



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

**Social Security Administration
2010**



SOCIAL SECURITY

The Commissioner

August 19, 2010

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 2010 Annual Report of the Supplemental Security Income Program (the fourteenth such report), in compliance with section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Sincerely,

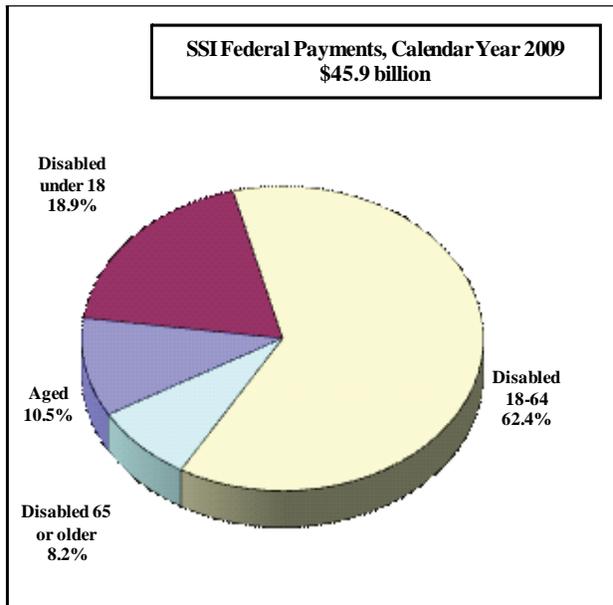
Michael J. Astrue

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 fourteenth 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 2010, 7.5 million individuals received monthly Federal SSI payments averaging \$476, up from 7.2 million recipients with an average payment of \$474 in January 2009.
- Federal expenditures for cash payments under the SSI program during calendar year 2009 increased 9.2 percent to \$45.9 billion, while the funds made available to administer the SSI program in fiscal year 2009 increased 17.4 percent to \$3.4 billion. In 2008 the corresponding program and administrative expenditures were \$42 billion and \$2.9 billion, respectively.



Major Findings of the Report

- By 2034, the end of the 25-year projection period, the Federal SSI recipient population is estimated to reach 9.9 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 2.32 percent in 2008 to 2.36 percent in 2009 and is projected to increase gradually to 2.59 percent of the population by 2034 due largely to the changing age distribution of the population.
- Federal expenditures for SSI payments in calendar year 2010 are estimated to increase by \$2.1 billion to \$48 billion, an increase of 4.5 percent from 2009 levels.
- In constant 2010 dollars, Federal expenditures for SSI payments are projected to increase to \$59.9 billion in 2034, a real increase of 1 percent per year.
- Federal SSI expenditures expressed as a percentage of the Gross Domestic Product (GDP) were 0.291 percent of GDP in 2008. Due to the economic recession, expenditures as a percentage of GDP increased to 0.322 in 2009, and are projected to increase slightly to 0.325 percent of GDP in 2010, but decline thereafter to 0.247 percent of GDP by 2034.

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I. INTRODUCTION

The Supplemental Security Income (SSI) program was established by Congress in 1972, with payments beginning in January 1974. It is administered by the Social Security Administration (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 2010 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.¹ 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.² This is the fourteenth 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.

¹ The Federal SSI benefit rates for 2010 are unchanged from 2009 because there was no cost-of-living increase for 2010.

² The 2010 Annual Report was delayed beyond the May 30th statutory reporting date so that the 25-year projections presented in Chapter IV could be developed as usual on a basis consistent with the 2010 OASDI and Medicare Trustees Reports. Release of the 2010 Trustees Reports was delayed so that the provisions of the recently enacted Patient Protection and Affordable Care Act could be incorporated into the assumptions and projections presented in those reports.

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 2009, 2.4 million individuals applied for SSI benefits based on blindness or disability, an increase of 15 percent over 2008. Additionally, 147 thousand applied for SSI benefits based on age, which is basically unchanged from 2008. In 2009, 1 million applicants were awarded SSI benefits, an increase of 8 percent as compared to the 930 thousand awarded benefits in 2008.
- Each month on average during calendar year 2009, 7.4 million individuals received Federal SSI benefits. This group was composed of 1.1 million aged recipients, 6.2 million disabled recipients, and 66 thousand blind recipients. Of the 6.3 million blind or disabled recipients, 1.2 million were under age 18, and 0.8 million were aged 65 or older. During the year, 8.3 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 2009 totaled \$45.9 billion, up from \$42 billion in 2008.
- Each month on average during calendar year 2009, 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 2009, 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 \$4.0 billion in calendar year 2009, down from \$4.4 billion in 2008.
- The percentage of SSI recipients participating in direct deposit reached 62 percent in fiscal year 2009. 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 2009 was \$3.4 billion, which was roughly 7 percent of total Federally-administered SSI expenditures.
- In January 2010, 7.7 million individuals received Federally-administered monthly SSI benefits averaging \$499. Of these, 7.5 million received monthly Federal SSI payments averaging \$476, and 2.3 million received monthly State supplementation payments averaging \$125.

B. SSI LEGISLATION SINCE THE 2009 ANNUAL REPORT

Since the 2009 SSI Annual Report was transmitted to the President and Congress on May 29, 2009, the following legislative changes were made to the SSI program:

Public Law 111-115, enacted December 15, 2009

Prohibits the payment of any retroactive SSI benefits to individuals while they are in prison; in violation of conditions of their parole or probation; or fleeing to avoid prosecution, custody, or confinement for a felony or a crime punishable by sentence of more than one year. These retroactive benefits will not be paid until the beneficiary is no longer a prisoner, probation or parole violator, or fugitive felon.

Public Law 111-118, enacted December 19, 2009

Eliminates the 8-month time limit on SSI eligibility for certain Iraqi and Afghan refugees who have provided service to the United States. The time-limited eligibility for these individuals is now 7 years¹, the same period applicable to other humanitarian refugees.

Public Law 111-142, enacted February 27, 2010

Permanently extends the OASDI attorney fee withholding process to SSI. Permanently extends the Social Security attorney fee withholding process to all non-attorney representatives who meet the following prerequisites: hold a bachelor's degree or have equivalent qualifications, pass an examination written and administered by the Commissioner, secure professional liability insurance or the equivalent, undergo a criminal background check, and complete continuing education courses. Although the prior fee withholding demonstration project expired on February 28, 2010, the provisions of that law apply in claims for benefits where the agreements for representation were entered into after February 27, 2005, and before March 1, 2010.

C. CURRENT ISSUES FACING THE SSI PROGRAM

The SSI program remains a critical source of income for our nation's aged, blind, and disabled, with more than 7 million Americans relying on this assistance to meet their basic needs for food and shelter. The program, by definition, is for those with limited income and resources, including those who have been especially hard hit by the economic downturn. In an environment of increased unemployment, individuals have been filing in record numbers for SSI benefits. While our employees continue to improve productivity, this increased SSI workload presents an ongoing challenge to keep pace.

Significant Increases in Claims

One especially prominent result of the recent recession has been the increase in applications for SSI disability benefits. To provide context for this increase, in Fiscal Year (FY) 2011, we plan to decide over 2.8 million initial SSI applications—this is over 138,000 more than we processed during FY 2009.

To address this increase in claims, we are using technology and streamlined policy to make disability determinations more quickly. For example, using our fast-track disability processes, Quick Disability Determinations and Compassionate Allowances, in FY 2009 we decided SSI and Social Security Disability cases for about 100,000 applicants with the most debilitating impairments within about ten days after the Disability Determination Services (DDSs) received their claims. With additional process refinements and an expanded listing of impairments that would qualify for fast-track decisions, we hope to increase that number to 140,000 for FY 2010 and 185,000 in FY 2011.

¹ With the "SSI Extension for Elderly and Disabled Refugees Act", Public Law 110-328, the SSI eligibility period for certain refugees and humanitarian immigrants was extended to 9 years during the 3-year period from October 2008 through September 2011 (those who have naturalization applications pending, or are awaiting the citizenship swearing-in ceremony are exempt from time limitations through September 30, 2011). Iraqi and Afghan refugees are potentially eligible for this extension.

Another tool is provided through advances in electronic medical records. Health Information Technology (Health IT) continues to revolutionize the disability determination process by eliminating the need to compile and transfer paper records. Once Health IT processes are fully implemented, doctors, hospitals, and others in the healthcare field will be able to provide medical evidence within dramatically improved time-frames. We are currently taking the first steps towards this totally electronic system of requesting and receiving medical records. With claimants' consents, we will have instantaneous access to medical records, allowing us to make disability determinations more rapidly.

Payment Accuracy

Payment accuracy continues to be a significant issue facing the SSI program. We are committed to paying the correct benefit to the right person, and we use several tools to accomplish this goal. Among these tools are redeterminations, which review all the nonmedical criteria for eligibility, including verification of living arrangements and income levels. An additional tool is the continuing disability review (CDR), which reviews all medical factors to ensure an individual remains disabled according to the rules we use. In FY 2009, we processed more than 1.7 million SSI redeterminations and more than 1.1 million CDRs. In FY 2010, we plan to conduct 2.4 million SSI redeterminations and almost 1 million CDRs. With full FY 2011 President's Budget funding, we plan to conduct 2.4 million SSI redeterminations and over 1.3 million CDRs in FY 2011.

In addition, SSA is currently conducting the Access to Financial Institutions (AFI) initiative to electronically identify individuals' known and unknown bank accounts to determine initial eligibility and continuing eligibility for benefits. The program is currently operating in California, New York, and New Jersey. We plan to expand the AFI program this year, and expect to realize SSI program cost savings of up to \$100 million in FY 2011. Based on current agency estimates, the program could save up to \$1 billion per year in lifetime savings when nationally implemented. The President's FY 2011 budget includes \$10 million for AFI expansion.

As we are able to address program integrity workloads with increased funding, payment accuracy is on the rise. Underpayment accuracy in the SSI program is consistently high. Overpayment accuracy, however, with its substantial reliance on beneficiary reporting, has been a consistent challenge. For example, in 2008 the SSI overpayment accuracy rate was 89.7 percent, the lowest rate since the early days of the program.

To address this decline, we increased the volume of redeterminations of eligibility we conducted in FY 2009. As a result, the overpayment accuracy for 2009 has risen to 91.6 percent—a statistically significant improvement over the 2008 rate. This increased accuracy is encouraging news and demonstrates the value of additional funding for SSI redeterminations.

Challenges in Field Office Staffing

We are also experiencing a retirement wave within the agency, and as experienced employees retire, a diminished workforce remains to handle increased agency workloads. However, with the additional funding provided by the President and Congress, we have begun to aggressively address the replacement of retiring employees. With last year's appropriation and Recovery Act funding, we maximized overtime nationwide and hired about 8,600 new employees. It was our largest hiring effort since the creation of the SSI program over thirty-five years ago. With the boosted hiring efforts of the past year, staffing now stands at approximately 65,000.

As a part of this hiring wave, 2,400 people were provided for the field in FY 2009—a net increase in field office staff of about 1,000 employees. With our FY 2010 appropriation, we continue to add about 1,300 new employees, and 1,400 people in the State disability determination services (DDSs). In April we allo-

cated an additional 900 frontline staff, placing most of them in our 200 most stressed field offices. Many of these offices had a very high percentage of SSI workloads.

Conclusion

The SSI program continues to serve as a vital safety net to millions of Americans. It is one of the most relied upon programs for those in greatest need. Based on the crucial importance of the program, effective stewardship and administration demand our constant vigilance. Our SSI workloads will continue to grow over the long term, and we will be continuously tested to find new ways of streamlining a means-tested program that is inherently complex. To address this challenge, we will rely upon technological improvements, program integrity measures, and policy simplification to maintain our commitment to assisting some of our nation's most vulnerable citizens.

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 2034, the Federal SSI recipient population is estimated to reach 9.9 million. Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients is projected to increase slightly from 2.36 percent of the population in 2009 to 2.59 percent by 2034 due largely to the changing age distribution of the population.
- Federal expenditures for SSI payments in calendar year 2010 are estimated to increase by \$2.1 billion to \$48.0 billion, an increase of 4.5 percent from 2009 levels. In constant 2010 dollars, SSI program outlays are projected to increase to \$59.9 billion in 2034, a real increase of 1.0 percent per year.
- Federal SSI expenditures were 0.291 percent of GDP in 2008. Due to the economic recession, such expenditures increased to 0.322 percent of GDP in 2009, and are projected to increase slightly to 0.325 percent of GDP in 2010, but decline thereafter to 0.247 percent of GDP by 2034.

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. For 2010, 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 categories⁴:

— 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 \$1,000 a month is evidence of ability to engage in SGA. If an SSI *applicant* is earning over \$1,000 a month, he/she generally would not be considered disabled. However, if an SSI *recipient* is earning over \$1,000 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 \$1,000 was increased from \$980 effective January 1, 2010 (74 FR 55615). Yearly increases in the SGA level are based on increases in the national average wage index.

⁴ Generally, SSI eligibility for humanitarian immigrants is limited to 7 years. However, under the “SSI Extension for Elderly and Disabled Refugees Act,” which 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 SSI eligibility 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 are treated as refugees for SSI purposes:

- Noncitizens who have been certified by the Department of Health and Human Services to be victims of trafficking in persons in the United States¹, with eligibility for SSI generally limited to the 7 years after a determination is made that they are trafficking victims; and
- Iraqi or Afghan noncitizens granted special immigrant status under emergency conditions (i.e., Iraqi or Afghans who have provided service to the U.S. government and, as a result, may be in danger within their country of origin), with eligibility for SSI generally limited to the 7 years after the special immigrant status is granted.

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.

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;
- An automobile, if used to provide necessary transportation;
- 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:

- 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;

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.

- 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 18 (or under age 22 and a student) 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.

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.

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.

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 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

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.

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.

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

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.

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. Because there was no cost-of-living increase for 2010, the excluded amounts remain at 2009 levels.

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 September 2004. 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 Ticket to Work program's milestone and/or outcome-based payment 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. For benefits to continue, 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 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.

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.

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 have their nonmedical eligibility factors redetermined periodically, 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 2010¹).

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 any adverse action SSA plans to take against them and may continue to receive monthly benefits if they appeal the adverse action. For nondisability appeals, recipients qualify for benefit continuation at the reconsideration level if they file the appeal within 10 days of receipt of the notice of adverse action. For appeals of medical cessations or determinations reopened and revised due to medical reasons, recipients qualify for benefit continuation at the reconsideration and hearing levels if they file the appeal and elect benefit continuation within 10 days of receipt of the initial or reconsideration determination.

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).

Representatives must file a written request with SSA before they can charge or receive a fee for services they provide. SSA decides the amount of the fee, if any, a representative may charge or receive. 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 past-due benefits or \$6,000. 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. If SSA is required to approve the fee, the representative may not charge or receive more than the 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 representative fees. SSI claimants were responsible for paying such fees directly to their representatives. However, beginning February 28, 2005, direct payment of both attorney and non-attorney representative fees was extended to the SSI program.² As in the fee process for the Social Security program, representatives are now charged an assessment of the smaller

¹ For disabled recipients who also have a drug addiction or alcoholism condition, the maximum permitted fee in 2010 is \$72 a month.

² 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. Public Law 111-142, enacted February 27, 2010, made this extension permanent.

of 6.3 percent of each authorized fee withheld or the flat-rate cap of \$83. The flat-rate cap is adjusted based on annual cost-of-living adjustments, rounded down to the next lower dollar.

Non-attorney representatives must meet specified prerequisites in order to be paid directly by SSA out of SSI applicants' past-due benefits. These prerequisites include having a bachelors' degree or equivalent qualifications from training or work experience; maintaining adequate liability insurance; passing a criminal background check; passing an examination given by SSA that tests relevant knowledge of the Social Security Act and recent court decisions; and completing ongoing courses of continuing education.

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, 44 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 2010, the fee is \$10.45 per payment issued. Fees are subject to change in succeeding fiscal years, based on increases in the Consumer Price Index for All Urban Consumers.

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, 42 States use the levels method and 8 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.

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:		Agreement with SSA to determine eligibility	
						Federal criteria	State criteria		
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	29	10	5	42	8	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, 2010-34

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 2010 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 2010 Trustees Report is a continuation of the recent economic downturn, with a return to a sustainable path for the economy over the following several years. As explained later in this section, the economic recession appears to have generated an increase in applications for SSI disability benefits and a consequent increase in projected SSI expenditures, although this temporary increase is expected to subside as the economy recovers.

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 111-137, published August 9, 2010.

