

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



Social Security Administration

May 1997

LETTER OF TRANSMITTAL

COMMISSIONER OF SOCIAL SECURITY
Washington, D.C., May 30, 1997

President William J. Clinton
The White House
Washington, D.C.

The Honorable Newt Gingrich
Speaker of the House of Representatives
Washington, D.C.

The Honorable Albert Gore, Jr.
President of the Senate
Washington, D.C.

Gentlemen:

We have the honor of transmitting to you the 1997 Annual Report of the Supplemental Security Income Program (the first such report), in compliance with section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Respectfully,

John J. Callahan
*Acting Commissioner
of Social Security*

EXECUTIVE SUMMARY

In the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Congress required the Commissioner of Social Security 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 participation and costs through at least 25 years. This report is the first of such reports, and following are some of its major highlights and findings.

Highlights of the SSI Program

- The SSI program is a nationwide Federal assistance program administered by the Social Security Administration (SSA) that guarantees a minimum level of income for needy aged, blind, or disabled individuals.
- In January 1997, 6.3 million individuals received Federal SSI payments averaging \$342 per month.
- Federal expenditures for cash payments under the SSI program during calendar year 1996 totaled \$26.5 billion, and the cost of administering the SSI program in fiscal year 1996 was \$2.0 billion.

Major Findings of the Report

- Throughout the 25-year period ending in 2021, the SSI program is estimated to grow largely due to the overall growth in the U.S. population. By 2021, the Federal SSI recipient population is estimated to reach 7 million.
- Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients is projected to decline sharply in 1997, from its 1996 level of 2.3 percent, and remain fairly level at 2.1 percent of the population through 2021.
- Federal expenditures for SSI payments in calendar year 1997 are estimated to total \$25.8 billion, a decline of roughly \$700 million from 1996 levels. Short-term declines in SSI program expenditures are the result of changes to the program enacted in the 104th Congress. These changes include new eligibility standards that affect individuals disabled due to drug addiction and/or alcoholism, disabled children, and noncitizens.
- Growth in SSI program outlays during the next 25 years is projected to remain relatively modest. In constant 1997 dollars, the cost of the program is projected to increase to \$31.7 billion in 2021.
- When compared to the Gross Domestic Product, Federal SSI expenditures are projected to decline over time, from the current level of 0.35 percent of GDP in 1996 to 0.27 percent of GDP by 2021.

CONTENTS

I. INTRODUCTION	1
II. HIGHLIGHTS	3
III. THE SUPPLEMENTAL SECURITY INCOME PROGRAM	5
A. BACKGROUND	5
B. THE BASIC PLAN	5
C. UNIFORM STANDARDS AND OBJECTIVE CRITERIA	6
D. ASSISTANCE OF LAST RESORT	7
1. Income	7
2. Resources	8
3. Filing for Other Benefits	9
4. Eligibility Issues for Residents of Public Institutions or Medical Facilities	9
5. Personal Needs Allowance	10
6. Deeming	10
a. Spouse-to-Spouse Deeming	10
b. Parent-to-Child Deeming	10
c. Sponsor-to-Alien Deeming	10
E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION	11
1. Earned Income Exclusion	11
2. Impairment-Related Work Expense Exclusion	11
3. Work Expenses of the Blind Exclusion	11
4. Student Earned Income Exclusion	12
5. Plan for Achieving Self-Support	12
6. Special Provisions for Disabled People Who Work	12
7. Vocational Rehabilitation Referral/Reimbursement	13
F. ADMINISTRATION OF THE SSI PROGRAM	13
1. Application Process	13
2. Determinations of Eligibility	14
3. Representative Payees	14
4. Appeal Rights	14
5. Advance Payments	15
a. Emergency Advance Payments	15
b. Presumptive Disability or Blindness	15
c. Attorney Fees	15
G. STATE SUPPLEMENTATION	15
1. Optional State Supplementary Payment Programs	16
2. Mandatory State Supplementary Payment Programs	16
3. Administration of State Supplementary Payments	16
4. Mandatory Passalong	16
H. COORDINATION WITH OTHER PROGRAMS	17
1. SSI Windfall Offset	17
2. Medicaid Determinations	17
3. Food Stamp Applications	18
4. Interim Assistance Reimbursement	18

