifies provision of Public Law 104-193 to extend from 12 to 18 months the period for redetermining the disability of children under age 18 under the new childhood disability standard.

Modifies provision of Public Law 104-193 to permit SSA to schedule a CDR for a disabled child for whom low birth weight is a contributing factor material to the determination of disability, at a date after the child's first birthday if the Commissioner determines the impairment is not expected to improve within 12 months of the child's birth.

Modifies provision of Public Law 104-193 to provide SSA the authority to make redeterminations of disabled childhood recipients who attain age 18, more than 1 year after the date such recipient attains age 18.

1999

*Public Law 106-170,
enacted December 17*

Prohibits the initiation of a CDR during the period that a recipient is "using a ticket" under the Ticket to Work program.

g. Deeming of Income and Resources

1972

*Public Law 92-603,
enacted October 30*

Deeming occurs when the income and resources of certain family members living in the same household with the SSI recipient are considered in determining the amount of the SSI payment. These family members are the ineligible spouse of an adult recipient and the ineligible parents of a child recipient under age 21.

After deduction of personal allocations for the spouse (or parents) and for ineligible children in the home, and after application of income exclusions, any remaining income of the spouse (or parents) is added to the income of the eligible person.

Act

1980

*Public Law 96-265,
enacted June 9*

Children aged 18 or older are not subject to parental deeming.
Sponsor's income and resources deemed to an alien for 3 years.

1989

*Public Law 101-239,
enacted December 19*

Disabled children receiving home care services under State Medicaid programs, who are ineligible for SSI because of deeming of parental income, and who received SSI benefits limited to \$30 while in a medical treatment facility, may receive the \$30 monthly allowance that would be payable if the recipient were institutionalized.

1993

*Public Law 103-66,
enacted August 10*

Considers an ineligible spouse or parent who is absent from the household due to active military service to be a member of the household for deeming purposes.

*Public Law 103-152,
enacted November 24*

Sponsor-to-alien deeming period extended from 3 years to 5 years, effective January 1, 1994, through September 30, 1996.

1996

*Public Law 104-193,
enacted August 22*

Deeming of income and resources from an immigration sponsor to a noncitizen continues until citizenship, with exceptions for those who earn, or can be credited with, 40 qualifying quarters of earnings. Effective for those whose sponsor signs a new legally enforceable affidavit of support.

*Public Law 104-208,
enacted September 30*

Amends Public Law 104-193 to add two exceptions to the sponsor-to-alien deeming:

- Provides that if the noncitizen is indigent and would be unable to obtain food and shelter without SSI benefits even after receiving support from the sponsor, then only the amount of income and resources actually provided by the sponsor will be counted for a 12-month period after a determination of indigence; and
- Provides that in certain cases, deeming would not apply for a 12-month period (with some options for extension) if the noncitizen (or his/her children) has been battered, or subjected to extreme cruelty by family members.

1997

*Public Law 105-33,
enacted August 5*

Amends Public Law 104-208 to add an additional exception to sponsor-to-alien deeming when the parent of a noncitizen has been battered or subjected to extreme cruelty by family members.

2006

*Public Law 109-163,
enacted January 6*

Provides that individuals who were made ineligible for SSI because of their spouses or parents being called to active military duty would not have to file a new application for SSI benefits if they again could be eligible for benefits before the end of 24 consecutive months of ineligibility.

3. Federal Benefit Payments

a. Windfall Offset

1980

*Public Law 96-265,
enacted June 9*

Offset (by reduction of retroactive Social Security benefits) to prevent persons whose initial OASDI payment is retroactive from receiving more in total benefits than if they were paid the benefits when regularly due.

Act

1984

*Public Law 98-617,
enacted November 8*

Offset provision expanded to allow for reduction of retroactive SSI benefits and to apply in cases of OASDI benefit reinstatement.

b. Proration of Benefit

1982

*Public Law 97-248,
enacted September 3*

Benefit for first month of eligibility to be prorated by the number of days in the month for which an application has been filed and there is eligibility.

1996

*Public Law 104-193,
enacted August 22*

Changes the effective date of an SSI application to the first day of the month following the date on which the application was filed or on which the individual first becomes eligible, whichever is later. This, in effect, eliminates prorated payments in initial claims.

c. Retrospective Monthly Accounting

1981

*Public Law 97-35,
enacted August 13*

Changes the method of computing the SSI benefit to one under which the benefit amount is computed on a monthly basis and is based on income and other characteristics in the previous (or second previous) month.

1984

*Public Law 98-369,
enacted July 18*

Changes the method of computing the SSI benefit to persons receiving title II payments. The effect of the increased title II income at the time of the cost-of-living increase is not delayed as it otherwise would be.

1987

*Public Law 100-203,
enacted December 22*

Provides an exception to retrospective monthly accounting so that amounts received under Aid to Families With Dependent Children (AFDC), foster care, refugee cash assistance, Cuban-Haitian entrant assistance, or general and child welfare assistance provided by the Bureau of Indian Affairs are counted only in the month received.

1993

*Public Law 103-66,
enacted August 10*

Changes the method of computing the SSI benefit to persons receiving the value of the one-third reduction. The effect of the increased value at the time of the cost-of-living increase is not delayed as it otherwise would be. Effective January 1995.

2004

*Public Law 108-203,
enacted March 2*

Eliminates triple counting of one-time, nonrecurring income by providing that this income will be counted only for the month that the income is received, and not for any other month during the transition to retrospective monthly accounting, which occurs during the first 3 months of an individual's SSI eligibility. Effective April 2005.

d. Uncashed Checks

1981

*Public Law 97-35,
enacted August 13*

States that have Federally-administered supplements to be credited their share of SSI checks that remain unnegotiated for 180 days.

1987

*Public Law 100-86,
enacted August 10*

SSI checks now unnegotiable after 1 year. States are credited their share of SSI checks after 1 year rather than 180 days.

Act

1982

*Public Law 97-248,
enacted September 3*

e. Rounding of Payment Amounts

Cost-of-living adjustments in the Federal SSI benefit and income eligibility levels are to be rounded to the next lower whole dollar, after the adjustment is calculated. Subsequent cost-of-living adjustments will be calculated on the previous year's benefit standard before rounding.

f. Penalties for False or Misleading Statements or Withholding of Information

1999

*Public Law 106-169,
enacted December 14*

Provides for the nonpayment of OASDI and SSI benefits (6, 12 and 24 months, respectively, for the first, second, and third or subsequent violations) for individuals found to have knowingly made a false or misleading statement of material fact for use in determining eligibility for benefits.

2004

*Public Law 108-203,
enacted March 2*

Expands the administrative sanction of nonpayment of benefits to situations where an individual has failed to disclose material information, if the person knew or should have known that such failure was misleading.

Authorizes Federal courts to order a defendant convicted of defrauding Social Security, Special Veterans' Benefits, or SSI to make restitution to SSA. Restitution funds would be deposited to the trust funds or General Fund of the Treasury, as appropriate. Effective with respect to violations occurring on or after the date of enactment.

g. Installment Payments

1996

*Public Law 104-193,
enacted August 22*

Establishes a schedule for paying retroactive SSI benefit amounts that exceed 12 times the FBR plus the State supplement level. Payments would be made at 6-month intervals:

- The first installment would be 12 times the FBR plus any Federally administered State supplement.
- Any remaining retroactive benefits would be paid in a second installment (not to exceed the first payment amount).
- All remaining retroactive benefits would be paid in the third installment.

Provides that where an underpaid individual has incurred debts to provide for food, clothing or shelter, has expenses for disability-related items and services that exceed the installment amount, or has entered into a contract to purchase a home, the installment payment would be increased by the amount needed to cover those debts, expenses and obligations.

Provides that full retroactive payments be paid to an individual who is terminally ill or, if currently ineligible, is likely to remain so for the next 12 months.

2006

*Public Law 109-171,
enacted February 8*

Requires that past-due monthly SSI benefits that exceed three times the maximum monthly benefit (Federal benefit rate plus State supplementary payment amount, if any) payable to the individual be paid in up to three installment payments, 6 months apart. Also, limits the amount of the first two installment payment to three times the maximum monthly benefit. All remaining benefits due are to be paid in the third installment. As under current law, the amounts of the

Act

installment payments may be increased in certain cases, such as those in which the individual has outstanding debt relating to food, clothing, or shelter, or has necessary medical needs.

Effective 3 months after February 8, 2006.

4. Federal Benefit Rates

Basic benefit standards are used in computing the amount of Federal SSI payments. Benefit levels differ for individuals and couples living in households and for persons in medical treatment facilities where Medicaid pays more than 50 percent of the cost of care. Individuals or couples living in their own households are eligible for the full Federal benefit. If an individual or couple is living in another person's household and receiving support and maintenance there, the Federal benefit is reduced by one-third. The Federal benefit rates for persons in households are increased annually to reflect increases in the cost of living. Legislation affecting the level of Federal benefit rates since the inception of the SSI program are summarized in table V.A1.

Table V.A1.—Federal Benefit Rates Set by Legislation

Act	Living arrangements ^a	Amount ^b		Conditions
		Individual	Couple	
1972 ^c	Own household ^d	\$130.00	\$195.00	Was to be effective January 1, 1974; superseded by Public Law 93-233.
1973 ^e	—	140.00	210.00	Was to be effective January 1, 1974; superseded by Public Law 93-233.
1973 ^f	—	140.00	210.00	Effective January 1, 1974.
1973 ^f	—	146.00	219.00	Effective July 1, 1974.
1974 ^g	—	—	—	Mechanism established for providing cost-of-living adjustments coordinated with earlier legislation applying to OASDI cash benefits. SSI payments to be increased by the same percentage as OASDI benefits and at the same time.
	—	^h 157.70	^h 236.60	Effective July 1, 1975.
1983 ⁱ	—	304.30	456.40	Effective July 1, 1983 (general benefit increase).
	—	^h 314.00	^h 472.00	Effective January 1, 1984.
1973 ^e	Increment for "essential person" in household	65.00	—	Was to be effective January 1, 1974. For persons transferred from OAA, AB, or APTD programs who were receiving payments in December 1973 under a State plan that took account of "essential persons" in the household.
	—	70.00	—	Was to be effective July 1, 1974.
1973 ^f	—	70.00	—	Effective January 1, 1974.
	—	73.00	—	Effective July 1, 1974.
1974 ^g	—	—	—	Mechanism established for providing cost-of-living adjustments.
	—	^h 78.90	—	Effective July 1, 1975.
1983 ⁱ	—	152.50	—	Effective July 1, 1983 (general benefit increase).
	—	^h 157.00	—	Effective January 1, 1984.
1972 ^c	Receiving institutional care covered by Medicaid	25.00	50.00	Effective January 1, 1974. Must be receiving more than 50 percent of the cost of the care from Medicaid (title XIX of the Social Security Act).
1987 ^j	—	30.00	60.00	Effective July 1, 1988. Must be receiving more than 50 percent of the cost of the care from Medicaid (title XIX of the Social Security Act).

^a For those in another person's household receiving support and maintenance there, the Federal benefit rate is reduced by one-third.

^b For those without countable income. These payments are reduced by the amount of countable income of the individual or couple.

^c Public Law 92-603, enacted October 30, 1972.

^d Includes persons in private institutions whose care is not provided by Medicaid.

^e Public Law 93-66, enacted July 9, 1973.

^f Public Law 93-233, enacted December 31, 1973.

^g Public Law 93-368, enacted August 7, 1974.

^h Subject to automatic provisions, see table IV.A2.

ⁱ Public Law 98-21, enacted April 20, 1983.

^j Public Law 100-203, enacted December 22, 1987.

Act

5. Exclusions from Income

a. General Exclusions

1972

*Public Law 92-603,
enacted October 30*

The first \$60 of earned or unearned income per calendar quarter for an individual or couple; the next \$195 and one-half the remainder of quarterly earned income. Unearned income includes Social Security benefits, other government or private pensions, veterans' benefits, and workers' compensation.

1981

*Public Law 97-35,
enacted August 13*

The first \$20 of earned or unearned income per month for an individual or couple; the next \$65 and one-half the remainder of monthly earned income. Unearned income includes Social Security benefits, other government or private pensions, veterans' benefits, and workers' compensation.

2000

*Public Law 106-554,
enacted December 21*

Earnings of persons defined as Social Security statutory employees are treated as self-employment income for SSI purposes.

b. Special Exclusions

1972

*Public Law 92-603,
enacted October 30*

Any amount of tax rebate issued to an individual by any public agency that is based on either real property or food purchase taxes.

Grants, scholarships, and fellowships used to pay tuition and fees at an educational institution.

Income required for achieving an approved self-support plan for blind or disabled persons.

Work expenses of blind persons.

For blind persons transferred from State programs to SSI, income exclusions equal to the maximum amount permitted as of October 1972 under the State programs.

Irregularly or infrequently received income totaling \$60 or less of unearned income and \$30 of earned income in a calendar quarter.

Payment for foster care of ineligible child residing in recipient's home through placement by a public or private nonprofit child care agency.

One-third of any payment received from an absent parent for the support of a child eligible for SSI.

Certain earnings of a blind or disabled child under age 22 regularly attending an educational institution.

State or local government cash payments based on need and designed to supplement SSI payments.

1976

*Public Law 94-331,
enacted June 30*

Disaster assistance from income for 9 months and application of one-third reduction for 6 months for certain victims of disasters occurring between January 1, 1976 and December 31, 1976.

*Public Law 94-566,
enacted October 20*

Any assistance based on need (including vendor payments) made to or on behalf of SSI recipients, which is paid and wholly funded by State or local governments.

Act

1977

*Public Law 95-113,
enacted September 29*

The value of assistance provided under certain Federal housing programs.

Food stamps, Federally donated food, and the value of free or reduced price food for women and children under the Child Nutrition Act and National School Lunch Act.

*Public Law 95-171,
enacted November 12*

Provisions for exclusions for support and maintenance under the Disaster Relief and Emergency Assistance Act of 1974 extended on a permanent basis. Effective January 1, 1978.

1980

*Public Law 96-222,
enacted April 1*

Earned income tax credit treated as earned income (temporarily excluded from 1975 through 1980).

*Public Law 96-265,
enacted June 9*

Remunerations received in sheltered workshops and work activity centers are considered earned income and qualify for earned income exclusions.

Impairment-related work expenses paid by the individual (including cost for attendant care, medical equipment, drugs, and services necessary to control an impairment) are deducted from earnings when determining if an individual is engaging in substantial gainful activity. Impairment-related work expenses are excluded in calculating income for benefit purposes if initial eligibility for benefits exists on the basis of countable income without applying this exclusion.

1981

*Public Law 97-35,
enacted August 13*

Modifies provision under which irregularly or infrequently received income is excluded to conform to change from quarterly to monthly accounting; amounts excludable: \$20 or less of unearned income and \$10 of earned income in a month.

1982

*Public Law 97-377,
enacted December 21*

From December 18, 1982, to September 30, 1983, certain home energy assistance payments are excluded if a State agency certified that they are based on need.

1983

*Public Law 97-424,
enacted January 6*

Support or maintenance assistance (including home energy assistance) provided in kind by a nonprofit organization or in cash or in kind by certain providers of home energy is excluded if the State determines that the assistance is based on need. Provision is applicable through September 1984.

Certain home energy assistance payments are excluded if a State agency certified that the assistance is based on need. Provision is applicable through June 1985.

1984

*Public Law 98-369,
enacted July 18*

The 1983 provisions for support and maintenance and home energy assistance continue to October 1, 1987.

1986

*Public Law 99-498,
enacted October 17*

Educational assistance used for educational expenses under the Higher Education Act of 1965 as amended.

1987

*Public Law 100-203,
enacted December 22*

The 1983 provisions for support and maintenance and home energy assistance made permanent.

Act

Excludes death payments (for example, proceeds from life insurance) from SSI income determinations to the extent they were spent on last illness and burial.

Modifies the 1982 resource exclusion for burial funds to extend the exclusion to any burial fund of \$1,500 or less maintained separately from all other assets, thereby allowing interest to be excluded from income if retained in the fund.

1988

*Public Law 100-383,
enacted August 10*

Restitution payments made to Japanese internees and relocated Aleutians.

1989

*Public Law 101-239,
enacted December 19*

Interest on agreements representing the purchase of an excluded burial space.

Payments from the Agent Orange Settlement.

Value of a ticket for domestic travel received as a gift and not cashed.

1990

*Public Law 101-508,
enacted November 5*

Earned income tax credit (including the child health insurance portion).

Payments received from a State-administered fund established to aid victims of crime.

Impairment-related work expenses excluded from income in determining initial eligibility for benefits.

Payments received as State or local government relocation assistance.

Payments received under the Radiation Exposure Compensation Act.

Redefines as earned income, royalties earned in connection with any publication of the individual's work, and honoraria received for services rendered (previously defined as unearned income).

1993

*Public Law 103-66,
enacted August 10*

Hostile fire pay to members of the uniformed services.

Payments received as State or local government relocation assistance made permanent.

1994

*Public Law 103-286,
enacted August 1*

Payments to victims of Nazi persecution.

1998

*Public Law 105-285,
enacted October 27*

Funds made available to an SSI recipient by a State or local government or a nonprofit organization as part of the Individual Development Account demonstration project.

*Public Law 105-306,
enacted October 28*

In-kind gifts to children with life-threatening conditions by tax-exempt organizations not converted to cash.

The first \$2,000 annually of cash gifts by tax-exempt organizations to, or for the benefit of, individuals under age 18 with life-threatening conditions.

*Public Law 105-369,
enacted November 12*

Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998.

Act

2000

*Public Law 106-554,
enacted December 21*

Interest on funds deposited in an individual development account.

Any adjustments made to prior payments from other Federal programs to account for the error in the computation of the Consumer Price Index during 1999.

2001

*Public Law 107-16,
enacted June 7*

The refundable child tax credit is excluded in determining eligibility for means-tested programs, including SSI.

2004

*Public Law 108-203,
enacted March 2*

Changes the calculation of infrequent or irregular income from a monthly to a quarterly basis. Excludes from the determination of an individual's income all interest and dividend income earned on countable resources. Effective July 2004.

Permits the student earned income exclusion to apply to any individual under age 22 who is a student. Thus, students under age 22 who are married or heads of households would be eligible for the exclusion. Effective April 2005.

Excludes from the determination of income any gift to an individual for use in paying tuition or educational fees, just as grants, scholarships, and fellowships for such use are currently excluded from the determination of income. Effective June 2004.

2005

*Public Law 109-64,
enacted September 20*

Amends the National Flood Insurance Act of 1968 to specify that assistance provided under a program for flood mitigation activities with respect to a property would not be considered income or a resource of the owner of the property when determining eligibility for or benefit levels under any income assistance or resource-tested program (including SSI) that is funded in whole or in part by a Federal agency or by appropriated Federal funds.

2006

*Public-Law 109-432,
enacted December 20*

Extends the present law that allows combat pay to be considered for Earned Income Tax Credit (EITC) purposes for one additional year (for taxable years ending before January 1, 2008). For SSI purposes, EITC payments are excluded from income, and are not a countable resource for 9 calendar months following the month of receipt.

2008

*Public Law 110-185,
enacted February 13*

A rebate payment received under the Economic Stimulus Act of 2008, and any other credit or refund under section 6428 of the Internal Revenue Code, would not be taken into account as income for purposes of SSI.

*Public Law 110-245,
enacted June 17*

Privatized military housing allowances withdrawn directly from a service member's pay by military payroll and paid to the landlord will be considered in-kind income, and the SSI benefit reduction attributable to the housing allowance will be capped at one-third of the Federal benefit rate. In other cases, housing allowances will be considered earned income.

Excludes any cash or in-kind benefits provided under an AmeriCorps program from income consideration. Effective for benefits payable for months beginning 60 days after enactment.

Act

2009

*Public Law 111-5,
enacted February 17*

A one-time economic recovery payment of \$250 to SSI recipients will not be taken into account as income for purposes of SSI.

The Making Work Pay tax credit, which provides a tax credit in the form of decreased withholding by employers, will not be counted as income.

6. Resources

1972

*Public Law 92-603,
enacted October 30*

Countable resources limited to \$1,500 or less for an individual and to \$2,250 or less for a couple.

1984

*Public Law 98-369,
enacted July 18*

Limit on countable resources raised by \$100 a year for individuals and \$150 a year for couples, beginning in calendar year 1985 through 1989. The respective limits would become \$2,000 for an individual and \$3,000 for a couple in 1989 and thereafter.

1999

*Public Law 106-169,
enacted December 14*

Includes generally in the countable resources of an individual the assets of a trust which could be used for the benefit of the individual or spouse.

a. General Exclusions

1972

*Public Law 92-603,
enacted October 30*

A home of reasonable value—established *by regulation* as not exceeding a fair-market value of \$25,000 (\$35,000 in Alaska and Hawaii).

Personal effects and household goods of reasonable value established *by regulation* as not exceeding a total market value of \$1,500.

An automobile of reasonable value—established *by regulation* as not exceeding a market value of \$1,200.

An automobile may be excluded, regardless of value, if the individual's household uses it for employment or medical treatment, or if it is modified to be operated by or for transportation of a person with a disability.

Life insurance with face value of \$1,500 or less.

1976

*Public Law 94-569,
enacted October 20*

The recipient's home, regardless of value, is excluded from consideration in determining resources.

1977

*Public Law 95-171,
enacted November 12*

Assistance received under the Disaster Relief and Emergency Assistance Act of 1974 for 9 months following receipt.

1979

Reasonable value for an automobile increased *by regulation* to \$4,500 of current-market value; personal goods and household effects increased to \$2,000 of equity value.

1982

*Public Law 97-248,
enacted September 3*

The value, within prescribed limits, of a burial space for the recipient, spouse, and immediate family is excluded. In addition, \$1,500 each (less the value of already excluded life insurance and any amount in an irrevocable burial arrangement) may be set aside for the burial of the recipient and spouse.

Act

1984

*Public Law 98-369,
enacted July 18*

The unspent portion of any retroactive title II or title XVI payment is excluded for 6 months following its receipt, and the individual must be given written notice of the time limit on the exclusion.

1985

Regulations permit exclusion, regardless of value, of an automobile needed for essential transportation or modified for a person with a disability. The \$4,500 current market value limit applies only if no automobile could be excluded based on the nature of its use.

1987

*Public Law 100-203,
enacted December 22*

Provides for suspension of the 1980 transfer of assets provision, in any month that it is determined that undue hardship would result.

Real property that cannot be sold for the following reasons: it is jointly owned; its sale would cause the other owner(s) undue hardship due to loss of housing; its sale is barred by a legal impediment; or, the owner's reasonable efforts to sell have been unsuccessful.

Temporarily extends the 1984 exclusion of retroactive title II and title XVI benefits from 6 months to 9 months (the longer exclusion applies to benefits paid in fiscal years 1988 and 1989).

1988

*Public Law 100-707,
enacted November 23*

Removes the time limit for exclusion of disaster assistance.

2004

*Public Law 108-203,
enacted March 2*

Increases to 9 months and makes uniform the time period for excluding from resources amounts attributable to payments of past-due Social Security and SSI benefits and earned income and child tax credits. Effective for such payments received on or after the date of enactment.

2005

Regulations permit exclusion, regardless of value, of:

- One automobile if used for transportation for the beneficiary or a member of the beneficiary's household; and
- Personal goods and household effects.

b. Special Exclusions

1972

*Public Law 92-603,
enacted October 30*

Assets of a blind or disabled individual that are necessary to an approved plan of self-support.

Tools and other property essential to self-support (PESS), within reasonable limits. Shares of nonnegotiable stock in regional or village corporations held by natives of Alaska.

For persons transferred from State programs to SSI, resource exclusions equal to the maximum amount permitted as of October 1972 under the State program.

1988

*Public Law 100-383,
enacted August 10*

Restitution payments made to Japanese internees and relocated Aleutians.

Act

1989

*Public Law 101-239,
enacted December 19*

Specifies that no limitation can be placed on property essential to self-support used in a trade or business, or by an individual as an employee (including the tools of a tradesperson and the machinery and livestock of a farmer).

Payments from the Agent Orange Settlement.

1990

*Public Law 101-508,
enacted November 5*

Earned income tax credit excluded for the month following the month the credit is received.

Payments received from a State-administered fund established to aid victims of crime excluded for a 9-month period. Individual not required to file for such benefits.

Payments received as State or local government relocation assistance excluded for a 9-month period. (The provision expired 3 years after its effective date.)

Payments received under the Radiation Exposure Compensation Act.

1993

*Public Law 103-66,
enacted August 10*

Makes permanent the 9-month exclusion of payments received as State or local government relocation assistance.

1994

*Public Law 103-286,
enacted August 1*

Payments to victims of Nazi persecution.

1996

*Public Law 104-193,
enacted August 22*

Dedicated financial institution accounts required to be established for large past-due benefits for disabled individuals under age 18 with a representative payee.

1998

*Public Law 105-285,
enacted October 27*

Funds made available to an SSI recipient by a State or local government or a nonprofit organization as part of the Individual Development Account demonstration project.

*Public Law 105-306,
enacted October 28*

In-kind gifts to children with life-threatening conditions by tax-exempt organizations not converted to cash.

The first \$2,000 annually of cash gifts by tax-exempt organizations to, or for the benefit of, individuals under age 18 with life-threatening conditions.

*Public Law 105-369,
enacted November 12*

Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998.

2000

*Public Law 106-554,
enacted December 21*

Funds deposited by an individual in an individual development account and the interest on those funds.

2001

*Public Law 107-16,
enacted June 7*

The refundable child tax credit in the month of receipt and in the following month.

Act

2004

*Public Law 108-203,
enacted March 2*

Excludes grants, scholarships, fellowships, or gifts to be used for tuition or educational fees from an individual's countable resources for 9 months after the month of receipt.

2008

*Public Law 110-185,
enacted February 13*

A rebate payment received under the Economic Stimulus Act of 2008, and any other credit or refund under section 6428 of the Internal Revenue Code, would not be included as a resource during the month of receipt or the following 2 months.

*Public Law 110-245,
enacted June 17*

Excludes State-provided pensions for aged, blind, or disabled veterans (or their spouses) from resources consideration. Effective for benefits payable for months beginning 60 days after enactment.

2009

*Public Law 111-5,
enacted February 17*

A one-time economic recovery payment of \$250 to SSI recipients will not be taken into account as a resource for the month of receipt and the following 9 months.

The Making Work Pay tax credit, which provides a tax credit in the form of decreased withholding by employers, will not be taken into account as a resource for the month of receipt and the following 2 months.

c. Transfer-of-Resources Penalties

1980

*Public Law 96-611,
enacted December 28*

Assets transferred for less than fair market value for the purpose of establishing eligibility for benefits under the Social Security Act are counted as resources for 24 months after transfer.

1988

*Public Law 100-360,
enacted July 1*

Removes the transfer-of-assets penalty for transfers made July 1, 1988, or later.

1999

*Public Law 106-169,
enacted December 14*

Provides a penalty under the SSI program for the disposal of resources at less than fair market value. The penalty is a loss of benefits for up to 36 months. A formula is provided to determine the number of months.