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 2010 OASDI Trustees Report, as of July 1, 1974-2034
[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	34,151	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	18,605	13,957	263,355
1992	69,610	71,770	57,319	34,511	18,818	14,288	266,315
1993	70,638	71,006	58,898	35,121	18,973	14,604	269,241
1994	71,546	70,263	60,488	35,770	19,066	14,914	272,046
1995	72,302	69,569	62,181	36,360	19,093	15,246	274,751
1996	72,939	69,033	63,654	37,198	19,060	15,596	277,479
1997	73,449	68,667	64,645	38,543	18,972	15,946	280,222
1998	73,820	68,433	65,455	40,055	18,842	16,266	282,872
1999	74,174	68,318	66,241	41,525	18,698	16,549	285,505
2000	74,530	68,312	66,851	43,015	18,611	16,808	288,128
2001	74,864	68,452	67,264	44,555	18,591	17,047	290,773
2002	75,180	68,723	67,476	46,161	18,623	17,260	293,423
2003	75,439	69,011	67,511	47,801	18,725	17,458	295,945
2004	75,688	69,299	67,506	49,494	18,899	17,668	298,555
2005	75,975	69,594	67,567	51,247	19,150	17,867	301,401
2006	76,285	69,976	67,569	53,008	19,511	18,056	304,405
2007	76,565	70,588	67,304	54,687	20,065	18,216	307,424
2008	76,751	71,461	66,813	56,256	20,775	18,331	310,387
2009	76,896	72,451	66,240	57,831	21,477	18,448	313,343
Projected:							
2010	77,093	73,401	65,620	59,473	22,098	18,576	316,262
2011	77,357	74,271	65,001	60,911	22,883	18,723	319,146
2012	77,691	75,023	64,460	61,916	24,022	18,900	322,012
2013	78,092	75,657	64,019	62,763	25,223	19,121	324,875
2014	78,552	76,173	63,718	63,590	26,321	19,382	327,736
2015	79,039	76,588	63,645	64,242	27,406	19,671	330,592
2016	79,534	76,967	63,779	64,656	28,481	20,025	333,442
2017	80,022	77,346	64,035	64,874	29,501	20,508	336,286
2018	80,496	77,756	64,308	64,976	30,484	21,101	339,121
2019	80,996	78,162	64,512	65,037	31,544	21,691	341,942
2020	81,533	78,508	64,665	65,105	32,709	22,227	344,748
2021	82,057	78,832	64,861	65,098	33,765	22,920	347,533
2022	82,548	79,169	65,237	64,854	34,563	23,923	350,294
2023	83,014	79,485	65,846	64,390	35,291	24,999	353,025
2024	83,429	79,762	66,624	63,836	36,062	26,009	355,723
2025	83,774	80,011	67,509	63,251	36,825	27,013	358,383
2026	84,152	80,194	68,413	62,674	37,528	28,041	361,002
2027	84,583	80,352	69,234	62,176	38,125	29,107	363,577
2028	84,988	80,585	69,936	61,772	38,610	30,210	366,102
2029	85,369	80,893	70,513	61,501	38,953	31,348	368,577
2030	85,725	81,270	70,956	61,444	39,100	32,502	370,998
2031	86,060	81,706	71,316	61,581	39,035	33,668	373,365
2032	86,375	82,169	71,645	61,830	38,811	34,848	375,677
2033	86,673	82,639	71,988	62,093	38,541	36,002	377,936
2034	86,957	83,102	72,363	62,294	38,316	37,111	380,143

^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 2010 OASDI Trustees Report, 1974-2034

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
2010.....	0.0	674.00	1,011.00	338.00
Projected:				
2011.....	0.0	674.00	1,011.00	338.00
2012.....	1.2	682.00	1,023.00	342.00
2013.....	2.4	699.00	1,048.00	350.00
2014.....	2.7	717.00	1,076.00	359.00
2015.....	2.8	738.00	1,106.00	369.00
2016.....	2.8	758.00	1,137.00	380.00
2017.....	2.8	779.00	1,169.00	390.00
2018.....	2.8	801.00	1,202.00	401.00
2019.....	2.8	824.00	1,236.00	413.00
2020.....	2.8	847.00	1,270.00	424.00
2021.....	2.8	871.00	1,306.00	436.00
2022.....	2.8	895.00	1,343.00	448.00
2023.....	2.8	920.00	1,380.00	461.00
2024.....	2.8	946.00	1,419.00	474.00
2025.....	2.8	972.00	1,459.00	487.00
2026.....	2.8	1,000.00	1,499.00	501.00
2027.....	2.8	1,028.00	1,541.00	515.00
2028.....	2.8	1,056.00	1,585.00	529.00
2029.....	2.8	1,086.00	1,629.00	544.00
2030.....	2.8	1,116.00	1,675.00	559.00
2031.....	2.8	1,148.00	1,721.00	575.00
2032.....	2.8	1,180.00	1,770.00	591.00
2033.....	2.8	1,213.00	1,819.00	608.00
2034.....	2.8	1,247.00	1,870.00	625.00

^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. These figures are consistent with the underlying assumption that the CPI in 2010 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 2009, there were 1.2 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 2009, there were 6.5 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 2009, there were 5.3 million blind or disabled recipients of Federally-administered SSI payments age 18 or older, including 840 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 2009, there were 1.2 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 2009 coming in 6.0 percent higher than was estimated in the 2009 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 1974-2034
[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
2009	497	578	666	612	5	^d	110	37	2,359	147	2,506
Projected:											
2010	489	564	659	643	6	^d	111	38	2,362	148	2,511
2011	506	570	666	661	6	^d	121	38	2,409	158	2,567
2012	504	561	645	654	7	^d	130	38	2,370	168	2,538
2013	449	493	560	579	6	^d	136	39	2,087	174	2,261
2014	433	477	539	565	6	^d	141	39	2,020	180	2,200
2015	428	474	537	564	6	^d	146	40	2,008	186	2,194
2016	423	465	531	557	6	^d	151	41	1,981	192	2,173
2017	421	460	528	551	6	^d	156	42	1,966	198	2,165
2018	429	468	536	556	7	^d	161	44	1,996	204	2,200
2019	440	480	548	567	7	^d	166	45	2,042	211	2,253
2020	443	482	548	567	7	^d	172	46	2,047	217	2,265
2021	446	484	549	566	7	^d	176	48	2,052	224	2,276
2022	448	486	553	562	7	^d	180	50	2,057	229	2,286
2023	450	488	559	556	8	^d	183	52	2,061	235	2,296
2024	452	490	566	551	8	^d	186	54	2,066	240	2,306
2025	454	491	574	545	8	^d	189	56	2,072	245	2,317
2026	457	492	581	540	8	^d	192	58	2,077	250	2,327
2027	459	493	588	536	8	^d	193	60	2,083	253	2,336
2028	461	494	593	534	8	^d	194	62	2,090	256	2,347
2029	462	496	598	534	8	^d	195	64	2,098	259	2,357
2030	464	499	601	536	7	^d	193	66	2,107	259	2,366
2031	465	501	604	538	7	^d	191	69	2,116	259	2,376
2032	467	504	607	540	7	^d	188	71	2,126	259	2,385
2033	468	507	611	542	7	^d	187	73	2,135	260	2,395
2034	470	510	614	544	7	^d	187	75	2,145	262	2,407

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

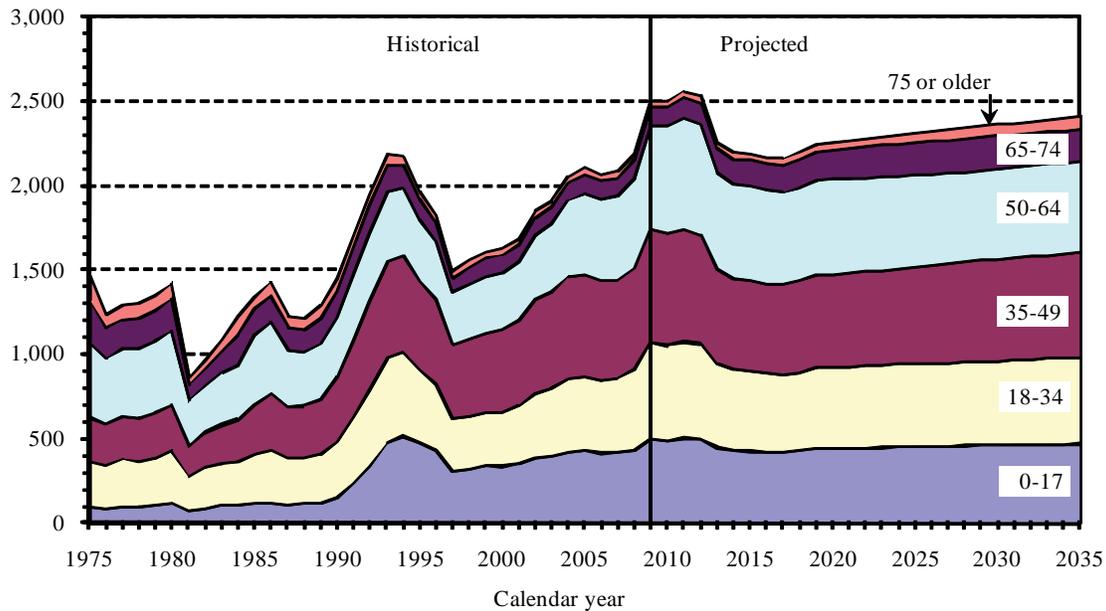
^b "All" column estimated by the Office of Research, Evaluation, and Statistics using a 10-percent sample and published in the SSI Annual Statistical Report.

^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, well 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 1974-2034
[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
2009.....	198	161	214	322	4	^d	80	26	900	106	1,006
Projected:											
2010.....	203	168	226	356	5	^d	80	26	959	106	1,065
2011.....	207	167	223	359	6	^d	87	26	962	113	1,075
2012.....	208	165	217	355	6	^d	95	26	951	121	1,072
2013.....	186	146	189	315	6	^d	99	27	842	126	968
2014.....	179	141	180	303	6	^d	103	27	809	131	940
2015.....	177	139	178	298	6	^d	107	28	798	136	933
2016.....	175	138	176	292	6	^d	112	29	787	141	928
2017.....	174	137	175	288	6	^d	116	30	781	146	927
2018.....	177	140	178	291	7	^d	120	31	792	151	943
2019.....	182	143	181	296	7	^d	123	32	809	155	965
2020.....	183	143	181	296	7	^d	127	33	811	160	970
2021.....	184	144	181	295	7	^d	130	34	812	164	976
2022.....	185	145	183	293	7	^d	133	36	813	169	981
2023.....	186	145	184	290	7	^d	135	37	813	172	986
2024.....	187	146	187	287	8	^d	137	38	814	176	990
2025.....	188	147	189	284	8	^d	140	40	815	179	995
2026.....	188	147	192	282	8	^d	141	41	816	182	998
2027.....	189	147	194	280	8	^d	142	43	817	185	1,002
2028.....	190	147	196	278	8	^d	143	44	819	187	1,006
2029.....	191	148	197	278	7	^d	143	46	821	188	1,009
2030.....	191	149	198	278	7	^d	141	47	823	188	1,012
2031.....	192	149	199	279	7	^d	139	49	826	188	1,014
2032.....	192	150	200	280	7	^d	138	50	829	188	1,017
2033.....	193	151	201	280	7	^d	137	52	833	188	1,021
2034.....	193	152	203	281	7	^d	136	53	836	189	1,025

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

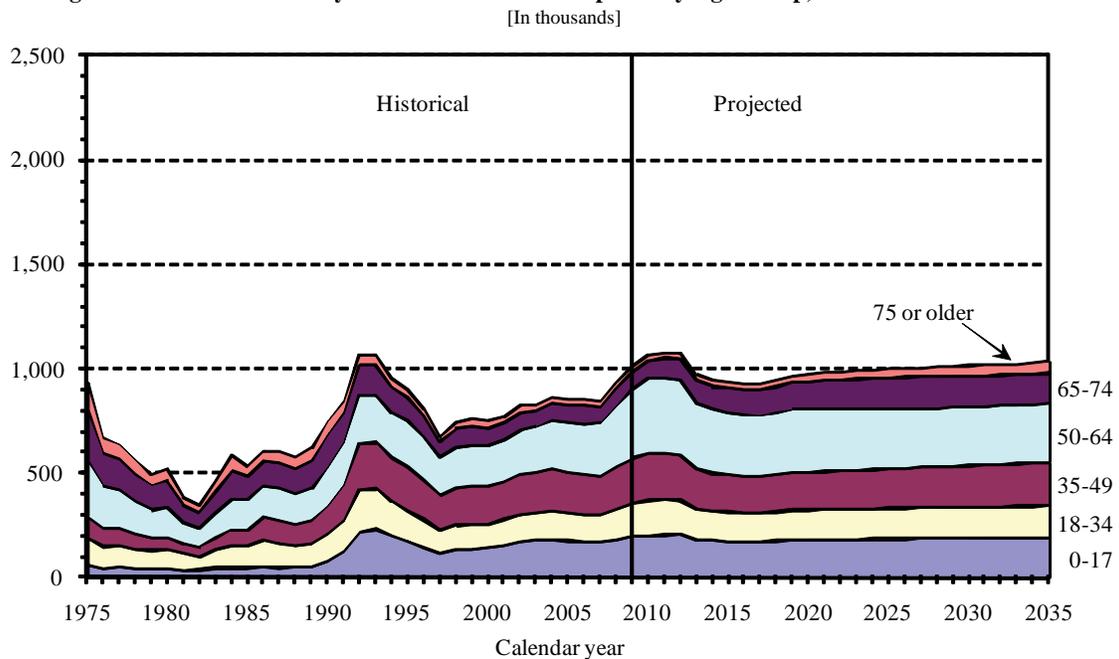
^b Historical totals estimated based on 1-percent or 10-percent sample data.

^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



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. Starting 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. Similar to the growth in applications described above, the total numbers of new recipients are projected to continue to increase, peaking in 2011 and reaching a relative low point by 2017. 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. Actual numbers of terminations in 2009 were 10.5 percent higher than 2008 levels. This increase in the number of terminations appears to be attributable to two main factors. First, there has been a reduction in some

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 1974-2034

[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
2009	5	9	25	64	26	22	8	52	150	60	210
Projected:											
2010	5	9	24	66	26	22	7	50	151	58	209
2011	5	9	25	70	26	24	7	50	158	58	216
2012	5	9	25	74	27	24	7	50	164	58	221
2013	5	10	24	77	27	25	7	50	168	58	225
2014	5	10	24	78	28	25	8	50	170	58	227
2015	5	10	23	78	29	26	8	50	171	58	229
2016	5	10	23	78	31	26	8	50	172	58	230
2017	5	10	23	77	32	27	8	50	172	58	230
2018	4	10	22	76	33	27	9	50	173	58	231
2019	4	10	22	75	34	27	9	50	174	59	232
2020	4	10	22	75	35	28	9	50	174	59	233
2021	4	10	22	74	37	28	10	50	175	60	235
2022	4	10	22	73	37	29	10	51	176	60	236
2023	4	10	22	72	38	30	10	51	176	61	237
2024	4	10	22	71	39	31	10	52	177	62	239
2025	4	10	23	70	39	32	10	52	177	63	240
2026	4	10	23	68	40	33	10	53	178	64	242
2027	4	10	23	67	40	35	10	54	178	65	243
2028	4	10	23	67	40	36	10	55	179	66	245
2029	4	10	23	66	40	37	10	57	180	67	247
2030	4	10	23	66	39	39	10	58	180	69	249
2031	4	10	23	66	39	40	10	60	181	70	251
2032	4	10	23	66	38	41	10	61	181	71	253
2033	4	10	23	65	37	43	10	63	182	73	255
2034	4	9	23	65	37	44	10	64	182	74	257

^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 1974-2034
[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
2009	61	124	141	214	27	10	25	37	576	63	639
Projected:											
2010	57	121	138	213	19	8	18	28	555	47	602
2011	50	122	126	206	20	8	21	29	532	50	582
2012	61	113	108	188	21	9	22	30	500	53	552
2013	68	127	119	204	23	9	22	30	550	53	602
2014	67	131	118	208	24	9	23	30	558	53	611
2015	64	133	116	209	25	10	23	32	558	55	613
2016	65	136	115	208	27	11	24	34	561	58	619
2017	59	141	116	208	28	12	25	35	564	60	624
2018	62	144	116	206	30	12	26	35	570	61	631
2019	76	143	116	204	31	12	27	35	583	62	644
2020	79	146	118	204	32	12	28	35	591	63	654
2021	81	149	119	204	34	13	29	36	599	65	664
2022	80	149	120	202	35	13	29	37	598	66	665
2023	78	150	122	199	35	14	30	38	598	68	667
2024	78	151	124	197	36	14	31	39	600	70	670
2025	77	152	126	194	37	15	31	40	601	72	673
2026	77	152	128	192	37	15	32	41	602	73	676
2027	78	152	130	191	37	16	32	43	604	75	679
2028	78	152	132	189	38	17	33	44	605	77	682
2029	78	152	133	189	38	18	33	46	607	79	685
2030	78	152	134	189	37	18	33	47	609	80	689
2031	78	153	135	189	37	19	33	49	611	82	693
2032	79	153	135	190	36	20	33	51	614	83	697
2033	79	154	136	191	36	20	32	52	616	85	701
2034	79	154	137	191	36	21	32	54	619	86	705

^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.

Federally-administered State supplementary payment levels, which resulted in an increase in terminations for State recipients not receiving Federal benefits. Second, there was a substantial increase in the number of new SSI recipients concurrently eligible for OASDI disability benefits. Many of these concurrent recipients only received SSI benefits temporarily during the 5-month DI waiting period, but were terminated from the SSI rolls once receipt of their higher OASDI benefits started. In addition, some increase in termi-

Table IV.B5.—SSI Federally-Administered Terminations for All Reasons, Calendar Years 1974-2034
[In thousands]

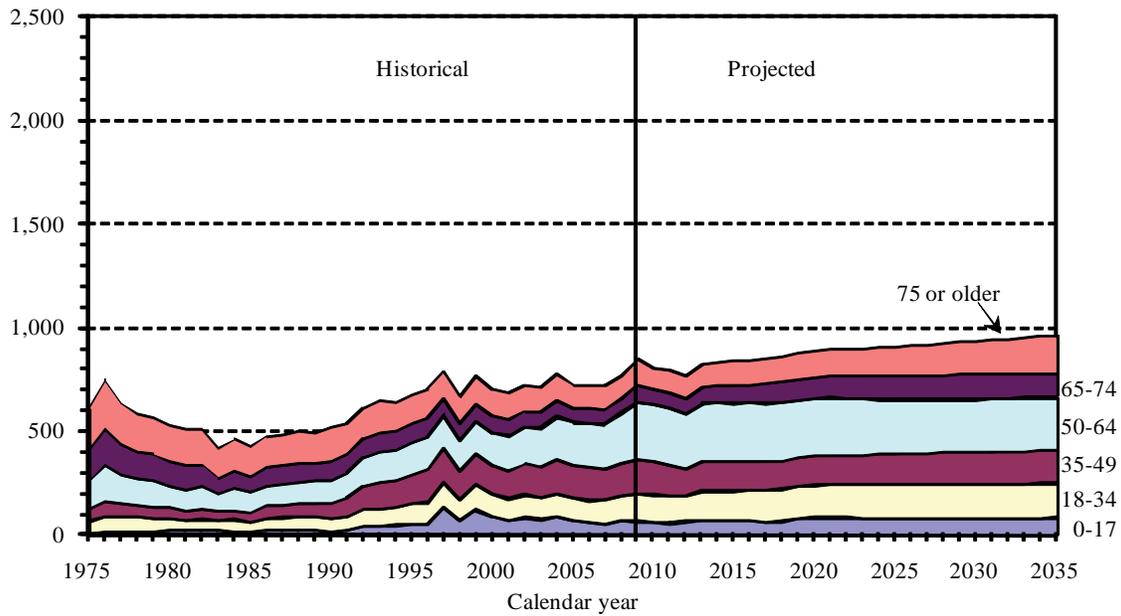
Calendar year	Blind or disabled, by age group					Aged, by age group			Totals ^a		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974	5	36	42	103	19	4	67	126	209	193	402
1975	8	55	56	140	25	3	127	199	287	326	613
1976	13	75	71	174	35	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
2009	66	133	166	278	52	32	33	90	726	123	849
Projected:											
2010	62	129	162	278	45	30	26	78	706	104	811
2011	55	131	150	276	46	32	28	80	690	108	798
2012	66	123	132	262	48	33	30	81	663	110	773
2013	73	136	144	281	50	34	30	80	718	110	828
2014	72	140	142	286	52	35	30	80	727	111	838
2015	69	143	139	287	55	36	31	82	729	113	841
2016	69	146	138	286	57	37	32	83	733	115	848
2017	63	151	139	286	60	38	33	85	737	118	855
2018	66	154	139	282	63	39	34	85	743	119	862
2019	81	153	139	279	65	39	35	85	756	120	877
2020	83	156	140	279	68	40	37	85	765	122	888
2021	86	159	141	278	70	41	38	86	774	124	899
2022	84	159	142	275	72	42	39	88	774	127	901
2023	83	160	144	271	73	44	40	89	775	129	904
2024	82	161	146	267	75	45	41	91	777	132	908
2025	81	162	149	264	76	47	42	93	779	134	913
2026	81	162	151	261	77	49	42	95	780	137	917
2027	81	162	153	258	77	51	43	97	782	140	922
2028	82	162	155	256	77	53	43	100	784	143	927
2029	82	162	156	255	77	55	43	102	786	146	932
2030	82	162	157	254	77	57	44	105	789	149	938
2031	82	162	158	255	76	59	43	108	792	152	944
2032	82	163	159	256	74	61	43	112	795	155	950
2033	83	163	160	256	73	63	43	115	798	158	956
2034	83	164	161	257	73	65	42	118	801	161	962