IV. ESTIMATES OF PROGRAM PARTICIPATION AND FEDERAL EXPENDITURES UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM, 1997-2021	19
A. ECONOMIC AND DEMOGRAPHIC ASSUMPTIONS	19
B. NUMBERS OF PARTICIPANTS IN THE SSI PROGRAM	22
C. FEDERAL PAYMENTS UNDER SSI	33
D. FEDERAL SSI PAYMENTS AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT	38
E. THE SSI PROGRAM'S SHARE OF SSA'S ADMINISTRATIVE COSTS AND BENEFICIARY SERVICES COSTS	40
V. APPENDICES	41
A. HISTORY OF PROVISIONS	41
1. Basic Eligibility Requirements	41
2. Other Eligibility Provisions.	42
a. Citizenship and Residence	42
b. Other Benefits.	43
c. Drug Addiction and Alcoholism	43
d. Institutionalization.	44
e. Vocational Rehabilitation and Treatment.	45
f. Continuing Disability Reviews and Eligibility Redeterminations.	46
g. Deeming of Income and Resources	46
3. Federal Benefit Payments.	47
a. Windfall Offset	47
b. Proration of Benefit	48
c. Retrospective Monthly Accounting	48
d. Uncashed Checks	48
e. Rounding of Payment Amounts	48
4. Federal Benefit Rates	49
5. Exclusions From Income	49
a. General Exclusions.	49
b. Special Exclusions	50
6. Limits and Exclusions From Resources	52
a. General Exclusions.	52
b. Special Exclusions	54
7. Presumptive and Emergency Payments and Interim Assistance Reimbursement	55
a. Presumptive Payments	55
b. Emergency Advance Payments	55
c. Interim Assistance Reimbursement	55
8. Medicaid Eligibility	56
9. State Supplementation	57
B. INCOME AND RESOURCE EXCLUSIONS.	59
1. Earned Income Exclusions	59
2. Unearned Income Exclusions	59
3. Resource Exclusions	60
C. HISTORICAL ALLOWANCE DATA	62
1. Technical Notes on the Disability Research File	62
2. General Considerations	63
D. HISTORICAL REDETERMINATION AND CONTINUING DISABILITY REVIEW DATA	65
1. Redeterminations.	65
2. Continuing Disability Reviews	65

E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION 68
1. Work Incentives 68
 a. Numbers of Participants in Work Incentive Programs 68
 b. Average Earnings of Participants in Work Incentive Programs 70
2. Vocational Rehabilitation 70
F. INVOLVEMENT OF SSI BENEFICIARIES IN OTHER PROGRAMS..... 72
G. BIBLIOGRAPHY OF RESEARCH ON RELATED TOPICS 73

TABLES

IV.A1	Historical and Estimated Population in the Social Security Area as Projected for the Intermediate Assumptions of the 1997 OASDI Trustees Report, as of July 1, 1974-2021	20
IV.A2	Social Security Cost-of-Living Adjustments and Federal Benefit Rates Estimated on the Basis of the Intermediate Assumptions of the 1997 OASDI Trustees Report, 1974-2021	21
IV.B1	SSI Federally-Administered Applications, Calendar Years 1974-2021	23
IV.B2	SSI Federally-Administered Awards, Calendar Years 1974-2021	24
IV.B3	SSI Federally-Administered Terminations, Calendar Years 1974-2021	26
IV.B4	SSI Recipients With Federal Benefits in Current-Payment Status as of December, 1974-2021	27
IV.B5	SSI Recipients With Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1975-2021	29
IV.B6	SSI Recipients With Federally-Administered State Supplementary Benefits Only, in Current-Payment Status as of December, 1974-2021	31
IV.B7	SSI Recipients With Federally-Administered Benefits in Current-Payment Status as of December, 1974-2021	32
IV.C1	SSI Federal Payments in Current Dollars, Calendar Years 1974-97	33
IV.C2	SSI Federal Payments in Current Dollars, Fiscal Years 1978-97	34
IV.C3	SSI Federal Payments in Constant 1997 Dollars, Calendar Years 1974-2021	35
IV.C4	SSI Federally-Administered State Supplementary Payments in Current Dollars, Calendar Years 1974-96	37
IV.C5	SSI State-Administered Payments in Current Dollars, Calendar Years 1974-96	37
IV.D1	SSI Federal Payments as a Percentage of GDP, Calendar Years 1974-2021	38
IV.E1	Selected SSI Administrative Costs, Fiscal Years 1978-97	40
V.A1	Federal Benefit Rates Set by Legislation	49
V.C1	Disposition of Applications for SSI Disability Benefits by Year of Filing, Level of Decision, and Program Involvement	64
V.D1	SSI Redeterminations Completed, Fiscal Years 1986-96	65
V.D2	Disposition of SSI Continuing Disability Medical Reviews by Fiscal Year of Initial Decision, Level of Decision, and Review Category	67
V.E1	SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-96	69
V.E2	SSI Federally-Administered Blind or Disabled Individuals With SSI Recipient Status Participating in Other Work Incentives as of December, 1990-96	70
V.E3	Average Monthly Earnings of SSI Federally-Administered Blind or Disabled Working Recipients, as of December, 1987-96	70
V.E4	Vocational Rehabilitation Reimbursement Claims Allowed, Fiscal Years 1987-96	71