7. Presumptive and Emergency Payments and Interim Assistance Reimbursement

a. Presumptive Payments

1972

*Public Law 92-603,
enacted October 30*

A person applying on the basis of disability who meets all other criteria of eligibility, and is likely to be disabled, may receive payments for 3 months pending the disability determination.

1976

*Public Law 94-569,
enacted October 20*

Presumptive payment provision was extended to persons applying on the basis of blindness.

1990

*Public Law 101-508,
enacted November 5*

Extends the period for receipt of payments to 6 months.

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1972

*Public Law 92-603,
enacted October 30*

b. Emergency Advance Payments

Any applicant who can be presumed to meet the criteria of eligibility, but has not yet been determined eligible, and who is faced with a financial emergency may receive an immediate cash advance of up to \$100.

1987

*Public Law 100-203,
enacted December 22*

Increases the maximum emergency advance payment amount to the maximum amount of the regular Federal SSI monthly benefit rate, plus, if any, the Federally-administered State supplementary payment.

1996

*Public Law 104-193,
enacted August 22*

Applicants who have a financial emergency may receive an emergency advance payment in the month of application, which, effective with this law, is always prior to the first month of eligibility. These advance payments are recouped by proportional reductions in the recipient's first 6 months of SSI benefits.

c. Interim Assistance Reimbursement

1974

*Public Law 93-368,
enacted August 7*

SSA may enter into agreements with the States to repay them directly for assistance payments made to an SSI applicant while his/her claim is being adjudicated. The repayment is made from the first check due to the individual. This legislation expires June 30, 1976.

1976

*Public Law 94-365,
enacted July 14*

The authority to repay the State for interim assistance is made permanent.

1987

*Public Law 100-203,
enacted December 22*

Extends interim assistance reimbursement to situations in which payments are made by States or political subdivisions to persons whose SSI payments were suspended or terminated and who subsequently are found to be eligible for such benefits. Also clarifies that the payment from which the interim assistance reimbursement is paid must be the first payment of benefits relating to the interim period.

8. Medicaid Eligibility

1972

*Public Law 92-603,
enacted October 30*

States can provide Medicaid coverage to all recipients of SSI payments. Alternatively, they can limit coverage by applying more restrictive criteria from the State Medicaid plan in effect on January 1, 1972.

States can accept SSA determination of eligibility, or make their own determination.

1976

*Public Law 94-566,
enacted October 20*

Preserves the Medicaid eligibility of recipients who become ineligible for cash SSI payments due to the cost-of-living increases in Social Security benefits.

1980

*Public Law 96-265,
enacted June 9*

Blind or disabled recipients under age 65 no longer eligible for either regular or special SSI payments because of their earnings may retain SSI recipient status for Medicaid eligibility purposes under the following conditions: (1) they continue to have the disabling impairment, (2) they meet all nondisability eligibility criteria except for earned income, (3) they would be seriously inhibited from

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continuing employment without Medicaid services, and (4) their earnings are insufficient to provide a reasonable equivalent of SSI payments and Medicaid.

In States that do not provide Medicaid coverage categorically to all SSI recipients, qualification for Medicaid benefits depends on the State's specific eligibility and program requirements.

The Medicaid provision of the 1980 legislation was in effect from January 1, 1981, through December 31, 1983. Under a 1-year demonstration project, beginning January 1, 1984, this provision was continued for persons already eligible for regular or special SSI payments or for retention of Medicaid eligibility.

1984

*Public Law 98-460,
enacted October 9*

Medicaid provision of 1980 legislation extended through June 30, 1987 (retroactive to January 1, 1984).

1986

*Public Law 99-272,
enacted April 7*

Restores Medicaid eligibility for some disabled widow(er)s who became ineligible for SSI when their title II benefits increased in 1984 because of a change in the Social Security disabled widow(er)s benefits reduction factor.

*Public Law 99-643,
enacted November 10*

The SSI recipient status for Medicaid eligibility provision of the 1980 amendments is made permanent.

Effective July 1, 1987, certain expenses are excluded from earnings when determining sufficiency of earnings to establish SSI recipient status eligibility for Medicaid purposes:

- Impairment-related work expenses of disabled persons;
- Work expenses of blind persons;
- Income required for achieving an approved self-support plan; and
- The value of publicly funded attendant care services.

Effective July 1, 1987, preserves the Medicaid eligibility of recipients who become ineligible for SSI payments because of entitlement to, or an increase in, Social Security disabled adult child benefits on or after the effective date.

Effective July 1, 1987, requires all States to provide Medicaid coverage for recipients in special SSI status (either receiving special SSI payments or in the special recipient status described for 1980) if they received Medicaid coverage the month before special SSI status.

1987

*Public Law 100-203,
enacted December 22*

Effective July 1, 1988, restores or preserves the Medicaid eligibility of persons aged 60 or older who are eligible for Social Security benefits as widows or widowers (but not eligible for Medicare) and who become ineligible for SSI payments or State supplementation because of the receipt of old-age or survivors insurance benefits under Social Security.

1990

*Public Law 101-508,
enacted November 5*

Age limit for retention of SSI recipient status for Medicaid eligibility purposes (1980 and subsequent work incentive provisions, above) is eliminated.

Preserves the Medicaid eligibility of SSI recipients who become ineligible for payments when they become entitled to Social Security disabled widow(er)s benefits following the revised definition used for their disability.

Act

1997

*Public Law 105-33,
enacted August 5*

Requires States to continue Medicaid coverage for disabled children who were receiving SSI payments as of August 22, 1996 and would have continued to be eligible for such payments except that their eligibility terminated because they did not meet the revised SSI childhood disability standard established under Public Law 104-193.

2006

*Public Law 109-171,
enacted February 8*

Begins Medicaid coverage for children who are eligible for SSI effective the month the SSI application is filed or the first month of SSI eligibility, whichever is later. (Under prior law, Medicaid eligibility for such children began the month following the month of the SSI application or first eligibility.)

9. State Supplementation

1972

*Public Law 92-603,
enacted October 30*

States are given the option of providing supplementary payments both to recipients transferred from the State program and to those newly eligible for SSI.

States may either administer the payments themselves or have the Social Security Administration make payments on their behalf. When State supplementary payments are Federally-administered, the Social Security Administration makes eligibility and payment determinations for the State and assumes administrative costs.

“Hold harmless” protection, which limits a State’s fiscal liability to its share of OAA, AB, and APTD expenditures for calendar year 1972, is provided to States electing Federal administration of their supplementary plans. This provision applies only to supplementary payments that do not, on average, exceed a State’s “adjusted payment level.” (The adjusted payment level is the average of the payments that individuals with no other income received in January 1972; it may include the bonus value of food stamps. Adjustments are provided for payments that had been below State standards.)

1973

*Public Law 93-66,
enacted July 9*

Provides for mandatory State supplementation as assurance against reduction of income for persons who received State assistance in December 1973 and were transferred to SSI. These supplementary payments must equal the difference between (1) the amount of the State assistance payment that the individual received in December 1973 plus other income and (2) his/her Federal SSI payment plus other income.

1976

*Public Law 94-585,
enacted October 21*

After June 30, 1977, when the Federal SSI payment level is increased by a cost-of-living increase, such an increase will be excluded in calculating the “hold harmless” amount.

Requires States to maintain State supplementation payments at the level of December 1976 (“maintenance of payments”) or to continue to pay in supplements the same total annual amounts (“maintenance of expenditures”) when the Federal SSI payment level is increased and thereby pass through any increases in Federal benefits without reducing State supplements.

Act

1982

*Public Law 97-248,
enacted September 3*

Begins a 3-year phase out of “hold harmless” protection. Effective with fiscal year 1985, Wisconsin and Hawaii (the only remaining “hold harmless” States) assumed the full cost of their supplementary payments.

1983

*Public Law 98-21,
enacted April 20*

Federal pass-through law is adjusted (1) by substituting the State supplementary payment levels in effect in March 1983 for those in effect in December 1976 as the levels that States must maintain in complying with the pass-through requirements, and (2) with regard to the \$20 (individual) and \$30 (couple) increase in the Federal SSI standard in July 1983, by requiring States to pass through only as much as would have been required if the SSI cost-of-living adjustment had been made in July 1983.

1987

*Public Law 100-203,
enacted December 22*

Provides for Federal administration of State supplements to residents of medical institutions.

Provides for required pass through of \$5 increase in Federal rate for persons whose care in institutions is paid in substantial part by Medicaid.

1993

*Public Law 103-66,
enacted August 10*

Requires States to pay fees for Federal administration of their State supplementation payments. The fees are \$1.67 for each monthly supplementary payment in fiscal year 1994, \$3.33 in fiscal year 1995, and \$5.00 in fiscal year 1996. Fees for subsequent fiscal years will be \$5.00 or another amount determined by the Commissioner to be appropriate. The Commissioner may charge the States additional fees for services they request that are beyond the level customarily provided in administering State supplementary payments.

1997

*Public Law 105-33,
enacted August 5*

Revises the schedule of per-payment fees for Federal administration of State supplementation for fiscal years 1998 (\$6.20) through 2002 (\$8.50) and provides a formula for determining the fee beyond fiscal year 2002.

1999

*Public Law 106-170,
enacted December 17*

A State which has an agreement with SSA to administer its supplementation payments, must remit both payments and fees prior to the SSI payment date.

2000

*Public Law 106-554,
enacted December 21*

Changes the effective date of above provision from 2009 to 2001.

10. Overpayment Recovery

1984

*Public Law 98-369,
enacted July 18*

Limits the rate of recovering overpayments from monthly payments to the lesser of: (1) the monthly payment, or (2) 10 percent of a recipient’s monthly income. Permits a higher or lower adjustment at the request of the recipient subject to the agreement of the Commissioner. The limit does not apply if fraud, willful misrepresentation, or concealment of material information was involved on the part of the recipient or spouse in connection with the overpayment.

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Waives recovery of certain overpayments due to amount of excess resources of \$50 or less.

Provides authority for the recovery of overpayments from tax refunds.

1998

*Public Law 105-306,
enacted October 28*

Authorizes SSA to collect SSI overpayments for individuals not currently eligible for SSI cash benefits by offsetting Old-Age, Survivors, and Disability Insurance (OASDI) benefits, with a maximum monthly offset of no more than 10 percent of the Social Security benefit. The limit does not apply if fraud, willful misrepresentation, or concealment of material information was involved on the part of the recipient or spouse in connection with the overpayment.

1999

*Public Law 106-169,
enacted December 14*

Makes a representative payee liable for an SSI overpayment caused by a payment made to the representative payee on behalf of a recipient, after the recipient's death and requires SSA to establish an overpayment control record under the representative payee's Social Security number.

Requires SSA to recover SSI overpayments from SSI lump-sum amounts by withholding at least 50 percent of the lump-sum payment or the amount of the overpayment, whichever is less.

Extends all of the debt collection authorities currently available for the collection of overpayments under the OASDI program to the SSI program.

2004

*Public Law 108-203,
enacted March 2*

Provides for recovery of overpayment of SSI benefits by withholding from OASDI and Special Veterans' benefits up to 100 percent of any underpayment of benefits and 10 percent of ongoing monthly benefits. The 10 percent limit does not apply if fraud, willful misrepresentation, or concealment of material information was involved on the part of the recipient or spouse in connection with the overpayment.

Also provides for recovery of overpayment of OASDI or Special Veterans' benefits by withholding from SSI up to 100 percent of any underpayment of benefits, but limits any recovery from SSI benefits to the lesser of 100 percent of the monthly benefit or 10 percent of the individual's total monthly income.

Effective with respect to overpayments that are outstanding at the time of enactment.

B. INCOME AND RESOURCE EXCLUSIONS

1. Earned Income Exclusions

- Any refund of Federal income taxes received under section 32 of the Internal Revenue Code (relating to earned income tax credit) and any payment received under section 3507 of the Internal Revenue Code (relating to advance payment of earned income tax credit);
- Rebate payment received under the Economic Stimulus Act of 2008, and any other credit or refund under section 6428 of the Internal Revenue Code;
- Amounts received pursuant to the Making Work Pay tax credit set forth in the American Recovery and Reinvestment Act of 2009;
- Any refundable child tax credit;
- The first \$30 of earned income in a quarter if it is infrequent or irregular, that is, (1) if it is received only once in a calendar quarter from a single source and is not also received in the month immediately preceding or the month immediately following the month of receipt regardless of whether or not these payments occur in different calendar quarters or (2) if its receipt cannot reasonably be expected;
- Up to \$1,640¹ per month but not more than \$6,600 in a calendar year received by a blind or disabled recipient who is a working student under age 22 and regularly attending school;
- Any portion of the monthly \$20 exclusion for unearned income that has not been used;
- \$65 of earned income in a month;
- Amounts used to pay impairment-related work expenses if a recipient is disabled (but not blind) and under age 65 or is disabled (but not blind) and receiving SSI (or disability payments under a former State plan) before age 65²;
- One-half of remaining earned income in a month;
- Earned income used to meet any expenses reasonably attributable to the earning of the income if the recipient is blind and under age 65 or if he/she received SSI as a blind person prior to age 65²;
- Any earned income received and used to fulfill an approved plan to achieve self-support if the recipient is blind or disabled and under age 65 or is blind or disabled and received SSI as a blind or disabled individual in the month before he/she attained age 65;
- Cash or in-kind income provided under an AmeriCorps program;
- Any earned income deposited into either a Temporary Assistance for Needy Families (TANF) or Assets for Independence Act individual development account (IDA); and

¹ Increased from \$1,550 and \$6,240, respectively, effective January 1, 2009 (73 FR 64651). Under current regulations this exclusion is increased yearly based on changes in the cost of living.

² Amounts used to pay impairment-related work expenses are deducted before the one-half of earned income deduction, whereas amounts used to pay the work expenses of the blind are deducted after the one-half of earned income deduction. In effect, amounts of blind work expenses reduce SSI earned income twice as much as the same amounts of impairment-related work expenses.

- Some Federal laws other than the Social Security Act provide for the exclusion of earned income for SSI purposes. For the most part, the income received under these laws relates to assistance received in the form of food, housing and utilities, educational and employment benefits or benefits derived from being a member of a Native American tribe. A complete list of laws which exclude earned income under SSI can be found in the Federal Regulations Appendix to Subpart K 20 CFR 416.

2. Unearned Income Exclusions

- Any public agency's refund of taxes on real property or food;
- Assistance based on need which is wholly funded by a State or one of its political subdivisions. This includes State supplementation of Federal SSI benefits but does not include payments under a Federal/State grant program such as Temporary Assistance for Needy Families (TANF);
- Any portion of a grant, scholarship, fellowship, or gift to an individual used for paying tuition, fees or other necessary educational expenses. Portions set aside for food or shelter are counted;
- Food raised by a household if it is consumed by that household;
- Assistance received under the Disaster Relief and Emergency Assistance Act and assistance provided under any Federal statute because of a catastrophe which the President of the United States declares to be a major disaster;
- Assistance received under a program for flood mitigation activities;
- The first \$60 of unearned income in a quarter if it is infrequent or irregular, that is, (1) if it is received only once in a calendar quarter from a single source and is not also received in the month immediately preceding or the month immediately following the month of receipt regardless of whether or not these payments occur in different calendar quarters or (2) if its receipt cannot reasonably be expected;
- Any unearned income received and used to fulfill an approved plan to achieve self-support if the recipient is blind or disabled and under age 65 or is blind or disabled and received SSI as a blind or disabled individual in the month before he/she attained age 65;
- Periodic payments made by a State under a program established before July 1, 1973, and based solely on the recipient's length of residence and attainment of age 65;
- Payments for providing foster care to an ineligible child who was placed in the recipient's home by a public or private nonprofit child placement or child care agency;
- Any interest earned on excluded burial funds and any appreciation in the value of an excluded burial arrangement which are left to accumulate and become part of the separately identifiable burial fund;
- Certain support and maintenance assistance provided in the form of home energy assistance;
- One-third of support payments made by an absent parent if the recipient is a child;
- The first \$20 of unearned income in a month other than income in the form of in-kind support and maintenance received in the household of another and income based on need;
- The value of any assistance paid with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, title V of the Housing Act of 1949, or section 202(h) of the Housing Act of 1959;

- Any interest accrued on and left to accumulate as part of the value of an excluded burial space purchase agreement (effective April 1, 1990) and any interest earned on the value of nonexcludable burial funds and burial space purchase agreements is excluded from income (effective July 1, 2004);
- The value of any commercial transportation ticket, for travel by a recipient or his/her spouse among the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa and the Northern Mariana Islands, which is received as a gift and is not converted to cash;
- Payments received from a fund established by a State to aid victims of crime;
- Payments received from State-provided pensions to aged, blind, or disabled veterans (or their spouses);
- Relocation assistance provided by a State or local government that is comparable to assistance provided under title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
- Hostile fire pay received from one of the uniformed services pursuant to 37 U.S.C. 310 and other kinds of additional pay received by military personnel in a combat zone;
- Interest or other earnings on a dedicated account excluded from resources;
- In-kind gifts not converted to cash and the first \$2,000 annually of cash gifts made by tax-exempt organizations, such as the Make-A-Wish Foundation, to, or for the benefit of, individuals under age 18 with life-threatening conditions;
- Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998;
- TANF funds made available to an SSI recipient as part of an individual development account (IDA);
- One-time economic recovery payment received under the American Recovery and Reinvestment Act of 2009;
- Deposits made by a participating individual or a sponsoring nonprofit organization or State or local government into an IDA under the Assets for Independence Act IDA demonstration project and interest earned on these deposits;
- Unearned income excluded by other Federal laws. See Federal Regulations Appendix to Subpart K 20 CFR 416; and
- Generally, all interest and dividend income earned on countable resources.

3. Resource Exclusions

- The home in which an individual has ownership interest and which serves as the individual's principal place of residence (including the land appertaining thereto);
- Household goods and personal effects;
- One automobile if used for transportation for the beneficiary or a member of the beneficiary's household;
- Property used in a trade or business which is essential to self-support;
- Up to \$6,000 of nonbusiness property which is essential to self-support;

- Resources of a blind or disabled individual which are necessary to fulfill an approved plan to achieve self-support;
- Stock in regional or village corporations held by natives of Alaska during the 20-year period in which the stock is inalienable pursuant to the Alaska Native Claims Settlement Act;
- Life insurance owned by an individual (and spouse, if any) provided that all life insurance on any person does not exceed a face value of \$1,500;
- Restricted allotted Indian lands;
- Disaster relief assistance;
- Assistance received under a program for flood mitigation activities;
- Burial spaces and certain funds up to \$1,500 for burial expenses;
- Title XVI or title II retroactive payments (for 9 months following the month of receipt);
- Housing assistance;
- Refunds of Federal income taxes and advances made by an employer relating to an earned income tax credit (for 9 months following the month of receipt);
- Rebate payment received under the Economic Stimulus Act of 2008, and any other credit or refund under section 6428 of the Internal Revenue Code, during the month of receipt or the following 2 months;
- One-time economic recovery payment received under the American Recovery and Reinvestment Act of 2009, for the month of receipt and the following 9 months;
- Amounts received pursuant to the Making Work Pay tax credit set forth in the American Recovery and Reinvestment Act of 2009, for the month of receipt and the following 2 months.
- Refundable child tax credit (for 9 months following the month of receipt);
- Grants, scholarships, fellowships or gifts to be used for tuition or educational fees (for 9 months following the month of receipt);
- Payments received as compensation for expenses incurred or losses suffered as a result of a crime (for 9 months following the month of receipt);
- Relocation assistance from a State or local government (for 9 months following the month of receipt);
- Payments made from State-provided pensions to aged, blind, or disabled veterans (or their spouses);
- Dedicated financial institution accounts for disabled children;
- In-kind gifts not converted to cash and the first \$2,000 annually of cash gifts made by tax-exempt organizations, such as the Make-A-Wish Foundation, to, or for the benefit of, individuals under age 18 with life-threatening conditions;
- Payments made under the Ricky Ray Hemophilia Relief Fund Act of 1998;
- Amounts deposited into either a TANF or Assets for Independence Act IDA, including matching funds and interest earned on such amounts;

- Certain trusts (e.g., those established by will or certain Medicaid trusts that will repay the State, upon the death of the beneficiary, for the costs of medical assistance provided to that individual); and
- Payments or benefits provided under a Federal statute other than title XVI of the Social Security Act where exclusion is provided by such statute.

C. HISTORICAL ALLOWANCE DATA

At the end of 2008, 84 percent of SSI recipients were receiving benefits based on a determination of disability or blindness. Claims are filed at a local Social Security office and claims requiring an evaluation of disability are sent to the State DDS for a decision. Initial DDS decisions that are unfavorable to the applicant may be appealed. Historically, all appeals were initiated at the DDS level with a request for reconsideration of that initial denial. Persons denied at the reconsideration level could then request a hearing before an administrative law judge (ALJ), and if dissatisfied with the hearing decision could request a review by the Appeals Council. Those dissatisfied with the Appeals Council's action could seek further relief via the Federal court system. This appeals process is still in effect for the majority of new applicants.¹ However, since the mid-1990s SSA has conducted small pilots testing revisions to this process and introduced a modification of this process that has been utilized in 10 States for applications filed on or after October 1, 1999. Under this revised process, the first level of appeal of an initial determination is a request for hearing before an ALJ, thereby eliminating the reconsideration step.

Such a process of application and appeal can, in some cases, span several years. However, before 1993, the only data available on the disability determination process resided in files compiled at each separate stage of the process and only captured various point-in-time snapshots. A complete picture of the disability determination process can be fully understood only by compiling a longitudinal database from administrative records at all levels of appeal. Beginning in 1993, such a longitudinal database (the "Disability Research File") was constructed by SSA's Office of Disability Programs to assist the agency in understanding and managing this process. In constructing this database, some problems were encountered due to inconsistencies in the data collected from all the respective levels of appeal. The following sections present some additional details and qualifications essential to a complete understanding of the resulting data. Following these technical notes are tables based on the Disability Research File which show the latest available summary of results on disability determinations under title XVI.

1. Technical Notes on the Disability Research File

Methods used to build the title XVI Disability Research File—The "base" file for the title XVI research file is the Supplemental Security Record (SSR). This "base" file is matched against records from various other administrative sources, including transactions from the disability determination (SSA-831) files, Social Security number identification records and earnings data, and ODAR case control data.

The process used to build this research file is cumbersome, involving about 200 steps, and generally requiring 2 to 4 months to complete. Much of this complexity flows from the fact that the file is assembled based on filing date cohorts, even though many of the source files do not contain a filing date. The three most recent calendar year cohorts are completely reassembled from the basic data sources. Older calendar year cohorts are updated to reflect activity since the last time the file was built. Since the process is so time consuming, the research file is updated only annually (usually beginning in July). Therefore, research file data are not yet available for claims filed in 2008.

Methods used for estimating results (through February 2009) for claims filed in 2008—Although decision counts are available for 2008 filers (from many of the "source" files), those counts do not translate directly

¹ Implementation of the Disability Service Improvement (DSI) process began in the Boston region in August 2006. The DSI process eliminated reconsideration as the first level of appeal of an initial disability determination and introduced review by the Office of the Federal Reviewing Official (OFedRO) in its place. By final rule published in the Federal Register (73 FR 2411) SSA suspended new claims to the OFedRO level; this change was effective March 23, 2008 (73 FR 10381). For those initial disability appeals that had not been transferred to OFedRO on or before the effective date, the procedure for the first level of appeal reverted to that which was in place prior to August 2006; i.e., reconsideration. The DSI regulations also modified administrative appeal of an ALJ's decision or dismissal. These modifications remain in effect in the Boston region.

into the claims/appeals counts included in the following tables, due to the consolidation of multiple transactions (and application of claims-based tolerance rules) which occurs when the research file is built.

To prepare preliminary estimates of results (through February 2009) for 2008 filers, we started from the latest available transaction data, such as the SSA-831 data, and took into account recent years' experience of the relationship between corresponding earlier transaction data and the resulting claims/appeals data in completed research files. Estimates of ODAR appeals activity are taken from a file which tracks individual claimants, rather than individual claims. Therefore, this may result in a slight undercount of ODAR activity.

While we believe that the methods used are reasonable, it must be emphasized that the resulting estimates may prove to be of limited reliability, especially in light of the fact that the estimates give results only through February 2009, whereas the final research files will reflect information through June 2009. Actual data for 2008 will be available to replace these estimates in the 2010 Annual Report.

2. General Considerations

Some general points that apply to tables V.C1 and V.C2 are as follows:

- Data for 1988-2007 filers are as of August 2008 for decisions at the DDS and OFedRO levels. Results for those years' filers have been updated to include results at the hearing and Appeals Council levels and Federal courts through August 2008.
- Data for 2008 filers are preliminary estimates as of February 2009, and reflect larger numbers of claims still pending. February 2009 data on number of claims appealed may be too low because larger numbers of claimants are still within the period allowed for filing an appeal (i.e., larger numbers of recently denied claimants who have not yet filed an appeal may appeal before the time limit runs out).
- Remaining appeals will affect the results. Since allowances are generally processed more quickly than denials, we expect that the percent allowed will ultimately be lower as all cases are processed.
- In certain pilot activities and under the revised process introduced October 1, 1999 in 10 States, initial denials can be appealed directly to ODAR without a separate reconsideration step. As a result the appeals of initial denials shown in these tables include cases which will not receive a decision at the reconsideration level.
- The cases appealed to the OFedRO level under the DSI process are not shown separately, but are included in these tables in the reconsideration counts.