^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.

nations was attributable to an increase in the numbers of continuing disability reviews (CDRs) and non-medical redeterminations processed, although those workloads are still subject to constraints on Agency administrative resources. Projected terminations reflect an assumed return to recent historical levels for State-only recipients as well as a return over time to processing schedules for both CDRs 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 2009 was that the number of Federal SSI recipients at the end of 2009 was about 2.8 percent higher than the corresponding number at the end of 2008, 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, 1974-2034
[In thousands]

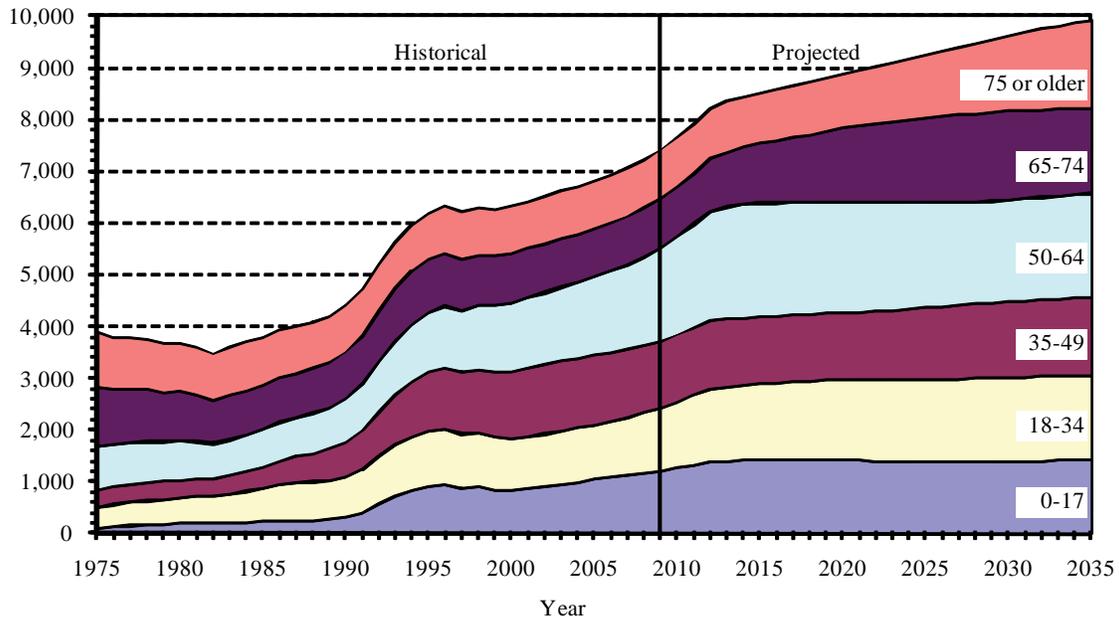
Year	Blind or disabled, by age group					Aged, by age group			Totals		
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled	Aged	All
Historical data:											
1974	70	338	321	756	109	13	1,010	1,019	1,606	2,029	3,635
1975	106	395	352	838	164	14	963	1,062	1,869	2,025	3,893
1976	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, 1974-2034 (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
2009	1,198	1,229	1,302	1,793	559	241	396	704	6,322	1,101	7,423
Projected:											
2010	1,254	1,290	1,301	1,900	569	250	397	704	6,564	1,101	7,665
2011	1,317	1,350	1,310	2,006	584	258	402	702	6,825	1,104	7,930
2012	1,368	1,414	1,334	2,115	607	266	411	701	7,105	1,112	8,217
2013	1,390	1,443	1,321	2,163	633	273	425	700	7,223	1,125	8,348
2014	1,404	1,462	1,302	2,189	661	279	441	700	7,298	1,141	8,438
2015	1,415	1,479	1,291	2,199	691	284	460	700	7,359	1,160	8,519
2016	1,421	1,494	1,287	2,192	723	288	482	700	7,405	1,182	8,587
2017	1,428	1,506	1,286	2,175	755	294	503	704	7,444	1,206	8,650
2018	1,432	1,521	1,291	2,159	789	299	524	710	7,490	1,234	8,724
2019	1,425	1,540	1,297	2,149	825	303	548	717	7,539	1,265	8,804
2020	1,417	1,554	1,303	2,140	859	309	575	723	7,581	1,299	8,880
2021	1,406	1,567	1,310	2,125	890	319	595	740	7,616	1,334	8,950
2022	1,397	1,580	1,323	2,103	916	332	608	764	7,652	1,372	9,024
2023	1,390	1,593	1,342	2,078	940	346	623	788	7,688	1,411	9,099
2024	1,382	1,603	1,363	2,053	962	360	638	813	7,724	1,451	9,175
2025	1,375	1,610	1,388	2,028	982	376	653	840	7,759	1,492	9,251
2026	1,374	1,612	1,412	2,005	998	392	665	868	7,793	1,534	9,326
2027	1,375	1,614	1,432	1,987	1,010	409	676	899	7,826	1,575	9,401
2028	1,377	1,617	1,449	1,972	1,018	426	684	930	7,859	1,615	9,474
2029	1,381	1,622	1,462	1,963	1,021	444	690	963	7,893	1,654	9,546
2030	1,385	1,627	1,472	1,963	1,018	461	693	997	7,926	1,690	9,616
2031	1,391	1,631	1,481	1,968	1,010	478	693	1,031	7,959	1,723	9,683
2032	1,397	1,636	1,490	1,976	999	495	689	1,065	7,993	1,754	9,746
2033	1,403	1,640	1,501	1,983	989	510	684	1,098	8,026	1,782	9,808
2034	1,408	1,644	1,512	1,988	983	525	678	1,130	8,060	1,808	9,868

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
[In thousands]



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 2009, the growth rate for the Federal SSI recipient population averaged 1.8 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 2009 through the end of 2012 averaging approximately 3.4 percent. Beginning in 2013, the growth in the projected numbers of Federal SSI recipients 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, 1974-2034

Year	Blind or disabled, by age group					Aged, by age group			Totals		All ^c
	0-17	18-34	35-49	50-64	65-74	75 or older	65-74	75 or older	Blind or disabled ^a	Aged ^b	
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	5.18	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	2.59	1.15	2.59	4.13	1.78	3.32	2.19
2001	1.18	1.45	1.97	2.98	2.65	1.14	2.48	4.07	1.80	3.24	2.20
2002	1.22	1.46	1.99	2.97	2.68	1.14	2.39	4.03	1.82	3.18	2.21
2003	1.27	1.48	2.00	2.95	2.71	1.15	2.28	3.98	1.85	3.10	2.23
2004	1.31	1.50	2.00	2.93	2.70	1.16	2.16	3.91	1.86	3.01	2.23
2005	1.36	1.53	1.99	2.92	2.70	1.19	2.11	3.90	1.89	2.98	2.25
2006	1.42	1.56	1.98	2.92	2.68	1.21	2.05	3.86	1.91	2.92	2.27
2007	1.47	1.59	1.96	2.94	2.64	1.24	1.94	3.83	1.93	2.84	2.29
2008	1.51	1.63	1.96	2.99	2.60	1.26	1.87	3.80	1.96	2.77	2.32
2009	1.56	1.69	1.97	3.06	2.56	1.30	1.81	3.78	2.01	2.72	2.36
Projected:											
2010	1.63	1.75	1.99	3.15	2.54	1.33	1.77	3.75	2.07	2.67	2.41
2011	1.71	1.81	2.03	3.26	2.50	1.36	1.72	3.71	2.13	2.61	2.48
2012	1.77	1.88	2.08	3.39	2.46	1.39	1.67	3.67	2.20	2.54	2.54
2013	1.78	1.90	2.07	3.42	2.45	1.41	1.65	3.61	2.22	2.49	2.56
2014	1.79	1.91	2.05	3.42	2.46	1.42	1.64	3.56	2.22	2.45	2.57
2015	1.79	1.93	2.03	3.41	2.47	1.42	1.64	3.51	2.22	2.42	2.57
2016	1.79	1.94	2.01	3.38	2.49	1.42	1.66	3.44	2.21	2.39	2.57
2017	1.79	1.94	2.00	3.35	2.51	1.41	1.67	3.36	2.21	2.37	2.56
2018	1.78	1.95	2.00	3.32	2.54	1.39	1.69	3.30	2.20	2.35	2.56
2019	1.76	1.97	2.01	3.30	2.57	1.37	1.70	3.24	2.20	2.33	2.57

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, 1974-2034 (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	1.74	1.98	2.01	3.28	2.57	1.37	1.72	3.20	2.19	2.32	2.57
2021	1.72	1.98	2.02	3.27	2.60	1.36	1.74	3.15	2.18	2.31	2.57
2022	1.70	1.99	2.02	3.25	2.62	1.35	1.74	3.10	2.18	2.30	2.57
2023	1.68	2.00	2.03	3.24	2.63	1.35	1.74	3.07	2.17	2.30	2.57
2024	1.66	2.01	2.03	3.23	2.64	1.35	1.75	3.05	2.16	2.30	2.57
2025	1.65	2.01	2.04	3.22	2.64	1.36	1.75	3.04	2.16	2.30	2.57
2026	1.64	2.01	2.05	3.21	2.63	1.36	1.75	3.02	2.15	2.30	2.58
2027	1.63	2.01	2.06	3.20	2.63	1.37	1.76	3.02	2.15	2.31	2.58
2028	1.62	2.00	2.06	3.20	2.62	1.38	1.76	3.01	2.14	2.31	2.58
2029	1.62	2.00	2.07	3.19	2.61	1.38	1.76	3.00	2.14	2.32	2.58
2030	1.62	2.00	2.07	3.19	2.60	1.39	1.77	3.00	2.13	2.33	2.58
2031	1.62	1.99	2.07	3.19	2.59	1.39	1.78	2.99	2.13	2.35	2.59
2032	1.62	1.99	2.08	3.19	2.58	1.39	1.78	2.99	2.12	2.36	2.59
2033	1.62	1.98	2.08	3.19	2.57	1.39	1.78	2.99	2.12	2.37	2.59
2034	1.63	1.97	2.08	3.19	2.57	1.39	1.77	2.99	2.12	2.38	2.59

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

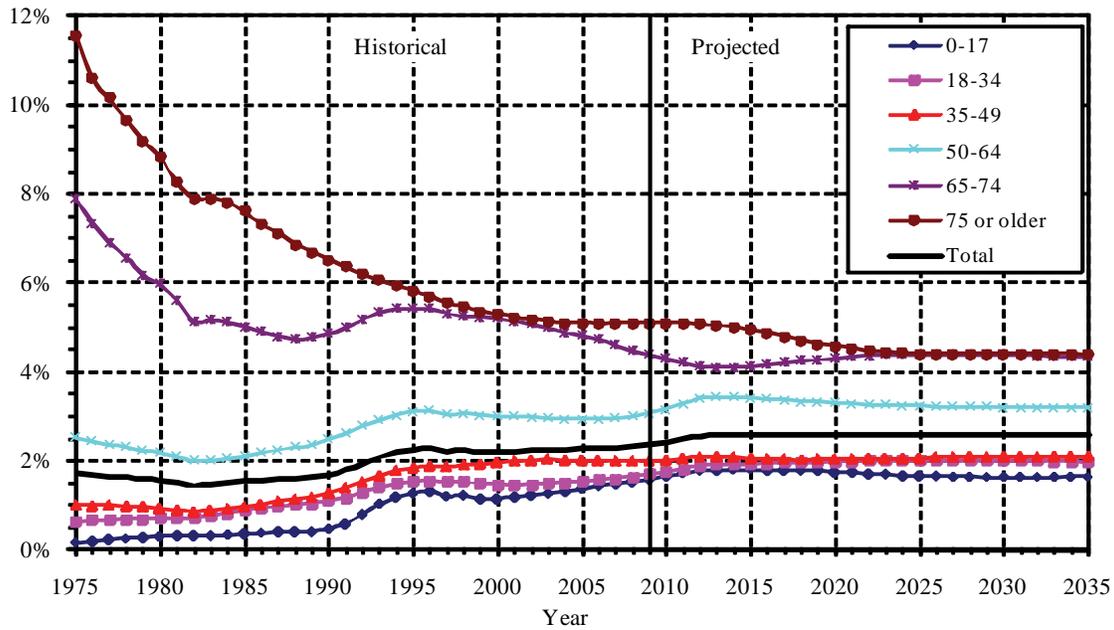
^b Aged recipients as a percentage of the 65 or older Social Security Area population.

^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. Since 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. The proportion of the population receiving SSI blind or disabled benefits declined slightly in the late 1990s due to the implementation of welfare reform legislation, but resumed its upward trend in 2000. That upward trend has continued through 2009, and is estimated to continue through 2014, reaching more than 2.2 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, 1974-2034
[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
2009	2	16	43	69	29	11	38	48	168	85	254

Table IV.B8.—SSI Recipients with Federally-Administered State Supplementary Benefits Only, in Current-Payment Status as of December, 1974-2034 (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:											
2010	2	18	44	75	30	11	39	48	179	87	266
2011	2	19	46	80	31	11	40	49	189	89	278
2012	2	20	46	85	34	11	42	50	198	92	289
2013	2	21	46	88	36	12	44	51	204	95	299
2014	3	22	46	91	38	12	46	52	212	99	310
2015	3	23	47	94	40	12	49	54	219	103	322
2016	3	24	48	97	43	13	52	55	227	107	334
2017	3	24	49	98	45	13	54	57	233	111	344
2018	3	25	49	99	47	14	57	58	236	115	352
2019	3	25	50	99	49	14	59	60	240	119	359
2020	3	25	50	99	52	14	62	61	243	123	366
2021	3	25	50	98	53	15	64	63	245	127	373
2022	3	26	51	97	55	16	65	66	248	132	379
2023	3	26	52	96	57	17	67	69	250	136	386
2024	3	26	53	95	58	17	69	71	252	140	392
2025	3	26	54	94	59	18	70	74	254	144	398
2026	3	26	54	93	60	19	71	77	256	148	404
2027	3	26	55	92	61	20	73	79	257	152	409
2028	3	26	56	91	61	21	73	82	258	156	414
2029	3	26	56	91	61	22	74	85	260	159	419
2030	3	26	57	91	61	22	74	88	261	163	423
2031	3	27	57	91	60	23	74	91	262	166	427
2032	3	27	58	91	60	24	74	95	263	168	431
2033	3	27	58	92	59	25	73	97	264	171	435
2034	3	27	59	92	59	26	73	100	265	173	438

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 somewhat more 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, 1974-2034**
[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	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
2009	1,200	1,244	1,345	1,862	588	252	434	752	6,491	1,186	7,677
Projected:											
2010	1,256	1,308	1,346	1,974	598	261	436	752	6,743	1,188	7,931
2011	1,319	1,369	1,356	2,087	616	269	442	751	7,015	1,193	8,208
2012	1,370	1,434	1,380	2,200	641	277	453	751	7,303	1,204	8,507
2013	1,392	1,464	1,367	2,251	669	285	469	751	7,427	1,220	8,647
2014	1,407	1,484	1,348	2,280	699	291	488	752	7,509	1,240	8,749
2015	1,418	1,501	1,338	2,293	731	296	509	754	7,578	1,263	8,841
2016	1,424	1,518	1,335	2,289	765	301	534	755	7,632	1,289	8,921
2017	1,431	1,530	1,335	2,273	800	307	557	760	7,676	1,317	8,994
2018	1,435	1,545	1,340	2,257	836	312	581	768	7,726	1,349	9,075
2019	1,428	1,565	1,347	2,247	874	317	607	777	7,779	1,384	9,163
2020	1,420	1,579	1,353	2,238	910	324	637	785	7,824	1,422	9,246
2021	1,409	1,592	1,360	2,223	943	334	659	803	7,861	1,462	9,323
2022	1,401	1,606	1,374	2,200	972	348	673	831	7,900	1,504	9,404
2023	1,393	1,618	1,393	2,174	997	363	690	857	7,938	1,547	9,485
2024	1,385	1,629	1,416	2,148	1,020	378	707	884	7,976	1,591	9,567
2025	1,378	1,636	1,442	2,122	1,042	394	723	913	8,013	1,636	9,649
2026	1,377	1,638	1,466	2,098	1,058	411	737	945	8,048	1,682	9,730
2027	1,378	1,640	1,487	2,079	1,071	429	749	978	8,083	1,727	9,810
2028	1,380	1,644	1,505	2,063	1,079	447	758	1,013	8,118	1,771	9,888
2029	1,384	1,648	1,519	2,054	1,083	465	764	1,049	8,152	1,813	9,965
2030	1,388	1,653	1,529	2,053	1,079	483	768	1,085	8,187	1,853	10,039
2031	1,394	1,658	1,539	2,059	1,070	501	767	1,122	8,221	1,889	10,110
2032	1,400	1,662	1,548	2,067	1,059	519	762	1,159	8,256	1,922	10,178
2033	1,406	1,667	1,559	2,075	1,049	535	757	1,195	8,290	1,952	10,243
2034	1,412	1,671	1,570	2,080	1,041	551	751	1,230	8,325	1,981	10,306

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 1974-2010
[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	8,635	8,493	8,618	11,556	2,644	1,153	1,528	3,277	41,099	4,805	45,904
2010 ^d	9,057	9,004	8,755	12,422	2,708	1,210	1,520	3,293	43,157	4,813	47,969

^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 Bul-*

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.

letin, in two main ways. First, the payments shown in the *Annual Statistical Supplement* are tabulated for 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. For example, the calendar year 2009 payment amounts shown in table IV.C1 reflect payments made in January-December, 2009, and include the payments due on January 1, 2010 (which were actually paid in December, 2009), but not the payments due on January 1, 2009 (which were actually paid in December, 2008). 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 1978-2010. 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 1978-2010
[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.....	8,389	8,241	8,493	11,208	2,598	1,126	1,505	3,233	40,056	4,737	44,793
2010 ^b	8,945	8,887	8,768	12,194	2,693	1,196	1,529	3,300	42,684	4,829	47,513

^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 2010 payments include payments made from October 1, 2009 through September 30, 2010.