FIGURES

IV.B1	SSI Federally-Administered Applications, Calendar Years 1975-2025	24
IV.B2	SSI Federally-Administered Awards, Calendar Years 1975-2025	25
IV.B3	SSI Federally-Administered Terminations, Calendar Years 1975-2025	27
IV.B4	SSI Recipients With Federal Benefits in Current-Payment Status as of December, 1975-2025	28
IV.B5	SSI Recipients With Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1975-2025	30
IV.C1	SSI Federal Payments in Constant 1997 Dollars, Calendar Years 1975-2025	36
IV.D1	SSI Federal Payments as a Percentage of GDP,	39
V.E1	SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-96	69

I. INTRODUCTION

The Supplemental Security Income (SSI) program was established by Congress in 1972¹, with payments beginning in January 1974, and is administered by the Social Security Administration (SSA). SSI replaced the former Federal-State programs of Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD) 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 or her own household and having no other countable income is provided, as of January 1997, a monthly Federal cash payment of \$484 (\$726 for a couple if both members are eligible). Since 1975, these Federal SSI benefit rates have been increased to reflect changes in the cost of living at the same time, and by the same percentage, as have benefits under the Old-Age, Survivors, and Disability Insurance (OASDI) program. In addition to setting a Federal benefit standard, the legislation establishing SSI also permitted individual States to supplement the Federal payment with an additional monthly amount. As described in section III, these State supplementation payments can be either voluntary at the option of the individual States or, in certain cases, mandatory under "maintenance-of-effort" provisions in the original SSI legislation.

In recent years, the SSI program has undergone significant changes both as a result of legislation, and due to certain Federal court decisions. In particular, during 1996, there were two pieces of legislation² that had a major impact on the payment provisions under SSI. In addition, under section 231 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Commissioner of Social Security is required to submit a report on the SSI program to the President and Congress. Such report is to be submitted annually no later than May 30 of each year. Pursuant to this legislative mandate, this is the first in a series of such annual reports on the SSI program.

The legislative mandate for this report was very detailed concerning certain types of information about SSI that should be provided in the report. More specifically, section 231 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 participation rates and costs;
- an historical summary of statutory changes to title XVI of the Social Security Act;
- 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 individual members of the Social Security Advisory Board, if so desired by any such Board member or a joint report if one is agreed upon by the Board.

For this initial report, much of the required information had to be developed for the first time. For example, while historical program data are available from summaries of administrative records and have previously been published in a number of documents, many of the required subcategory totals have not always been collected on a consistent basis. To provide the detailed data for this report,

¹ Public Law 92-603 enacted October 30, 1972.

² Public Law 104-121 enacted March 29, 1996, and Public Law 104-193, enacted August 22, 1996. The provisions of these two pieces of legislation are outlined in section II.

extensive work was necessary to prepare retrospective estimates based on existing historical totals. Furthermore, except for the 75-year projections prepared for the OASDI ¹ and Medicare ² Trustees Reports, most routine forecasts for government programs extend only 5-10 years into the future for use in connection with the President's Budget. Thus, mathematical models capable of projecting SSI program costs 25 years into the future did not exist at the time of the enactment of Public Law 104-193. For purposes of the longer-range forecasts required in this report, SSA's Office of the Chief Actuary extended the computations of its Budget model to encompass a 25-year period. As discussed in greater detail in section IV, the resulting forecasts should be considered very rough beyond the first 5-10 years. Future research and model development work will be undertaken by the Office of the Chief Actuary in an effort to enhance these 25-year forecasts for future editions of this report.

In responding to each of the additional specific requests for information, every effort has been made to provide the best information available at this time. It is expected that in future versions of this annual report, improvements will be made 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.

In broad outline, the contents of the remainder of this report are as follows:

- Section II presents highlights of recent SSI program experience, a summary of important changes to the program in the last year, and a summary of the key results from the 25-year forecasts.
- Section III contains a comprehensive description of the SSI program.
- Section IV presents the details of our 25-year forecasts of SSI program participation and expenditures.
- Section V contains a series of technical appendices responding to each of the remaining legislative mandates for information about SSI.