Table V.C1.—Disabled Adult Claims: Disposition of Applications for SSI Disability Benefits by Year of Filing^a and Level of Decision

Calendar year of filing	Total claims filed	Initial decisions						
		Pending	Allowances		Denials		Appeals of initial denials	
			Number	Percent ^b	Number	Percent ^b	Number ^c	Percent ^d
1988	946,603	—	272,204	28.8	674,399	71.2	265,151	39.3
1989	969,218	—	292,044	30.1	677,174	69.9	274,823	40.6
1990	1,099,805	—	347,823	31.6	751,982	68.4	320,207	42.6
1991	1,288,331	—	415,336	32.2	872,995	67.8	383,669	43.9
1992	1,415,624	—	436,888	30.9	978,736	69.1	433,244	44.3
1993	1,503,278	—	416,300	27.7	1,086,978	72.3	485,166	44.6
1994	1,436,958	—	353,995	24.6	1,082,963	75.4	482,533	44.6
1995	1,318,416	—	323,084	24.5	995,332	75.5	439,166	44.1
1996	1,247,926	—	305,351	24.5	942,575	75.5	406,425	43.1
1997	1,110,898	—	292,839	26.4	818,059	73.6	357,973	43.8
1998	1,108,957	—	322,734	29.1	786,223	70.9	339,288	43.2
1999	1,104,975	—	326,607	29.6	778,368	70.4	332,122	42.7
2000	1,139,571	—	344,163	30.2	795,408	69.8	332,503	41.8
2001	1,216,182	—	365,932	30.1	850,250	69.9	355,165	41.8
2002	1,322,683	—	371,233	28.1	951,450	71.9	398,582	41.9
2003	1,403,442	—	378,538	27.0	1,024,904	73.0	424,698	41.4
2004	1,475,930	—	384,208	26.0	1,091,722	74.0	426,986	39.1
2005	1,472,810	—	369,999	25.1	1,102,811	74.9	408,438	37.0
2006	1,500,934	—	363,204	24.2	1,137,730	75.8	416,709	36.6
2007	1,512,117	6,311	364,221	24.2	1,141,585	75.8	413,031	36.2
2008	1,607,355	258,348	412,067	30.5	936,940	69.5	300,800	32.1

Calendar year of filing	Reconsiderations ^e						Appeals beyond reconsideration ^f			
	Pending	Allowances		Denials	Appeals of reconsideration denials		Pending ^h	Allowances		Denials ⁱ
		Number	Percent ^b		Number ^g	Percent ^d		Number	Percent ⁱ	
1988	—	38,385	14.5	226,766	140,663	62.0	—	82,414	58.6	58,249
1989	—	43,505	15.8	231,318	146,082	63.2	—	90,169	61.7	55,913
1990	—	52,055	16.3	268,152	175,520	65.5	—	109,098	62.2	66,422
1991	—	59,157	15.4	324,512	221,816	68.4	—	139,698	63.0	82,118
1992	—	58,819	13.6	374,425	260,554	69.6	—	159,084	61.1	101,470
1993	—	57,938	11.9	427,228	294,801	69.0	—	170,402	57.8	124,399
1994	—	55,822	11.6	426,711	293,448	68.8	—	164,537	56.1	128,911
1995	—	51,697	11.8	387,469	264,270	68.2	—	143,582	54.3	120,688
1996	—	49,263	12.1	357,162	242,407	67.9	—	133,323	55.0	109,084
1997	—	47,573	13.4	306,561	213,969	69.8	—	121,619	55.8	96,189
1998	—	46,507	13.7	292,272	203,767	69.7	—	115,323	56.5	88,953
1999	—	42,135	13.3	274,269	193,497	70.6	—	118,768	56.8	90,447
2000	—	39,522	14.3	237,714	169,112	71.1	—	125,568	56.0	98,811
2001	—	38,987	13.9	241,200	172,082	71.3	1,838	136,050	55.5	109,172
2002	—	40,290	12.9	271,278	193,416	71.3	2,689	153,853	55.4	123,888
2003	—	40,861	12.2	293,433	208,070	70.9	5,134	162,217	55.3	131,123
2004	—	38,858	11.6	295,019	209,106	70.9	12,395	162,039	55.9	127,781
2005	—	36,407	11.4	283,760	201,515	71.0	39,269	143,300	57.2	107,217
2006	—	34,858	10.8	289,047	204,908	70.9	150,230	84,298	57.2	63,184
2007	16,317	28,876	9.5	274,703	171,566	62.5	230,025	21,214	61.2	13,462
2008	66,809	20,144	12.1	146,905	76,109	51.8	136,239	4,987	73.2	1,825

Table V.C1.—Disabled Adult Claims: Disposition of Applications for SSI Disability Benefits by Year of Filing^a and Level of Decision (Cont.)Selected summary case information by decision status: *Numbers of cases*

Calendar year of filing	Total claims filed	Initial decisions pending	Total initial decisions	Allowances	Denials	
					Appeal decision pending	No appeal pending
1988	946,603	—	946,603	393,003	—	553,600
1989	969,218	—	969,218	425,718	—	543,500
1990	1,099,805	—	1,099,805	508,976	—	590,829
1991	1,288,331	—	1,288,331	614,191	—	674,140
1992	1,415,624	—	1,415,624	654,791	—	760,833
1993	1,503,278	—	1,503,278	644,640	—	858,638
1994	1,436,958	—	1,436,958	574,354	—	862,604
1995	1,318,416	—	1,318,416	518,363	—	800,053
1996	1,247,926	—	1,247,926	487,937	—	759,989
1997	1,110,898	—	1,110,898	462,031	—	648,867
1998	1,108,957	—	1,108,957	484,564	—	624,393
1999	1,104,975	—	1,104,975	487,510	—	617,465
2000	1,139,571	—	1,139,571	509,253	—	630,318
2001	1,216,182	—	1,216,182	540,969	1,838	673,375
2002	1,322,683	—	1,322,683	565,376	2,689	754,618
2003	1,403,442	—	1,403,442	581,616	5,134	816,692
2004	1,475,930	—	1,475,930	585,105	12,395	878,430
2005	1,472,810	—	1,472,810	549,706	39,269	883,835
2006	1,500,934	—	1,500,934	482,360	150,230	868,344
2007	1,512,117	6,311	1,505,806	414,311	246,342	845,153
2008	1,607,355	258,348	1,349,007	437,198	203,048	708,761

Selected summary case information by decision status

Calendar year of filing	Numbers as a percentage of total claims filed				Numbers as a percentage of total initial decisions		
	Initial decision pending	Allowances	Denials		Allowances	Denials	
			Appeal decision pending	No appeal pending		Appeal decision pending	No appeal pending
1988	—	41.5	—	58.5	41.5	—	58.5
1989	—	43.9	—	56.1	43.9	—	56.1
1990	—	46.3	—	53.7	46.3	—	53.7
1991	—	47.7	—	52.3	47.7	—	52.3
1992	—	46.3	—	53.7	46.3	—	53.7
1993	—	42.9	—	57.1	42.9	—	57.1
1994	—	40.0	—	60.0	40.0	—	60.0
1995	—	39.3	—	60.7	39.3	—	60.7
1996	—	39.1	—	60.9	39.1	—	60.9
1997	—	41.6	—	58.4	41.6	—	58.4
1998	—	43.7	—	56.3	43.7	—	56.3
1999	—	44.1	—	55.9	44.1	—	55.9
2000	—	44.7	—	55.3	44.7	—	55.3
2001	—	44.5	0.2	55.4	44.5	0.2	55.4
2002	—	42.7	.2	57.1	42.7	.2	57.1
2003	—	41.4	.4	58.2	41.4	.4	58.2
2004	—	39.6	.8	59.5	39.6	.8	59.5
2005	—	37.3	2.7	60.0	37.3	2.7	60.0
2006	—	32.1	10.0	57.9	32.1	10.0	57.9
2007	0.4	27.4	16.3	55.9	27.5	16.4	56.1
2008	16.1	27.2	12.6	44.1	32.4	15.1	52.5

^a Data for claims filed in 1988–2007 reflect results as of August 2008. The numbers of total claims filed for 2005–07 are subject to change. Data for claims filed in 2008 are preliminary estimates as of February 2009. The ultimate numbers of allowances and denials are subject to change until all initial decisions have been completed and all appeals are final.

^b Percentage of decisions at this level.

^c Includes certain cases which can be appealed directly to the hearing level.

^d Percentage of denials at this level appealed to next level.

^e Includes cases reviewed by a Federal Reviewing Official (FedRO) as part of the DSI process.

^f Includes cases appealed to the hearing and Appeals Council levels and to the Federal courts.

^g Number of persons appealing beyond the reconsideration level.

^h Includes cases remanded to SSA from the Federal courts.

ⁱ Percentage of decisions at this level. For years in which decisions are still pending, the preliminary percentage shown is expected to ultimately be lower as all cases are processed. This occurs because allowances are generally processed more quickly than denials.

^j Includes denied claims where the final administrative action was a dismissal of an appeal request (e.g., the appeal was not filed timely or the applicant failed to appear at the scheduled hearing).

Table V.C2.—Disabled Child Claims: Disposition of Applications for SSI Disability Benefits by Year of Filing^a and Level of Decision

Calendar year of filing	Total claims filed	Initial decisions						
		Pending	Allowances		Denials		Appeals of initial denials	
			Number	Percent ^b	Number	Percent ^b	Number ^c	Percent ^d
1991	250,962	—	148,220	59.1	102,742	40.9	24,702	24.0
1992	372,971	—	189,079	50.7	183,892	49.3	49,297	26.8
1993	496,131	—	212,268	42.8	283,863	57.2	75,967	26.8
1994	525,013	—	172,219	32.8	352,794	67.2	92,093	26.1
1995	487,730	—	144,231	29.6	343,499	70.4	86,841	25.3
1996	453,473	—	127,416	28.1	326,057	71.9	75,013	23.0
1997	332,032	—	106,528	32.1	225,504	67.9	51,493	22.8
1998	335,732	—	123,249	36.7	212,483	63.3	50,110	23.6
1999	342,153	—	128,543	37.6	213,610	62.4	49,573	23.2
2000	349,288	—	136,989	39.2	212,299	60.8	48,091	22.7
2001	367,751	—	151,288	41.1	216,463	58.9	49,089	22.7
2002	402,130	—	163,772	40.7	238,358	59.3	55,863	23.4
2003	425,365	—	171,183	40.2	254,182	59.8	59,431	23.4
2004	435,629	—	173,163	39.8	262,466	60.2	58,135	22.1
2005	425,139	—	162,084	38.1	263,055	61.9	54,544	20.7
2006	433,132	—	159,577	36.8	273,555	63.2	57,672	21.1
2007	435,062	890	160,725	37.0	273,447	63.0	56,937	20.8
2008	449,364	62,159	168,434	43.5	218,771	56.5	41,084	18.8

Calendar year of filing	Reconsiderations ^e						Appeals beyond reconsideration ^f			
	Pending	Allowances		Denials	Appeals of reconsideration denials		Pending ^h	Allowances		Denials ^j
		Number	Percent ^b		Number ^g	Percent ^d		Number	Percent ⁱ	
1991	—	5,605	22.7	19,097	9,196	48.2	—	3,884	42.2	5,312
1992	—	9,463	19.2	39,834	19,770	49.6	—	7,523	38.1	12,247
1993	—	11,338	14.9	64,629	31,193	48.3	—	10,638	34.1	20,555
1994	—	11,332	12.3	80,761	38,433	47.6	—	12,954	33.7	25,479
1995	—	10,287	11.8	76,554	35,592	46.5	—	10,924	30.7	24,668
1996	—	9,355	12.5	65,658	27,920	42.5	—	8,853	31.7	19,067
1997	—	8,266	16.2	42,705	18,916	44.3	—	7,027	36.2	12,411
1998	—	7,799	15.6	42,237	18,762	44.4	—	7,034	37.3	11,802
1999	—	7,196	15.5	39,377	17,836	45.3	—	7,833	37.6	13,003
2000	—	6,932	18.3	31,051	14,353	46.2	—	8,928	36.5	15,533
2001	—	6,807	18.7	29,643	13,576	45.8	131	9,338	35.8	16,746
2002	—	7,426	17.9	34,024	15,329	45.1	174	10,418	35.2	19,150
2003	—	7,690	17.1	37,211	16,374	44.0	311	10,682	34.9	19,911
2004	—	7,123	16.2	36,776	15,906	43.3	968	10,344	35.5	18,830
2005	—	7,199	17.1	34,800	15,193	43.7	3,870	8,846	37.1	15,022
2006	—	7,281	16.4	37,235	16,385	44.0	16,306	5,172	39.1	8,063
2007	1,655	6,754	16.0	35,497	14,175	39.9	24,142	1,440	47.0	1,624
2008	7,932	3,156	13.2	20,814	6,589	31.7	15,273	169	33.9	329

Table V.C2.—Disabled Child Claims: Disposition of Applications for SSI Disability Benefits by Year of Filing^a and Level of Decision (Cont.)Selected summary case information by decision status: *Numbers of cases*

Calendar year of filing	Total claims filed	Initial decisions pending	Total initial decisions	Allowances	Denials	
					Appeal decision pending	No appeal pending
1991	250,962	—	250,962	157,709	—	93,253
1992	372,971	—	372,971	206,065	—	166,906
1993	496,131	—	496,131	234,244	—	261,887
1994	525,013	—	525,013	196,505	—	328,508
1995	487,730	—	487,730	165,442	—	322,288
1996	453,473	—	453,473	145,624	—	307,849
1997	332,032	—	332,032	121,821	—	210,211
1998	335,732	—	335,732	138,082	—	197,650
1999	342,153	—	342,153	143,572	—	198,581
2000	349,288	—	349,288	152,849	—	196,439
2001	367,751	—	367,751	167,433	131	200,187
2002	402,130	—	402,130	181,616	174	220,340
2003	425,365	—	425,365	189,555	311	235,499
2004	435,629	—	435,629	190,630	968	244,031
2005	425,139	—	425,139	178,129	3,870	243,140
2006	433,132	—	433,132	172,030	16,306	244,796
2007	435,062	890	434,172	168,919	25,797	239,456
2008	449,364	62,159	387,205	171,759	23,205	192,241

Selected summary case information by decision status

Calendar year of filing	Numbers as a percentage of total claims filed				Numbers as a percentage of total initial decisions			
	Initial decision pending	Allowances	Denials		Allowances	Denials		
			Appeal decision pending	No appeal pending		Appeal decision pending	No appeal pending	
1991	—	62.8	—	37.2	62.8	—	37.2	
1992	—	55.2	—	44.8	55.2	—	44.8	
1993	—	47.2	—	52.8	47.2	—	52.8	
1994	—	37.4	—	62.6	37.4	—	62.6	
1995	—	33.9	—	66.1	33.9	—	66.1	
1996	—	32.1	—	67.9	32.1	—	67.9	
1997	—	36.7	—	63.3	36.7	—	63.3	
1998	—	41.1	—	58.9	41.1	—	58.9	
1999	—	42.0	—	58.0	42.0	—	58.0	
2000	—	43.8	—	56.2	43.8	—	56.2	
2001	—	45.5	^k	54.4	45.5	^k	54.4	
2002	—	45.2	^k	54.8	45.2	^k	54.8	
2003	—	44.6	0.1	55.4	44.6	0.1	55.4	
2004	—	43.8	.2	56.0	43.8	.2	56.0	
2005	—	41.9	.9	57.2	41.9	.9	57.2	
2006	—	39.7	3.8	56.5	39.7	3.8	56.5	
2007	0.2	38.8	5.9	55.0	38.9	5.9	55.2	
2008	13.8	38.2	5.2	42.8	44.4	6.0	49.6	

^a Data for claims filed in 1991-2007 reflect results as of August 2008. The numbers of total claims filed for 2005-07 are subject to change. Data for claims filed in 2008 are preliminary estimates as of February 2009. The ultimate numbers of allowances and denials are subject to change until all initial decisions have been completed and all appeals are final.

^b Percentage of decisions at this level.

^c Includes certain cases which can be appealed directly to the hearing level.

^d Percentage of denials at this level appealed to next level.

^e Includes cases reviewed by a Federal Reviewing Official (FedRO) as part of the DSI process.

^f Includes cases appealed to the hearing and Appeals Council levels and to the Federal courts.

^g Number of persons appealing beyond the reconsideration level.

^h Includes cases remanded to SSA from the Federal courts.

ⁱ Percentage of decisions at this level. For years in which decisions are still pending, the preliminary percentage shown is expected to ultimately be lower as all cases are processed. This occurs because allowances are generally processed more quickly than denials.

^j Includes denied claims where the final administrative action was a dismissal of an appeal request (e.g., the appeal was not filed timely or the applicant failed to appear at the scheduled hearing).

^k Less than 0.05 percent.

D. HISTORICAL REDETERMINATION AND CONTINUING DISABILITY REVIEW DATA**1. Redeterminations**

Redeterminations are reviews of all of the nonmedical factors of eligibility to determine whether a recipient is still eligible for SSI and still receiving the correct payment amount. There are two types of redeterminations: scheduled and unscheduled. Except for certain institutionalized individuals, all recipients are periodically scheduled for a redetermination. Every year SSA schedules for redetermination the cases most likely to have payment error, but even the cases unlikely to have payment error are scheduled for review at least once every 6 years. Unscheduled redeterminations are completed on an as needed basis when recipients report, or we discover, certain changes in circumstances that could affect the continuing SSI payment amount. The numbers of redeterminations completed are subject to some year-to-year fluctuation because of variation in the numbers of unscheduled redeterminations completed and in the numbers of scheduled redeterminations that were completed during the fiscal year due to administrative resource limitations and the impact of other workload requirements on the field offices. When redeterminations cannot be completed in the fiscal year scheduled, they are carried over into the next fiscal year.

During periods between scheduled redeterminations, SSA uses the limited issue process to detect situations that have the potential to affect the continuing eligibility of SSI recipients and SSI payment amounts. SSA conducts periodic computer matches between its own systems and the systems of other Federal and State agencies to determine if the income and resources information on SSI recipients' records is in conflict with data obtained from the other systems. Matches detecting conflicting information usually result in the posting of an indicator to the Supplemental Security Record of the SSI recipient. The limited issue case is then selected for a field office review of the issue for which the indicator was posted. Beginning in fiscal year 2007, SSA included limited issue completions with redetermination completions.

Table V.D1 provides historical data on numbers of redeterminations and limited issues completed by fiscal year.

Table V.D1.—SSI Redeterminations and Limited Issues Completed, Fiscal Years 1986-2008
[In thousands]

Fiscal year	Numbers of completions		
	Redeterminations	Limited issues	Total
1986.....	2,278	a	a
1987.....	2,244	a	a
1988.....	1,997	a	a
1989.....	2,226	a	a
1990.....	2,103	a	a
1991.....	2,138	a	a
1992.....	2,321	a	a
1993.....	2,223	a	a
1994.....	^b 1,900	a	a
1995.....	^c 1,597	a	a
1996.....	1,763	a	a
1997.....	1,773	a	a
1998.....	1,853	a	a
1999.....	2,122	751	2,873
2000.....	2,182	582	2,764
2001.....	2,316	589	2,905
2002.....	2,311	582	2,894
2003.....	2,450	472	2,921
2004.....	2,279	248	2,527
2005.....	^d 1,725	737	2,462
2006.....	^d 1,071	348	1,418
2007.....	^d 692	346	^e 1,039
2008.....	^d 900	321	^e 1,221

^a Data not available.

^b Decrease in number of redeterminations completed in fiscal year 1994 due to low-error profile redeterminations not being completed from January through September 1994.

^c Effective fiscal year 1995, approximately 200,000 fewer redeterminations were selected annually due to a change from a 3-year to a 6-year redetermination cycle for low-error profile cases.

^d Fewer redeterminations were selected in fiscal years 2005-08 due to limitations on administrative funding.

^e Effective fiscal year 2007, total redeterminations reported by SSA include limited issues.

2. Continuing Disability Reviews

Following enactment of the Social Security Disability Amendments of 1980, section 221(i) of the Social Security Act generally requires SSA to review the continuing eligibility of title II disabled beneficiaries at least every 3 years. A similar requirement was not put in place at that time for disabled title XVI recipients. Although the Committee on Finance of the Senate stated in its report on this legislation that the same continuing disability review (CDR) procedures should be applied with respect to both the title II and title XVI programs, title XVI was not amended to accomplish this. Section 1614(a)(4) of the Act gives SSA discretionary authority to conduct periodic CDRs on SSI recipients. On September 28, 1994, SSA issued a Federal Register notice that periodic SSI CDRs would begin on October 1, 1994. In 1994 and again in 1996 legislation was enacted adding some mandates for the performance of CDRs under the SSI program.

Public Law 103-296 specified that during each of fiscal years 1996, 1997, and 1998, SSA was required to conduct CDRs on a minimum of 100,000 SSI recipients. In addition, during the same period, SSA was required to redetermine the SSI eligibility of at least one-third of all SSI child recipients who reached age 18 after April 1995 during the 1-year period following attainment of age 18. Such redeterminations for persons turning age 18 could count toward the 100,000 CDR requirement.

Public Law 104-193 extended the requirement of redetermination of SSI eligibility to all SSI child recipients who reach age 18, with such redetermination being based on the adult eligibility criteria. This law also added the requirement that a CDR be performed:

- At least once every 3 years for SSI recipients under age 18 who are eligible by reason of an impairment which is likely to improve, and
- Not later than 12 months after birth for recipients whose low birth weight is a contributing factor material to the determination of their disability unless the Commissioner determines that the impairment is not expected to improve within 12 months of the child's birth.

Public Law 105-33 gave SSA some additional flexibility in the scheduling of these categories of CDRs.

In order to handle the large CDR workload mandated under these various provisions, SSA developed, beginning in 1993, a process by which certain title II cases scheduled for a CDR would be screened using the results of a profiling process which included a mailer interview for some cases. In 1996 the profiling process was extended to title XVI adults who were scheduled for a CDR. The screening process resulted in the deferral of full medical reviews for 149,589 cases for which a scheduled title XVI CDR was processed in fiscal year 2008. On January 27, 2007 SSA implemented a streamlined failure to cooperate (FTC) process for medical CDRs in the field office (FO). Cases where the beneficiaries failed to comply with the FO's requests for necessary information during the CDRs have their eligibility for disability benefits terminated after 12 consecutive months of suspension for noncompliance. The streamlined FTC process resulted in the termination of 666 title XVI cases in fiscal year 2008.

For cases involving individuals who receive both title II and title XVI benefits, CDRs are typically initiated as title II CDRs with the results of the review affecting eligibility for benefits under both programs. Tables V.D2 and V.D3 present the latest available summary of results¹ on CDRs of title XVI recipients performed under titles II and XVI since 1993. These tables include only cases for which a full medical review was conducted. In particular they do not include:

- Cases for which a mailer was completed, but for which a full medical review was deferred;

¹ The numbers of SSI recipients whose benefits are ceased as a result of CDRs are included in these tables. Estimates of Federal SSI program savings resulting from the cessation of benefits are reported to Congress in the Annual Report of Continuing Disability Reviews. The most recent such report was issued November 17, 2008, presenting estimates of the effects of CDRs conducted in fiscal year 2007.

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- CDRs initiated as the result of work activity on the part of the beneficiary/recipient;
- Streamlined FTC terminations; and
- Miscellaneous other CDRs processed by the State DDS but not as part of the normal CDR scheduling process (such as voluntary and third-party reports of medical improvement, post-transplant end-stage renal disease cases, and vocational rehabilitation reports).

In contrast with the allowance data presented in section V.C, the CDR data is tabulated on a cohort basis by the date of initial decision.

Table V.D2.—SSI Disabled Adult Reviews: Disposition^a of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision and Level of Decision

Fiscal year of initial DDS decision	Initial decisions						
	Total initial DDS decisions	Continuations		Cessations		Appeals to reconsideration	
		Number	Percent ^b	Number	Percent ^b	Number	Percent ^c
Reviews of concurrent title II/XVI cases initiated under title II							
1993	1,143	1,083	94.8	60	5.2	52	86.7
1994	10,945	9,127	83.4	1,818	16.6	1,253	68.9
1995	16,736	12,484	74.6	4,252	25.4	2,905	68.3
1996	26,884	20,636	76.8	6,248	23.2	4,119	65.9
1997	51,466	40,741	79.2	10,725	20.8	7,344	68.5
1998	81,185	68,533	84.4	12,652	15.6	8,723	68.9
1999	80,816	70,353	87.1	10,463	12.9	6,201	59.3
2000	105,787	93,962	88.8	11,825	11.2	6,851	57.9
2001	110,341	99,666	90.3	10,675	9.7	6,291	58.9
2002	103,947	92,069	88.6	11,878	11.4	7,088	59.7
2003	72,175	63,021	87.3	9,154	12.7	5,444	59.5
2004	84,622	75,047	88.7	9,575	11.3	5,905	61.7
2005	80,597	70,687	87.7	9,910	12.3	5,970	60.2
2006	71,825	63,789	88.8	8,036	11.2	4,852	60.4
2007	26,469	22,893	86.5	3,576	13.5	2,139	59.8
2008	40,045	35,891	89.6	4,154	10.4	2,330	56.1
Title XVI initiated reviews							
1993	—	—	—	—	—	—	—
1994	—	—	—	—	—	—	—
1995	4,287	3,277	76.4	1,010	23.6	665	65.8
1996	55,025	46,273	84.1	8,752	15.9	6,146	70.2
1997	69,557	57,662	82.9	11,895	17.1	8,722	73.3
1998	75,071	64,829	86.4	10,242	13.6	7,239	70.7
1999	140,429	125,079	89.1	15,350	10.9	10,292	67.0
2000	173,470	156,065	90.0	17,405	10.0	10,923	62.8
2001	143,902	126,610	88.0	17,292	12.0	10,262	59.3
2002	172,527	150,837	87.4	21,690	12.6	13,316	61.4
2003	213,212	191,061	89.6	22,151	10.4	14,672	66.2
2004	221,129	199,938	90.4	21,191	9.6	14,629	69.0
2005	110,072	97,330	88.4	12,742	11.6	8,160	64.0
2006	40,605	35,957	88.6	4,648	11.4	2,858	61.5
2007	18,172	16,006	88.1	2,166	11.9	1,412	65.2
2008	18,933	17,049	90.0	1,884	10.0	1,020	54.1
Total reviews, SSI disabled adults							
1993	1,143	1,083	94.8	60	5.2	52	86.7
1994	10,945	9,127	83.4	1,818	16.6	1,253	68.9
1995	21,023	15,761	75.0	5,262	25.0	3,570	67.8
1996	81,909	66,909	81.7	15,000	18.3	10,265	68.4
1997	121,023	98,403	81.3	22,620	18.7	16,066	71.0
1998	156,256	133,362	85.3	22,894	14.7	15,962	69.7
1999	221,245	195,432	88.3	25,813	11.7	16,493	63.9
2000	279,257	250,027	89.5	29,230	10.5	17,774	60.8
2001	254,243	226,276	89.0	27,967	11.0	16,553	59.2
2002	276,474	242,906	87.9	33,568	12.1	20,404	60.8
2003	285,387	254,082	89.0	31,305	11.0	20,116	64.3
2004	305,751	274,985	89.9	30,766	10.1	20,534	66.7
2005	190,669	168,017	88.1	22,652	11.9	14,130	62.4
2006	112,430	99,746	88.7	12,684	11.3	7,710	60.8
2007	44,641	38,899	87.1	5,742	12.9	3,551	61.8
2008	58,978	52,940	89.8	6,038	10.2	3,350	55.5

Table V.D2.—SSI Disabled Adult Reviews: Disposition^a of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision and Level of Decision (Cont.)