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 1974-2009, and the full 25-year projection period, 2010-34. 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 2010 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 2010 Dollars, Calendar Years 1975-2035
[In billions]

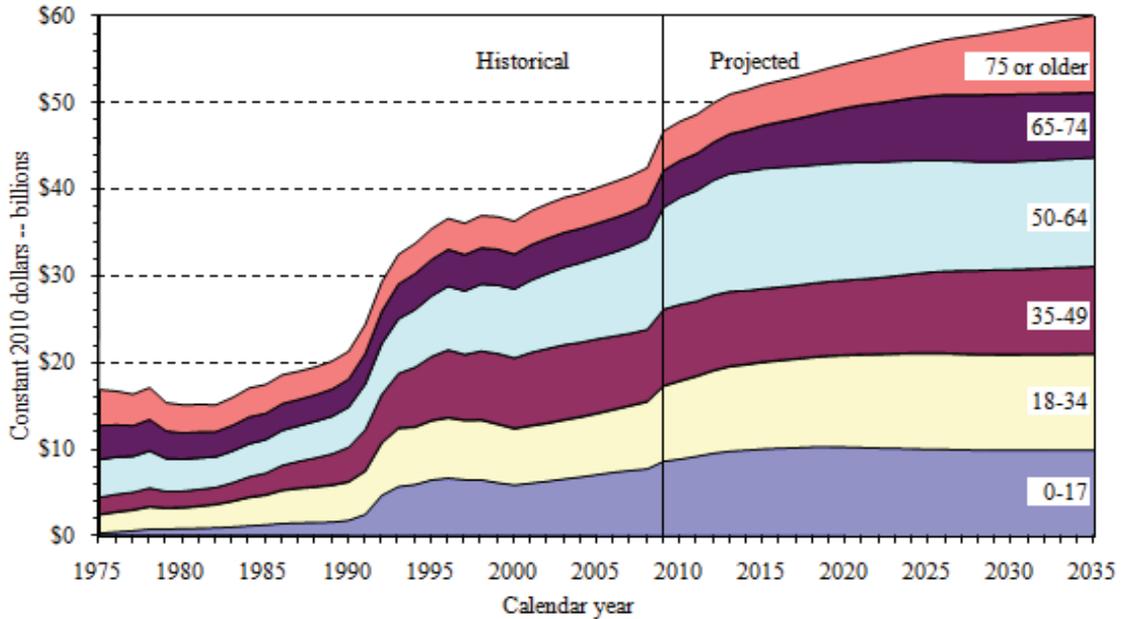


Table IV.C3.—SSI Federal Payments in Constant 2010 Dollars, Calendar Years 1974-2034
 [Payment amounts in millions]

Calendar year	Adjusted ^a CPI	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.....	23.19	\$174	\$1,887	\$1,948	\$4,175	\$583	\$75	\$3,557	\$4,130	\$8,842	\$7,687	\$16,529
1975.....	25.31	507	2,122	1,971	4,340	751	69	3,209	4,072	9,760	7,280	17,040
1976.....	26.76	657	2,262	2,022	4,286	901	63	2,847	3,824	10,191	6,670	16,861
1977.....	28.50	798	2,354	2,031	4,121	1,044	61	2,531	3,563	10,409	6,094	16,504
1978 ^b	30.66	986	2,546	2,135	4,278	1,244	59	2,399	3,624	11,248	6,023	17,270
1979.....	34.17	995	2,369	1,903	3,793	1,257	62	1,951	3,200	10,379	5,151	15,529
1980.....	38.78	1,024	2,401	1,886	3,661	1,403	72	1,655	3,172	10,447	4,827	15,274
1981.....	42.75	1,072	2,523	1,920	3,607	1,530	74	1,503	3,089	10,727	4,592	15,319
1982.....	45.31	1,131	2,672	1,948	3,508	1,553	84	1,390	3,010	10,896	4,400	15,296
1983.....	46.69	1,228	2,938	2,110	3,649	1,657	124	1,337	3,083	11,707	4,420	16,127
1984.....	48.29	1,365	3,264	2,336	3,800	1,731	211	1,388	3,131	12,708	4,519	17,227
1985.....	50.00	1,472	3,417	2,500	3,849	1,666	320	1,398	2,998	13,223	4,396	17,619
1986.....	50.77	1,637	3,800	2,860	4,024	1,670	412	1,439	2,913	14,402	4,352	18,754
1987.....	52.60	1,710	3,956	3,076	4,100	1,608	493	1,455	2,746	14,943	4,201	19,144
1988.....	54.69	1,746	4,074	3,324	4,210	1,598	556	1,489	2,649	15,508	4,138	19,646
1989.....	57.32	1,789	4,240	3,572	4,327	1,633	638	1,537	2,581	16,200	4,118	20,317
1990.....	60.34	1,990	4,408	3,969	4,627	1,605	674	1,636	2,539	17,274	4,175	21,449
1991.....	62.78	2,673	4,984	4,725	5,264	1,689	737	1,862	2,608	20,072	4,470	24,542
1992.....	64.61	4,881	6,037	5,537	5,867	1,740	754	2,017	2,616	24,816	4,633	29,449
1993.....	66.43	5,885	6,721	6,268	6,304	1,819	772	2,215	2,647	27,770	4,862	32,631
1994.....	68.11	6,118	6,613	6,851	6,656	1,870	790	2,300	2,663	28,900	4,963	33,863
1995.....	70.03	6,650	6,821	7,362	6,991	1,937	807	2,283	2,713	30,568	4,997	35,565
1996.....	72.08	6,863	6,943	7,788	7,350	1,980	818	2,280	2,743	31,742	5,023	36,765
1997.....	73.68	6,678	6,828	7,552	7,343	2,042	833	2,152	2,777	31,276	4,929	36,205
1998.....	74.66	6,650	6,898	7,904	7,738	2,127	851	2,066	2,861	32,168	4,926	37,095
1999.....	76.33	6,334	6,723	8,102	7,909	2,175	856	1,969	2,890	32,100	4,859	36,959
2000.....	78.98	6,064	6,484	8,109	7,968	2,174	855	1,861	2,924	31,653	4,785	36,438
2001.....	81.14	6,290	6,598	8,401	8,359	2,265	879	1,812	3,024	32,792	4,836	37,628
2002.....	82.24	6,509	6,668	8,570	8,671	2,321	897	1,742	3,064	33,635	4,806	38,441
2003.....	84.08	6,762	6,797	8,615	8,958	2,360	917	1,674	3,093	34,409	4,767	39,176
2004.....	86.27	6,997	6,901	8,559	9,207	2,381	938	1,584	3,080	34,982	4,664	39,646
2005.....	89.30	7,265	7,045	8,537	9,447	2,406	976	1,520	3,111	35,675	4,631	40,306
2006.....	92.19	7,536	7,220	8,418	9,701	2,425	1,002	1,532	3,141	36,302	4,673	40,975
2007.....	94.82	7,747	7,453	8,302	10,060	2,460	1,035	1,483	3,133	37,057	4,615	41,673
2008.....	98.69	7,928	7,725	8,280	10,527	2,494	1,066	1,455	3,122	38,019	4,577	42,596
2009.....	98.00	8,812	8,667	8,794	11,793	2,698	1,177	1,559	3,344	41,940	4,903	46,843
Projected:												
2010.....	100.00	9,057	9,004	8,755	12,422	2,708	1,210	1,520	3,293	43,157	4,813	47,969
2011.....	101.66	9,382	9,220	8,595	12,792	2,753	1,237	1,512	3,259	43,979	4,771	48,750
2012.....	104.00	9,731	9,525	8,634	13,302	2,847	1,275	1,530	3,242	45,313	4,771	50,084
2013.....	106.79	9,976	9,756	8,589	13,653	2,979	1,318	1,577	3,251	46,270	4,828	51,098
2014.....	109.78	10,086	9,865	8,464	13,790	3,116	1,353	1,636	3,263	46,674	4,900	51,574
2015.....	112.85	10,228	9,997	8,422	13,886	3,272	1,392	1,709	3,291	47,198	5,000	52,198
2016.....	116.01	10,306	10,110	8,406	13,853	3,438	1,424	1,795	3,311	47,538	5,105	52,643
2017.....	119.26	10,376	10,214	8,430	13,762	3,610	1,465	1,878	3,347	47,856	5,225	53,081
2018.....	122.60	10,463	10,327	8,477	13,667	3,793	1,500	1,962	3,393	48,229	5,355	53,584
2019.....	126.03	10,463	10,467	8,549	13,624	3,986	1,537	2,059	3,442	48,626	5,501	54,128
2020.....	129.56	10,441	10,579	8,606	13,585	4,169	1,579	2,169	3,488	48,958	5,657	54,615
2021.....	133.19	10,395	10,686	8,676	13,519	4,342	1,638	2,248	3,579	49,256	5,827	55,083
2022.....	136.91	10,341	10,781	8,784	13,392	4,493	1,720	2,299	3,707	49,511	6,006	55,517
2023.....	140.75	10,295	10,888	8,931	13,262	4,635	1,807	2,361	3,832	49,818	6,193	56,012
2024.....	144.69	10,249	10,981	9,103	13,129	4,773	1,898	2,424	3,965	50,133	6,389	56,522
2025.....	148.74	10,207	11,032	9,280	12,979	4,891	1,991	2,484	4,103	50,380	6,587	56,967
2026.....	152.90	10,189	11,036	9,440	12,836	4,986	2,088	2,538	4,259	50,575	6,798	57,373
2027.....	157.19	10,137	11,020	9,554	12,695	5,047	2,186	2,585	4,425	50,639	7,010	57,649
2028.....	161.59	10,098	11,002	9,646	12,572	5,087	2,285	2,621	4,595	50,690	7,217	57,907
2029.....	166.11	10,081	11,004	9,722	12,500	5,108	2,389	2,650	4,775	50,805	7,425	58,230
2030.....	170.76	10,069	11,006	9,771	12,473	5,094	2,490	2,668	4,956	50,904	7,624	58,528
2031.....	175.54	10,080	11,015	9,825	12,491	5,058	2,593	2,672	5,149	51,062	7,821	58,883
2032.....	180.46	10,088	11,017	9,872	12,524	5,005	2,694	2,662	5,345	51,200	8,007	59,207
2033.....	185.51	10,097	11,021	9,929	12,555	4,959	2,789	2,647	5,535	51,351	8,182	59,533
2034.....	190.71	10,106	11,028	9,991	12,577	4,927	2,880	2,627	5,722	51,509	8,349	59,858

^a The adjusted CPI is the CPI-W indexed to calendar year 2010. Projections of the adjusted CPI are based on the intermediate economic assumptions of the 2010 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 1974-2009**

[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	1,198	3,187	4,385
2009 ^a	1,070	2,894	3,964

^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 2009.¹

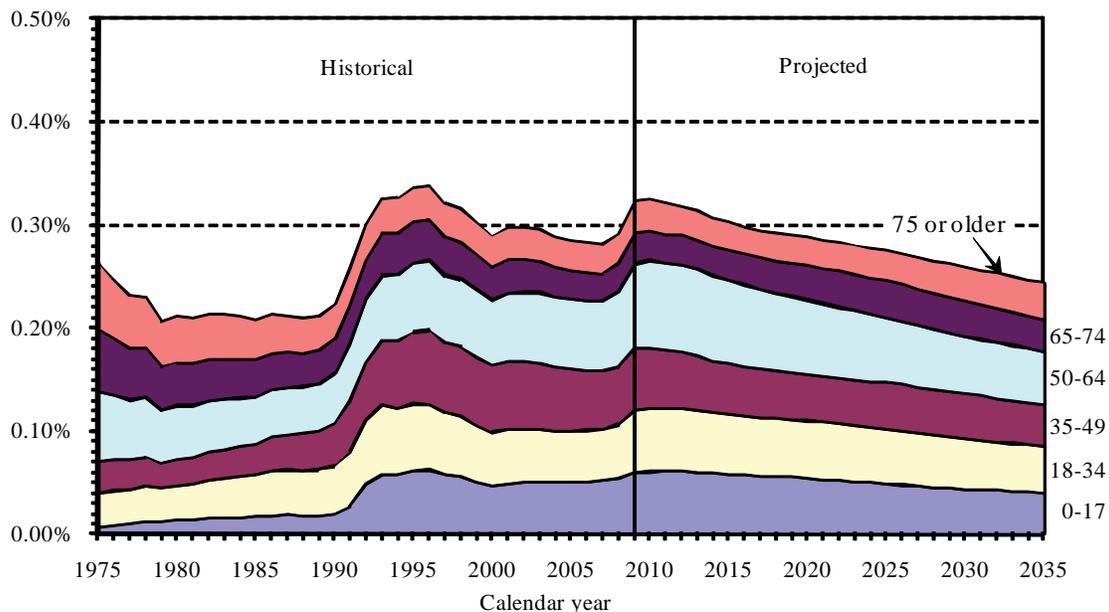
¹ Publication No. 13-11975, prepared by the Office of Research, Evaluation, and Statistics, is available on the internet at http://www.socialsecurity.gov/policy/docs/progdesc/ssi_st_asst/2009.

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 2012 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. Beginning in 2008, however, this trend was reversed due to an increase in program recipients described in earlier sections. As the economy begins to recover, 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 2010 Trustees Report intermediate assumptions is greater than the effect of these projected increases in SSI recipients. Accordingly, 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 2034.

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 1974-2034

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	\$1,499	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	.113	.263
1976	1,825	.010	.033	.030	.063	.013	.001	.042	.056	.149	.098	.247
1977	2,030	.011	.033	.029	.058	.015	.001	.036	.050	.146	.086	.232
1978	2,294	.013	.034	.029	.057	.017	.001	.032	.048	.150	.081	.231
1979	2,562	.013	.032	.025	.051	.017	.001	.026	.043	.138	.069	.207
1980	2,788	.014	.033	.026	.051	.020	.001	.023	.044	.145	.067	.212
1981	3,127	.015	.035	.026	.049	.021	.001	.021	.042	.147	.063	.209
1982	3,253	.016	.037	.027	.049	.022	.001	.019	.042	.152	.061	.213
1983	3,535	.016	.039	.028	.048	.022	.002	.018	.041	.155	.058	.213
1984	3,931	.017	.040	.029	.047	.021	.003	.017	.038	.156	.056	.212
1985	4,217	.017	.041	.030	.046	.020	.004	.017	.036	.157	.052	.209
1986	4,460	.019	.043	.033	.046	.019	.005	.016	.033	.164	.050	.213
1987	4,736	.019	.044	.034	.046	.018	.005	.016	.033	.166	.047	.213
1988	5,100	.019	.044	.036	.045	.017	.006	.016	.028	.166	.044	.211
1989	5,482	.019	.044	.037	.045	.017	.007	.016	.027	.169	.043	.212
1990	5,801	.021	.046	.041	.048	.017	.007	.017	.026	.180	.043	.223
1991	5,992	.028	.052	.050	.055	.018	.008	.020	.027	.210	.047	.257
1992	6,342	.050	.061	.056	.060	.018	.008	.021	.027	.253	.047	.300
1993	6,667	.059	.067	.062	.063	.018	.008	.022	.026	.277	.048	.325
1994	7,085	.059	.064	.066	.064	.018	.008	.022	.026	.278	.048	.326
1995	7,415	.063	.064	.070	.066	.018	.008	.022	.026	.289	.047	.336
1996	7,838	.063	.064	.072	.068	.018	.008	.021	.025	.292	.046	.338
1997	8,332	.059	.060	.067	.065	.018	.007	.019	.025	.277	.044	.320
1998	8,793	.056	.059	.067	.066	.018	.007	.018	.024	.273	.042	.315
1999	9,354	.052	.055	.066	.065	.018	.007	.016	.024	.262	.040	.302
2000	9,951	.048	.051	.064	.063	.017	.007	.015	.023	.251	.038	.289
2001	10,286	.050	.052	.066	.066	.018	.007	.014	.024	.259	.038	.297
2002	10,642	.050	.052	.066	.067	.018	.007	.013	.024	.260	.037	.297
2003	11,142	.051	.051	.065	.068	.018	.007	.013	.023	.260	.036	.296
2004	11,868	.051	.050	.062	.067	.017	.007	.012	.022	.254	.034	.288
2005	12,638	.051	.050	.060	.067	.017	.007	.011	.022	.252	.033	.285
2006	13,399	.052	.050	.058	.067	.017	.007	.011	.022	.250	.032	.282
2007	14,078	.052	.050	.056	.068	.017	.007	.010	.021	.250	.031	.281
2008	14,441	.054	.053	.057	.072	.017	.007	.010	.021	.260	.031	.291
2009	14,254	.061	.060	.060	.081	.019	.008	.011	.023	.288	.034	.322
Projected:												
2010	14,775	.061	.061	.059	.084	.018	.008	.010	.022	.292	.033	.325
2011	15,465	.062	.061	.057	.084	.018	.008	.010	.021	.289	.031	.320
2012	16,382	.062	.060	.055	.084	.018	.008	.010	.021	.288	.030	.318
2013	17,411	.061	.060	.053	.084	.018	.008	.010	.020	.284	.030	.313
2014	18,446	.060	.059	.050	.082	.019	.008	.010	.019	.278	.029	.307
2015	19,472	.059	.058	.049	.080	.019	.008	.010	.019	.274	.029	.303
2016	20,485	.058	.057	.048	.078	.019	.008	.010	.019	.269	.029	.298
2017	21,507	.058	.057	.047	.076	.020	.008	.010	.019	.265	.029	.294
2018	22,510	.057	.056	.046	.074	.021	.008	.011	.018	.263	.029	.292
2019	23,524	.056	.056	.046	.073	.021	.008	.011	.018	.261	.029	.290
2020	24,607	.055	.056	.045	.072	.022	.008	.011	.018	.258	.030	.288
2021	25,738	.054	.055	.045	.070	.022	.008	.012	.019	.255	.030	.285
2022	26,917	.053	.055	.045	.068	.023	.009	.012	.019	.252	.031	.282
2023	28,153	.051	.054	.045	.066	.023	.009	.012	.019	.249	.031	.280
2024	29,452	.050	.054	.045	.064	.023	.009	.012	.019	.246	.031	.278
2025	30,797	.049	.053	.045	.063	.024	.010	.012	.020	.243	.032	.275
2026	32,212	.048	.052	.045	.061	.024	.010	.012	.020	.240	.032	.272
2027	33,697	.047	.051	.045	.059	.024	.010	.012	.021	.236	.033	.269
2028	35,249	.046	.050	.044	.058	.023	.010	.012	.021	.232	.033	.265
2029	36,861	.045	.050	.044	.056	.023	.011	.012	.022	.229	.033	.262
2030	38,555	.045	.049	.043	.055	.023	.011	.012	.022	.225	.034	.259
2031	40,345	.044	.048	.043	.054	.022	.011	.012	.022	.222	.034	.256
2032	42,218	.043	.047	.042	.054	.021	.012	.011	.023	.219	.034	.253
2033	44,174	.042	.046	.042	.053	.021	.012	.011	.023	.216	.034	.250
2034	46,222	.042	.045	.041	.052	.020	.012	.011	.024	.213	.034	.247

^a Projected values based on the intermediate economic assumptions of the 2010 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. Due to 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 1978-2010
[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.....	3,316	48.6
2010 (estimated).....	3,580	82.0

^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 2010 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 parole.¹ 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 refu-

¹ In 2009, the agency entered into a nationwide class action settlement that limits the felony crime offense codes upon which fugitive felon non-payments may be based under this statute. In 2010, the agency stopped parole and probation violator non-payments for residents of New York, Connecticut, and Vermont pursuant to a Second Circuit Court of Appeals decision in a pending proposed nationwide class action suit.

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

gees, or to persons granted political asylum. (See section 2.g. for subsequent changes to sponsor-to-alien deeming provisions.)

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.

Act

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.”

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. Those with naturalization applications pending or awaiting the swearing-in-ceremony are exempt from time limitations 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.

2009

*Public Law 111-118,
enacted December 19*

Eliminates the 8-month time limit on SSI eligibility for certain Iraqi and Afghan refugees who have provided service to the United States. The time-limited eligibility for these individuals is now 7 years, the same period applicable to other humanitarian refugees.

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

Act

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 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 Automatic Cost-of-Living Increase) 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.

Act

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.

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.

Act

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.

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.

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

Act

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
- 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.

Act

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.

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.

Act

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.

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.

Act

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.

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.

Act

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.

e. *Rounding of Payment Amounts*

1982

*Public Law 97-248,
enacted September 3*

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.

Act

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 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.

h. Retroactive Payments to Prisoners, Fugitive Felons, and Probation or Parole Violators

2009

*Public Law 111-115,
enacted December 15*

Prohibits the payment of any retroactive SSI benefits to individuals while they are in prison; in violation of conditions of their parole or probation; or fleeing to avoid prosecution, custody, or confinement for a felony or a crime punishable by sentence of more than one year.

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.

Act

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.

Excludes annuity payments paid by a State to a person or his/her spouse because the State has determined the person is a veteran and blind, disabled, or aged.

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.

A one-time payment of \$15,000 for eligible Filipino veterans who are citizens of the United States and \$9,000 for eligible veterans who are noncitizens will not be taken into account as income for SSI purposes.

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.

Act

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.

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.

Act

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*

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.

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 for SSI purposes.

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.

A one-time payment of \$15,000 for eligible Filipino veterans who are citizens of the United States and \$9,000 for eligible veterans who are noncitizens will not be taken into account as a resource for SSI purposes, although interest earned on any such payment may be considered a resource.

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.

Act

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.

b. Emergency Advance Payments

1972

*Public Law 92-603,
enacted October 30*

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.

Act

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 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.

Act

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.

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.

Act

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.

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.

Act

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.

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.

Act

11. Attorney Fees

2004

*Public Law 108-203,
enacted March 2*

Extends the current OASDI attorney fee withholding process to SSI for a period of 5 years.

Authorizes a 5-year demonstration project that extends attorney fee withholding and direct pay procedures to non-attorney representatives who meet certain prerequisites.

2010

*Public Law 111-142,
enacted February 27*

Permanently extends the OASDI attorney fee withholding and direct pay procedures to SSI. The prior authority expired February 28, 2010.

Permanently extends fee withholding and direct pay procedures to qualified non-attorney representatives.

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. Because there was no cost-of-living increase for 2010, the excluded amounts remain at 2009 levels.

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. As a result, amounts of blind work expenses reduce SSI earned income to a greater degree than 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;
- Amounts received from the Filipino Veterans Equity Compensation Fund set forth in 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;
- Amounts received from the Filipino Veterans Equity Compensation Fund set forth in the American Recovery and Reinvestment Act of 2009;
- 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 2009, 85 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 sources². 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 2009.

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, although it is SSA's intention to return the Boston region to the national appeal system.

² To incorporate modifications to the process for building the most recent research file, calendar years 1999 through 2007 were completely reassembled from the basic data sources.

Methods used for estimating results (through February 2010) for claims filed in 2009—Although decision counts are available for 2009 filers (from many of the “source” files), those counts do not translate directly 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 2010) for 2009 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, which may result in a slight undercount of ODAR activity.

While we believe that these methods 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 2010, whereas the final research files will reflect information through June 2010. Actual data for 2009 will be available to replace these estimates in the 2011 Annual Report.

2. General Considerations

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

- Data for 1988-2008 filers are as of August 2009 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 2009.
- Data for 2009 filers are preliminary estimates as of February 2010, and reflect larger numbers of claims still pending. February 2010 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	1,105,109	—	326,734	29.6	778,375	70.4	340,114	43.7
2000	1,139,623	—	341,530	30.0	798,093	70.0	343,610	43.1
2001	1,216,040	—	362,896	29.8	853,144	70.2	366,261	42.9
2002	1,322,451	—	368,077	27.8	954,374	72.2	411,634	43.1
2003	1,403,003	—	375,486	26.8	1,027,517	73.2	438,083	42.6
2004	1,475,149	—	381,165	25.8	1,093,984	74.2	440,997	40.3
2005	1,470,300	—	366,781	24.9	1,103,519	75.1	427,290	38.7
2006	1,499,551	—	360,656	24.1	1,138,895	75.9	435,603	38.2
2007	1,511,621	—	366,366	24.2	1,145,255	75.8	448,554	39.2
2008	1,608,417	11,726	401,273	25.1	1,195,418	74.9	484,594	40.5
2009	1,892,265	293,758	484,472	30.3	1,114,035	69.7	360,308	32.3

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	
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	—	40,375	12.5	283,475	199,371	70.3	—	117,431	54.5	98,204
2000	—	39,222	13.7	246,911	175,025	70.9	—	125,910	54.2	106,592
2001	—	39,708	13.7	249,364	175,474	70.4	—	135,841	53.8	116,822
2002	—	41,301	12.8	280,321	198,404	70.8	2,479	152,963	53.5	132,974
2003	—	41,976	12.2	303,072	213,052	70.3	3,628	161,795	53.5	140,664
2004	—	40,400	11.7	305,233	214,280	70.2	6,995	164,656	54.4	137,993
2005	—	38,560	11.5	296,051	208,154	70.3	14,718	161,239	56.4	124,876
2006	—	38,394	11.3	301,797	213,546	70.8	37,765	159,095	58.7	112,098
2007	—	41,653	11.8	311,192	221,368	71.1	132,529	111,125	60.2	73,423
2008	39,329	33,891	9.7	316,729	222,377	70.2	256,602	36,597	60.6	23,823
2009	100,162	22,245	11.6	169,061	70,089	41.5	125,261	9,884	72.3	3,784

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	1,105,109	—	1,105,109	484,540	—	620,569
2000	1,139,623	—	1,139,623	506,662	—	632,961
2001	1,216,040	—	1,216,040	538,445	—	677,595
2002	1,322,451	—	1,322,451	562,341	2,479	757,631
2003	1,403,003	—	1,403,003	579,257	3,628	820,118
2004	1,475,149	—	1,475,149	586,221	6,995	881,933
2005	1,470,300	—	1,470,300	566,580	14,718	889,002
2006	1,499,551	—	1,499,551	558,145	37,765	903,641
2007	1,511,621	—	1,511,621	519,144	132,529	859,948
2008	1,608,417	11,726	1,596,691	471,761	295,931	828,999
2009	1,892,265	293,758	1,598,507	516,601	225,423	856,483

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	—	43.8	—	56.2	43.8	—	56.2	
2000	—	44.5	—	55.5	44.5	—	55.5	
2001	—	44.3	—	55.7	44.3	—	55.7	
2002	—	42.5	0.2	57.3	42.5	0.2	57.3	
2003	—	41.3	.3	58.5	41.3	.3	58.5	
2004	—	39.7	.5	59.8	39.7	.5	59.8	
2005	—	38.5	1.0	60.5	38.5	1.0	60.5	
2006	—	37.2	2.5	60.3	37.2	2.5	60.3	
2007	—	34.3	8.8	56.9	34.3	8.8	56.9	
2008	0.7	29.3	18.4	51.5	29.5	18.5	51.9	
2009	15.5	27.3	11.9	45.3	32.3	14.1	53.6	

^a Data for claims filed in 1988-2008 reflect results as of August 2009. The numbers of total claims filed for 2006-08 are subject to change. The numbers of total claims for the 1999 and later cohorts have changed from those shown in the 2009 SSI Annual Report since the experience for those cohorts was completely reassembled from basic data sources as part of modifications to the procedures for building the research file. Data for claims filed in 2009 are preliminary estimates as of February 2010. 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	342,162	—	129,375	37.8	212,787	62.2	49,996	23.5
2000	349,285	—	137,009	39.2	212,276	60.8	49,345	23.2
2001	367,726	—	150,955	41.1	216,771	58.9	50,665	23.4
2002	402,116	—	163,335	40.6	238,781	59.4	57,749	24.2
2003	425,336	—	170,580	40.1	254,756	59.9	61,776	24.2
2004	435,562	—	172,522	39.6	263,040	60.4	60,531	23.0
2005	424,876	—	161,674	38.1	263,202	61.9	57,398	21.8
2006	432,747	—	158,806	36.7	273,941	63.3	60,773	22.2
2007	434,895	—	160,841	37.0	274,054	63.0	62,026	22.6
2008	450,736	2,012	171,808	38.3	276,916	61.7	66,197	23.9
2009	530,891	74,889	197,449	43.3	258,553	56.7	51,858	20.1

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	—	6,475	13.8	40,423	18,164	44.9	—	7,558	35.5	13,704
2000	—	6,812	17.5	32,047	14,601	45.6	—	8,903	35.5	16,184
2001	—	6,956	18.5	30,614	13,703	44.8	—	9,387	35.0	17,411
2002	—	7,597	17.7	35,213	15,590	44.3	149	10,528	34.7	19,852
2003	—	8,119	17.4	38,621	16,554	42.9	197	10,782	34.3	20,611
2004	—	7,606	16.6	38,249	16,065	42.0	464	10,524	34.8	19,753
2005	—	7,534	17.1	36,577	15,467	42.3	1,137	9,879	35.8	17,738
2006	—	7,858	16.7	39,326	16,718	42.5	3,914	10,362	39.3	16,031
2007	—	8,016	16.5	40,591	17,589	43.3	14,030	6,738	39.7	10,240
2008	5,385	7,500	15.6	40,721	18,384	45.1	25,674	2,046	38.6	3,255
2009	13,115	3,502	13.1	23,251	7,761	33.4	18,549	411	34.2	791

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	342,162	—	342,162	143,408	—	198,754
2000	349,285	—	349,285	152,724	—	196,561
2001	367,726	—	367,726	167,298	—	200,428
2002	402,116	—	402,116	181,460	149	220,507
2003	425,336	—	425,336	189,481	197	235,658
2004	435,562	—	435,562	190,652	464	244,446
2005	424,876	—	424,876	179,087	1,137	244,652
2006	432,747	—	432,747	177,026	3,914	251,807
2007	434,895	—	434,895	175,595	14,030	245,270
2008	450,736	2,012	448,724	181,354	31,059	236,311
2009	530,891	74,889	456,002	201,362	31,664	222,976

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	No appeal pending	
			Appeal decision pending	No appeal pending				Appeal decision 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	—	41.9	—	58.1	41.9	—	58.1	
2000	—	43.7	—	56.3	43.7	—	56.3	
2001	—	45.5	—	54.5	45.5	—	54.5	
2002	—	45.1	k	54.8	45.1	k	54.8	
2003	—	44.5	k	55.4	44.5	k	55.4	
2004	—	43.8	0.1	56.1	43.8	0.1	56.1	
2005	—	42.2	.3	57.6	42.2	.3	57.6	
2006	—	40.9	.9	58.2	40.9	.9	58.2	
2007	—	40.4	3.2	56.4	40.4	3.2	56.4	
2008	0.4	40.2	6.9	52.4	40.4	6.9	52.7	
2009	14.1	37.9	6.0	42.0	44.2	6.9	48.9	

^a Data for claims filed in 1991-2008 reflect results as of August 2009. The numbers of total claims filed for 2006-08 are subject to change. The numbers of total claims for the 1999 and later cohorts have changed from those shown in the 2009 SSI Annual Report since the experience for those cohorts was completely reassembled from basic data sources as part of modifications to the procedures for building the research file. Data for claims filed in 2009 are preliminary estimates as of February 2010. 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. All recipients are subject to periodic scheduling for a redetermination. Every year SSA schedules for redetermination the cases most likely to have payment error, but even cases unlikely to have payment error can also be scheduled for review. 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^a and Limited Issues Completed, Fiscal Years 1986-2009
[In thousands]

Fiscal year	Numbers of completions		Total
	Redeterminations	Limited issues	
1986.....	2,278	b	b
1987.....	2,244	b	b
1988.....	1,997	b	b
1989.....	2,226	b	b
1990.....	2,103	b	b
1991.....	2,138	b	b
1992.....	2,321	b	b
1993.....	2,223	b	b
1994.....	^c 1,900	b	b
1995.....	^d 1,597	b	b
1996.....	1,763	b	b
1997.....	1,773	b	b
1998.....	1,853	b	b
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.....	^e 1,725	737	2,462
2006.....	^e 1,071	348	1,418
2007.....	^e 692	346	1,039
2008.....	^e 900	321	1,221
2009.....	^e 1,390	341	1,731

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

^bData not available.

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

^dEffective 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.

^eFewer redeterminations were selected in fiscal years 2005-09 due to limitations on administrative funding.

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 questionnaire for some cases. In 1996 the profiling process was extended to title XVI adults who were scheduled for a CDR. In fiscal year 2009, the screening process resulted in the deferral of full medical reviews for 355,789 cases for which a scheduled CDR involving title XVI recipients was processed. In 2007, SSA implemented a streamlined failure to cooperate (FTC) process for medical CDRs. Under this process recipients who fail to comply with the field office requests for information necessary for processing their medical CDRs have their benefits suspended. Subsequently SSA terminated their eligibility for disability benefits after 12 consecutive months of suspension for noncompliance. The streamlined FTC process resulted in the initial termination of 440 centrally-initiated medical CDRs involving title XVI recipients in fiscal year 2009.

For cases involving individuals who receive both title II and title XVI benefits, CDRs are 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 December 22, 2009, presenting estimates of the effects of CDRs conducted in fiscal year 2008.

- Administrative closures—cases for which we curtail development for technical reasons;
- Streamlined FTC terminations;
- CDRs initiated as the result of work activity on the part of the beneficiary/recipient; 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	7,087	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	5,902	61.6
2005	80,597	70,687	87.7	9,910	12.3	5,952	60.1
2006	71,825	63,789	88.8	8,036	11.2	4,791	59.6
2007	26,469	22,893	86.5	3,576	13.5	2,136	59.7
2008	40,045	35,891	89.6	4,154	10.4	2,682	64.6
2009	41,609	38,238	91.9	3,371	8.1	1,511	44.8
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	13,313	61.4
2003	213,212	191,061	89.6	22,151	10.4	14,667	66.2
2004	221,129	199,938	90.4	21,191	9.6	14,627	69.0
2005	110,072	97,330	88.4	12,742	11.6	8,126	63.8
2006	40,605	35,957	88.6	4,648	11.4	2,848	61.3
2007	18,172	16,006	88.1	2,166	11.9	1,417	65.4
2008	18,933	17,049	90.0	1,884	10.0	1,247	66.2
2009	29,137	27,233	93.5	1,904	6.5	940	49.4
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	20,400	60.8
2003	285,387	254,082	89.0	31,305	11.0	20,111	64.2
2004	305,751	274,985	89.9	30,766	10.1	20,529	66.7
2005	190,669	168,017	88.1	22,652	11.9	14,078	62.1
2006	112,430	99,746	88.7	12,684	11.3	7,639	60.2
2007	44,641	38,899	87.1	5,742	12.9	3,553	61.9
2008	58,978	52,940	89.8	6,038	10.2	3,929	65.1
2009	70,746	65,471	92.5	5,275	7.5	2,451	46.5

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		Cessations
		Number	Percent ^b		Number ^e	Percent ^c		Number	Percent	
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	—	4,427	64.6	2,424	1,556	64.2	—	659	42.4	897
2001	3	4,177	66.4	2,111	1,240	58.7	—	496	40.0	744
2002	8	4,787	67.6	2,292	1,450	63.3	1	594	41.0	855
2003	3	3,575	65.7	1,866	1,177	63.1	—	480	40.8	697
2004	21	3,781	64.3	2,100	1,402	66.8	1	587	41.9	814
2005	77	3,832	65.2	2,043	1,436	70.3	3	610	42.6	823
2006	110	3,043	65.0	1,638	1,180	72.0	16	498	42.8	666
2007	30	1,464	69.5	642	476	74.1	86	148	37.9	242
2008	153	1,777	70.3	752	527	70.1	228	120	40.1	179
2009	171	1,009	75.3	331	185	55.9	163	6	27.3	16
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	2	8,160	61.3	5,151	3,321	64.5	—	1,108	33.4	2,213
2003	3	9,656	65.8	5,008	3,334	66.6	—	1,232	37.0	2,102
2004	2	9,404	64.3	5,221	3,741	71.7	—	1,446	38.7	2,295
2005	28	5,235	64.6	2,863	2,025	70.7	2	748	37.0	1,275
2006	39	1,808	64.4	1,001	699	69.8	7	254	36.7	438
2007	8	964	68.4	445	323	72.6	42	111	39.5	170
2008	5	863	69.5	379	265	69.9	99	53	31.9	113
2009	101	666	79.4	173	94	54.3	82	2	16.7	10
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	—	11,250	63.3	6,524	4,334	66.4	—	1,716	39.6	2,618
2001	3	10,401	62.8	6,149	3,858	62.7	—	1,430	37.1	2,428
2002	10	12,947	63.5	7,443	4,771	64.1	1	1,702	35.7	3,068
2003	6	13,231	65.8	6,874	4,511	65.6	—	1,712	38.0	2,799
2004	23	13,185	64.3	7,321	5,143	70.2	1	2,033	39.5	3,109
2005	105	9,067	64.9	4,906	3,461	70.5	5	1,358	39.3	2,098
2006	149	4,851	64.8	2,639	1,879	71.2	23	752	40.5	1,104
2007	38	2,428	69.1	1,087	799	73.5	128	259	38.6	412
2008	158	2,640	70.0	1,131	792	70.0	327	173	37.2	292
2009	272	1,675	76.9	504	279	55.4	245	8	23.5	26