Fiscal year of initial DDS decision	Reconsiderations						Appeals beyond reconsideration ^d			
	Pending	Continuations		Cessations	Appeals to beyond reconsideration		Pending	Continuations		
		Number	Percent ^b		Number ^c	Percent ^c		Number	Percent	Cessations
Reviews of concurrent title II/XVI cases initiated under title II										
1993	—	22	42.3	30	14	46.7	—	9	64.3	5
1994	—	541	43.2	712	399	56.0	—	177	44.4	222
1995	—	1,245	42.9	1,660	1,007	60.7	—	382	37.9	625
1996	—	1,875	45.5	2,244	1,313	58.5	—	427	32.5	886
1997	—	4,297	58.5	3,047	2,257	74.1	—	973	43.1	1,284
1998	—	5,503	63.1	3,220	2,466	76.6	—	1,158	47.0	1,308
1999	—	3,974	64.1	2,227	1,542	69.2	—	679	44.0	863
2000	3	4,427	64.6	2,421	1,556	64.3	—	659	42.4	897
2001	3	4,177	66.4	2,111	1,240	58.7	—	495	39.9	745
2002	9	4,787	67.6	2,292	1,451	63.3	2	594	41.0	855
2003	4	3,575	65.7	1,865	1,176	63.1	—	479	40.7	697
2004	26	3,781	64.3	2,098	1,401	66.8	3	573	41.0	825
2005	111	3,833	65.4	2,026	1,421	70.1	39	587	42.5	795
2006	212	3,046	65.6	1,594	1,129	70.8	190	409	43.6	530
2007	81	1,444	70.2	614	416	67.8	226	68	35.8	122
2008	300	1,493	73.5	537	277	51.6	241	14	38.9	22
Title XVI initiated reviews										
1993	—	—	—	—	—	—	—	—	—	—
1994	—	—	—	—	—	—	—	—	—	—
1995	—	241	36.2	424	267	63.0	—	87	32.6	180
1996	—	3,289	53.5	2,857	1,946	68.1	—	623	32.0	1,323
1997	—	5,271	60.4	3,451	2,575	74.6	—	986	38.3	1,589
1998	—	4,527	62.5	2,712	1,987	73.3	—	781	39.3	1,206
1999	—	6,610	64.2	3,682	2,508	68.1	—	973	38.8	1,535
2000	—	6,823	62.5	4,100	2,778	67.8	—	1,057	38.0	1,721
2001	—	6,224	60.7	4,038	2,618	64.8	—	934	35.7	1,684
2002	5	8,160	61.3	5,151	3,321	64.5	—	1,104	33.2	2,217
2003	8	9,656	65.8	5,008	3,334	66.6	—	1,221	36.6	2,113
2004	4	9,404	64.3	5,221	3,741	71.7	2	1,423	38.1	2,316
2005	73	5,235	64.7	2,852	2,016	70.7	27	708	35.6	1,281
2006	69	1,810	64.9	979	672	68.6	95	204	35.4	373
2007	35	951	69.1	426	288	67.6	131	51	32.5	106
2008	10	734	72.7	276	139	50.4	106	14	42.4	19
Total reviews, SSI disabled adults										
1993	—	22	42.3	30	14	46.7	—	9	64.3	5
1994	—	541	43.2	712	399	56.0	—	177	44.4	222
1995	—	1,486	41.6	2,084	1,274	61.1	—	469	36.8	805
1996	—	5,164	50.3	5,101	3,259	63.9	—	1,050	32.2	2,209
1997	—	9,568	59.6	6,498	4,832	74.4	—	1,959	40.5	2,873
1998	—	10,030	62.8	5,932	4,453	75.1	—	1,939	43.5	2,514
1999	—	10,584	64.2	5,909	4,050	68.5	—	1,652	40.8	2,398
2000	3	11,250	63.3	6,521	4,334	66.5	—	1,716	39.6	2,618
2001	3	10,401	62.8	6,149	3,858	62.7	—	1,429	37.0	2,429
2002	14	12,947	63.5	7,443	4,772	64.1	2	1,698	35.6	3,072
2003	12	13,231	65.8	6,873	4,510	65.6	—	1,700	37.7	2,810
2004	30	13,185	64.3	7,319	5,142	70.3	5	1,996	38.9	3,141
2005	184	9,068	65.0	4,878	3,437	70.5	66	1,295	38.4	2,076
2006	281	4,856	65.4	2,573	1,801	70.0	285	613	40.4	903
2007	116	2,395	69.7	1,040	704	67.7	357	119	34.3	228
2008	310	2,227	73.3	813	416	51.2	347	28	40.6	41

Table V.D2.—SSI Disabled Adult Reviews: Disposition ^a of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision and Level of Decision (Cont.)

Fiscal year of initial DDS decision	Selected summary case information by decision status as of February 2009						
	Total initial decisions	Numbers of cases			Numbers as a percentage of total initial decisions		
		Continuations	Cessations pending an appeal decision	Cessations with no appeal pending	Continuations	Cessations pending an appeal decision	Cessations with no appeal pending
Reviews of concurrent title II/XVI cases initiated under title II							
1993	1,143	1,114	—	29	97.5	—	2.5
1994	10,945	9,845	—	1,100	89.9	—	10.1
1995	16,736	14,111	—	2,625	84.3	—	15.7
1996	26,884	22,938	—	3,946	85.3	—	14.7
1997	51,466	46,011	—	5,455	89.4	—	10.6
1998	81,185	75,194	—	5,991	92.6	—	7.4
1999	80,816	75,006	—	5,810	92.8	—	7.2
2000	105,787	99,048	3	6,736	93.6	f	6.4
2001	110,341	104,338	3	6,000	94.6	f	5.4
2002	103,947	97,450	11	6,486	93.7	f	6.2
2003	72,175	67,075	4	5,096	92.9	f	7.1
2004	84,622	79,401	29	5,192	93.8	f	6.1
2005	80,597	75,107	150	5,340	93.2	0.2	6.6
2006	71,825	67,244	402	4,179	93.6	.6	5.8
2007	26,469	24,405	307	1,757	92.2	1.2	6.6
2008	40,045	37,398	541	2,106	93.4	1.4	5.3
Title XVI initiated reviews							
1993	—	—	—	—	—	—	—
1994	—	—	—	—	—	—	—
1995	4,287	3,605	—	682	84.1	—	15.9
1996	55,025	50,185	—	4,840	91.2	—	8.8
1997	69,557	63,919	—	5,638	91.9	—	8.1
1998	75,071	70,137	—	4,934	93.4	—	6.6
1999	140,429	132,662	—	7,767	94.5	—	5.5
2000	173,470	163,945	—	9,525	94.5	—	5.5
2001	143,902	133,768	—	10,134	93.0	—	7.0
2002	172,527	160,101	5	12,421	92.8	f	7.2
2003	213,212	201,938	8	11,266	94.7	f	5.3
2004	221,129	210,765	6	10,358	95.3	f	4.7
2005	110,072	103,273	100	6,699	93.8	.1	6.1
2006	40,605	37,971	164	2,470	93.5	.4	6.1
2007	18,172	17,008	166	998	93.6	.9	5.5
2008	18,933	17,797	116	1,020	94.0	.6	5.4
Total reviews, SSI disabled adults							
1993	1,143	1,114	—	29	97.5	—	2.5
1994	10,945	9,845	—	1,100	89.9	—	10.1
1995	21,023	17,716	—	3,307	84.3	—	15.7
1996	81,909	73,123	—	8,786	89.3	—	10.7
1997	121,023	109,930	—	11,093	90.8	—	9.2
1998	156,256	145,331	—	10,925	93.0	—	7.0
1999	221,245	207,668	—	13,577	93.9	—	6.1
2000	279,257	262,993	3	16,261	94.2	f	5.8
2001	254,243	238,106	3	16,134	93.7	f	6.3
2002	276,474	257,551	16	18,907	93.2	f	6.8
2003	285,387	269,013	12	16,362	94.3	f	5.7
2004	305,751	290,166	35	15,550	94.9	f	5.1
2005	190,669	178,380	250	12,039	93.6	.1	6.3
2006	112,430	105,215	566	6,649	93.6	.5	5.9
2007	44,641	41,413	473	2,755	92.8	1.1	6.2
2008	58,978	55,195	657	3,126	93.6	1.1	5.3

^a Data reflect results as of February 2009. The ultimate numbers of continuations and cessations are subject to change until all appeals are final.

^b Percentage of decisions at this level.

^c Percentage of cessations at this level appealed to next level.

^d The status and disposition of cases in the Federal courts are not reflected here. However, for cases remanded by the courts to SSA, the status and disposition at ODAR are included. The excluded experience in the Federal courts has a minimal impact on the number of continuations.

^e Number of persons appealing beyond the reconsideration level.

^f Less than 0.05 percent.

Table V.D3.—SSI Disabled Child Reviews: Disposition^a of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision and Level of Decision

Fiscal year of initial DDS decision	Total initial DDS decisions	Initial decisions					
		Continuations		Cessations		Appeals to reconsideration	
		Number	Percent ^b	Number	Percent ^b	Number	Percent ^c
Reviews of low-birth-weight children							
1994	1,225	—	—	—	—	—	—
1995	4,231	771	62.9	454	37.1	159	35.0
1996	5,709	2,083	49.2	2,148	50.8	665	31.0
1997	7,091	2,491	43.6	3,218	56.4	904	28.1
1998	17,620	4,482	63.2	2,609	36.8	821	31.5
1999	9,773	6,092	34.6	11,528	65.4	3,640	31.6
2000	10,178	4,114	42.1	5,659	57.9	1,639	29.0
2001	10,178	4,566	44.9	5,612	55.1	1,561	27.8
2002	9,086	4,152	45.7	4,934	54.3	1,403	28.4
2003	12,732	5,869	46.1	6,863	53.9	1,955	28.5
2004	7,283	3,516	48.3	3,767	51.7	1,025	27.2
2005	12,060	6,075	50.4	5,985	49.6	1,782	29.8
2006	13,710	6,540	47.7	7,170	52.3	2,009	28.0
2007	8,303	4,030	48.5	4,273	51.5	1,241	29.0
2008	3,175	1,368	43.1	1,807	56.9	509	28.2
2008	5,272	2,231	42.3	3,041	57.7	813	26.7
Redeterminations at age 18							
1994	—	—	—	—	—	—	—
1995	71	64	90.1	7	9.9	5	71.4
1996	12,640	8,158	64.5	4,482	35.5	2,055	45.9
1997	48,834	22,431	45.9	26,403	54.1	16,741	63.4
1998	40,945	21,453	52.4	19,492	47.6	10,915	56.0
1999	49,557	27,413	55.3	22,144	44.7	10,879	49.1
2000	51,713	28,863	55.8	22,850	44.2	11,021	48.2
2001	48,944	28,167	57.5	20,777	42.5	10,049	48.4
2002	54,947	32,388	58.9	22,559	41.1	11,552	51.2
2003	53,905	31,862	59.1	22,043	40.9	11,744	53.3
2004	53,232	31,890	59.9	21,342	40.1	11,584	54.3
2005	55,331	31,434	56.8	23,897	43.2	12,513	52.4
2006	40,640	21,796	53.6	18,844	46.4	9,394	49.9
2007	71,359	36,339	50.9	35,020	49.1	18,218	52.0
2008	69,430	34,547	49.8	34,883	50.2	17,496	50.2
All other reviews of SSI disabled children							
1994	—	—	—	—	—	—	—
1995	3,535	2,501	70.7	1,034	29.3	541	52.3
1996	789	399	50.6	390	49.4	210	53.8
1997	14	8	57.1	6	42.9	3	50.0
1998	91,157	67,203	73.7	23,954	26.3	13,267	55.4
1999	183,211	129,420	70.6	53,791	29.4	28,410	52.8
2000	140,699	106,583	75.8	34,116	24.2	17,014	49.9
2001	95,835	72,896	76.1	22,939	23.9	11,809	51.5
2002	163,768	130,434	79.6	33,334	20.4	17,894	53.7
2003	127,444	100,522	78.9	26,922	21.1	14,889	55.3
2004	103,437	80,748	78.1	22,689	21.9	12,851	56.6
2005	61,387	45,597	74.3	15,790	25.7	8,457	53.6
2006	19,384	14,428	74.4	4,956	25.6	2,559	51.6
2007	4,440	3,161	71.2	1,279	28.8	644	50.4
2008	4,707	3,473	73.8	1,234	26.2	496	40.2
Total reviews, SSI disabled children							
1994	1,225	771	62.9	454	37.1	159	35.0
1995	7,837	4,648	59.3	3,189	40.7	1,211	38.0
1996	19,138	11,048	57.7	8,090	42.3	3,169	39.2
1997	55,939	26,921	48.1	29,018	51.9	17,565	60.5
1998	149,722	94,748	63.3	54,974	36.7	27,822	50.6
1999	242,541	160,947	66.4	81,594	33.6	40,928	50.2
2000	202,590	140,012	69.1	62,578	30.9	29,596	47.3
2001	153,865	105,215	68.4	48,650	31.6	23,261	47.8
2002	231,447	168,691	72.9	62,756	27.1	31,401	50.0
2003	188,632	135,900	72.0	52,732	28.0	27,658	52.5
2004	168,729	118,713	70.4	50,016	29.6	26,217	52.4
2005	130,428	83,571	64.1	46,857	35.9	22,979	49.0
2006	68,327	40,254	58.9	28,073	41.1	13,194	47.0
2007	78,974	40,868	51.7	38,106	48.3	19,371	50.8
2008	79,409	40,251	50.7	39,158	49.3	18,805	48.0

Table V.D3.—SSI Disabled Child Reviews: Disposition^a of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision and Level of Decision (Cont.)

Fiscal year of initial DDS decision	Reconsiderations						Appeals beyond reconsideration ^d			
	Pending	Continuations		Cessations	Appeals to beyond reconsideration		Pending	Continuations		Cessations
		Number	Percent ^b		Number ^e	Percent ^c		Number	Percent	
Reviews of low-birth-weight children										
1994	—	44	27.7	115	51	44.3	—	15	29.4	36
1995	—	184	27.7	481	219	45.5	—	53	24.2	166
1996	—	329	36.4	575	232	40.3	—	44	19.0	188
1997	—	292	35.6	529	235	44.4	—	50	21.3	185
1998	—	1,231	33.8	2,409	1,142	47.4	—	244	21.4	898
1999	—	607	37.0	1,032	488	47.3	—	83	17.0	405
2000	—	609	39.0	952	452	47.5	—	99	21.9	353
2001	—	504	35.9	899	405	45.1	—	61	15.1	344
2002	2	698	35.7	1,255	549	43.7	—	112	20.4	437
2003	—	364	35.5	661	300	45.4	—	59	19.7	241
2004	1	643	36.1	1,138	553	48.6	3	79	14.4	471
2005	31	703	35.5	1,275	609	47.8	13	94	15.8	502
2006	48	421	35.3	772	378	49.0	48	57	17.3	273
2007	32	171	35.8	306	143	46.7	61	13	15.9	69
2008	211	195	32.4	407	143	35.1	119	2	8.3	22
Redeterminations at age 18										
1994	—	—	—	—	—	—	—	—	—	—
1995	—	2	40.0	3	2	66.7	—	1	50.0	1
1996	—	707	34.4	1,348	584	43.3	—	119	20.4	465
1997	—	4,591	27.4	12,150	6,429	52.9	—	1,517	23.6	4,912
1998	—	3,070	28.1	7,845	4,388	55.9	—	1,026	23.4	3,362
1999	—	3,356	30.8	7,523	4,304	57.2	—	1,059	24.6	3,245
2000	—	3,575	32.4	7,446	4,034	54.2	—	1,017	25.2	3,017
2001	—	3,256	32.4	6,793	3,723	54.8	—	967	26.0	2,756
2002	4	3,819	33.1	7,729	4,124	53.4	1	1,094	26.5	3,029
2003	6	3,818	32.5	7,920	4,291	54.2	—	1,130	26.3	3,161
2004	3	3,531	30.5	8,050	4,643	57.7	22	1,239	26.8	3,382
2005	258	3,770	30.8	8,485	4,978	58.7	138	1,271	26.3	3,569
2006	418	2,595	28.9	6,381	3,680	57.7	581	797	25.7	2,302
2007	1,720	4,782	29.0	11,716	6,384	54.5	3,089	862	26.2	2,433
2008	4,536	4,364	33.7	8,596	3,563	41.4	2,882	144	21.1	537
All other reviews of SSI disabled children										
1994	—	—	—	—	—	—	—	—	—	—
1995	—	177	32.7	364	202	55.5	—	52	25.7	150
1996	—	69	32.9	141	55	39.0	—	17	30.9	38
1997	—	1	33.3	2	1	50.0	—	—	—	1
1998	—	4,456	33.6	8,811	5,511	62.5	—	1,305	23.7	4,206
1999	—	9,324	32.8	19,086	11,711	61.4	—	2,615	22.3	9,096
2000	—	6,434	37.8	10,580	6,237	59.0	—	1,427	22.9	4,810
2001	1	4,619	39.1	7,189	4,257	59.2	—	955	22.4	3,302
2002	8	7,238	40.5	10,648	6,153	57.8	1	1,368	22.2	4,784
2003	13	6,248	42.0	8,628	4,998	57.9	2	1,139	22.8	3,857
2004	5	4,871	37.9	7,975	4,936	61.9	22	1,146	23.3	3,768
2005	146	3,122	37.6	5,189	3,250	62.6	126	687	22.0	2,437
2006	66	943	37.8	1,550	990	63.9	190	183	22.9	617
2007	18	264	42.2	362	209	57.7	96	33	29.2	80
2008	48	200	44.6	248	115	46.4	98	4	23.5	13
Total reviews, SSI disabled children										
1994	—	44	27.7	115	51	44.3	—	15	29.4	36
1995	—	363	30.0	848	423	49.9	—	106	25.1	317
1996	—	1,105	34.9	2,064	871	42.2	—	180	20.7	691
1997	—	4,884	27.8	12,681	6,665	52.6	—	1,567	23.5	5,098
1998	—	8,757	31.5	19,065	11,041	57.9	—	2,575	23.3	8,466
1999	—	13,287	32.5	27,641	16,503	59.7	—	3,757	22.8	12,746
2000	—	10,618	35.9	18,978	10,723	56.5	—	2,543	23.7	8,180
2001	1	8,379	36.0	14,881	8,385	56.3	—	1,983	23.6	6,402
2002	14	11,755	37.5	19,632	10,826	55.1	2	2,574	23.8	8,250
2003	19	10,430	37.7	17,209	9,589	55.7	2	2,328	24.3	7,259
2004	9	9,045	34.5	17,163	10,132	59.0	47	2,464	24.4	7,621
2005	435	7,595	33.7	14,949	8,837	59.1	277	2,052	24.0	6,508
2006	532	3,959	31.3	8,703	5,048	58.0	819	1,037	24.5	3,192
2007	1,770	5,217	29.6	12,384	6,736	54.4	3,246	908	26.0	2,582
2008	4,795	4,759	34.0	9,251	3,821	41.3	3,099	150	20.8	572

Table V.D3.—SSI Disabled Child Reviews: Disposition^a of Continuing Disability Medical Reviews by Fiscal Year of Initial Decision and Level of Decision (Cont.)

Fiscal year of initial DDS decision	Selected summary case information by decision status as of February 2009						
	Total initial decisions	Numbers of cases			Numbers as a percentage of total initial decisions		
		Continuations	Cessations pending an appeal decision	Cessations with no appeal pending	Continuations	Cessations pending an appeal decision	Cessations with no appeal pending
Reviews of low-birth-weight children							
1994	1,225	830	—	395	67.8	—	32.2
1995	4,231	2,320	—	1,911	54.8	—	45.2
1996	5,709	2,864	—	2,845	50.2	—	49.8
1997	7,091	4,824	—	2,267	68.0	—	32.0
1998	17,620	7,567	—	10,053	42.9	—	57.1
1999	9,773	4,804	—	4,969	49.2	—	50.8
2000	10,178	5,274	—	4,904	51.8	—	48.2
2001	9,086	4,717	—	4,369	51.9	—	48.1
2002	12,732	6,679	2	6,051	52.5	f	47.5
2003	7,283	3,939	—	3,344	54.1	—	45.9
2004	12,060	6,797	4	5,259	56.4	f	43.6
2005	13,710	7,337	44	6,329	53.5	0.3	46.2
2006	8,303	4,508	96	3,699	54.3	1.2	44.6
2007	3,175	1,552	93	1,530	48.9	2.9	48.2
2008	5,272	2,428	330	2,514	46.1	6.3	47.7
Redeterminations at age 18							
1994	—	—	—	—	—	—	—
1995	71	67	—	4	94.4	—	5.6
1996	12,640	8,984	—	3,656	71.1	—	28.9
1997	48,834	28,539	—	20,295	58.4	—	41.6
1998	40,945	25,549	—	15,396	62.4	—	37.6
1999	49,557	31,828	—	17,729	64.2	—	35.8
2000	51,713	33,455	—	18,258	64.7	—	35.3
2001	48,944	32,390	—	16,554	66.2	—	33.8
2002	54,947	37,301	5	17,641	67.9	f	32.1
2003	53,905	36,810	6	17,089	68.3	f	31.7
2004	53,232	36,660	25	16,547	68.9	f	31.1
2005	55,331	36,475	396	18,460	65.9	.7	33.4
2006	40,640	25,188	999	14,453	62.0	2.5	35.6
2007	71,359	41,983	4,809	24,567	58.8	6.7	34.4
2008	69,430	39,055	7,418	22,957	56.3	10.7	33.1
All other reviews of SSI disabled children							
1994	—	—	—	—	—	—	—
1995	3,535	2,730	—	805	77.2	—	22.8
1996	789	485	—	304	61.5	—	38.5
1997	14	9	—	5	64.3	—	35.7
1998	91,157	72,964	—	18,193	80.0	—	20.0
1999	183,211	141,359	—	41,852	77.2	—	22.8
2000	140,699	114,444	—	26,255	81.3	—	18.7
2001	95,835	78,470	1	17,364	81.9	f	18.1
2002	163,768	139,040	9	24,719	84.9	f	15.1
2003	127,444	107,909	15	19,520	84.7	f	15.3
2004	103,437	86,765	27	16,645	83.9	f	16.1
2005	61,387	49,406	272	11,709	80.5	.4	19.1
2006	19,384	15,554	256	3,574	80.2	1.3	18.4
2007	4,440	3,458	114	868	77.9	2.6	19.5
2008	4,707	3,677	146	884	78.1	3.1	18.8
Total reviews, SSI disabled children							
1994	1,225	830	—	395	67.8	—	32.2
1995	7,837	5,117	—	2,720	65.3	—	34.7
1996	19,138	12,333	—	6,805	64.4	—	35.6
1997	55,939	33,372	—	22,567	59.7	—	40.3
1998	149,722	106,080	—	43,642	70.9	—	29.1
1999	242,541	177,991	—	64,550	73.4	—	26.6
2000	202,590	153,173	—	49,417	75.6	—	24.4
2001	153,865	115,577	1	38,287	75.1	f	24.9
2002	231,447	183,020	16	48,411	79.1	f	20.9
2003	188,632	148,658	21	39,953	78.8	f	21.2
2004	168,729	130,222	56	38,451	77.2	f	22.8
2005	130,428	93,218	712	36,498	71.5	.5	28.0
2006	68,327	45,250	1,351	21,726	66.2	2.0	31.8
2007	78,974	46,993	5,016	26,965	59.5	6.4	34.1
2008	79,409	45,160	7,894	26,355	56.9	9.9	33.2

^a Data reflect results as of February 2009. The ultimate numbers of continuations and cessations are subject to change until all appeals are final.

^b Percentage of decisions at this level.

^c Percentage of cessations at this level appealed to next level.

^d The status and disposition of cases in the Federal courts are not reflected here. However, for cases remanded by the courts to SSA, the status and disposition at ODAR are included. The excluded experience in the Federal courts has a minimal impact on the number of continuations.

^e Number of persons appealing beyond the reconsideration level.

^f Less than 0.05 percent.

E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION

1. Work Incentives

Since the beginning of the SSI program, a number of disabled or blind recipients have worked and received SSI payments. Initially, the program contained a basic earned income exclusion that recognized the additional costs associated with employment. In addition, the law contained a number of special income exclusions which were intended as work incentives. Among these provisions were the income exclusion for blind work expenses (BWE), plan to achieve self-support (PASS), and student earned income exclusion (SEIE).

In the 1980 amendments to the Social Security Act, Congress provided additional incentives to help SSI disabled recipients become self-supporting. These incentives included:

- Providing for an earned income exclusion for impairment-related work expenses (IRWE);
- Changing the treatment of sheltered workshop earnings from unearned income to earned income, thereby qualifying sheltered workshop earnings for the earned income exclusion;
- Providing for the continuation of SSI payments for certain disabled individuals enrolled in vocational rehabilitation programs whose disability ceased due to medical recovery (extended to SSI blind recipients, effective April, 1988);
- Establishing section 1619 which provided:
 - In subsection 1619(a), special SSI cash benefits to disabled individuals who lose eligibility for SSI payments because they have earnings exceeding the level that is ordinarily considered to represent substantial gainful activity (SGA), and
 - In subsection 1619(b), special SSI recipient status for Medicaid purposes to working disabled or blind individuals when their earnings make them ineligible for cash payments.

The incentives for work and opportunities for rehabilitation are discussed in more detail in section III.E. In the tables that follow we provide historical information on participation by SSI recipients in work incentive programs.¹

a. Numbers of Participants in Work Incentive Programs

In this section, we present historical data on participation by SSI recipients in work incentive programs. Table V.E1 presents historical numbers of SSI recipients categorized according to their section 1619 status. Figure V.E1 presents this information in graphical form.

¹ More detailed information on participation by SSI recipients in work incentive programs is provided in the *SSI Annual Statistical Report, Pub. No. 13-11827*, prepared by the Office of Research, Evaluation, and Statistics, Social Security Administration.

Table V.E1.—SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-2008

Year	SGA level ^a	In current-payment status		1619(b) workers ^d	Total workers
		1619(a) workers ^b	Other workers ^c		
1987.....	\$300	14,559	142,664	15,632	172,855
1988.....	300	19,920	153,599	15,625	189,144
1989.....	300	25,655	161,928	18,254	205,837
1990.....	500	13,994	182,421	23,517	219,932
1991.....	500	15,531	186,824	27,264	229,619
1992.....	500	17,603	199,665	31,649	248,917
1993.....	500	20,028	210,322	35,299	265,649
1994.....	500	24,315	217,478	40,683	282,476
1995.....	500	28,060	223,573	47,002	298,635
1996.....	500	31,085	225,310	51,905	308,300
1997.....	500	34,673	228,093	57,089	319,855
1998.....	500	37,271	229,662	59,542	326,475
1999.....	^e 700	25,528	245,825	69,265	340,618
2000.....	700	27,542	249,313	83,572	360,427
2001.....	740	22,100	247,555	76,455	346,110
2002.....	780	17,271	241,462	82,177	340,910
2003.....	800	17,132	235,453	71,097	323,682
2004.....	810	17,114	237,409	73,681	328,204
2005.....	830	17,621	240,744	78,205	336,570
2006.....	860	17,394	242,676	89,350	349,420
2007.....	900	16,939	242,854	97,551	357,344
2008.....	940	16,142	240,138	99,482	355,762

- ^a Increases in 2001 and subsequent years are based on increases in the national average wage index.
- ^b Workers' earnings are above SGA level.
- ^c Workers' earnings are at or below SGA level.
- ^d 1619(b) recipients are not in current-payment status but retain SSI recipient status for Medicaid purposes.
- ^e Increased to \$700 in July 1999.