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 2010						
	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	—	6,739	93.6	—	6.4
2001	110,341	104,339	3	5,999	94.6	f	5.4
2002	103,947	97,450	9	6,488	93.7	f	6.2
2003	72,175	67,076	3	5,096	92.9	f	7.1
2004	84,622	79,415	22	5,185	93.8	f	6.1
2005	80,597	75,129	80	5,388	93.2	0.1	6.7
2006	71,825	67,330	126	4,369	93.7	.2	6.1
2007	26,469	24,505	116	1,848	92.6	.4	7.0
2008	40,045	37,788	381	1,876	94.4	1.0	4.7
2009	41,609	39,253	334	2,022	94.3	.8	4.9
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	160,105	2	12,420	92.8	f	7.2
2003	213,212	201,949	3	11,260	94.7	f	5.3
2004	221,129	210,788	2	10,339	95.3	f	4.7
2005	110,072	103,313	30	6,729	93.9	f	6.1
2006	40,605	38,019	46	2,540	93.6	.1	6.3
2007	18,172	17,081	50	1,041	94.0	.3	5.7
2008	18,933	17,965	104	864	94.9	.5	4.6
2009	29,137	27,901	183	1,053	95.8	.6	3.6
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	—	16,264	94.2	—	5.8
2001	254,243	238,107	3	16,133	93.7	f	6.3
2002	276,474	257,555	11	18,908	93.2	f	6.8
2003	285,387	269,025	6	16,356	94.3	f	5.7
2004	305,751	290,203	24	15,524	94.9	f	5.1
2005	190,669	178,442	110	12,117	93.6	.1	6.4
2006	112,430	105,349	172	6,909	93.7	.2	6.1
2007	44,641	41,586	166	2,889	93.2	.4	6.5
2008	58,978	55,753	485	2,740	94.5	.8	4.6
2009	70,746	67,154	517	3,075	94.9	.7	4.3

^a Data reflect results as of February 2010. 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	Initial decisions						
	Total initial DDS decisions	Continuations		Cessations		Appeals to reconsideration	
		Number	Percent ^b	Number	Percent ^b	Number	Percent ^c
Reviews of low-birth-weight children							
1994	1,225	771	62.9	454	37.1	159	35.0
1995	4,231	2,083	49.2	2,148	50.8	665	31.0
1996	5,709	2,491	43.6	3,218	56.4	904	28.1
1997	7,091	4,482	63.2	2,609	36.8	821	31.5
1998	17,620	6,092	34.6	11,528	65.4	3,640	31.6
1999	9,773	4,114	42.1	5,659	57.9	1,639	29.0
2000	10,178	4,566	44.9	5,612	55.1	1,561	27.8
2001	9,086	4,152	45.7	4,934	54.3	1,403	28.4
2002	12,732	5,869	46.1	6,863	53.9	1,953	28.5
2003	7,283	3,516	48.3	3,767	51.7	1,026	27.2
2004	12,060	6,075	50.4	5,985	49.6	1,782	29.8
2005	13,710	6,540	47.7	7,170	52.3	1,997	27.9
2006	8,303	4,030	48.5	4,273	51.5	1,231	28.8
2007	3,175	1,368	43.1	1,807	56.9	511	28.3
2008	5,272	2,231	42.3	3,041	57.7	942	31.0
2009	12,511	5,741	45.9	6,770	54.1	1,977	29.2
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	11,549	51.2
2003	53,905	31,862	59.1	22,043	40.9	11,741	53.3
2004	53,232	31,890	59.9	21,342	40.1	11,585	54.3
2005	55,331	31,434	56.8	23,897	43.2	12,413	51.9
2006	40,640	21,796	53.6	18,844	46.4	9,367	49.7
2007	71,359	36,339	50.9	35,020	49.1	17,975	51.3
2008	69,430	34,547	49.8	34,883	50.2	18,327	52.5
2009	100,986	51,712	51.2	49,274	48.8	25,335	51.4
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	11,808	51.5
2002	163,768	130,434	79.6	33,334	20.4	17,888	53.7
2003	127,444	100,522	78.9	26,922	21.1	14,876	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	8,402	53.2
2006	19,384	14,428	74.4	4,956	25.6	2,576	52.0
2007	4,440	3,161	71.2	1,279	28.8	657	51.4
2008	4,707	3,473	73.8	1,234	26.2	648	52.5
2009	10,637	8,355	78.5	2,282	21.5	1,024	44.9
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	23,260	47.8
2002	231,447	168,691	72.9	62,756	27.1	31,390	50.0
2003	188,632	135,900	72.0	52,732	28.0	27,643	52.4
2004	168,729	118,713	70.4	50,016	29.6	26,218	52.4
2005	130,428	83,571	64.1	46,857	35.9	22,812	48.7
2006	68,327	40,254	58.9	28,073	41.1	13,174	46.9
2007	78,974	40,868	51.7	38,106	48.3	19,143	50.2
2008	79,409	40,251	50.7	39,158	49.3	19,917	50.9
2009	124,134	65,808	53.0	58,326	47.0	28,336	48.6

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 ^e		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	—	698	35.7	1,255	549	43.7	—	112	20.4	437
2003	—	364	35.5	662	301	45.5	—	60	19.9	241
2004	—	643	36.1	1,139	554	48.6	—	83	15.0	471
2005	11	703	35.4	1,283	616	48.0	—	101	16.4	515
2006	30	421	35.1	780	387	49.6	4	71	18.5	312
2007	15	173	34.9	323	171	52.9	29	25	17.6	117
2008	67	263	30.1	612	306	50.0	139	26	15.6	141
2009	960	369	36.3	648	251	38.7	230	3	14.3	18
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	—	969	26.0	2,754
2002	1	3,819	33.1	7,729	4,124	53.4	—	1,099	26.6	3,025
2003	2	3,818	32.5	7,921	4,292	54.2	—	1,141	26.6	3,151
2004	—	3,531	30.5	8,054	4,645	57.7	3	1,271	27.4	3,371
2005	93	3,770	30.6	8,550	5,039	58.9	24	1,374	27.4	3,641
2006	207	2,592	28.3	6,568	3,934	59.9	84	1,071	27.8	2,779
2007	987	4,810	28.3	12,178	7,298	59.9	1,046	1,669	26.7	4,583
2008	2,058	5,089	31.3	11,180	6,604	59.1	2,770	875	22.8	2,959
2009	11,292	4,681	33.3	9,362	4,242	45.3	3,665	132	22.9	445
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	—	4,619	39.1	7,189	4,257	59.2	—	955	22.4	3,302
2002	1	7,238	40.5	10,649	6,154	57.8	—	1,370	22.3	4,784
2003	—	6,248	42.0	8,628	4,997	57.9	1	1,144	22.9	3,852
2004	1	4,871	37.9	7,979	4,941	61.9	2	1,168	23.6	3,771
2005	57	3,121	37.4	5,224	3,273	62.7	16	741	22.8	2,516
2006	44	943	37.2	1,589	1,030	64.8	21	232	23.0	777
2007	13	269	41.8	375	236	62.9	32	55	27.0	149
2008	16	251	39.7	381	211	55.4	108	26	25.2	77
2009	504	282	54.2	238	111	46.6	102	2	22.2	7
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	—	8,379	36.0	14,881	8,385	56.3	—	1,985	23.7	6,400
2002	2	11,755	37.5	19,633	10,827	55.1	—	2,581	23.8	8,246
2003	2	10,430	37.7	17,211	9,590	55.7	1	2,345	24.5	7,244
2004	1	9,045	34.5	17,172	10,140	59.0	5	2,522	24.9	7,613
2005	161	7,594	33.5	15,057	8,928	59.3	40	2,216	24.9	6,672
2006	281	3,956	30.7	8,937	5,351	59.9	109	1,374	26.2	3,868
2007	1,015	5,252	29.0	12,876	7,705	59.8	1,107	1,749	26.5	4,849
2008	2,141	5,603	31.5	12,173	7,121	58.5	3,017	927	22.6	3,177
2009	12,756	5,332	34.2	10,248	4,604	44.9	3,997	137	22.6	470

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 2010						
	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	—	6,053	52.5	—	47.5
2003	7,283	3,940	—	3,343	54.1	—	45.9
2004	12,060	6,801	—	5,259	56.4	—	43.6
2005	13,710	7,344	11	6,355	53.6	.1	46.4
2006	8,303	4,522	34	3,747	54.5	.4	45.1
2007	3,175	1,566	44	1,565	49.3	1.4	49.3
2008	5,272	2,520	206	2,546	47.8	3.9	48.3
2009	12,511	6,113	1,190	5,208	48.9	9.5	41.6
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	32,392	—	16,552	66.2	—	33.8
2002	54,947	37,306	1	17,640	67.9	f	32.1
2003	53,905	36,821	2	17,082	68.3	f	31.7
2004	53,232	36,692	3	16,537	68.9	f	31.1
2005	55,331	36,578	117	18,636	66.1	.2	33.7
2006	40,640	25,459	291	14,890	62.6	.7	36.6
2007	71,359	42,818	2,033	26,508	60.0	2.8	37.1
2008	69,430	40,511	4,828	24,091	58.3	7.0	34.7
2009	100,986	56,525	14,957	29,504	56.0	14.8	29.2
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	—	17,365	81.9	—	18.1
2002	163,768	139,042	1	24,725	84.9	f	15.1
2003	127,444	107,914	1	19,529	84.7	f	15.3
2004	103,437	86,787	3	16,647	83.9	f	16.1
2005	61,387	49,459	73	11,855	80.6	.1	19.3
2006	19,384	15,603	65	3,716	80.5	.3	19.2
2007	4,440	3,485	45	910	78.5	1.0	20.5
2008	4,707	3,750	124	833	79.7	2.6	17.7
2009	10,637	8,639	606	1,392	81.2	5.7	13.1
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	115,579	—	38,286	75.1	—	24.9
2002	231,447	183,027	2	48,418	79.1	f	20.9
2003	188,632	148,675	3	39,954	78.8	f	21.2
2004	168,729	130,280	6	38,443	77.2	f	22.8
2005	130,428	93,381	201	36,846	71.6	.2	28.3
2006	68,327	45,584	390	22,353	66.7	.6	32.7
2007	78,974	47,869	2,122	28,983	60.6	2.7	36.7
2008	79,409	46,781	5,158	27,470	58.9	6.5	34.6
2009	124,134	71,277	16,753	36,104	57.4	13.5	29.1

^a Data reflect results as of February 2010. 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, 1987-2009

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
2009	980	11,900	236,741	91,534	340,175

- ^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, 1987-2009
[In thousands]

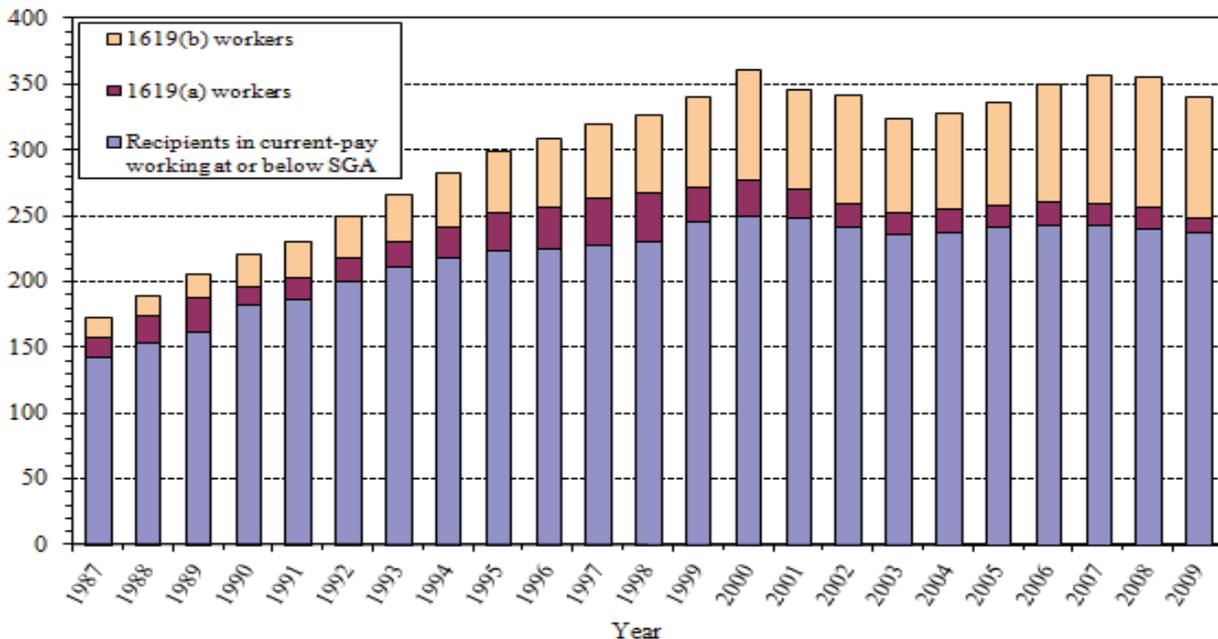


Table V.E2 presents historical numbers of SSI recipients who benefit from other selected work incentive provisions: (1) plan to achieve self-support (PASS); (2) impairment-related work expense exclusion

(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, 1990-2009

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
2009	1,037	420	1,457	3,862	1,643

^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, 1987-2009

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	
2009	1,262	252	1,327	577	

^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 2010 the SGA level was increased to \$1,000.

^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.

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.

The Ticket to Work program was implemented on a State-by-State basis beginning in February 2002 and has been fully implemented nationwide since September 2004. 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 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 2010, there are 69 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:

- We have seen a 39 percent increase in beneficiaries initiating return to work programs, from 203,664 on May 1, 2008 to 284,028 on July 1, 2010; and
- In 2009, the number of beneficiaries receiving services under the Ticket to Work Program who worked increased 9 percent (from 96,993 to 105,843) over calendar year 2008.

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 1987-2009

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
2009.....	2,567	11,046	2,373	34,801	4,940	45,847

^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 2002-09^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
2009.....	2,575	594	3,282	1,310	5,857	1,904

^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, 2009

	Age groups			All
	0-17	18-64	65 or older	
Number of Federally-administered recipients, December, 2009 (in thousands).....	1,200	4,451	2,026	7,677
	Program			(In percent)
Program participation by SSI recipients, December, 2009				
Federal SSI.....	99.9	97.1	93.9	96.7
Federally-administered State SSI supplementation.....	20.1	26.9	44.4	30.5
OASDI.....	7.3	31.4	56.0	34.2
Black Lung.....	^b	^b	^b	^b
Railroad Retirement.....	^b	^b	0.1	^b
Veterans Affairs disability cash benefits.....	0.1	0.4	1.4	0.6
Workers' Compensation.....	^b	0.1	^b	0.1
Previous program participation by SSI recipients, December, 2009				
TANF/AFDC.....	30.5	26.7	10.1	22.9
Interim Assistance Reimbursement.....	0.7	14.3	10.8	11.2

^a SSI recipients or 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. These sources include the following:

- The Survey of Income and Program Participation (SIPP), a U.S. Census Bureau sample survey, is comprised of a continuous series of national panels that collect information such as the source and amount of income, asset holdings, program participation and general demographic characteristics for the U.S. civilian noninstitutionalized population.
- The Current Population Survey (CPS), a U.S. Census Bureau sample survey conducted monthly by the Bureau of the Census for the Bureau of Labor Statistics is the primary source of information on the labor force characteristics of the U.S. population. The CPS March Supplement (the Annual Social and Economic Supplement), collects, in addition to the usual monthly labor force data, information on income, noncash benefits, program participation and general demographic characteristics for the U.S. resident noninstitutionalized population.
- The Health and Retirement Study, a survey sponsored by the National Institute on Aging and conducted by the University of Michigan, is a biennial survey that collects information such as health status, health care utilization, income, asset holdings, program participation and general demographic characteristics for the U. S. population over age 50.

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. We are developing a participation rate estimate for the elderly based on the 2004 model and examining patterns of differences from previous estimates in the literature.

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. NSCF documentation is 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 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) estimates 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) tracks 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. A study using 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 was recently published (Davies and Hemmeter 2010). Hemmeter (2009) examines the occupational distribution of SSI disability recipients aged 18-61 who work. Hemmeter and Gilby (2009) analyzes age-18 redetermination outcomes for SSI youth, including appeals of initial cessations and subsequent reapplications for benefits after a period of ineligibility.

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. Strand (2010) 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. Meijer, Karoly, and Michaud (2009, 2010) analyzes eligibility for the Medicare Part D Low Income Subsidy, which is based on a simplified SSI methodology.

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 studies employment and caregiving patterns of parents of SSI children (Rupp and Ressler 2009), examines employment and program outcomes among young adults after their eligibility redetermination at age 18 (Hemmeter, Kauff, and Wittenburg 2009), and analyzes factors affecting out-of-pocket medical expenses and unmet health care needs of disabled children (DeCesaro and Hemmeter 2009). These papers were published in a special issue of the *Journal of Vocational Rehabilitation* (volume 30, number 3) devoted to SSI children and young adults and the transition to adulthood. The special issue also includes 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 (Davies, Rupp, and Wittenburg 2009), as well as two papers that focus on SSA's Youth Transition Demonstration (Fraker and Rangarajan 2009; Luecking and Wittenburg 2009). The articles from the special issue are available on SSA's web site at <http://socialsecurity.gov/policy/JVR.html>.

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. The evaluation includes a survey of beneficiaries with disabilities and participants in the Ticket to Work program that collects 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, with responses from more than 20,000 beneficiaries with disabilities. We delayed Round 4 of the survey because of the Ticket to Work program changes implemented in 2008. We expect to complete Round 4 in 2010.