Figure V.E1.—SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-2008

[In thousands]

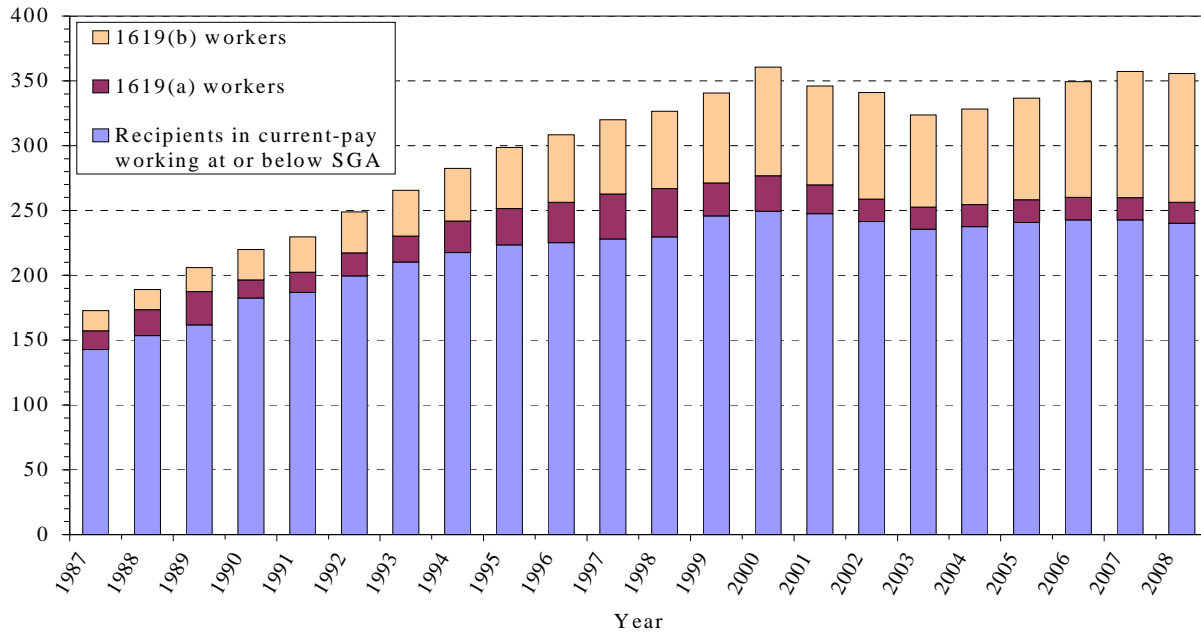


Table V.E2 presents historical numbers of SSI recipients who benefit from other selected work incentive provisions: (1) plan to achieve self-support (PASS), (2) impairment-related work expense exclusion

(IRWE), and (3) blind work expense exclusion (BWE). These recipients may be benefiting from more than one of these selected work incentive provisions. This information is available only for calendar years 1990 and later.

Table V.E2.—SSI Federally-Administered Blind or Disabled Individuals with SSI Recipient Status Participating in Other Work Incentives as of December, 1990-2008

Year	PASS ^a			IRWE	BWE
	Non-workers	Workers	Total		
1990.....	1,215	1,040	2,255	5,384	4,385
1991.....	1,969	1,601	3,570	6,546	4,330
1992.....	3,189	2,658	5,847	7,813	4,454
1993.....	4,528	3,602	8,130	8,629	4,406
1994.....	5,842	4,487	10,329	9,484	4,380
1995.....	5,719	4,603	10,322	9,940	4,433
1996.....	2,760	1,944	4,704	9,799	4,230
1997.....	1,290	708	1,998	9,637	4,116
1998.....	712	362	1,074	9,301	3,802
1999.....	698	347	1,045	9,520	3,971
2000.....	862	520	1,382	9,422	3,895
2001.....	1,024	576	1,600	8,798	3,642
2002.....	1,150	571	1,721	8,047	3,386
2003.....	1,181	524	1,705	7,604	3,074
2004.....	1,112	486	1,598	6,874	2,827
2005.....	1,089	493	1,582	6,310	2,552
2006.....	1,098	485	1,583	5,650	2,370
2007.....	1,003	512	1,515	5,161	2,142
2008.....	1,074	485	1,559	4,572	1,925

^a For years 1990 through 1996, data do not include PASS plans which exclude only resources.

Note: Working recipients participating in these other work incentives may be 1619(a) recipients, 1619(b) recipients or working recipients whose earnings are at or below the SGA level.

b. Average Earnings of Participants in Work Incentive Programs

In this section, we present historical data on average earnings of SSI working recipients. Table V.E3 presents average earnings of SSI recipients categorized according to their section 1619 status.

Table V.E3.—Average Monthly Earnings of SSI Federally-Administered Blind or Disabled Working Recipients, as of December, 1987-2008

Year	Blind or disabled workers with SSI recipient status			
	In current-payment status		1619(b) workers ^c	Total workers
	1619(a) workers ^a	Other workers ^b		
1987.....	\$494	^d \$124	\$739	^d \$211
1988.....	522	^d 127	721	^d 218
1989.....	518	^d 131	712	^d 231
1990.....	712	145	746	245
1991.....	724	148	780	262
1992.....	726	150	781	271
1993.....	728	153	784	280
1994.....	746	157	803	301
1995.....	754	160	834	322
1996.....	764	162	881	344
1997.....	772	164	932	367
1998.....	772	182	954	390
1999.....	926	207	980	418
2000.....	945	239	1,048	481
2001.....	1,004	252	1,043	475
2002.....	1,043	253	1,094	495
2003.....	1,059	241	1,081	469
2004.....	1,076	246	1,070	474
2005.....	1,111	255	1,118	500
2006.....	1,166	258	1,193	542
2007.....	1,193	262	1,267	581
2008.....	1,235	259	1,340	605

^a In January, 1990, the SGA level was raised from \$300 to \$500 and section 1619(a) participants with earnings at or below \$500 became eligible for regular SSI benefits rather than the special cash payments under section 1619(a). The SGA level was further increased to \$700 in July 1999, with increases in 2001 and subsequent years based on increases in the national average wage index. In January 2009 the SGA level was increased to \$980.

^b Workers' earnings are at or below the SGA level.

^c 1619(b) recipients are not in current-payment status but retain SSI recipient status for Medicaid purposes.

^d Estimated.

2. Vocational Rehabilitation/Ticket to Work Program

Provisions designed to make vocational rehabilitation (VR) services available to SSI blind or disabled recipients have been part of the SSI program since its inception. From the beginning, SSI recipients were referred to State VR agencies, which provided services to those recipients who were accepted as clients. Prior to 1981, SSA made block grants to VR agencies to fund services to disabled beneficiaries. The 1981 amendments changed this and established a “cost” reimbursement provision. VR agencies would be reimbursed for the cost of VR services furnished to blind or disabled SSI recipients only if the services resulted in the recipient returning to work. For reimbursement purposes, recipients are considered to have returned to work if they have had earnings exceeding the SGA level for 9 continuous months.

The 1984 amendments authorized reimbursement for cases¹ where the recipient medically recovers while engaged in a program of rehabilitation services approved by SSA and SSA determines that continuation or completion of such a program would increase the likelihood the individual will be permanently removed from the rolls. Effective with the 1990 amendments, reimbursement for the cost of VR services was authorized for services provided in months in which the individual was not receiving Federal SSI benefits if the individual:

- Had special SSI recipient status for Medicaid purposes under section 1619(b) of the Social Security Act;
- Received a Federally-administered State supplementary payment; or
- Had SSI benefits suspended for fewer than 13 consecutive months for a reason other than cessation of disability or blindness.

In 1994, the regulations were amended to include reimbursement to alternate private and non-State public VR providers (referred to as “alternate participants”) that provided VR services to recipients that a State VR agency had not accepted as clients. The alternate provider program has subsequently been replaced by the Ticket to Work and Self-Sufficiency program (Ticket to Work program) established by the Ticket to Work and Work Incentives Improvement Act of 1999.

Under the Ticket to Work program, a disabled beneficiary may obtain vocational rehabilitation, employment and other support services from qualified private or public providers that are referred to as “Employment Networks” (ENs). The Ticket to Work program authorized the Commissioner to provide payments to ENs under either an outcome payment system or an outcome-milestone payment system. (State VR agencies were provided the option to elect on a case-by-case basis to be paid either under the traditional VR reimbursement system, or either the outcome or outcome-milestone payment system.) By expanding the pool of providers and giving the providers incentives for achieving success, this program expands access to these services for persons with disabilities to assist them in finding, entering, and retaining employment as well as reducing their dependence on cash benefits.

The Ticket to Work program was implemented on a State-by-State basis beginning in February 2002 and has been fully implemented nationwide since November 2003. As the Ticket to Work program was implemented in a State, the alternate provider and the traditional VR referral process described earlier were eliminated. SSA provided eligible individuals who received SSI benefits due to blindness or disability in such State with a Ticket to Work document (“ticket”). Beneficiaries who receive a ticket may use it to obtain from ENs or their State VR agencies vocational rehabilitation services, employment services and other support services needed to return to work or go to work for the first time. Individuals

¹ The 1980 amendments provided for benefit continuation for such SSI recipients who were continuing in a VR program after their disability had ceased. The provision was extended to blind recipients effective April, 1988.

not eligible for a ticket may still request services from a State VR agency; the VR agency continues to decide whether each beneficiary is eligible for services under the Rehabilitation Act of 1973.

The Ticket legislation required that SSA establish a corps of work incentives specialists to disseminate accurate information about work incentives. In addition, the Social Security Protection Act of 2004 mandated that SSA provide a work report receipt to the beneficiary. In response to these mandates, SSA:

- In fiscal year 2003, established the Area Work Incentives Coordinator (AWIC) position and trained a total of 58 AWICs, with at least one AWIC being assigned to each Area Office. The AWIC position was created to improve the quality of employment support services provided to beneficiaries through training, outreach, and better coordination of support services. As of fiscal year 2009, there are 54 AWICs on duty.
- In fiscal year 2004, released a web-based design application known as eWork that provides SSA with a uniform electronic system to process and control title II return to work cases. Since eWork does not communicate with any title XVI systems, SSA developed a web-based application, the SSI Monthly Wage Verification (SSIMWV), to process and control SSI work reports. The SSIMWV allows SSA employees to issue the mandated work report receipt in addition to processing the wage report. The SSIMWV was released nationally in November 2006.
- In fiscal year 2006, SSA awarded cooperative agreements in all States, the District of Columbia, and Territories under the new Work Incentives Planning and Assistance (WIPA) program, which replaced and enhanced the former Benefits Planning, Assistance, and Outreach (BPAO) program. The WIPA program continues to provide accurate information about work incentive programs and other employment support services, as well as planning and assistance services, to beneficiaries with disabilities to support and facilitate their transition into the workforce.

In fiscal year 2003, AWIC employees provided refresher training on employment supports to the local Work Incentive Liaisons (WIL) located in each of the 1,335 local field offices. The systems application phase of this training was updated beginning in fiscal year 2004 with the release of eWork. Training has been provided to all direct service employees in field offices, teleservice centers and the payment processing centers. This training initiative was completed in November 2004.

AWICs have also been very active in participating in outreach activities in their local areas and continue to be the primary point of contact for public information outreach in the communities. They have strengthened the relationship with our Ticket to Work partners: the ENs; WIPAs; Protection and Advocacy (P&A) agencies and Disability Program Navigators. AWICs also work closely with the regional plan to achieve self-support (PASS) cadres in SSA to make joint educational presentations to the community about our employment support programs. The partnership has strengthened support of one of the objectives of the Ticket to Work program which is to educate the public about the benefits of returning to work and becoming self-sufficient. Presentations that have been made directly to persons with disabilities and/or entities that provide services to this target group include presentations at:

- Work Incentives Seminar Events (WISE)
- Disability Employment Fairs
- Disability Forums and Expos
- Technical Colleges
- Universities

- Disability Resource Centers
- One-Stop Career Centers
- Small Business Administration Groups
- Workforce Investment Fairs
- Independent Living Councils' Conferences
- United Way Agencies
- State Advocacy Groups

In 2008, SSA revised the Ticket to Work regulations to enhance beneficiary choice and improve the effectiveness of the program. The revisions extended the program to all adult SSDI and SSI blind or disabled beneficiaries, removed disincentives for Employment Networks to participate in the program, provided incentives for them to support beneficiaries through a more gradual return to work and positioned them to better support ongoing retention of employment. Since the new regulations were published, SSA has noted promising trends:

- New EN contracts have increased 8-fold, up from 5 per month to 40 per month;
- Numbers of beneficiaries accessing EN services have increased almost 200 percent; and
- Job starts with the help of an EN have increased significantly.

See section V.G.1.d for information on the evaluation of the Ticket to Work program.

Table V.E4 provides historical data on the number of VR agency reimbursement claims allowed and the amount of such awards for SSI recipients.

Table V.E4.—Vocational Rehabilitation Reimbursement Claims Allowed, Fiscal Years 1987-2008

Fiscal year	Concurrent title II/XVI claims		Title XVI only claims		Total claims	
	Number	Amount ^a (in thousands)	Number	Amount (in thousands)	Number	Amount ^a (in thousands)
1987.....	b	b	1,493	\$10,010	b	b
1988.....	b	b	1,720	14,831	b	b
1989.....	b	b	1,871	18,366	b	b
1990.....	1,267	\$3,290	2,819	22,832	4,086	\$26,122
1991.....	1,445	4,325	2,171	20,615	3,616	24,940
1992.....	1,634	5,312	2,834	28,276	4,468	33,588
1993.....	1,928	6,670	2,158	22,264	4,086	28,934
1994.....	1,880	7,057	2,074	23,400	3,954	30,457
1995.....	2,140	7,761	2,229	26,402	4,369	34,162
1996.....	2,033	6,518	2,138	24,334	4,171	30,852
1997.....	2,735	8,541	2,914	31,532	5,649	40,073
1998.....	3,329	10,089	3,446	36,313	6,775	46,402
1999.....	3,572	11,403	4,046	42,281	7,618	53,684
2000.....	3,260	11,357	3,589	40,793	6,849	52,150
2001.....	2,388	9,590	2,763	34,842	5,151	44,432
2002.....	3,241	12,201	3,474	43,244	6,715	55,445
2003.....	2,139	8,110	1,993	25,238	4,132	33,348
2004.....	1,999	7,759	2,150	26,390	4,149	34,149
2005.....	1,883	7,420	1,692	21,866	3,575	29,286
2006.....	2,581	10,382	2,257	28,597	4,838	38,979
2007.....	2,037	8,407	1,871	26,468	3,908	34,875
2008.....	2,743	11,229	2,515	35,732	5,258	46,961

^a For concurrent title II/XVI claims, amounts shown represent title XVI portion of claim.

^b For fiscal years 1987-89, data on title II reimbursement claims involving concurrent title XVI reimbursement claims are not available.

Note: Totals do not necessarily equal the sums of rounded components.

Table V.E5 provides historical data on the number of Employment Network payments allowed and the amount of such payments for SSI recipients.

Table V.E5.—Employment Network Payments Allowed, Fiscal Years 2002-08^a

Fiscal year	Concurrent title II/XVI payments		Title XVI only payments		Total payments	
	Number	Amount ^b (in thousands)	Number	Amount (in thousands)	Number	Amount ^b (in thousands)
2002	7	\$1	1	^c	8	\$1
2003	138	19	260	\$47	398	66
2004	245	35	674	127	919	162
2005	692	105	1,292	251	1,984	356
2006	975	137	1,648	317	2,623	454
2007	1,259	181	1,713	334	2,972	515
2008	1,827	274	2,524	520	4,351	794

^a Does not include reimbursements to State VR agencies for tickets assigned under the VR cost reimbursement option.

^b For concurrent title II/XVI payments, amounts shown represent title XVI portion of the payments.

^c Less than \$500.

Note: Totals do not necessarily equal the sums of rounded components.

F. INVOLVEMENT OF SSI RECIPIENTS IN OTHER PROGRAMS

In this appendix we present statistics on participation by SSI recipients in other programs based on data from the Supplemental Security Record (SSR), the main administrative file for the SSI program. Data summarized from the SSR are representative of the overall SSI recipient population since the information is generally based on a 100-percent extract; however, information on previous participation in other programs by SSI recipients is based on a 10-percent extract from the SSR. Data from the SSR are presented below. Since the amount of an individual’s income is used to determine both the eligibility for, and the amount of his/her SSI benefit, it is necessary for the SSR to contain information on participation by SSI recipients in certain other programs which may provide countable income to the SSI recipient. A significant number of SSI recipients are Social Security beneficiaries whose total countable income, including OASDI benefits, is less than the Federal benefit rate plus the amount of applicable Federally-administered State supplementary payment. A smaller number of SSI recipients participate in other programs and receive income such as Workers’ Compensation benefits or disability cash benefits from the Department of Veterans Affairs.

SSA does not maintain complete information in its administrative files concerning the involvement of SSI recipients in other assistance programs, because under the law payments from such programs are excluded from countable income attributable to the individual. We do, however, have some data with regard to entitlement to benefits under two other programs—Temporary Assistance for Needy Families (TANF) (which replaced Aid to Families with Dependent Children (AFDC)) and State Interim Assistance Reimbursement—at the point that the individual applied for SSI benefits. TANF (and AFDC previously) is a State program funded under Part A of title IV of the Social Security Act. Interim assistance is assistance a State gives to SSI applicants in cash or vendor payments for meeting basic needs while they are awaiting the outcome of the SSI eligibility determination process.

Table V.F1 presents percentages of SSI recipients who (1) concurrently receive payments from certain other selected programs or (2) have previously been enrolled in TANF/AFDC or received Interim Assistance Reimbursement.

Table V.F1.—Percentage of SSI Federally-Administered Recipients in Current-Payment Status with Participation^a in Selected Programs Based on SSA Administrative Records, December, 2008

	Age groups			All
	0-17	18-64	65 or older	
Number of Federally-administered recipients, December, 2008 (in thousands)	1,154	4,333	2,034	7,521
	Program			
	(In percent)			
Program participation by SSI recipients, December, 2008				
Federal SSI.....	99.8	96.5	92.7	96.0
Federally-administered State SSI supplementation	20.2	27.6	44.9	31.2
OASDI.....	7.2	31.7	56.8	34.7
Black Lung.....	b	b	b	b
Railroad Retirement.....	b	b	0.1	b
Veterans Affairs disability cash benefits.....	0.1	0.4	1.6	0.7
Workers’ Compensation.....	b	0.1	b	0.1
Previous program participation by SSI recipients, December, 2008				
TANF/AFDC.....	32.9	26.8	9.8	23.2
Interim Assistance Reimbursement	0.7	14.5	10.6	11.3

^a SSI recipients or the households of SSI recipients may participate in more than one of these programs.

^b Less than 0.05 percent of SSI recipients in this gender/age grouping participate in the program.

Note: Total numbers of recipients do not necessarily equal the sums of rounded components.

There are other potential sources for information on SSI recipients when that information is not available on the SSI administrative files. One source in particular is the Survey of Income and Program Participation (SIPP), a U.S. Census Bureau sample survey that collects information such as the source and amount of income, program participation and general demographic characteristics for the U.S. civilian noninstitutionalized population. Data from the SIPP were last presented in the 2005 SSI Annual Report.

G RESEARCH ON RELATED TOPICS

The legislative mandate for this report requires inclusion of information about “relevant research on the SSI program by the Social Security Administration (SSA) and others.” Section 1 of this appendix describes major ongoing projects. Section 2 presents a bibliography of studies regarding SSI payment levels, recipients, and reform proposals that were published in the past 10 years by both public and private entities.

1. Ongoing Research

a. SSI Policy Simulations

Using Survey of Income and Program Participation (SIPP) data matched to administrative records, SSA researchers have developed a model of financial eligibility for SSI that has been used to estimate the rate of participation among the eligible elderly and the effects of various options to modify the SSI program (see Davies et al. 2001/2002). The model suggests that the rate of participation among the eligible elderly was about 62 percent in 1991. The comparable participation rate estimate at the end of 1996 was also 62 percent. The model has recently been updated to use the 2004 SIPP matched to administrative records.

The model was also utilized to simulate the potential effects of several approaches to expand the SSI program to fight poverty among the elderly. Approaches focusing on incremental changes in the Federal benefit rate, the general income exclusion, and the resources test appear roughly equally effective in reducing the poverty gap among the elderly on a cost-equivalent basis, while two approaches focusing on relaxing the earned income exclusion are less effective (Davies, Rupp, and Strand, 2004). More recently, the model has been expanded to address SSI participation and financial eligibility among the working-age disabled, and to assess SSI benefit restructuring options for the entire SSI population. The working-aged model allows for the identification of working-aged persons by their SSI financial eligibility status, DI insured status, and participation in both programs. The model recently has been used to assess SSI’s role in complementing and enhancing the safety net for the working-aged population (Rupp, Davies, and Strand, 2008), focusing on the role of SSI in providing cash benefits to some DI beneficiaries during the 5-month waiting period and beyond, and increasing health insurance coverage among the disabled by providing access to Medicaid. The model has been used to simulate the effects of several approaches to changing in-kind support and maintenance rules and options for altering the calculation of the Federal benefit rate for certain living arrangement categories (Balkus et al. 2009). Simulation results are applied to current elderly, working-age, and child SSI populations to provide up-to-date estimates for potential program changes. The financial eligibility model has also been utilized to study eligibility for Medicare buy-in programs (see Rupp and Sears 2000; Sears 2001/2002). More recently the model has been extensively utilized to estimate the size of the population potentially eligible for the Medicare Part D low income subsidy.

b. National Survey of SSI Children and Families

The National Survey of SSI Children and Families (NSCF) was designed to address a number of SSA policy and program objectives. One objective was to address issues specifically pertaining to the effects of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (welfare reform). However, the survey as designed is useful for the study of a broader range of issues of current interest to policy makers. Most importantly it allows for the analysis of a nationally representative cross-section of SSI beneficiary children aged 0-17 and young adults aged 18-23. Among the questions the survey answers are the following:

- What are the characteristics of SSI children?
- What alternative sources of care are available to disabled children who lose SSI benefits?
- How is quality of life and utilization of medical services impacted by gaining or losing SSI benefits?
- What is the cost of caring for a child with disabilities?
- What are the uses of SSI benefits?
- What is the impact of the nature and severity of the child's disabilities on parental labor force participation?

The NSCF data collection began July 2001 and concluded June 2002. The NSCF sample size was considerably larger for SSI children and young adults than the sample size available in other surveys. Altogether, 8,535 interviews were completed for the NSCF, including 5,006 who received SSI benefits in December 2000 and 5,033 who received SSI benefits in December 1996. A public use file and documentation from the NSCF are available on the SSA website at <http://www.socialsecurity.gov/disabilityresearch/nscf.htm>. Davies and Rupp (2005/2006) provides an overview of the survey and describes some key features. Other analyses underway using these data are discussed in section c below. Although it was a cross-sectional data collection effort, longitudinal data on SSI program participation are being added to the NSCF through continuing efforts to update the match between NSCF and SSI administrative records.

c. Analytic Studies

SSA researchers have conducted a number of research studies designed to provide a better understanding of the SSI program, the elderly and disabled target populations, program interactions, and the role of the SSI program in the United States social safety net. Koenig and Rupp (2003/2004) estimated the prevalence of households and families with multiple SSI recipients and provided an assessment of the poverty status of multirecipient households. Rupp and Davies (2004) tracked survey respondents from the 1984 SIPP for 14 years using administrative records on SSI and DI participation and death events to assess the relationship between self-reported health status, disabilities, mortality, and participation in the SSI and DI programs. Weathers et al. (2007) uses a unique longitudinal dataset based on administrative data from the National Technical Institute for the Deaf (NTID) linked to SSA administrative records to conduct a case study of SSI children who applied for postsecondary education at NTID. An ongoing study uses SSA administrative records from August 2005 through August 2007 to analyze SSI recipients who lived in counties and parishes affected by Hurricanes Katrina and Rita.

Several studies focus on the distributional effects of the SSI program through its interactions with other Federal and State programs. One study is utilizing longitudinal data from the Health and Retirement Study (HRS) to assess the role of SSI and related social safety net programs in providing a buffer against the potentially adverse effects of disability shocks in the near-elderly population on financial well-being. Rupp et al. (2007) provides an empirical analysis of the SSI Federal benefit rate for assessing benefit adequacy among elderly Social Security beneficiaries and the effectiveness of the SSI benefit eligibility screens for targeting economically vulnerable elderly beneficiaries. Balkus et al. (2009) examines the distributional effects of replacing current policies on living arrangements and in-kind support with a simpler, cost neutral alternative. Rupp and Strand (2007) highlights the distributional implications of Social Security reform scenarios involving a potential shift from wage indexing to price indexing or longevity indexing in the establishment of initial benefits. Another study uses matched SIPP records to examine potential eligibility for three major means-tested programs (SSI, Medicaid, and Food Stamp) among near retirees aged 55 to 64 and eventual SSI participation upon reaching age 65. A related research project analyzes interactions between SSI, DI, Medicaid and Medicare on a cohort of SSI and DI awardees utilizing matched administrative data from SSA and the Centers for Medicare & Medicaid Services. Wamhoff and

Wiseman (2005/2006) examines the financial consequences of TANF-to-SSI transfers and develops new estimates of both the prevalence of receipt of SSI benefits among families receiving cash assistance from TANF and the proportion of new SSI awards that go to adults and children residing in families receiving TANF-related benefits. Trenkamp and Wiseman (2007) addresses the connections between the SSI and Food Stamp programs.

In 2003 and again in 2005 SSA provided funding for interviewing supplemental samples of SSI and DI beneficiaries to increase the SIPP sample size available for analyses of these target groups. DeCesaro and Hemmeter (2008) examines the characteristics of DI and SSI program participants using the 2003 supplemental sample combined with the 2001 SIPP, both matched to administrative records. Using data from the Current Population Survey matched to SSA administrative records, Nicholas and Wiseman (2009) assesses the impact of using administrative records on poverty estimation among elderly SSI recipients using the official and alternative definitions of poverty. Wiseman and Ycas (2008) compares the Canadian social assistance program for the elderly with the SSI program, looking at program structure, cost and consequences for elderly poverty rates.

A number of studies are utilizing the NSCF to focus on children and young adults receiving SSI. Rupp et al. (2005/2006) presents highlights from the survey characterizing SSI children with disabilities and their families. Additional research is currently underway to study employment and caregiving patterns of parents of SSI children, to examine employment and program outcomes among young adults after their eligibility redetermination at age 18, and to analyze factors affecting out-of-pocket medical expenses and unmet health care needs of disabled children. These papers are scheduled to be published in a special issue of the Journal of Vocational Rehabilitation devoted to SSI children and young adults and the transition to adulthood. The special issue also will include a paper that introduces the issue and examines the life-cycle human capital development and longer-term SSI and earnings outcomes of SSI youth as they transition to adulthood.

d. Evaluation of the Ticket to Work Program

The Ticket to Work and Work Incentives Improvement Act of 1999 requires the Commissioner of Social Security to provide for independent evaluations to assess the effectiveness of the Ticket to Work program and to submit three separate evaluation reports to Congress. In May 2003, SSA awarded two 5-year contracts to Mathematica Policy Research to conduct the evaluation of the Ticket to Work program. The first contract focuses on data development, qualitative data collection, and implementation of the comprehensive evaluation analyses. The second contract focuses on a survey of beneficiaries, which is designed to collect information on the health and well-being of beneficiaries and on how beneficiaries use the Ticket to Work program.