We submitted the first evaluation report to Congress in 2004 (Thornton et al. 2004)¹, and also published the first interim evaluation report early in 2006 (Thornton et al. 2006)¹. We submitted the third, post-FY 2005, evaluation report to Congress in October 2007 and the post-FY 2006 report in October of 2008.

The reports indicate low but growing participation rates with the vast majority of ticket assignments going to State vocational rehabilitation agencies. The findings thus far indicate that the Ticket to Work program has significant potential, but the program needs improvements in beneficiary awareness and Employment Network (EN) incentives. 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 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. Our initiatives to reduce EN costs had helped but were not enough to help ENs reach financial viability. In July 2008, we implemented new regulations for the Ticket to Work program. In the evaluation, we 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 report is a series of short papers. Each paper focuses on a specific aspect of the ticket evaluation. Eight of these papers are complete: “Process Evaluation of the Work Incentives Planning and Assistance Program”; “Characteristics, Employment, and Sources of Support among Working-Age SSI and DI Beneficiaries”; “Participation in Ticket to Work Continues to Grow But Assignment Under the Traditional Payment System Still Dominate”; “Benefits Planning, Assistance, and Outreach Service User Characteristics and Use of Work Incentives”; “2006 National Beneficiary Survey: Background and Statistical Tables”; “SSI and DI Beneficiaries with Work-Related Goals and Expectations”; “Longitudinal Statistics for New Social Security Disability Insurance Beneficiaries”; and “Longitudinal Experiences of an Early Cohort of Ticket to Work Participants.” The remaining two papers, “Time that Beneficiaries Spend Off the Rolls Due to Work and the Payments Generated for Employment Networks”; and “Can the Ticket to Work Program Be Self-Financing?” and the overview, “Highlights of the Fifth Ticket to Work Evaluation Report” are under review at the time of the release of this report. We will release the complete fifth report in 2010.

We modified 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 2004, we awarded funds to 41 service providers nationwide to provide outreach services to the homeless population. These service providers were trained and given training materials to assist homeless individuals with SSA's disability application process. In October 2007, Westat, the evaluation contractor,

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

released the final evaluation report. We are currently conducting a longitudinal evaluation of HOPE. Findings from this analysis will be available later in 2010.

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 exclusions (section 1612(b)(4) of the Act) permit 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.

The YTD projects in Colorado and New York have ended and will complete final reports in 2010. The Florida, Maryland, and West Virginia projects are currently recruiting and enrolling participants and implementing the interventions and services. A comprehensive final report of the six random assignment projects is due in August, 2014.

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 assis-

tance 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)

Both welfare agencies and the federal disability system seek to support people with disabilities and help them become more independent. However, the two systems often have differing missions and organization, definitions of disability, operational and financial issues, and work rules and incentives, making it challenging for the Temporary Assistance for Needy Families (TANF) and Supplemental Security Income (SSI) programs to work together. TANF clients who apply for SSI may also confront conflicting messages from TANF agencies regarding work requirements and benefit eligibility.

To better understand the relationship between the TANF and SSI populations and programs, the Office of Program Development and Research and the Administration for Children and Families (ACF) launched the TANF-SSI Disability Transition Project (TSDTP) in October 2008. Working with ACF, TANF agencies in California, Florida, Georgia, Michigan, Minnesota, New Jersey, and New York, select counties in these states, and the evaluation firm MDRC, we will analyze program data and pilot-test program interventions for TANF clients with disabilities. SSA, ACF, TANF agencies, and low-income individuals with disabilities and their families benefit from effective and efficient services — moving toward employment when possible, making informed decisions about applying for SSI, receiving SSI as quickly as possible, and reducing administrative costs. The project will conclude in September 2011 with our recommendations regarding a larger demonstration project on coordinating TANF and SSI.

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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 2010 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. In general, the benefit increase equals the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)

measured from the third quarter of the previous year to the third quarter of the current year. If there is no increase in the CPI-W, there is no cost-of-living benefit increase.

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 2010 began October 1, 2009 and will end September 30, 2010.

Food Stamps. See “Supplemental Nutrition Assistance Program (SNAP).”

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) 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.

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.

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.

Medicare. A nationwide, Federally-administered health insurance program authorized in 1965 to cover the cost of hospitalization, medical care, and some related services for most people age 65 and over. In 1972, coverage was extended to people receiving Social Security Disability Insurance payments for 2 years, and people with End-Stage Renal Disease. In 2006, prescription drug coverage was also added. Medicare consists of two separate but coordinated programs—Hospital Insurance (HI, Part A) and Supplementary Medical Insurance (SMI). The SMI program is composed of three separate accounts—the Part B Account, the Part D Account, and the Transitional Assistance Account. Almost all persons who are aged 65 and over or disabled and who are entitled to HI are eligible to enroll in Part B and Part D on a voluntary basis by paying monthly premiums. Health insurance protection is available to Medicare beneficiaries without regard to income.

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).

Past-Due Benefits. The SSI payments made in a month later than the month or months in which they were due.

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 2010, a worker receives one quarter of coverage (up to four a year) for each \$1,120 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.

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.

SNAP. See “Supplemental Nutrition Assistance Program (SNAP).”

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, for 2010, 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 2010, 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 2010, a person who is not statutorily blind and is earning more than \$1,000 a month (net of impairment-related work expenses) is ordinarily considered to be engaging in substantial gainful activity.

Supplemental Nutrition Assistance Program (SNAP). The U.S. Department of Agriculture (USDA), under cooperative Federal-State agreements, issues Supplemental Nutrition Assistance Program (SNAP) 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. Prior to October 1, 2008, the Supplemental Nutrition Assistance Program was known as the Federal Food Stamp Program.

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 have asked the Social Security Administration (SSA) to include in this year's annual report the following statement of our views on Social Security's representative payee program. Although we will focus on representative payment in the Supplemental Security Income program, much of what we say also relates to the Old Age Survivors and Disability Insurance program.

Executive summary

For more than 70 years, the Social Security Administration (SSA) has been issuing checks to representative payees who manage the money for beneficiaries who are deemed temporarily or permanently incapable of managing their own benefits. There is an inevitable risk that representative payees will use the benefits for their own purposes.

The representative payee program tends to get overlooked in the press of other business. From time to time there have been scandals in which payees have misused large amounts of money. In 2000 a story on a television newsmagazine about a payee who had misused \$213,000 from 146 beneficiaries resulted in congressional hearings (House Ways and Means 2000, Senate Aging 2000). The scandal led to the Social Security Protection Act of 2004. Among other provisions, that act required periodic onsite reviews of certain groups of payees. It also required SSA to conduct a study of how payees were using benefit payments. That study was conducted from 2005 to 2007 by a committee of the National Research Council (NRC).¹

While protecting the interests of its most vulnerable beneficiaries is a part of SSA's stewardship responsibilities, it is not possible for SSA to ensure that a representative payee will never take advantage of a beneficiary. The challenge for the agency is to protect beneficiaries as effectively as possible, while carrying out its primary mission of making timely and accurate benefit payments. This challenge is especially important in the SSI program, in which 37 percent of beneficiaries have a representative payee.

¹ The NRC is the principal operating agency of the National Academy of Sciences to advise the federal government. SSA has accepted most of the recommendations of the NRC report and has implemented, or is working toward implementing them. A status report by SSA's Office of the Inspector General on the NRC's recommendations and SSA's response is available at: <http://www.ssa.gov/oig/ADOBEPDF/A-13-09-29141.pdf>

Six years after the enactment of the Social Security Protection Act, and three years after the NRC report, this issue brief examines ways in which SSA can continue to focus its efforts to meet this challenge. We also present some additional recommendations to strengthen SSA's protection of beneficiaries. Specifically, we recommend that:

- SSA should expand its recent efforts to identify cases with the greatest risk of misuse by making greater use of available data, in order to target selection and monitoring activities in the most efficient way.
- SSA should establish criteria for data-driven selection and monitoring of representative payees. The agency is legally required to obtain from representative payees an annual accounting for benefit payments. It should develop a data-driven approach to obtain those accountings in a way that is tailored to different risk groups.
- SSA should increase its efforts to avoid selecting as payees people or organizations that have interests which conflict with the best interests of the vulnerable beneficiaries whom they would be serving.
- SSA should implement an annual quality review sample of its payee activities, including capability determinations, payee selections, and misuse determinations.
- SSA's Inspector General should annually review a sample of site visits to organizational payees to ensure that those visits are effective in preventing misuse and ensuring compliance with SSA policies.
- SSA's Inspector General should examine a sample of beneficiaries with fee-for-service payees to see how the payee's fee impacts the beneficiaries' food, shelter, and personal needs.
- SSA should take steps to improve coordination and establish automated data exchanges with other agencies that also serve SSA's beneficiaries. There are numerous agencies that use payees or other fiduciaries or that provide protective services. The Veterans Administration, state courts, state Adult Protective Service agencies, Protection and Advocacy agencies for people with disabilities, and state foster care agencies all serve populations that include SSA beneficiaries. Improved coordination and data exchanges can better protect the people that each agency serves.

Given the size and vulnerability of the population of SSI beneficiaries with representative payees, SSA should make implementing these recommendations and those of the NRC a priority.

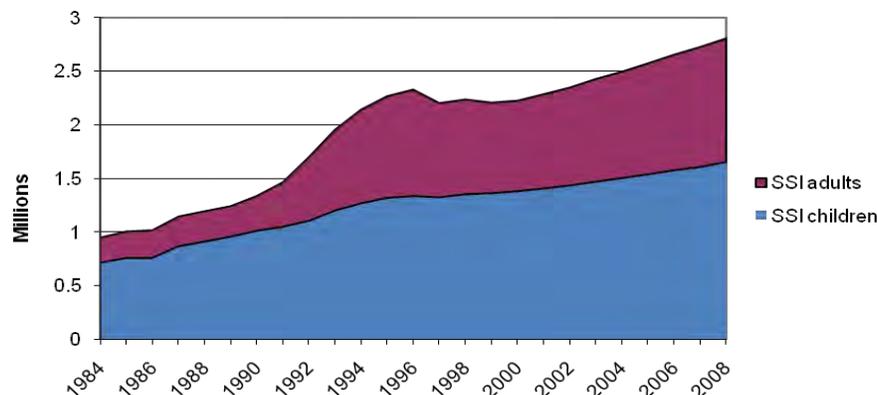
I. Introduction

Representative payment began with the Social Security amendments of 1939, which authorized the Social Security Board (as it then was known), to certify payment “to a relative or some other person” for the “use and benefit” of an applicant, when it would serve the interest of an applicant for benefits. Until that time, only retired workers were eligible for benefits. The 1939 amendments added benefits for wives of retired workers and for widows and dependent children of deceased workers. In preparing for the first monthly benefit payments in 1940, the agency saw a need to establish a way to make payments for minor children and for mentally incompetent beneficiaries. It also acknowledged its responsibility for seeing that payees used the benefits properly (Federal Security Agency, 1940).

Beneficiaries who had representative payees have always been the most vulnerable groups of beneficiaries, children and individuals who were unable to manage their own funds. But the rules put in place in 1939 did not contemplate the complexities of today’s world and the broader beneficiary population. The addition of the Disability Insurance and Supplemental Security Income programs added much larger groups of vulnerable beneficiaries. Changes in society, such as the deinstitutionalization of people with mental illness and developmental disabilities, have also changed the beneficiary population. Beneficiaries now include groups that have a variety of special needs and who may be homeless. As a result, the role of the representative payee may cover a much wider range of responsibilities than originally intended. For example a payee, in addition to managing a beneficiary’s funds, may also become involved in helping the beneficiary find shelter or obtain treatment or assist with employment.

Dealing with representative payees in the SSI program is a substantial workload for SSA. About 2.8 million SSI beneficiaries, or about 37 percent of the total, have payees (SSA, SSI Annual Statistical Report, 2009). Over just the last quarter century, the number of SSI beneficiaries with payees has risen by 197 percent, while the total of number of SSI beneficiaries increased by 87 percent (SSA, Annual Statistical Supplements).

SSI beneficiaries with payees, 1984-2008



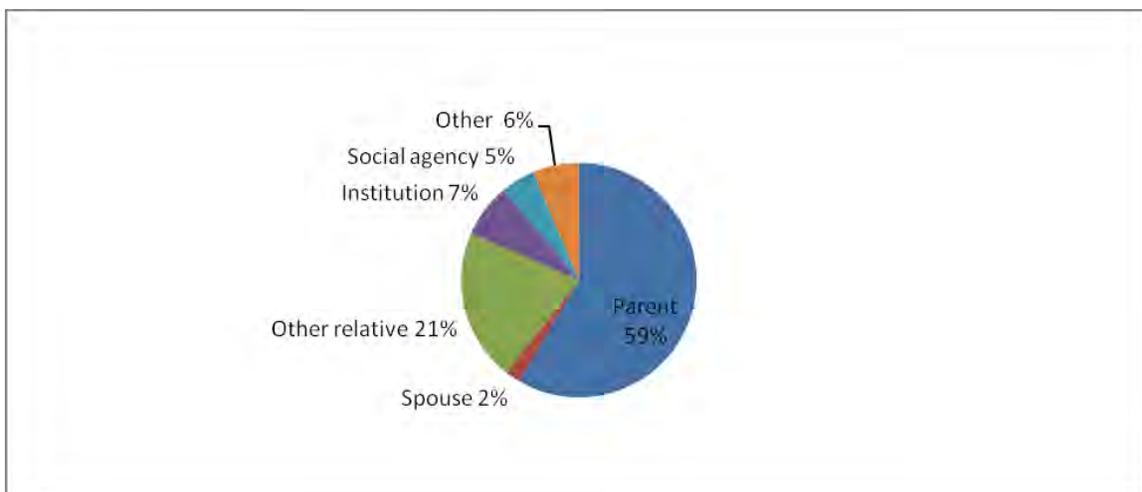
The selection and monitoring of such a large number of payees is a daunting task. In FY 2009, SSA spent 1,900 workyears, nearly 3 percent of its total workyears, on representative payee activities, not including those involved in initial claims. That is more time than it spent on Medicare activities and nearly as much time as it spent on overpayments or continuing disability reviews (SSA Workload Trend Report, FY 2009).

The task of managing another person's benefits can be a difficult one, especially if the beneficiary is not always cooperative. The duties of the payee include:

- Using payments for the beneficiary's current needs
- Saving any unneeded benefits for future use
- Filing an accounting report on how the payments were used and making all supporting records available if requested by SSA
- Reimbursing the amount of any loss suffered by the beneficiary due to misuse by the payee
- Notifying SSA in a timely manner of any events that may affect eligibility or benefit amount.

The great majority of payees receives no compensation for their services and deserves gratitude for volunteering their time and effort. As the following chart shows, most payees are relatives. But according to SSA it is difficult to even find individuals or organizations that are willing to serve as payees for some beneficiaries and in some geographic areas (National Research Council). SSA tries to balance the need to find payees who are willing to take on this responsibility against the burdens that oversight puts on them. The agency tries to maintain an appropriate level of monitoring without requiring so much of payees that they will avoid taking on the responsibility.

Types of SSI payees, 2008



Finding the balance between adequate oversight and not overburdening payees makes monitoring difficult. A payee who is close to the beneficiary and uses the benefits in the beneficiary's interest may not have the ability to maintain records and report on them. In fact, only about two-thirds of the payees surveyed in a recent study indicated that they kept records of how the benefits they managed were spent (National Research Council). The accounting form used by SSA, as we will describe later, is simple – in fact it has been criticized for being too simple – but it is not understood by many payees who complete it. It is beyond the ability of some payees to complete properly (Kutner, 2007).

II. Meeting the Challenge

Identifying misuse

The NRC committee performed a valuable service in conducting its study of misuse of benefits, and pointing out new approaches to detect misuse in a more focused manner. The statute defines misuse in this way: “Misuse occurs in any case in which the representative payee receives payment under this title for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person.”

SSA has stated in the past that misuse is extremely rare and has been found to be less than 0.01 percent of cases (SSA testimony, September 9, 2003). The NRC committee's in-depth study of misuse found that misusers were about 0.2 percent of individual payees, still a small percentage, but considerably higher than the SSA estimate. Despite the simplicity of the definition of misuse, it is sometimes difficult to determine it in practice. It is difficult to determine misuse in the absence of records, so the fact that the NRC committee also found that only about two-thirds of payees reported keeping records makes estimating the extent of misuse even more problematic.

SSA uses three major methods to detect misuse: reports from beneficiaries or third parties, small random samples conducted by SSA's Office of the Inspector General, and the annual accounting form. The NRC committee concluded that none of these was effective in detecting misuse.

Before 1983, SSA created an accounting system on its own initiative, as it did not then have a mandate to conduct accountings of funds that payees received on behalf of beneficiaries. In 1983, however, the decision in a class action suit said that all payees should be required to give a full accounting of how they spend and save Title II and Title XVI benefits on behalf of beneficiaries. Subsequently, Congress required that all payees, except state mental institutions participating in the on-site review program, submit an accounting report annually.

The annual accounting form tells payees the amount of benefits paid during the year being accounted for and asks them to state the amount spent on various categories and the amount saved. They are told not to submit receipts, but to retain them for two years. SSA accepts the figures submitted by the payee as long as the total amount spent and

saved equals or exceeds 90 percent of the amount received. Sending, collecting, and reviewing this information is a large expenditure of effort that yields little useful result in detecting misuse.

The methods SSA is currently using are not effective in detecting misuse, and new approaches are needed. The NRC committee's study used data elements from SSA's records (for example, payee is a non-relative, or payee does not live with beneficiary) to identify payee characteristics that would help target potential misusers. That approach is similar to the profiling that SSA has used for redeterminations and continuing disability reviews to find cases in which erroneous payments were most likely. A study done by SSA's Office of the Inspector General found that the characteristics identified by NRC should be used to identify representative payees who have a high risk of misuse. The study also found that the characteristics were reliable indicators of poor performance, other than misuse, by payees (SSA, Office of the Inspector General, *Characteristics*). SSA has used those characteristics to develop profiles for identifying representative payees with a higher probability of misusing benefits.

We urge SSA to continue its work along these lines and revise its annual accounting form to obtain additional information on payee characteristics that would help evaluate risk factors and payee performance. As the committee wrote, "No form, by itself, is going to detect program misuse. However, if a form can be used to obtain information on characteristics of interest, it could then be combined with a rigorous program of audits." Other work on financial abuse has stressed the need to examine characteristics of the victims of abuse as well as the perpetrators in an effort to better understand risk factors (Rabiner et al., Hafemeister). We recommend that SSA commit research staff to ongoing work on representative payee issues, including examining characteristics of payees in combination with those of beneficiaries in order to target its selection and monitoring activities in the most efficient way. SSA is working on improving its data systems for representative payees, and doing so will provide more useable data for analysis. It should also test the use of external data sources, such as data exchanges with other agencies, credit bureaus, and criminal justice records.