Rounds one, two, and three of the National Beneficiary Survey (NBS) have concluded with an overall response rate of 78 percent. SSA has now completed interviews with more than 20,000 beneficiaries with disabilities. Round 4 of the survey has been delayed because of changes to the Ticket to Work program that were implemented in 2008.

The first evaluation report was submitted to Congress in 2004 (Thornton et al. 2004)¹, and SSA also published the first interim evaluation report early in 2006 (Thornton et al. 2006)¹. The third, post-FY 2005, evaluation report was sent to Congress in October 2007, and the post-FY 2006 report was sent to Congress in October of 2008. The reports indicate low but growing participation rates and domination of ticket assignments by State vocational rehabilitation agencies. The findings thus far indicate that the Ticket to Work program has significant potential but improvements in beneficiary awareness and Employment Net-

¹ Available at <http://www.socialsecurity.gov/disabilityresearch/research.htm>.

work (EN) incentives are needed. Survey findings show that many more beneficiaries are interested in employment and working their way off disability benefits than is reflected in Ticket to Work participation. Most beneficiaries remain unaware of the Ticket to Work program despite various efforts by SSA to publicize the program. Among those who are aware, a small but significant number who have tried to use their ticket have been unable to find an EN to accept it.

Many beneficiaries who are participating in the Ticket to Work program are reaching employment success, and those who leave the disability rolls appear to be remaining off of benefits for sustained periods of time. The evaluation has also found that employment success may take longer to achieve than was previously anticipated. Among the earliest participants in Ticket to Work, a small but steady stream of new exits from disability benefits continued to occur more than 4 years after Ticket to Work participation began. Participation by ENs has been anemic, and the evaluation indicated that the initial payment rules were insufficient for ENs to cover their costs. SSA initiatives to reduce EN costs have helped but have not been enough to help ENs reach financial viability. In July 2008 SSA implemented new regulations for the Ticket to Work program. The evaluation reviewed these new rules and found that they are likely to significantly increase the early payments to ENs, thereby making the program more financially attractive to a broader range of service providers. This in turn holds promise for expanding EN availability and reinvigorating the program.

The fifth evaluation report is in progress. Unlike past reports, where SSA produced a single large document, we will produce the fifth report as a series of short papers. Each paper will focus on a specific aspect of the ticket evaluation in the same way that the chapters did for earlier Ticket to Work evaluation reports. Two of these papers have been completed: “Process Evaluation of the Work Incentives Planning and Assistance Program” and “Characteristics, Employment, and Sources of Support among Working-Age SSI and DI Beneficiaries.” Release of all papers of the fifth report is expected in 2009.

SSA is also in the process of modifying the Ticket evaluation contracts to implement the fourth survey round in 2010 and to extend the analysis to cover beneficiary and service provider response to the new Ticket to Work regulations. The evaluation contractor will produce two additional reports in 2011 and 2012 under this modification.

e. Homeless Outreach Projects and Evaluation (HOPE)

In fiscal years 2003-2005, SSA’s appropriations included earmarked funds totaling \$24 million to conduct outreach and application assistance to the homeless and other under-served populations in support of the President’s initiative to end chronic homelessness. In 2004, SSA awarded funds to 41 service providers in 20 States and the District of Columbia that provide services to the homeless. The service providers began enrolling project participants in September 2004. Of the 41 service providers, 34 provided outreach efforts through April 2008, and the remaining seven service providers continued through October 2008. As of January 2009, HOPE grantees assisted 10,398 homeless individuals with their applications for SSI. Of those, 3,737 were awarded benefits based on disability.

In October 2007, Westat, of Rockville, Maryland released the final evaluation report of the HOPE program. The overall findings of the independent evaluation showed that HOPE programs were more effective than similar programs without HOPE funding in facilitating determinations for benefits and in obtaining positive housing outcomes. In addition, the evaluation showed that the housing status of HOPE beneficiaries had improved over time since they first applied for benefits through SSA’s HOPE grantees. Continued evaluation plans include a longitudinal study to determine whether HOPE enrollment improved the economic well-being and housing status of participants. This analysis will consist of constructing a new control group with similar characteristics to the HOPE participants. The purpose is to determine the

extent to which those in the HOPE treatment group benefited by outreach efforts, compared to the control group, in terms of their allowance rates, time to determination, housing status, and other variables.

f. Youth Transition Demonstration (YTD)

The YTD establishes partnerships to improve employment outcomes for youth ages 14-25 who receive (or could receive) SSI or SSDI payments on the basis of their own disability. The YTD projects include service delivery systems and a broad array of services and supports to assist youth with disabilities in their transition from school to employment and to help them gain economic self-sufficiency.

YTD began in 2003, with seven projects in six States. In 2007, SSA piloted new projects in five States, choosing a total of three new projects in Florida, Maryland, and West Virginia. These three projects are joining three (Colorado and two New York) of the original seven projects in a random assignment study. This study will produce the first evaluation of the empirical evidence of the effects of youth transition programs and modified SSI work incentives.

The modified SSI program rules that we are testing under the YTD include five elements.

- Despite the finding of a continuing disability review or an age-18 medical redetermination that an individual is no longer eligible for benefits, SSA will continue paying benefits for as long as the individual continues to be a YTD participant.
- The student earned income exclusion (section 1612(b)(1) of the Act), which normally applies only to students who are age 21 or younger, will apply to all participants who meet school attendance requirements.
- The general earned-income exclusion (section 1612(b)(4) of the Act) permits the exclusion of \$65 plus half of what an individual earns in excess of \$65. For the YTD, SSA will exclude the first \$65 plus three-fourths of any additional earnings.
- SSA will extend the SSI program's treatment of Federally supported Individual Development Accounts (IDA) to IDAs that do not involve Federal funds.
- Ordinarily, a plan to achieve self-support (PASS) must specify an employment goal that refers to getting a particular kind of job or starting a particular business. For the YTD, SSA will approve an otherwise satisfactory PASS that has either career exploration or postsecondary education as its goal. Income and assets that an individual uses for PASS expenses do not count when SSA determines SSI eligibility and payment amount.

The research findings will help to assess the implications of any such impacts for the Social Security trust funds and Federal income tax revenues. Three of the sites have completed enrollment for the impact evaluation. Implementation of the interventions is underway at all the sites.

As of March 2009, 451 of the 2,005 YTD participants (over 22 percent) were employed full-time or part-time. Most are students, so the nature of the work varies widely and some of it is short term. While not directly comparable to YTD participants, the employment rate for all SSI recipients aged 18-21 was only about 11 percent as of December 2007.

g. Disability Program Navigators (DPNs)

The Department of Labor (DOL) and SSA jointly established the Disability Program Navigator (DPN) position. DPNs are located in DOL's One-Stop Career Centers and help disabled individuals navigate the

challenges of seeking work. The rules surrounding entitlement programs and a fear of losing cash assistance and health benefits often discourage people with disabilities from working. DOL and SSA established the DPN initiative to better inform beneficiaries and other people with disabilities about the work support programs available at DOL-funded One-Stop Career Centers. This initiative is developing new/ongoing partnerships to achieve seamless, comprehensive, and integrated access to services, creating systemic change, and expanding the workforce development system's capacity to serve customers with disabilities and employers. As of October 2008, there were more than 4,425 DPNs in 43 States, the District of Columbia, and Puerto Rico. DOL awarded the DPN project evaluation to Mathematica Policy Research. The final DPN project evaluation is expected to be completed in 2010. See <http://www.doleta.gov/disability/>.

h. TANF/SSI Disability Transition Project (TSDTP)

The Administration for Children and Families (ACF), which administers the Temporary Assistance for Needy Families (TANF) program, and the Social Security Administration (SSA), which administers the Supplemental Security Income (SSI) program, are working together and in collaboration with several States and localities on the TANF/SSI Disability Transition Project. The objectives of the project are to examine the overlap in the TANF and SSI populations, document current approaches for identifying and working with individuals with a disability, and to identify approaches to work more effectively and efficiently with individuals who may be eligible for SSI. Initially SSA will measure the prevalence and outcomes of TANF applicants and recipients who have applied for SSI through data sharing agreements being developed with five States. ACF is developing and piloting promising approaches to screening and encouraging work activities.

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H. GLOSSARY

Administrative Expenses (or Costs). Expenses incurred by the Social Security Administration (SSA) in administering the Supplemental Security Income (SSI) program. Such administrative expenses are initially paid from the OASI and DI Trust Funds as provided for in section 201(g)(1) of the Social Security Act. The trust funds are subsequently reimbursed for such expenditures, including any interest lost, from the General Fund of the Treasury.

Affidavit of Support. A contract under which a United States citizen or legal resident agrees to provide support to maintain (i.e., to sponsor) an immigrant as a condition of the immigrant's admission into the United States.

Aged. Individuals aged 65 or older.

Aid—Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD). The former Federal-State programs of adult cash assistance under titles I, X, and XVI respectively, that were replaced in the 50 States and the District of Columbia by the SSI program in 1974. These programs still operate in Guam, the Virgin Islands, and Puerto Rico and are administered at the Federal level by the Secretary of Health and Human Services.

Alien Lawfully Admitted for Permanent Residence. A noncitizen lawfully accorded the privilege of residing permanently in the United States. Such individuals may be issued immigrant visas overseas by the Department of State, or adjusted to permanent resident status while living in the United States by the U.S. Citizenship and Immigration Services (USCIS).

Appeal Rights Process. The administrative review process followed by SSA in determining an individual's rights under the Social Security Act. The administrative review process consists of several steps, which must be requested after the unfavorable initial determination within certain time periods.

Assistance Based on Need. Assistance that is provided by certain programs which use income as a factor of eligibility. The assistance must be funded wholly by a State, a political subdivision of a State, or a combination of such jurisdictions.

Assumptions. Values relating to future trends in certain key factors which affect the eligibility for SSI benefits and the level of such SSI payments. Demographic assumptions include fertility, mortality, net immigration, marriage, and divorce. Economic assumptions include unemployment rates, average earnings, inflation, interest rates, and productivity. Program-specific assumptions include rates of application for and new receipt of various SSI benefits and rates of termination of SSI benefits. The assumptions underlying the projections presented in this report are consistent with the intermediate assumptions of the 2009 OASDI Trustees Report.

Asylee. A noncitizen already in the United States or at a port-of-entry who is granted asylum in the United States. Asylum may be granted to an individual who is unable or unwilling to return to his/her country of nationality, or to seek the protection of that country, because of persecution (or a well-founded fear of persecution) based on the noncitizen's race, religion, nationality, membership in a particular social group or political opinion.

Attendant Care Services. Services (including personal care assistance) that are paid for from Federal, State or local funds and which are provided by a paid attendant required to assist with work related and/or personal functions.

Automatic Cost-of-Living Increase. The annual increase in SSI Federal benefit rates, effective for January of the current year, reflecting the change in the cost of living. The increase equals the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers measured from the average over July, August, and September of the second preceding year to the average for the same

3 months in the preceding year. If the increase is less than one-tenth of 1 percent, when rounded, there is no automatic increase for the current year; the increase for the next year would reflect the increase in the cost of living over a 2-year period.

Award. An administrative determination that an individual is eligible for an SSI benefit.

Blind. For purposes of the SSI program, an individual is considered to be blind if he/she has 20/200 or less vision in the better eye with the use of a correcting lens, has tunnel vision of 20 degrees or less, or met the October 1972 State definition of blindness and received benefits under the State's former program of Aid to the Blind in December 1973.

Blind Work Expenses (BWE). Any expenses incurred by a blind individual that are reasonably attributable to earning income. The BWE provision permits the exclusion of these expenses from the earned income of a blind individual. (See "Impairment-Related Work Expenses (IRWE)" for the related exclusions for disabled individuals.)

Burial Funds. A comprehensive term that for SSI purposes includes revocable burial contracts, trusts and other burial arrangements (including amounts paid on installment sales contracts for burial spaces), cash, accounts, or other financial instruments with a definite cash value clearly designated for the individual's burial expenses.

Child. A blind or disabled individual who is neither married nor the head of household and who is (1) under age 18 or (2) under the age of 22 and a student regularly attending a school, college or university, or a course of vocational or technical training designed to prepare him/her for gainful employment. A child 18 or older is subject to the adult definition of disability and is not subject to parental deeming.

Comparable Severity. The phrase in the Social Security Act that defined disability for children prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). Under prior law, an individual under age 18 would have been considered disabled if he/she had an impairment of comparable severity to that required for individuals 18 or older.

Constant Dollars. Dollar amounts adjusted by the CPI to the value of the dollar in a particular year.

Consumer Price Index (CPI). An official measure of inflation in consumer prices. In this report, all references to the CPI relate to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Historical values for the CPI-W are published by the Bureau of Labor Statistics, Department of Labor.

Continuing Disability Review (CDR). An evaluation of an individual's impairment(s) to determine whether the person is still disabled within the meaning of the law for purposes of eligibility for SSI and OASDI benefits.

Cost-of-Living Adjustment (COLA). See "Automatic Cost-of-Living Increase."

Countable Income. An individual's income less all-applicable exclusions. This amount is used to determine SSI eligibility and benefit amount.

Countable Resources. The amount of resources after all exclusions. This amount is used in determining an individual's or couple's SSI eligibility. A resource may be cash or other liquid assets or any real or personal property that an individual (or his/her spouse) owns and could convert to cash to be used for support and maintenance. SSI law stipulates what items are to be excluded from resources.

Current Dollars. Amounts expressed in nominal dollars with no adjustment for inflationary changes in the value of the dollar over time.

Current-Payment Status. Status of an SSI recipient to whom a benefit is being paid for a given month. SSI benefits for a month are usually payable on the first day of that month.

Dedicated Account. An account in a financial institution established for a disabled or blind child to contain retroactive SSI payments that exceed six times the Federal benefit rate (FBR) plus State supplementation (certain smaller retroactive payments may be placed in the account once it is established). Representative payees may only use dedicated account funds for the following allowable expenses:

- Education or job skills training;
- Personal needs assistance;
- Special equipment or housing modifications;
- Medical treatment;
- Therapy or rehabilitation; or
- Other items or services that the Commissioner deems appropriate—

provided that the expense benefits the child and, in the case of the last five items, is related to the child's impairment. Money from a dedicated account which is knowingly misapplied must be repaid. These accounts are excluded from resources and the interest earned is excluded from income.

Deeming. The process by which the income and resources of an ineligible individual are considered to be available to a recipient when determining eligibility or payment amount. Deeming applies only between:

- The living-with ineligible spouse and the eligible spouse;
- The living-with ineligible parent(s) and eligible child(ren) under age 18; and
- The immigration sponsors of some noncitizens and the noncitizen(s).

Demographic Assumptions. See "Assumptions."

Disability. For individuals aged 18 or older, the inability to engage in any substantial gainful activity (SGA) by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of at least 12 months. An individual under age 18 must have a medically determinable physical or mental impairment, which results in marked and severe functional limitations and that can be expected to result in death or that has lasted or can be expected to last for a continuous period of at least 12 months.

Disability Determination Services (DDS). Federally funded State agencies that make disability determinations for SSA.

Disaster Assistance. Assistance from Federal programs and agencies, joint Federal and State programs, State or local government programs, and private organizations (e.g., the Red Cross) provided to victims of a Presidentially declared disaster.

Disposal of Resources for Less Than Fair Market Value. Transferring resources, either liquid, real, or personal property, for less than the resources are worth.

Earned Income. For SSI purposes, wages, net earnings from self-employment, remuneration for work in a sheltered workshop, royalties on published work, and honoraria for services rendered are considered earned income. The distinction between earned and unearned income is significant because more liberal exclusions are applied to earned income.

Earned Income Exclusion. The first \$65 of a recipient's monthly earnings and one-half of the earnings in excess of \$65 are excluded in computing the SSI benefit payable.

Earned Income Tax Credit (EITC). A special tax credit that reduces the Federal tax liability of certain low-income working taxpayers. This tax credit may or may not result in a payment to the taxpayer.

Economic Assumptions. See "Assumptions."

Effective Date of Application. An application for SSI benefits is effective on the first day of the month following the date on which the application is filed, or on which the individual first becomes eligible, whichever is later.

Eligible Couple. Two persons married and living together in the same household or living together as married, both being aged, blind, or disabled and eligible for SSI.

Eligible Individual. An aged, blind or disabled person who meets all the requirements for eligibility under the SSI program, including filing an application.

Emergency Advance Payments (EAP). Special SSI payments that are available only at the time of initial application for eligible individuals who face financial emergencies and need assistance before their first benefits would otherwise be received. The amount of the EAP an individual receives is recovered from subsequent benefit payments.

Essential Person. An individual whose presence in the home of an SSI recipient who was transferred from a State assistance program to SSI in January 1974 results in an increase in the FBR of the SSI recipient. The essential person must have been (1) living in the household of the SSI recipient in December 1973 and continuously thereafter; (2) never eligible for SSI; (3) not eligible for State assistance in December 1973; and (4) taken into account when the SSI recipient's need for State assistance was determined in December 1973.

Federal Benefit Rate (FBR). The basic standard used in computing the amount of Federal SSI benefits for individuals and couples. The FBRs are increased annually to reflect increases in the cost of living. (See table IV.A2.)

Fiscal Year (FY). The accounting year of the United States Government. Since 1976, a fiscal year is the 12-month period ending September 30. For example, fiscal year 2009 began October 1, 2008 and will end September 30, 2009.

Food Stamps. The U.S. Department of Agriculture (USDA), under cooperative Federal-State agreements, issues Food Stamp Program benefits in the form of paper food coupons (commonly known as food stamps) and through electronic benefit transfer, to provide nutrition for low-income families. Food stamps can be used only to buy food at stores authorized by USDA to accept them. As of October 1, 2008, Supplemental Nutrition Assistance Program (SNAP) is the new name for the Federal Food Stamp Program.

General Fund of the Treasury. Funds held by the Treasury of the United States, other than receipts collected for a specific purpose (such as Social Security) and maintained in a separate account for that purpose.

Gross Domestic Product (GDP). The total dollar value of all goods and services produced by labor and property located in the United States, regardless of who supplies the labor or property.

Holding-Out Marriage. A situation in which a man and woman who are not legally married to each other are living together in the same household and holding out to the community that they are husband and wife and, as such, are treated as a couple for purposes of determining eligibility and payment amount under SSI.

Home Energy Assistance. A Federal Government block grant program that provides funds to States for energy assistance (including weatherization) to low-income households. This assistance may be provided by a variety of agencies (e.g., State or local welfare offices, community action agencies, special energy

offices, etc.) and may be known by a variety of names (e.g., Low Income Home Energy Assistance Program (LIHEAP), Project Safe, etc.).

Household. A group of two or more individuals who use a single dwelling unit as primary quarters for living and eating separate from other individuals' living units.

Household of Another. An individual is considered to be living in the household of another when the individual lives with others, does not own or rent the shelter, and does not pay a pro rata share of the household's food and shelter expenses. An individual who provides all of his/her own food, or lives in a public assistance household or in noninstitutional care, is not considered to be living in the household of another. An individual who is determined to be living in the household of another is considered to be receiving in-kind support and maintenance from that household, and his/her SSI benefit is reduced by one-third of the FBR.

Impairment-Related Work Expenses (IRWE). The provision that permits the exclusion from earnings of the costs of items and services which are needed in order for a disabled individual to work, which are paid for by the individual, and which are necessarily incurred by that individual because of a physical or mental impairment. These IRWEs are excluded from earnings when determining substantial gainful activity (SGA) or computing eligibility and ongoing SSI monthly payments. (See "Blind Work Expenses (BWE)" for the related exclusions for blind individuals.)

Income. See—"Earned Income," "In-Kind Income" and "Unearned Income."

Individual Development Account (IDA). A savings account which low-income individuals, including SSI recipients, may establish in order to save for purchasing a first home, meeting the costs of post-secondary education, or capitalizing a business. An individual's deposits into an IDA are matched by a sponsoring nonprofit organization, or State or local government participating in the program.

Ineligible Spouse. The husband or wife of an eligible individual who is not eligible for SSI benefits.

Inflation. An increase in the volume of money and credit relative to available goods, resulting in an increase in the general price level.

Infrequent or Irregular Income. Income that is received either infrequently or irregularly that can be excluded from the determination of an individual's income. "Infrequent" means that it is not received more than once in a calendar quarter from a single source and is not also received in the month immediately preceding or the month immediately following the month of receipt, regardless of whether or not these payments occur in different calendar quarters.¹ "Irregular" means that an individual could not reasonably expect to receive the income. In any given quarter up to \$30 of earned and \$60 of unearned infrequent or irregular income is excluded.

Initial Determination. A determination SSA makes about an individual's eligibility for benefits or about any other matter that gives that person a right to further administrative and/or judicial review.

In-Kind Income. Income that is not cash, but is food or shelter or something an individual can use to obtain food or shelter.

In-Kind Support and Maintenance (ISM). Unearned income in the form of food or shelter.

Interim Assistance Reimbursement (IAR). The process used for reimbursing for basic assistance provided by a State to an individual either while the individual's application for SSI was pending or during the period in which an individual's SSI benefits were suspended. SSA may reimburse a State that has provided this assistance. The individual's retroactive SSI payment is sent to the State as reimbursement if: (1)

¹ The definition of infrequent income was modified in final rules published on August 9, 2006 (71 FR 45375). Previously, infrequent income was defined as income not received more than once a quarter from a single source.

the State has an agreement with SSA to participate in IAR, (2) the individual has given SSA written authorization to have his/her retroactive payment sent to the State as reimbursement, and (3) the individual is found eligible for SSI benefits or has had his/her benefits reinstated for the same period of suspense.

Under IAR, after States reimburse themselves from an individual's retroactive benefit, they must forward any remainder to the individual within 10 days.

Living With. A required condition for parent-to-child and spouse-to-spouse deeming. Deeming of income and resources occurs if an eligible child lives with his/her ineligible parent(s) or an eligible individual lives with his/her ineligible spouse.

Maintenance-of-Effort. See "Passalong."

Mandatory State Supplementation. See "State Supplementation."

Means-Testing. The measuring of income and resources against specified amounts as eligibility factors for certain assistance benefits. SSI is a means-tested benefit program.

Medicaid. The program authorized under title XIX of the Social Security Act, which provides medical assistance to certain low-income individuals and families and certain disabled and medically needy individuals. Medicaid is administered by the States with support from the Federal Government in the form of matching grants. The Federal Government provides guidelines to the States for formulating their programs. Because these guidelines afford great leeway, Medicaid programs vary widely among the States.

Medicaid Facility. A medical treatment facility such as a hospital, extended care facility, nursing home, or intermediate care facility, where Medicaid pays more than 50 percent of the cost of a person's care.

Medical Treatment Facility. An institution or that part of an institution that is licensed or otherwise approved by a Federal, State, or local government to provide inpatient medical care and services.

New Recipient. An SSI recipient in the first month of SSI payment receipt.

Noncitizen. An individual who is not a United States citizen. Also referred to in welfare and immigration law as an alien. (See "Alien Lawfully Admitted for Permanent Residence," "Asylee," "Parolee" and "Refugee.")

Nonqualified Alien. A noncitizen who is not in a qualified alien category for SSI eligibility purposes.

OASDI. The Old-Age, Survivors, and Disability Insurance programs established under title II of the Social Security Act.

One-Third Reduction. The reduction of an individual's SSI payment that occurs when an individual is living in the household of another. Instead of determining the actual dollar value of in-kind support and maintenance, one-third of the Federal benefit rate is counted as additional income to an individual living in another person's household for a full calendar month and receiving both food and shelter from the household.

Optional State Supplementation. See "State Supplementation."

Overpayment. The payment of more than the amount due for any period, including any amounts of Federally-administered State supplementary payments.

Parent. For SSI purposes, the natural mother or father of the child, or the person who legally adopted the child, or the stepparent who lives in the same household as the child.

Parolee. A noncitizen who appears to be inadmissible to the inspecting USCIS officer but is allowed to enter the United States under emergency humanitarian conditions or when the noncitizen's entry is determined to be in the public interest. Parole does not constitute a formal admission to the United States and

confers temporary admission status only, requiring parolees to leave when the conditions supporting their parole cease to exist.

Passalong. A requirement that States must meet in order to be eligible for Medicaid reimbursement. Any State making supplementary payments (see “State Supplementation”) after June 30, 1977, must continue making such payments and must pass along any cost-of-living increase to the Federal benefit rate. Two methods are available to ensure that cost-of-living increases are passed on to the recipients.

- *Total Expenditures Method*—State expenditures for supplementary payments in the current calendar year must at least equal expenditures in the preceding calendar year. If expenditures are less in the current year (shortfall), the State must increase expenditures in the next calendar year by an amount at least equal to the shortfall.
- *Payment Levels Method*—States may not lower their supplementary payment for any of the living arrangement categories below their adjusted March 1983 levels. The adjusted level is the State’s March 1983 payment level minus that portion of the July 1983 increase in the Federal benefit rate that was not attributable to the increase in the cost of living (i.e., \$10.30 per individual and \$15.40 per couple).

Personal Needs Allowance. The amount allowed for an institutionalized recipient’s personal needs (currently \$30). If an SSI recipient is in a Medicaid facility, the law requires that the SSI benefit be used only for the recipient’s personal needs (i.e., that the institution cannot retain the benefit in repayment of the cost of the individual’s care).

Plan to Achieve Self-Support (PASS). A plan that permits a disabled or blind SSI recipient to set aside income (earned and/or unearned) and/or resources for a work goal. The income and resources set aside under a PASS are used to pay for goods or services needed to reach that goal, such as education, vocational training, starting a business, or purchasing work-related equipment. Income and resources set aside under a PASS are excluded from SSI income and resources. SSA must approve an individual’s PASS.

Presumptive Disability or Blindness. A finding that SSI payments may be made before SSA makes a formal determination as to whether or not the individual is disabled or blind. The individual’s impairment must be apparent and meet specified criteria. In addition, the individual must meet all other requirements for eligibility. These payments may be made for no more than 6 months. The presumptive payments will not be considered overpayments if SSA later finds that the individual is not blind or disabled.

Property Essential to Self-Support (PESS). The real and personal property used in a trade or business, nonbusiness income-producing property and property used to produce goods or services essential to the individual’s daily activities. PESS may be excluded from resources under certain conditions.

Proration of Benefits. The method of computing benefit amounts in months in which the individual reacquires eligibility after a month or more of ineligibility. In such months, an individual’s SSI benefit will be paid according to the number of days in the month that he/she is eligible, beginning with the first day in the month on which all eligibility requirements are met. In order to determine the benefit payable in a prorated month SSA counts the number of days an individual is eligible in the month. The amount of the individual’s regular monthly payment is multiplied by the number of days for which he/she is eligible for benefits. That figure is divided by the number of days in the month for which the benefit is being determined. The resulting amount is the amount due for the prorated month. Effective with claims filed August 22, 1996, proration for months of initial eligibility was eliminated.

Public Educational Institution. An institution that is operated by or controlled by the Federal Government, a State, or a political subdivision of a State such as a city or county for the primary purpose of providing educational or vocational training.

Public Emergency Shelter for the Homeless. A shelter for individuals whose homelessness poses a threat to their life or health.

Public Institution. An institution that is operated by or controlled by the Federal Government, a State, or a political subdivision of a State such as a city or county.

Publicly Operated Community Residence. A facility that provides food and shelter and some other service such as social services, help with personal living activities, training in socialization and life skills, or occasional or incidental medical or remedial care. In order to be publicly operated it must be operated or controlled by the Federal Government, a State, or a political subdivision of a State such as a city or county. The facility must serve no more than 16 residents and must be located in a community setting.

Qualified Alien. An individual who is:

- Lawfully admitted for permanent residence under the Immigration and Nationality Act (INA);
- A refugee under section 207 of the INA;
- An asylee under section 208 of the INA;
- A person whose deportation is withheld under section 243(h) of the INA as in effect prior to April 1, 1997, or whose removal has been withheld under section 241(b)(3) of the INA;
- A parolee under section 212(d)(5) of the INA for at least 1 year;
- A person granted conditional entry under section 203(a)(7) of the INA as in effect prior to April 1, 1980;
- A Cuban or Haitian entrant as defined by Federal statute, including Section 501(e) of the Refugee Education Assistance Act of 1980;
 - Former parolees and other aliens who became permanent residents under the Cuban Adjustment Act of 1966;
 - Aliens who became permanent residents under the provisions of the Immigration Reform and Control Act (IRCA) of 1986;
 - Aliens who became permanent residents under the Nicaraguan and Central American Relief Act; or
 - Aliens who became permanent residents under the Haitian Refugee Immigration Fairness Act.
- A certain alien, or an alien parent of a child, or an alien child of a parent who:
 - Has been battered or subjected to extreme cruelty in the United States by a spouse, parent, or certain other family members the alien, parent and/or child lived with;
 - Is not living in the same household with the abusive individual;
 - Has been determined to need SSI because of this abuse; and
 - Has a determination from the USCIS for a certain change in status.

Qualifying Quarter of Earnings. Credit for a requisite amount of earnings assigned to a calendar quarter for the purpose of determining the SSI eligibility of a lawfully admitted permanent resident.

Quarter of Coverage. The crediting of coverage needed for insured status under the Social Security program. In 2009, a worker receives one quarter of coverage (up to four a year) for each \$1,090 of annual earnings reported from employment or self-employment. The amount of earnings required for a quarter of coverage is subject to annual automatic increases in proportion to increases in average wages.

Recipient. A person who is receiving awarded SSI payments based on an evaluation of his/her own countable income and resources, age, and disability status.

Reconsideration. The first step in the administrative review process if an individual is dissatisfied with SSA's initial determination.

Redetermination. A periodic review of eligibility for SSI recipients to assure that requirements for eligibility continue to be met and that payment levels are in the proper amount. Income, resources, living arrangements and other factors are reviewed. The redetermination process does not review the determination of disability.

Refugee. A noncitizen outside of his/her country of nationality who is unable or unwilling to return to his/her country of nationality or to seek the protection of that country because of persecution (or a well-founded fear of persecution) based on the noncitizen's race, religion, nationality, membership in a particular social group or political opinion. Unlike asylees, refugees apply for and receive this status prior to entry into the United States.

Relocation Assistance. A type of assistance provided to persons displaced by projects that acquire real property. Examples of types of reimbursement, allowances, and help provided are:

- Moving expenses;
- Reimbursement for losses of tangible property;
- Displacement allowances;
- Amounts required to replace a dwelling which exceed the agency's acquisition cost for the prior dwelling;
- Rental expenses for displaced tenants;
- Amounts for down payments on replacement housing for tenants who decide to buy;
- Mortgage insurance through Federal programs with waiver of requirements that borrowers must usually meet; and
- Replacement housing.

Representative Payee. A person who receives SSI payments on behalf of an SSI recipient. SSA will pay benefits to a representative payee on behalf of an individual 18 years old or older when it appears that such method of payment will be in the interest of the individual. A representative payee will be appointed if the individual is legally incompetent or mentally or physically incapable of managing or directing the management of his/her benefits. Also, in general, if the individual is under the age of 18, a representative payee will be appointed. The law and regulations require that every beneficiary under age 15 must have a representative payee.

Resident of a Public Institution. An individual who can receive substantially all of his/her food and shelter while living in a public institution is considered a resident of the public institution. Generally, an individual who is a resident of a public institution throughout a month is ineligible for SSI.

Resident of the United States. A person who has established an actual dwelling place within the geographical limits of the United States with the intent to continue to live in the United States. (See “United States.”)

Resource. The cash or other liquid assets or any real or personal property of an individual (or his/her spouse, if any) that he/she could use or could convert to cash to be used for his/her support and maintenance.

Retroactive Payments. The SSI payments made in a month later than the month or months in which they were due. Also referred to as “past-due” benefits.

Retrospective Monthly Accounting (RMA). The calculation method used in the SSI program to determine an individual’s eligibility for each month. RMA has two parts: an eligibility determination and a payment computation. If the individual is ineligible based on the current month’s factors (including the current month’s countable income), no payment is due and none is paid. If the individual is eligible based on the current month’s factors, payment is computed. The benefit for a month is generally based on the countable income from the second month before the current month. The basic formula is to subtract the countable income from 2 months previous from the current month’s Federal benefit rate.

Section 1619(a) Status. The special SSI cash benefits provided to disabled individuals who lose eligibility for SSI benefits under the regular rules because they have earnings at the level that is ordinarily considered to represent substantial gainful activity.

Section 1619(b) Status. The special SSI recipient status for Medicaid purposes provided to working disabled or blind individuals when their earnings make them ineligible for regular or special cash payments.

Social Security Area Population. The population comprised of (i) residents of the 50 States and the District of Columbia (adjusted for net census undercount); (ii) civilian residents of Puerto Rico, the Virgin Islands, Guam, American Samoa and the Northern Mariana Islands; (iii) Federal civilian employees and persons in the Armed Forces abroad and their dependents; (iv) crew members of merchant vessels; and (v) all other U.S. citizens abroad.

Sponsor. An individual who has signed an affidavit of support for a noncitizen entering the country.

State Supplementation. The payments made by a State or one of its political subdivisions to aged, blind, or disabled individuals.

- *Administration*—The governmental unit responsible for administering State supplementary payments may be either a State or local agency or SSA. Under State administration, the State must absorb both program benefits and administrative costs. Under Federal administration, the State is responsible for the program benefits and, as of January 1, 2009, pays a \$10.45 administrative fee for each benefit paid.
- *Mandatory Supplementation*—The supplementary payments that are made only to beneficiaries who were converted to the SSI program from former State assistance programs at the inception of the SSI program. Mandatory minimum State supplementary payments are required to maintain the December 1972 payment levels that these beneficiaries received under the former State assistance programs. States are required to provide the supplementation to maintain their Federal matching funds for Medicaid.
- *Optional Supplementation*—The payments made by States to help persons meet needs not fully covered by Federal SSI benefits. The State determines whether it will make a payment, to whom, and in what amount. These supplements, paid on a regular basis, are intended to cover such items as food, shelter, clothing, utilities, and other daily necessities. Some States provide optional supplementary

payments to all persons eligible for SSI benefits, while others may limit them to certain SSI recipients such as the blind or residents of domiciliary-care facilities, or they may extend payments to persons ineligible for SSI because of SSI income.

Statutory Blindness. See “Blind.”

Student. An individual who is regularly attending a school, college or university, or a course of vocational or technical training designed to prepare him/her for gainful employment.

Student Earned Income Exclusion (SEIE). An earned income exclusion for a student under age 22 with certain limitations established by regulations. For 2009, up to \$1,640 earned income in a month, but no more than \$6,600 per year, may be excluded.

Substantial Gainful Activity (SGA). The level of work activity used to establish disability. A finding of disability requires that a person be unable to engage in SGA. For 2009, a person who is not statutorily blind and is earning more than \$980 a month (net of impairment-related work expenses) is ordinarily considered to be engaging in substantial gainful activity.

Supplemental Security Record (SSR). The computerized database maintained by SSA and containing identifying information, income, resources and other eligibility factors, for all SSI recipients. The SSR includes the history of SSI payments made to an individual.

Suspension. An ineligibility status which causes the nonpayment of benefits for a period of anywhere from 1 to 12 months for any of a number of reasons such as income or resources over allowable levels, absence from the United States, residence in a public institution, etc. Benefits can resume without reapplication, when all requirements for entitlement are again met. Suspense that lasts more than 12 months (24 months for individuals who were made ineligible because of their spouses or parent being called to active military duty) results in a termination of the SSI record. (Once a record is terminated, reapplication is necessary.)

TANF. See “Temporary Assistance for Needy Families (TANF).”

Temporary Absence. An individual’s physical move from his/her permanent place of residence that does not constitute a change in living arrangement. In general, a temporary absence is an absence from a permanent residence which is not intended to, and does not, exceed a full calendar month.

Temporary Assistance for Needy Families (TANF). The State grant program of assistance for needy families established by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193). TANF replaced the Aid to Families with Dependent Children program.

Termination. For an individual, cessation of benefits, which can occur for a number of reasons, including death, medical improvement, or a period of suspension lasting longer than 12 months.

Terminations. As used in section IV, the net reduction (after accounting for new entrants) in the number of SSI recipients in current-payment status during a period.

Ticket to Work Program. The Ticket to Work and Work Incentives Improvement Act of 1999 established a voluntary Ticket to Work and Self-Sufficiency program (Ticket to Work program) under which a blind or disabled beneficiary may obtain vocational rehabilitation (VR), employment and other support services from a qualified private or public provider referred to as an “employment network,” or from a State VR agency.

Trusts. A legal arrangement involving property and ownership interests. Generally, property held in a trust will be considered a resource for SSI purposes if the assets of the trust could be used for the benefit of the individual or spouse.

Unearned Income. The income that is not earned income. Unearned income may be in cash or in-kind. Some examples of unearned income are:

- Annuities, pensions, and other periodic payments;
- Retirement and disability benefits;
- Veterans', workers' and unemployment compensation;
- Alimony and support payments;
- Dividends, interest and certain royalties; and
- Rents.

United States. For purposes of the SSI program, the United States consists of the 50 States, District of Columbia and the Northern Mariana Islands.

Vocational Rehabilitation (VR). The process of restoring individuals with disabilities to full capabilities. VR services are designed to provide an individual with the training or other services that are needed to return to work, begin working or to enter a new line of work.

Windfall Offset. A provision to prevent a person from receiving monthly SSI and OASDI benefits in excess of the total amount which would have been paid if the OASDI benefits had been paid when they were due rather than retroactively.

Work Incentives. Provisions in the SSI program that are intended to act as incentives for disabled or blind individuals to work. Examples of work incentives under the SSI program are:

- Earned income exclusions;
- Impairment related work expenses;
- Blind work expenses;
- PASS;
- Section 1619 benefits; and
- Ticket to Work program.

SOCIAL SECURITY ADVISORY BOARD

STATEMENT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM

Public Law 104-193 requires that members of the Social Security Advisory Board be given an opportunity, either individually or jointly, to include their views in the Social Security Administration's annual report to the President and the Congress on the Supplemental Security Income (SSI) program.

We appreciate the opportunity to present our views on this important program, and we have asked the Social Security Administration (SSA) to include the following statement of our views in this year's annual report.

A Look Back at the Last 10 Years of SSI Program Integrity

In 1997, the General Accounting Office included the SSI program in its list of high-risk programs because of an increase in overpayments and because of internal control weaknesses that left the program susceptible to fraud, waste, and abuse.¹

In response, SSA issued its first SSI Management Report at the beginning of FY 1999.² That report stated that in reviewing the program to identify its challenges and vulnerabilities, SSA found a need for aggressive action in the areas of: improving overall payment accuracy, increasing continuing disability reviews, combating program fraud, and improving debt collection. The report further stated that SSA had begun taking action in those areas and had submitted proposals to Congress to provide additional authority for the agency to improve its stewardship of the SSI program.

In 2003, GAO removed the SSI program from its high-risk list, noting the considerable progress that SSA had made in addressing weaknesses in program integrity. It cautioned, however, that sustained management attention was needed to ensure that reforms were completely implemented, and noted that strengthening the integrity of the SSI program remained a major management challenge.³

In this *Statement* we will examine SSA's accomplishments in payment accuracy, continuing disability reviews, combating program fraud, and improving debt collection over the last 10 years; look at where the program is today; and make some recommendations for continued improvement.

¹ *GAO High Risk Series: An Overview, February 1997.* GAO/HR-97-1.

² *Management of the Supplemental Security Income Program: Today and in the Future,* October 8, 1998.

³ *GAO Performance and Accountability Series, Major Management Challenges and Program Risks: Social Security Administration,* January 2003. GAO-03-117.

Obstacles to Payment Accuracy

Administrative challenges to payment accuracy are inherent in the design of the means-tested SSI program. Beneficiaries' continuing eligibility and payment amount depend on circumstances that may change from month to month. Each month, SSA has to take into account beneficiaries' income, resources, and living arrangements to determine if they are still eligible and what their payment amount should be. SSA depends to a large extent on beneficiary self-reporting of changes.

The timing of benefit payments makes accuracy even more difficult. Benefits are paid for a month on the first day of that month. Changes that occur after payments are made in a given month can affect payment eligibility and amounts for that month. Some information that varies from month to month, such as wages, can only be estimated and then verified after the fact. Even if every beneficiary reported every change in a timely manner, some inaccurate payments would still be made.

Due process requirements also affect payment accuracy. SSA cannot stop, reduce, suspend, or terminate SSI payments without first providing written advance notice that it plans to do so. The advance notice provides beneficiaries with an opportunity to appeal a potentially erroneous adverse action by SSA. Since SSI payments are issued by the Treasury Department, SSA must send its information to Treasury in the month before the payments are made, giving SSA even less time to change its records. Beneficiaries have the right to have their SSI payments continued until a decision is issued at the first level of appeal. If the beneficiary loses at that level of appeal, the continued payments would be considered overpayments.

What is described in the preceding paragraph is the best case scenario, in which beneficiaries report all changes. In fact, most SSI overpayments are made because beneficiaries do not report changes in income, resources, or living arrangements. The most recent report on SSI payment accuracy shows that failure to report information or reporting incorrect information is a major cause of payment inaccuracy:⁴

- The leading cause of overpayments in FY 2007 was excess resources in financial accounts (19 percent of overpaid benefits). Eighty-six percent of the overpaid dollars resulted from a failure to report information, and 11 percent resulted from an incorrect report.
- Wages were the second leading cause of overpayments (18 percent of overpaid benefits). Eighty-one percent of the overpaid dollars resulted from a failure to report, and 8 percent resulted from an incorrect report.
- In-kind support and maintenance (non-cash provision of food, shelter, or something that can be used to obtain food or shelter) was the third leading cause of overpayments. Sixty percent of the overpaid dollars resulted from a failure to report, and 24 percent resulted from an incorrect report.

⁴ *Supplemental Security Income Stewardship Report, Fiscal Year 2007, August 2008.*

How Payment Accuracy is Measured

SSA derives accuracy rates by reviewing a random selection of SSI cases. Cases are selected monthly; quality reviewers interview beneficiaries and/or their representative payees and redevelop the non-medical factors of eligibility to determine whether the payment is correct. Any difference between what the quality review determines should have been paid and what was actually paid is expressed as an overpayment or underpayment error. The overpayment and underpayment error rates are calculated and reported separately. Accuracy rates are computed by dividing the error dollars by the total dollars paid for the fiscal year and subtracting the resulting percentage from 100 to get the accuracy rate.

Since 1998 SSA has been reporting from its quality review what it calls preventable overpayments. It excludes unpreventable overpayments, which result from a beneficiary's change in circumstances that affect payment and/or eligibility, and the agency is precluded from stopping or adjusting the affected scheduled payment. There are two possible reasons why SSA might be precluded from adjusting the payment. One is a matter of timing. This situation occurs when a recipient has a change in circumstances that affects payment and occurs after the point in time when SSA could have adjusted the scheduled payment to reflect the change. Changes in income or resources that occur on or after the first of a month and which result in ineligibility for that month are examples of such situations. For instance, if an SSI beneficiary inherited \$5,000 on the 23rd of a month, the receipt of so much income would render the beneficiary ineligible for any SSI payment in that month. However, the beneficiary would have already received his or her SSI payment on the first of the month, so the overpayment would have already occurred, and there would have been no way to prevent it.

The other type of situation that would result in an unpreventable overpayment is a result of due process requirements for advance notice of an adverse action. SSA must notify a beneficiary that benefits for the next month will be reduced because SSA knows or believes that the person has received some form of countable income that would reduce the amount of SSI the person typically receives. The beneficiary has the right to appeal and ask that no changes be made until the appeal is resolved. In such a case the person would continue to receive a benefit amount calculated without taking the adverse action into account. If it turned out after the appeal that SSA was correct all along, the beneficiary might have received one or more inaccurate payments that SSA could not have prevented because of the beneficiary's right to appeal a decision with which he or she does not agree.

The program was made somewhat less susceptible to overpayments and underpayments in the 1980s, when SSA began a system known as "retrospective monthly accounting," which uses a three-month cycle. Payments for a given month are based on known circumstances for a past month. The payment for a month is based on the beneficiary's countable income in the second month before the current month. If changes to income

are reported promptly and recorded in a timely and accurate manner, they should not result in overpayments. For example, the payment that is made at the beginning of June is generally based on the income for April. If the beneficiary has an increase or decrease in income or a change in living arrangements in April, he or she is supposed to report that change by the 10th of May and should then receive the correct payment in June. This works as long as beneficiaries report changes timely and as long as SSA inputs the information in a timely way. Changes need to be entered into the SSA computer system by a particular time each month in order for that information to be accurately reflected in the check issued on the first of the following month. If the correct information from April is not input before the cutoff date in May, an incorrect payment will be made for June.⁵

SSI Payment Accuracy

The FY 1999 SSI Management Report established a goal of raising the accuracy of SSI payment from the FY 1996 rate of 94.5 percent to at least 96 percent by FY 2002. It went on to describe the actions it would take in order to achieve that improvement.

SSA's FY 1999 action plan: information technology

SSA's plan to improve its payment accuracy depended in large part on technology, specifically computer data matching, and on redeterminations, which will be discussed later in this Statement.

In its FY 1999 SSI Management Plan, SSA described plans for wage and unemployment compensation matches, nursing home computer matches, reporting agreements with correctional facilities, online access to State databases, matches with the databases of the Immigration and Naturalization Service (as it was then called), and improved or more frequent matches with the Railroad Retirement Board, the Treasury, and the Department of Defense.

SSA has done all that and more. The agency receives data from 44 Federal and 2,385 State data exchange partners, mainly to administer its benefit programs.⁶ Specifically for SSI, for example, it uses online queries to access the Office of Child Support Enforcement online wage and new hire files to help avoid and detect wage overpayments.⁷ It has data matches with Federal data sources that include the Internal

⁵ As we pointed out in our 2005 *Statement on the Supplemental Security Income Program*, retrospective accounting may make it easier for the agency to administer the program, but it does not serve the best interests of beneficiaries who live at or near the poverty level and are concerned with meeting their current needs. Retrospective accounting makes budget planning difficult for beneficiaries even if all the payments are accurate.

⁶ Government Accountability Office, *Information Technology: Demand for the Social Security Administration's Electronic Data Exchanges Is Growing and Presents Future Challenges*, December 2008, GAO-09-126.

⁷ The *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* mandated a National Directory of New Hires that would maintain quarterly wage information on individuals to assist with child

Revenue Service, Department of Labor, Office of Personnel Management, the Department of Veterans Affairs, and law enforcement agencies. It also obtains information from the States, including electronic death registration information to prevent improper payments after a beneficiary's death.

As mentioned above, financial accounts have long been a leading source of overpayment errors in the SSI program. SSA has been working since 1998 on an automated system for data exchanges with financial institutions to reduce SSI overpayments. The FY 1999 SSI Management Plan reported that SSA had submitted a legislative proposal that would allow SSA to obtain financial account information through data exchanges with financial institutions. The proposal required, as a condition of eligibility, that applicants for and beneficiaries of SSI (and other persons, such as parents or spouses whose income or resources were material to determining an individual's eligibility) authorize the release of financial information held by financial institutions. The *Foster Care Independence Act of 1999* gave SSA the authority it had asked for, and the agency issued final regulations in FY 2004 that would enable it to request information from financial institutions.

SSA contracted with a firm named Accuity Solutions to create an automated system that would electronically submit requests for verification of financial data and process the replies. Accuity developed a web-based system that automated the consent form and handled the sending and receipt of bank account verifications. The software can also search for undisclosed bank accounts at financial institutions near an individual's residence. In FY 2004, 20 SSA field offices participated in a proof-of-concept test, along with 75 percent of the financial institutions in New York and New Jersey. The limited proof-of-concept test showed that the system found undisclosed accounts. This was followed by a larger study of more than 3,000 cases, which showed savings of \$10 per dollar spent.

SSA has said that should funding become available, it would extend the system for access to financial institutions nationwide. At present, it is being used only in field offices in New York, New Jersey, and California and in SSA quality review offices nationwide. SSA recently estimated the cost of a national rollout at \$34 million over a period of a few years. Based on data through 2007, it estimates a 10-to-1 ratio of benefits to costs. It is currently revising its cost-benefit analysis with data from 2008.

Redeterminations

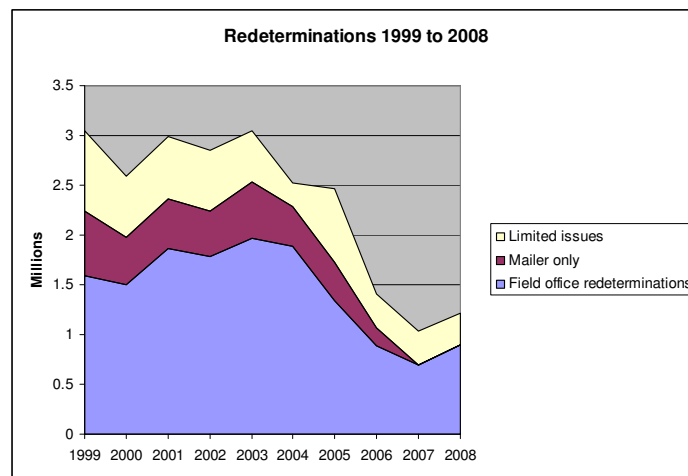
The FY 1999 SSI Management Report called redeterminations "the most powerful tool available to SSA for improving the accuracy of SSI payments." Redeterminations are reviews of the non-disability factors (income, resources, and living arrangements) that affect eligibility and payment amounts. The law requires SSA to conduct redeterminations but gives the agency the authority to determine the frequency and manner of conducting them.

support enforcement. SSA has permission to use this data. SSA also has an agreement with the Department of Labor to obtain online queries of wage and unemployment compensation data.

In the late 1970s SSA began using profiling techniques to identify cases that were most likely to have changes that would affect eligibility or payment amount. SSA uses that information to decide the frequency of redeterminations and to decide whether to complete the redetermination through a mailed questionnaire or a field office interview. Related to redeterminations are what SSA calls “limited issues.” These are cases selected for limited review by the field office due to a single issue, such as an alert resulting from a match between SSA's records and those of another agency.

The FY 1999 SSI Management Report noted that redeterminations were very cost-effective, and recent enhancements in its profiling had made them even more effective. At that time, SSA’s spending on redeterminations yielded savings (in the form of collected and prevented overpayments) of \$8 for each \$1 spent. The report noted that the President’s proposed FY 1999 budget included additional funds for redeterminations. The report stated that if that funding was approved, SSA would conduct 2.1 million redeterminations in 1999. In addition, the agency planned to further increase the number of redeterminations with a high risk of overpayment beyond 1999.

The number of redeterminations did increase for a time, as the following chart shows.⁸ In 1999 the number of field office redeterminations rose to 1.6 million, with 642,000 mailers. The number of field office redeterminations fell every year from 2004 through 2007, and in 2008 was only 56 percent of what it had been in 1999. The number completed through mailers dropped every year since 2004. An SSA Deputy

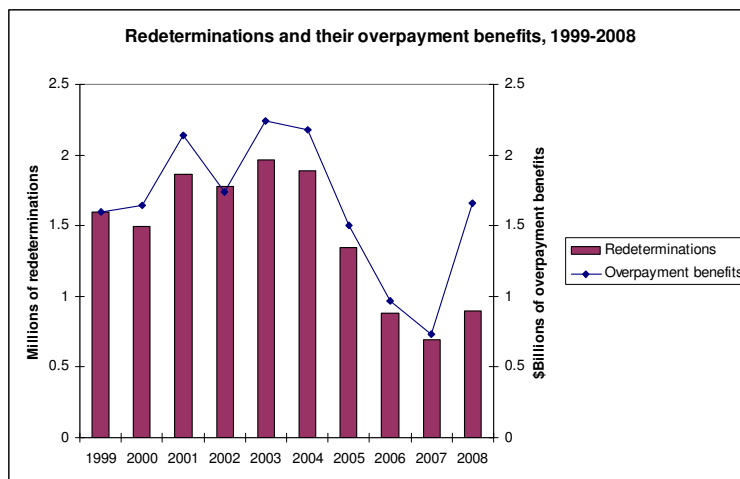


Commissioner testified in 2008, “We have had to reduce some of our stewardship activities in order to devote necessary resources to service delivery, and our payment accuracy has suffered as a result.”⁹

⁸ Data are from SSA’s Redeterminations Change Rate Study for the years shown. Through FY 03, the study provides figures for redeterminations selected for completion. Beginning FY 04, it provides figures for redeterminations completed.

⁹ Testimony of David A. Rust, Acting Deputy Commissioner for Disability and Income Security Programs before the Federal Financial Management, Government Information, Federal Services, and International Security Subcommittee of the Committee on Homeland Security and Governmental Affairs, United States Senate, January 13, 2008. http://www.ssa.gov/legislation/testimony_013108.htm

Since FY 2000, SSA has published a Redeterminations Change Rate Study, an analysis of the results of redeterminations it has conducted. This study shows, among other things, the number of redeterminations and the resulting overpayment benefits. Overpayment benefits are defined as overpayments prevented or projected to be collected. In the following chart, the bars show the number of redeterminations per year in millions (left-hand scale) and the line shows the overpayment benefits in billions of dollars (right-hand scale). SSA attributes the large increase in overpayment benefits in FY 2008 to a combination of factors. One was the increase in the volume of high-error profile cases in the redeterminations it conducted in 2008. Another was the fact that the average overpayment benefit for these cases increased due to improved profiling techniques.