Once SSA has established criteria for data-driven selection and monitoring, it should carry out its annual accounting in a way that is tailored to different risk groups, monitoring high risk groups more carefully.

Conflicts of interest

Recent reports of exploitation of a group of beneficiaries point out the need for paying special attention to cases in which payees have an interest that conflicts with the best interests of the beneficiary. In February 2009, inquiries by a sister of a beneficiary led to a series of inspections at a boarding facility in Iowa. The fire marshal ordered the facility closed, and the 21 residents were moved to a state-licensed care facility. The men's employer has become the focus of an investigation involving several state and federal agencies. That investigation has shown that for 34 years, a Texas company sent men with intellectual disabilities from Texas to Iowa to work in a poultry-processing plant.

The men were working for about 40 cents an hour and lived in a century-old building that was leased to their employer for \$600 per month. Each of the men was reported to be receiving a Social Security disability benefit (SSI and/or SSDI), averaging about \$640 per month. These benefit payments were managed by their employer, who was also their payee and their landlord and “care” provider. The employer was reported to charge the men all but \$60 to \$70 of their total income for room, board and “kind care.” The sister of one of the men stated that he had \$80 in the bank after working for 30 years (Kauffman February 8 and 10, 2009; Jones).

SSA’s accounting forms are not designed to uncover this kind of abuse. As long as the figures on the accounting forms showed that the benefits were being used to meet the needs of the beneficiaries, and the figures added up, no further action would be taken. To its credit, however, SSA has taken action to investigate whether there are other situations in which representative payees are also employers and beneficiaries are vulnerable to exploitation. SSA has compiled a database of payees who also employ their beneficiaries. It reviewed 328 such employers in FY 2009 and referred two potential wage violations to the Department of Labor. It also entered into a contract with the National Disability Rights Network to pay for on-site reviews to be conducted by investigators for state Protection and Advocacy agencies. SSA’s Inspector General plans to examine a sample of the reviews to determine whether they complied with SSA’s policies and procedures (Kauffman, December 27, 2009; SSA, Briefing for the Social Security Advisory Board, January 12, 2010; SSA, Office of the Inspector General, Congressional Response Report, May 2010).

There are other situations that call for similar attention. The NRC report pointed out the conflict of interest when a representative payee was also the operator of a group home, foster care home or board and care home, providing food, shelter and, ostensibly, services to the beneficiary while controlling the person’s benefit. Some states monitor and/or license some or all of these facilities and have rules for fiscal management of benefits. In other states, the payee is free to charge any amount and deduct it from the benefit payment. The committee found cases in which the payee charged beneficiaries receiving different benefit amounts the entire benefit amount for room and board. Some of these payees could provide records and were complying with reporting standards, although they may have been exploiting their beneficiaries. In addition they may not have been in compliance with Social Security regulations and policy that address the expectation that payees will also provide for a beneficiary’s personal needs, and clothing, even if that means a facility gets paid a little less than is usual (CFR 20, 404.204 Use of benefit Payments, and POMS, GN00602.001, Use of Benefits, 2. Proper Use of Benefits).

A 2009 study by SSA’s Office of the Inspector General underlined the need to pay greater attention to payees who have a creditor relationship because their beneficiaries reside in a group home that the payee operates. That study examined a sample of payees to determine if some of them operated as group homes. Since current law requires SSA to conduct periodic reviews of individual payees serving 15 or more beneficiaries, OIG looked at payees who served 14 or fewer beneficiaries. To focus more closely on potential group homes, it further restricted its sample to payees with at least three

beneficiaries who were not relatives. In a sample of 16 payees, it found 3 group homes, 3 beneficiaries whose clothing or shelter needs were not being met, and 3 payees charging unauthorized fees (SSA, OIG, *Individual Representative Payees Serving Multiple Beneficiaries and Organizational Representative Payee Serving as an Individual Representative Payee in Philadelphia*). Since in this small sample, the OIG study found a substantial percentage of group homes (and therefore creditor relationships that the agency had not been aware of) and violations of SSA policy, SSA should pursue further investigations along these lines.

SSA should increase its monitoring of individual payees, such as operators of group homes, who are also in a creditor relationship with the beneficiary, and should develop performance and reporting standards specifically for this type of payee. Whenever possible, SSA should avoid putting beneficiaries in a position where their payees' interest conflicts with their own best interest. The agency may have difficulty identifying payees who are also creditors, given the state of its data system, but it is updating that system. It should obtain the data it needs, develop performance and reporting standards, and move toward enforcing them to the best of its ability.

Selection

Applicants who want to be selected as representative payees currently complete the application in a face-to-face interview in most cases. SSA's program instructions direct interviewers to use the interview to determine the applicant's qualifications and motive for filing to be a payee, to judge the applicant's ability to carry out the payee's responsibilities, and to explain the payee's duties, reporting responsibilities, and liability of non-compliance of reporting (SSA, Program Operations Manual System, GN 00502.113).

The program instructions also state: "SSA is legally required to verify identity and SSN information supplied by payee applicants. Verifying other allegations such as income and custody may also help determine a payee applicant's suitability." The instructions also provide payee preference lists. For example, the preference list for minor children begins with a parent with custody, a legal guardian, a parent without custody but who shows strong concern, and goes on through five more categories. The instruction states that the lists are meant only as guidelines and that each payee application must be evaluated to determine the best payee (SSA, Program Operations Manual System, GN 00502,105, GN 00502.117).

Just as data on payee characteristics can help with misuse, as described above, they can also help in payee selection. SSA should use its data on payee characteristics to shape its policies on selection of payees. The data that it is developing, and should continue to develop, on payee characteristics that are linked to misuse should be built into its payee selection. SSA should also take advantage of other data that are available to it, such as credit reports, criminal records, and information from other public agencies. It should use data from these sources as it uses the information on payee characteristics from its

own records and analyze it for potential links to payee misuse that can improve its selection and monitoring of payees.

SSA should also avoid giving control of beneficiaries' funds to someone who is not designated as a payee. SSA's Office of the Inspector General looked into the use of "in care of" addresses to gain control of benefit payments while avoiding representative payee reporting. It found that 216,000 beneficiaries had addresses "in care of" someone else. OIG auditors visited 21 nursing homes and other facilities. It found that at five of them, the staff acknowledged the beneficiaries retained no control over, or had no access to, SSA payments. Once the "in care of" address changes were made, SSA would mail payments directly to the facility or electronically deposit funds into accounts controlled by the facility. This gave the facility control over the benefits without the responsibility that comes with being representative payee (SSA, OIG, *Beneficiary and Recipient Use of "In Care of" Addresses*).

Oversight

Once they are selected, some payees will need support from SSA. The most common reasons for payees to contact SSA for help have been to clarify the beneficiary's benefit amount, to understand the payee's responsibilities, and to request permission to allow the beneficiary to manage his or her own benefits. The NRC's survey found that, of those who did contact SSA with questions or concerns, nearly a quarter felt somewhat (9.3 percent) or very (14.5 percent) dissatisfied with the help they had received. Payees perform an important service, and many of them may have difficulty understanding or following the instructions they receive when they are appointed. Since the NRC report, SSA has done an assessment of payee needs and plans to evaluate its publications and enhance its website for payees. It has also made it possible for payees to file the annual accounting form online. It should continue to find out what kinds of help payees need and make sure they have the information and support that will help them fulfill their responsibilities to both beneficiaries and SSA.

SSA's field staff also needs additional support in fulfilling its responsibilities. The NRC committee reported that during its field visits, some field office staff said that they did not have adequate methods to judge whether a prospective new payee was more suitable than the current payee. Field office staff stated that they did not have means to verify information given by prospective payees. The Advisory Board has heard similar comments during its visits to SSA field offices. Since field offices no longer have field representatives who can visit beneficiaries, they are limited in their ability to determine whether benefits are being used to meet the beneficiaries' needs. SSA has recently conducted training for its field managers and staff on payee issues, and it plans to conduct additional training. SSA should also analyze the needs of its front-line employees in addition to training, and then provide them with the tools they need to do their job well.

The NRC committee's study of misuse found individual payees who were given fees by a beneficiary for their services, in violation of SSA policy (NRC, 2007). Only organizational payees are allowed to charge a fee. Other researchers have also found that

individual payees charge the beneficiary fees (Gallmeier and Levy). Individual payees are not authorized to collect fees, and doing so is misuse. The current accounting form for individual payees does not ask about this. The next revision of the form should ask if the payee charges a fee.

At a Congressional hearing in 2000, SSA's Inspector General said of representative payee oversight, "This is a workload [at] Social Security, in the field, that gets deferred. It is not addressed because there are other priorities that interfere. We do not have a performance measure in our performance plan that deals with having this process as effective and having the best integrity that it possibly could. And in my opinion, where you do not have a performance measure, normally in life, you do not have much compliance or an incentive. So we think that is probably called for, also." Later, referring to a large case of representative payee fraud, he said "this particular situation happens when this focus, this stewardship, if you will, of this particular area was not important. What was more important was to get benefits out the door." (Huse, 2000). A letter from the National Council of Social Security Management Associations, which represents SSA's front-line management, indicated that payee activities were still backlogged in 2008 and explained, "Suffice it to say that some of these workloads are of low priority or end up backlogged simply because they are not being monitored as closely as others" (NCSSMA).

As an external advisory committee on representative payees recommended to SSA in 1996, SSA should implement a quality review sample to examine the quality of SSA determinations of beneficiaries' capability to handle benefits, payee selections, and misuse determinations. The quality review should also supplement payee self-reporting with collecting collateral evidence to support the payee's statements. Such a quality review would indicate to front-line staff that the agency considers representative payee issues an important workload. At the same time, it would collect data and identify trends that might suggest the need for further policy changes. There should also be continued management attention to agency performance of its duties related to representative payees.

Organizational payees

The fact that the NRC study was limited to individual payees serving fewer than 15 beneficiaries and non-fee-for-service organizational payees serving fewer than 50 beneficiaries does not mean that the broader organizational payee program is without problems.

The Social Security Protection Act of 2004 required SSA to expand its monitoring of certain representative payees, including organizational payees representing 50 or more beneficiaries (known as volume payees) and all payees authorized to collect a fee for service. SSA's monitoring program includes reviews of all volume payees and fee-for-service payees and all state mental institutions at least once every three years. SSA also selects a random sample of payees not scheduled for a triennial site review in that year. In addition, SSA conducts targeted reviews as needed if events raise concerns about a

payee's performance. Payee reviews include meetings with representatives from the organizations, assessments of the payees' recordkeeping, and interviews with beneficiaries.

In FY 2002, a consultant reviewed SSA's site review process for fee-for-service, large organizational payees serving over 100 beneficiaries, and individual payees serving over 20 beneficiaries. The site review focuses on communicating SSA's expectations of representative payees, and discussing what payees need from SSA to perform their functions. Site reviewers also examine documentation to check beneficiary resources and ensure that interest on conserved funds is credited to the beneficiary's account. They also check to ensure that accounting forms have been returned, that conserved funds have been returned if a new payee has been appointed, that any overpayments have been repaid, and that only appropriate fees have been charged. The consultant's report found that in general the site review process was very effective, but it noted that the site reviews were not financial or accounting audits, and that even a financial audit could not ensure against fraud (Chesapeake Consulting).

More recently, an audit report by SSA's Office of the Inspector General showed one aspect of the potential for misuse by organizational payees. In 2007, SSA's Office of the Inspector General examined a sample of 139 organizational payees that received 3 or more benefit payments after the deaths of beneficiaries between January 2000 and May 2006. Of the 139 organizations in its sample, it found that 76 did not timely report the deaths of multiple beneficiaries and/or did not return funds that were incorrectly paid after death, despite SSA's efforts to recover the benefits. Projecting from its sample, OIG estimated that SSA paid about 2,780 organizational payees \$10 million in benefits after the deaths of beneficiaries (SSA, OIG, *Organizational Representative Payees*).

In the last ten years, SSA's Office of the Inspector General has issued audit reports on ten of the approximately 1,200 fee-for-service payees. Among the problems these audits uncovered were: holding large amounts of conserved funds in uninsured, non-interest bearing accounts; accepting incorrect payments after the death of beneficiaries; charging excessive fees; having only limited contact with their beneficiaries; not keeping adequate records showing how funds were spent; commingling other funds with benefit funds; and not returning conserved funds for beneficiaries no longer in the payee's care.

These OIG audit reports indicate that, while site reviews are helpful, they do not fulfill SSA's stewardship responsibility to manage benefit payments in a way that maintains the trust of the public it serves. The Office of the Inspector General should conduct annually a review of a sample of site visits and provide feedback to SSA to ensure that future site visits are as effective as possible in preventing misuse and ensuring compliance with SSA policies. Attention should be directed to whether or not beneficiaries actually receive the personal needs money they are supposed to receive, and whether or not what rep payees report on paper about their management of beneficiary funds reflects actual practice.

The payment of fees is another issue that requires attention. Legislation in 1990 first allowed qualified organizations to charge a fee. The fee is deducted from the

beneficiary's payment and is used for expenses incurred by the organization in serving as payee. The maximum fee was originally set at \$25 and stayed at that amount through 1996. It was later indexed to the cost of living. Fee-for-service payees are now entitled to collect the lesser of \$37 or 10 per cent of the monthly benefit amount per month from each beneficiary whose benefits they manage. Payees for beneficiaries who have a medically determinable substance abuse disorder as a secondary diagnosis are entitled to a higher fee, the lesser of \$72 or 10 percent of the monthly benefit amount per month from each beneficiary. Fee-for-service payees are last on SSA's preference list for selection of payees and are generally selected only when no other suitable payee can be found.

SSA currently has 1,201 fee-for-service payees providing services to 96,096 SSI beneficiaries, of whom 2,172 have a substance abuse disorder as a secondary diagnosis. If each of these payees received the maximum amount, the total of fees paid for a year would be \$44 million. In the context of a program that distributes \$40 billion per year in Federal benefits, that may not be considered a large amount. On the other hand, for a beneficiary with a Federal benefit rate of \$674 per month, a fee of \$37 or \$72 is a large amount. Since the SSI monthly benefit is below the poverty level to begin with and since it is not the beneficiaries' choice to have a fee-for-service payee, it seems unreasonable to require beneficiaries to pay the payee's fee. What we do not know, however, is the impact of the fee on beneficiaries who may be receiving other benefits to help pay the cost of food, shelter, and other necessities. We therefore recommend that OIG examine a sample of beneficiaries with fee-for-service payees to see how the payee's fee impacts meeting their food, shelter, and personal needs.

Guardianship and coordination

The population of representative payees overlaps with populations that are monitored by other agencies, but there is little coordination of oversight, or sharing of information. A 2006 report on guardianship by the Government Accountability Office said, "With few exceptions, courts and federal agencies don't systematically notify other courts or agencies when they identify someone who is incapacitated, nor do they notify them if they discover that a guardian or a representative payee is abusing the person. This lack of coordination may leave incapacitated people without the protection of responsible guardians and representative payees or, worse, with an identified abuser in charge of their benefit payments." (GAO, 2006).

In 2006, an AARP Roundtable on Representative Payees and Guardianship, with representatives from the Department of Veterans Affairs (VA) and SSA and state court judges, generated ideas for improving coordination (Karp and Wood):

- Require that SSA representative payees and fiduciaries for veterans benefits provide courts with copies of monitoring reports when there is a court-appointed guardian.
- In response to concerns that the Privacy Act prevents SSA from sharing information with courts, legal barriers to information exchange between federal agencies and courts regarding individuals should be removed. This would enable

SSA to inform courts whether an individual has a payee and when the payee misuses benefits or violates SSA policies.

- Establish a working group including SSA, VA, and other federal agencies with fiduciary programs; state court judges; and relevant national organizations. This group would be charged with developing national approaches to improve collaboration.
- Provide contacts at federal agencies to which courts can report about problematic guardians.
- Educate the judiciary on the representative payee and similar federal programs.

A recent audit report by SSA's Inspector General shows the potential for better use of existing information. When a child is placed in a state's foster care system, authorized state partners can use SSA's State Verification and Exchange System to find out whether the child is receiving benefits from SSA and can apply to become the child's representative payee. The Inspector General compared foster care records of the state of Maryland with SSA's beneficiary records and found that 952 children in Maryland's foster care programs were receiving SSA benefits for which they had representative payees. Of that number, 402 children had payees who were neither foster care agencies nor the children's foster care parents. SSA selected 50 of those 402 to assess the suitability of their representative payees. Of those 50, SSA determined that six representative payees had misused and four had possibly misused the children's benefits (SSA, Office of Inspector General, *Benefit Payments*).

The priority here should be to work with VA to establish a way that the agencies can inform one another of problematic payees. SSA should also develop working relationships on payee matters with state adult protective services, the state protection and advocacy agencies, the Area Agencies on Aging, the growing number of Aging and Disability Resource Centers, and state foster care agencies, to determine what information can be shared usefully. To the extent possible, information should be shared through automated data exchanges. All of these agencies have interests that overlap with SSA's, and exchanges of data would be mutually beneficial in sharing information on payees who have misused benefits and preventing misuse for the clients of all the organizations involved.

III. Conclusion

SSA has been taking steps to improve its representative payee process. We encourage the agency to continue along these lines, using data to focus its efforts where they will be most useful. Our additional recommendations are:

- SSA should continue examining characteristics of payees and beneficiaries to identify cases with the greatest risk of misuse in order to target its selection and monitoring activities in the most efficient way. It should expand its efforts to include data available from sources outside SSA.

- Once SSA has established criteria for data-driven selection and monitoring, it should carry out its annual accounting in a way that is tailored to different risk groups.
- SSA should increase its efforts to avoid conflicts of interest when making selections of people or organizations to serve as payees for vulnerable beneficiaries.
- SSA should implement an annual quality review sample of its payee activities, including capability determinations, payee selections, and misuse determinations.
- SSA's Inspector General should annually review a sample of site visits to organizational payees to ensure that they are effective in preventing misuse and ensuring compliance with SSA policies.
- SSA's Inspector General should also examine a sample of beneficiaries with fee-for-service payees to see how the payee's fee impacts meeting the beneficiaries' food, shelter, and personal needs.
- SSA should take steps to improve coordination and establish automated data exchanges with the Veterans Administration, state courts, state Adult Protective Service agencies, Protection and Advocacy agencies for people with disabilities, and state foster care agencies. These agencies all serve populations that overlap, and improved coordination can help them all better protect the people that each agency serves.

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