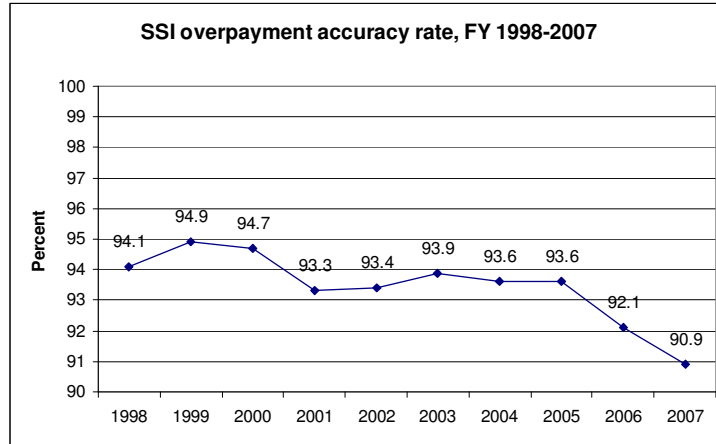
Earlier we described overpayments in terms of the type of incorrect information that caused them. It is also helpful to look at them in terms of when they occurred in the life of the claim. SSA’s analysis shows the importance of redeterminations in preventing overpayments:

- For overpayments due to financial accounts, 68 percent of the overpaid dollars resulted from a change in circumstances after the most recent redetermination or related limited issue, and 18 percent resulted from a change between the time the initial claim was completed and a redetermination or related limited issue was completed.
- For overpayments due to wages, 77 percent of the overpaid dollars resulted from a change in circumstances after the most recent redetermination or related limited issue, and 18 percent from a change between the time the initial claim was completed and a redetermination or related limited issue was completed.
- For overpayments due to in-kind support and maintenance, 46 percent of the overpaid dollars resulted from a change in circumstances after the most recent redetermination or related limited issue, and 31 percent resulted from a change between the time the initial claim was completed and a redetermination or related limited issue was completed.

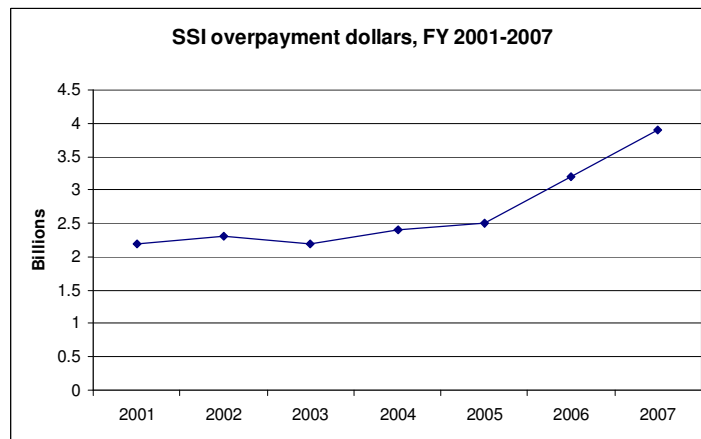
The point at which the overpayments occurred shows that overpayments could be greatly reduced if redeterminations were conducted more frequently.

Results: SSI payment accuracy since FY 1999

Despite the agency’s efforts, while SSA’s overpayment accuracy rate increased slightly following its FY 1999 SSI Management Report, it has never reached the 96 percent goal. In fact, it has fallen dramatically since 2005, and as of 2007, the most recent year for which data are available, was at its lowest level in more than 30 years.



In dollar terms, SSI overpayments have risen from about \$2 billion in 2001 to nearly \$4 billion in 2007. Total Federal SSI payments were nearly \$29 billion in 2001 and nearly \$37 billion in 2007.



Continuing Disability Reviews

SSA periodically reviews disability cases to determine whether individuals who are receiving benefits because they are disabled have improved so that they no longer meet SSA’s definition of disability. These reviews are called continuing disability reviews, or CDRs. Before the mid-1990s, SSA did not conduct many SSI CDRs. Until 1994, the

law did not require CDRs for SSI beneficiaries, and SSA directed its limited resources to CDRs of Old-Age, Survivors, and Disability Insurance (OASDI) beneficiaries.

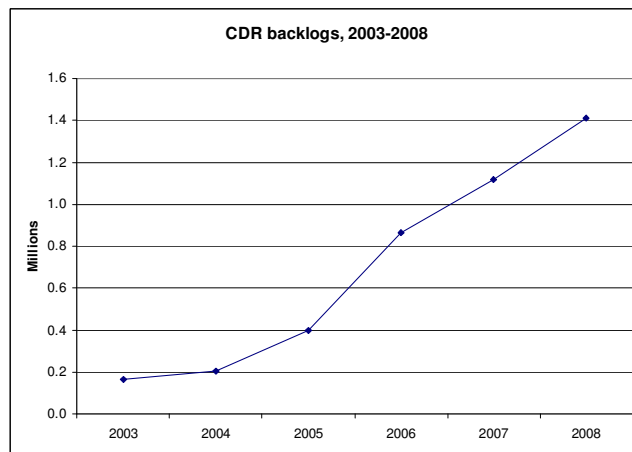
By regulation, SSA sets CDR diaries for six to 18 months for beneficiaries who are expected to improve, up to three years for beneficiaries for whom medical improvement is possible, and five to seven years for beneficiaries who are not expected to improve.

Beginning in 1994, SSI CDRs were mandated by statute. Legislation in 1994 required SSA to conduct CDRs on 100,000 SSI beneficiaries and on at least one-third of SSI beneficiaries reaching age 18 in each fiscal year from 1996 through 1998. Legislation in 1996 required CDRs within one year on all children eligible because of their low birth weight; every three years on all SSI childhood beneficiaries who were considered likely to improve medically, and medical redeterminations using the adult disability standard on all SSI childhood beneficiaries within a year after reaching age 18.¹⁰

When this legislation was enacted, there was already a large backlog of CDRs. There had been an unexpected increase in initial disability claims in the early 1990s, and SSA moved resources from CDRs to initial claim processing. By the end of FY 1996, about 4.3 million CDRs were due or overdue. In response, Congress gave SSA more than \$4 billion in special funding for OASDI and SSI CDRs for FYs 1996 through 2002.

Ten years ago, when SSA issued its SSI Management Report, it was in the early stages of working through its seven-year plan to become current in its CDR workload. Its goal was to be current in conducting CDRs by FY 2002. It was current with OASDI CDRs by FY 2000 and with all CDRs by FY 2002.

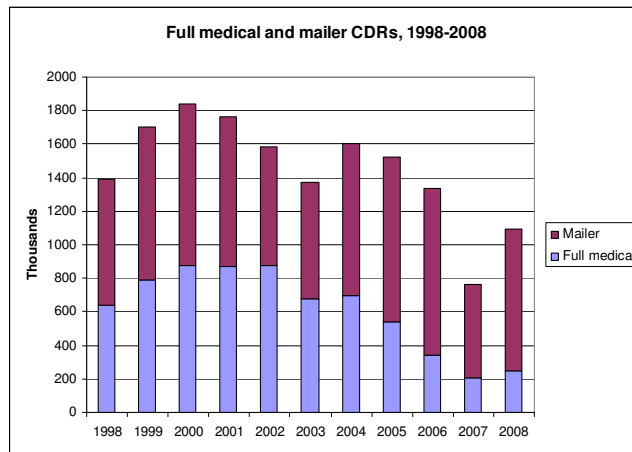
Beginning with 2003, however, backlogs have grown again. About 1.6 million CDRs come due every year. Because of budgetary constraints, SSA has consistently been unable to process the number that come due.



¹⁰ 20 CFR 416.990. The regulation also provides for non-diaried CDRs in other circumstances, such as a report of return to work or substantial earnings posted to the earnings record.

Of the total 1.4 million backlogged CDRs at the end of FY 08, more than 500,000 were SSI children, and more than 400,000 were SSI adults. (The rest were non-SSI disability cases.)

To help cope with the CDR workload, SSA has used a process based on profiling since 1993. Cases that are profiled as having a high likelihood of medical improvement are sent to the State Disability Determination Services (DDS – the same agency that makes decisions on initial disability claims) for a full medical review. Cases that are profiled as having a low or medium likelihood of medical improvement are sent a brief mailer questionnaire. (The mailer process is not used for SSI disabled children.) If the responses to the mailer indicate a possible medical improvement, the case is sent to the DDS for a full medical review. By using profiling, SSA has been able to conduct more CDRs than if it did a full medical review of each case.



SSA has been refining its profiling in order to focus its full medical CDRs where they are most needed. Beginning in 2001, it worked with contractor assistance to refine and enhance its profiling models, using more comprehensive data and more advanced statistical modeling techniques. In 2007, with the help of a contractor, it completed a profiling model for SSI children. Since then it has worked on incorporating Medicare claims data and the relationship between pre-entitlement earnings and medical improvement into its profiling models. SSA has also developed an improved diary model, used to set a date for a CDR when an initial claim is approved.

The administrative cost of conducting CDRs results in much greater savings of program costs. For the period 1996 through 2006, CDRs yielded savings-to-cost ratios averaging \$10.4 to \$1. For FY 2007, the ratio was estimated at \$11.7 to \$1. Looking specifically at SSI, CDRs conducted in FY 2007 will result in an estimated reduction in Federal benefit payments of \$1.2 billion over a 10-year period, and a reduction in the Federal share of Medicaid payments of \$715 million over the same period.¹¹

¹¹ SSA, *Annual Report of Continuing Disability Reviews*, Fiscal Year 2007.

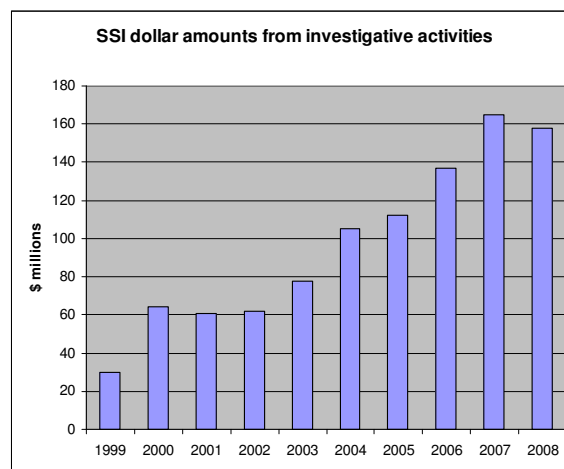
SSI Program Fraud

The FY 1999 SSI Management Report noted that the potential for fraud is inherent in any cash benefit program. Because the extent of fraud is not accurately measurable, we cannot draw any conclusions about the amount by which the agency may have reduced fraud in the SSI program, but we can note some of the efforts.

Even before the 1999 report was issued, SSA had already increased its anti-fraud activity. Over a three-year period, SSA added to its Office of Inspector General, increasing its staff (mainly investigators) by two-thirds. SSA also formed a joint Payment Accuracy Task Force with OIG that reviewed SSI payment errors and recommended measures for improvement. Another initiative that started before the management report was the creation in FY 1998 of five pilot projects using investigative teams composed of OIG, SSA, State DDS employees, and State law enforcement officials in five States. These pilots became the Cooperative Disability Investigation (CDI) program. By the end of FY 2008 there were 19 CDI units in 17 States working to identify and resolve issues of fraud and abuse in initial and continuing disability claims. In FY 2008, these units received 4,940 allegations of fraud and confirmed 3,464 of them.

The management report observed that front-line SSA employees have an important role in detecting potential fraud. The number of fraud allegations from SSA employees increased from 22,000 in FY 1999 to 34,000 in FY 2008. In FY 1999 26 percent of allegations dealt with SSI disability benefits and 3 percent with SSI aged benefits. In FY 2008, 40 percent dealt with SSI disability benefits and 1 percent with SSI aged.

As the following chart shows, dollar amounts from penalties, assessments, savings, recoveries, and restitutions related to SSI investigative activities increased from \$30 million in 1999 to \$158 million in 2008.¹²



¹² Data provided by SSA's Office of the Inspector General. Figures for 1999 through 2003 differ from figures reported in *Performance and Accountability Reports* for those years, because the figures used here exclude savings from the Fugitive Felon Program, which were no longer reported after 2003.

In addition to its investigative activities, the OIG also conducts audits of SSA activities. Some of these have looked into aspects of the SSI program that are susceptible to fraud. For example, in FY 2008, the OIG issued a report on SSI beneficiaries with automated teller machine withdrawals indicating that they were outside the United States. (SSI beneficiaries are not eligible for benefits for any calendar month if they are outside the United States throughout the month.) Another audit looked into SSI beneficiary marriages not reported to SSA. Another analyzed SSI beneficiaries with excess income or resources. In each of these cases, it recommended corrective actions that SSA followed.

Debt Collection

The FY 1999 SSI Management Report described the debt collection tools that SSA then had available to it:

- **Benefit offset:** Overpayments to beneficiaries who were still on the benefit rolls could be recovered by withholding a portion of the ongoing monthly benefit until the debt was collected. In addition, former SSI beneficiaries who received OASDI benefits could repay an SSI overpayment by voluntarily requesting offset of their OASDI benefit. SSA could not at that time recover an SSI debt from an OASDI benefit without the beneficiary's consent.
- **Repayment agreements:** These were agreements to repay by installments, and were difficult and costly ways to recover overpayments.
- **Tax refund offset:** SSA had authority to refer delinquent debtors to the Treasury Department, which could withhold tax refunds until the SSI debt was repaid.¹³

The report also mentioned that SSA had submitted to Congress legislative proposals to give the agency additional authorities to collect debts. The *Foster Care Independence Act of 1999* gave SSA the following additional authorities for recovering overpayments:

- SSA could report delinquent SSI debts to credit bureaus, which has led to repayment of delinquent overpayments.
- SSA could withhold SSI overpayments from OASDI benefits without the consent of the beneficiary. (SSA received additional authority in the *Social Security Protection Act of 2004* to collect SSI overpayments from large OASDI underpayments, even when the individual remains eligible for SSI monthly payments.)
- SSA could issue garnishment orders to employers to collect SSI overpayments.
- SSA could automatically net SSI overpayments against SSI underpayments.

The following table shows the dates that each of these initiatives was implemented, and the amount of SSI overpayments that have been collected as a result through the end of FY 2008.

¹³ GAO later pointed out that SSA had only started using tax refund offsets to recover SSI overpayments in 1998 although it had had the authority to do so since 1984. (GAO, *Supplemental Security Income: Long-Standing Issues Require More Active Management and Program Oversight*, February 3, 1999. GAO/T-HEHS-99-51.

Results of overpayment initiatives through FY08		
Initiative	Began	Results (\$ in billions)
Credit bureau reporting	1999	\$0.217
Cross-program recovery	2002	\$0.409
Wage garnishment	2005	\$0.008
Automatic netting	2002	\$0.596
Total		\$1.230

In FY 2006 SSA also implemented what it calls its non-entitled debtors program. This is an automated system to control recovery activity for debts owed by people who do not receive benefits. This system controls, for example, recovery of debts from representative payees who receive benefits after the death of a beneficiary.

Overall, SSI collections increased from \$640 million in FY 1999 to nearly \$1.1 billion in FY 2008.

Conclusions and Recommendations

Since issuing its SSI Management Report in FY 1999, SSA has taken the actions it outlined and has gone beyond those actions. It has made increased use of technology to collect information on income, resources, and living arrangements. It achieved its goal of being current with continuing disability reviews as of FY 2002. It has improved its profiling of redeterminations. It has obtained authority for and has implemented new methods of collecting overpayments.

Despite these actions, the bottom line results are disappointing. SSA has yet to reach the goal it set in FY 1999 to attain an overpayment accuracy rate of 96 percent. In fact, in recent years, accuracy levels have declined, and overpayment dollars have climbed.

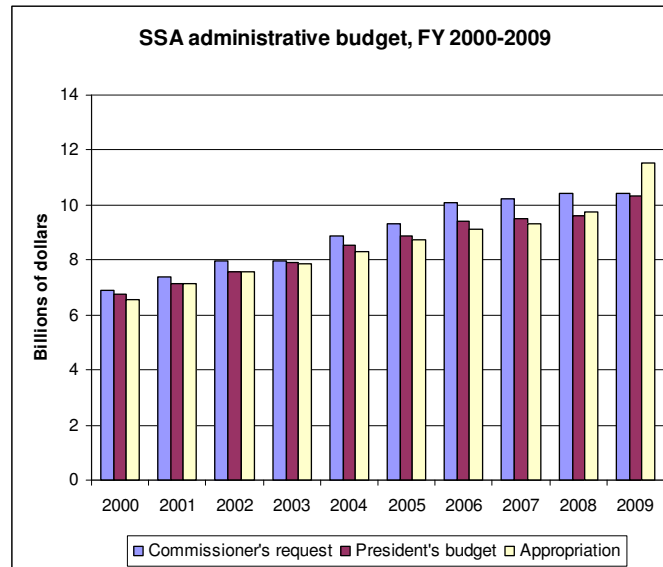
To improve its bottom-line results, SSA needs an increased number of redeterminations and CDRs. These program integrity efforts help ensure the accuracy of benefit payments. The administrative funds expended on them also result in program savings. SSA estimates that for each dollar spent on redeterminations and CDRs, the agency saves \$10 in program costs. But quality and program integrity should not become concerns only after claims are approved. SSA should also focus on improving the accuracy of its initial claims processes. It can realize the largest savings by doing things right the first time.

SSA should also continue to improve and expand its use of technology for program integrity, work to improve beneficiary reporting, and simplify the SSI program rules.

Funding increased redeterminations and CDRs

A reliable source of funding for redeterminations and CDRs is essential to improving SSA's stewardship of the SSI program. Since the end of special funding for CDRs, SSA has reduced its stewardship activities in order to devote resources to basic service

delivery.¹⁴ The following chart shows the amount of the Commissioner’s request, the President’s budget request for SSA, and the appropriation for the agency. In no year since 2000 has the President’s budget met the amount requested by the Commissioner, and in only the last two years has the appropriation exceeded the President’s request.



Greater transparency in SSA budgeting would be helpful. The Commissioner’s request is published as a number without any explanation. The Advisory Board has previously recommended that SSA be able to submit its entire request and budget justification to Congress without having it first obtain the approval of the Office of Management and Budget. SSA’s budget justification would be helpful to Congress in assessing the agency’s needs. As the Board’s chairman has testified, “Additional transparency in budgeting could help Congress better understand what is needed to fund the administrative costs adequately.”¹⁵

The Advisory Board has previously recommended that all of SSA’s administrative expenses be excluded from discretionary spending caps. In our 1999 report on service to the public, we stated, “It is entirely appropriate that spending for administration of Social Security programs be set at a level that fits the needs of Social Security’s contributors and beneficiaries, rather than an arbitrary level that fits within the current government cap on discretionary spending.”¹⁶

The Government Accountability Office has noted that “the earmarking of funds for activities such as CDRs could help SSA keep current with these activities. For example,

¹⁴ Testimony of David Rust, Acting Deputy Commissioner for Disability and Income Security Programs to the Federal Financial Management, Government Information, Federal Services, and International Security Subcommittee, January 31, 2008.

¹⁵ Testimony of Sylvester J. Schieber to the Subcommittee on Social Security of the Committee on Ways and Means, U.S. House of Representatives, February 14, 2007.

¹⁶ *How the Social Security Administration Can Improve Its Service to the Public*. <http://www.ssab.gov/Publications/ServicePublic/stpweb.pdf>.

if the number of initial applications for disability benefits continues to increase over the next several years, holding apart the necessary funds for CDRs could be a prudent measure.”¹⁷ The President’s FY 2010 budget proposes \$759 million for SSA CDRs and redeterminations, and a total of \$4.3 billion for fiscal years 2010 through 2014. The proposal uses the same sort of cap adjustment that was used for CDR funding in FY 2002 through 2006 to ensure that this funding will not supplant other Federal spending on these activities or be diverted for other purposes.

Budgetary transparency and cap adjustments are helpful, but we believe that a more fundamental approach is needed to establish a reliable source to fund program integrity activities. As the Board’s chairman has said to the Ways and Means Committee, “I realize that there is a budgetary distinction between administrative and benefit spending, but that is an artificial distinction that most taxpayers supporting Social Security would consider ludicrous. You might want to support an incentive-based stewardship approach whereby the Agency can retain a percentage of such stewardship savings. Abandoning the ability to minimize improper payments is not only wasteful, but will worsen the future year total deficits that will constrain future discretionary spending.”¹⁸

The Chief Financial Officer Council and the President’s Council on Integrity and Efficiency established a workgroup on reduction of improper payments that proposed a similar government-wide funding mechanism from collections of erroneous payments. The proposal called for legislation that would authorize all Federal agencies and Offices of Inspector General to use a percentage of actual collections of erroneous payments to fund activities to prevent, detect, and collect erroneous payments. The legislation the workgroup proposed would establish permanent indefinite appropriations, subject to apportionment by OMB, which would be based on a percentage of actual collections. Agencies and OIGs would report on how these funds were used to prevent, detect, and collect erroneous payments.¹⁹

Improved use of technology

The Advisory Board has recently published a report on information technology (IT) at SSA.²⁰ In that report, we recommended improved strategic planning, comprehensive business plans, a restructured IT governance process, integrated electronic service delivery, and an ongoing commitment to future technologies. All of those recommendations apply to SSA’s program integrity activities. SSA should include program integrity concerns in all that it does to update its systems. As it models its

¹⁷ GAO, *Social Security Disability: Reviews of Beneficiaries’ Disability Status Require Continued Attention to Achieve Timeliness and Cost-Effectiveness*. GAO-03-662, July 2003.

¹⁸ Testimony of Sylvester J. Schieber, Chairman, Social Security Advisory Board to the Committee on Ways and Means, U.S. House of Representatives, April 23, 2008.
<http://www.ssab.gov/documents/SchieberWaysandMeans042308.pdf>

¹⁹ Testimony of Inspector General James G. Huse, Jr., Hearing before the Subcommittee on Human Resources of the Committee on Ways and Means, U.S. House of Representatives, July 25, 2002. SSA has drafted a legislative proposal along these lines. See SSA Office of the Inspector General, *Congressional Response Report: Opportunities and Challenges for the Social Security Administration*, April 2009, p. 14.

²⁰ http://www.ssab.gov/documents/Bridging_the_Gap_pre-publication_release_april_2009.pdf

business processes, it should strive to ensure that it does things correctly the first time and to integrate program integrity into its systems.

Looking back over the last 10 years, we see that SSA has made some advances in its use of technology that point the direction to a more effective future. It has moved from periodic matches with other databases to online query capability. In the case of its automated program for access to data from financial institutions, it is working toward integrating it with its claims processing system, to reduce the amount of employee intervention required. There is still a substantial need in program integrity, as in its other business processes for further improvements. We encourage SSA to continue its work with the Access to Financial Information project and expand it nationally as soon as feasible.

Program simplification

The Board has frequently pointed out that the complexity of the SSI program makes it difficult for claimants and beneficiaries to understand and challenging for the agency to manage. We have also made some recommendations for improving program design and rules.²¹ In 2003, when it removed the SSI program from its high-risk list, GAO pointed out that program complexity was a key program vulnerability associated with SSI overpayments.

Since then, SSA has achieved some simplification of the program, but they have been relatively minor. The *Social Security Protection Act of 2004* included provisions simplifying some income exclusion and income counting rules and establishing a uniform resource exclusion period. Regulations issued in 2005 simplified an income counting rule and added resource exclusions.²² Although SSA has studied various options for major program simplifications, it has not proposed specific legislative changes.

The most recent study is an article on options for eliminating the counting of in-kind support and maintenance, one of the most complex aspects of SSI.²³ The article points out that since the SSI program began 35 years ago, at least 10 workgroups, studies, and reports have examined ways to simplify the program, and most of them have looked at

²¹ The Board has recommended program simplification since its *Statement* in 1999 and made some specific recommendations in its *Statements* beginning in 2005. Earlier *Statements* are available at: <http://www.ssab.gov/Publications/Subject.html>.

²² Rene Parent and Richard Balkus, "Efforts Since 2000 to Simplify the SSI Program: Legislative and Regulatory Changes," *Policy Brief* 2008-01, April 2008, SSA Office of Policy. <http://www.ssa.gov/policy/docs/policybriefs/pb2008-01.html>. See also, Erik Hansen, "A Legislative History of the Social Security Protection Act of 2004," *Social Security Bulletin*, vol. 68, no. 4, 2008, 41-52.

²³ Richard Balkus, James Sears, Susan Wilschke, and Bernard Wixon, "Simplifying the Supplemental Security Income Program: Options for Eliminating the Counting of In-kind Support and Maintenance," *Social Security Bulletin*, Vol. 68, no. 4, 2008, 15-39. <http://www.ssa.gov/policy/docs/ssb/v68n4/v68n4p15.pdf>.

In-kind support and maintenance is non-cash support to beneficiaries for food or shelter, which is counted as unearned income and reduces the SSI benefit. Determining the amount of this type of income requires obtaining detailed information on household composition, household expenses, and contributions by members of the household.

the issue of in-kind support and maintenance, with only limited progress at simplifying these rules. The article illustrates the difficulty of simplifying this aspect of SSI policy in a way that is budget neutral. Eliminating the counting of in-kind support and maintenance is estimated to save about \$70 million per year in administrative costs, but at a program cost of \$1.2 billion per year. To maintain budget neutrality, the costs are recouped by reducing the benefits of beneficiaries who share housing. As the article points out, the redistribution seems disproportionate to the administrative savings, and there are distributional concerns about how the costs would be recouped, with some groups of beneficiaries gaining and others losing.

Wages are another error-prone area in the SSI program where policy changes may be helpful. Payment errors are due in part to lack of reporting or incorrect reporting by beneficiaries. Other errors are caused by field office personnel either not verifying or incorrectly verifying wages.²⁴ SSA has developed systems for online reporting and automated telephone reporting, but it remains to be seen how widely these will be used. SSA has established online access to State wage data, but those data are in a quarterly format, and current SSA procedures require monthly verified wage amounts. The President's budget for FY 2010 proposes to restructure the Federal wage reporting process to increase the frequency with which wages are reported to SSA, but that would only increase from annual to quarterly reporting. SSA should consider policy changes that might make more use of quarterly wage data and reduce its labor-intensive verification processes.

Improving beneficiary reporting

Much of what we know – or think we know – about the failure of beneficiaries to report relevant information is anecdotal in nature. We have heard, and can readily believe, that many beneficiaries do not understand program requirements or remember the reporting instructions they received when they first filed for benefits. It is also likely that some beneficiaries withhold information in order to get a higher benefit. And given the near impossibility of getting through to some local field offices by phone and the delays in getting through to the 800-number system, we can understand that beneficiaries might be discouraged from reporting. SSA has been working on an automated telephone system and an online system for reporting wages, but progress has been slow.

Given the importance of beneficiary reporting to SSI payment accuracy, an evidence-based approach to improving that reporting would be worth investigating. The United Kingdom's Department for Work and Pensions recently issued a study on *Reporting Changes in Circumstances: Factors Affecting the Behaviours of Benefit Claimants*.²⁵ The study showed that ignorance and confusion were the main factors underlying non-reporting or late reporting of changes. Other factors included resentment about program rules that were perceived as unfair, difficulties in making contact and relaying information to agencies, and a widespread misunderstanding that if a beneficiary reports

²⁴ SSA, Office of Quality Performance, *SSI Transaction Accuracy Review Wage Report*, October 24, 2006.

²⁵ Research Report no. 544, published 2009. <http://www.dwp.gov.uk/asd/asd5/rports2009-2010/rrep544.pdf>.

a change to one agency, that agency will convey the information to others that need it. A similar study of the SSI population would provide information from which SSA could devise ways to improve beneficiary reporting.

SSA has come a long way in a decade, but considerably more remains to be done through technology, simplification, and improved reporting.

Sylvester J. Schieber, Chairman

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