¹ The 1997 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, issued April 24, 1997.

² The 1997 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund and The 1997 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, issued April 24, 1997.

II. HIGHLIGHTS

A brief history of the SSI program is presented in the following section, including descriptions of the eligibility criteria and other features of the program, and rationale for why some of those provisions were included in the SSI statute. Perhaps a more important part of the picture, however, is an indication of how SSI affects the individuals it is intended to serve and the cost of the benefits. Following is a brief summary of such information.

- On average during calendar year 1996, 6.3 million aged, blind, or disabled individuals received Federal SSI benefits on a monthly basis. An estimated 7.1 million aged, blind, or disabled individuals received at least 1 month's Federal SSI benefit during the year.
- Federal expenditures for cash benefits under the SSI program during calendar year 1996 totaled \$26.5 billion.
- On average during calendar year 1996, 2.4 million aged, blind, or disabled individuals received Federally-administered State supplementary payments on a monthly basis. An estimated 2.7 million individuals received at least 1 month's Federally-administered State supplementary payment during calendar year 1996.
- State expenditures for Federally-administered supplements during calendar year 1996 totaled \$3.0 billion, excluding fees for Federal administration.
- The cost of administering the SSI program in fiscal year 1996 was \$2.0 billion.

Legislative changes in the SSI program in 1996 include:

- ***Drug addicts and alcoholics***—Public Law 104-121, enacted on March 29, 1996, provided that, effective upon enactment, no SSI applicant could be found disabled if drug addiction or alcoholism would be a “contributing factor material to the determination of disability.”

The law also provided for a process of notification and redetermination of disability for those current recipients who would be affected by this change. Their eligibility for payments ended on January 1, 1997.

- ***Disabled children and noncitizens***—Public Law 104-193, enacted on August 22, 1996, included substantial changes to the eligibility requirements for two large segments of the SSI population—disabled children under age 18, and recipients who are not U.S. citizens.¹

Eligibility for disabled children—Individuals under age 18, are no longer considered disabled if they have an impairment of comparable severity to that of an adult. Rather, individuals under age 18 are considered disabled if their impairment meets the statutory duration requirement and if they have a medically determinable physical or mental impairment which results in marked and severe functional limitations. The determination of disability for a child will no longer include an individualized functional assessment, and references to “maladaptive behavior” will be removed from the personal/behavioral domain in certain of the Listing of Impairments. These new requirements are effective for claims filed on or after or finally adjudicated on or after August 22, 1996. Children receiving SSI as of August 22, 1996 who are affected will have their eligibility redetermined, using the revised definition of disability. No payments to children who qualified for SSI payments before enactment of this provision will end because of these changes before July 1, 1997.

¹ Public Law 104-208, enacted September 30, 1996, amended Public Law 104-193, to modify slightly the prohibition on SSI payments to certain noncitizens. Reference to Public Law 104-193 in the body of this report should be interpreted to mean Public Law 104-193 as amended by Public Law 104-208.

Eligibility for noncitizens—Before the enactment of Public Law 104-193, U.S. residents who were not citizens were eligible for SSI if they were lawfully admitted for permanent residence, permanently residing under color of law, or belonged to specified groups of legal refugees or asylees. The new law generally prohibits SSI payments until an immigrant becomes a U.S. citizen. Exceptions are granted for the first 5 years an individual is in the United States as a legal refugee, asylee, or whose deportation is withheld. There are exceptions for certain active duty military and veterans, their spouses and minor children, and for lawful permanent residents who earn, or can be credited with, 40 qualifying quarters of earnings. These changes are effective on enactment for new claims. Current recipients will have their eligibility redetermined under the new rules. Those who do not qualify must be removed from the rolls within 1 year after enactment.

The major findings of this report are summarized below:

- Over the next 2 years, the combined impact of Public Law 104-121 and Public Law 104-193 is expected to result in a decline in the numbers of SSI recipients. Following that decline, growth in the SSI rolls is expected to resume largely due to the growth in the U.S. population. By 2021, the Federal SSI recipient population is estimated to reach 7 million. Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients is projected to decline sharply in 1997, from its 1996 level of 2.3 percent, and remain fairly level at 2.1 percent of the population through 2021.
- Federal expenditures for SSI payments in calendar year 1997 are estimated to total \$25.8 billion, a decline of roughly \$700 million from 1996 levels. In order to provide estimates of future expenditures under the SSI program over 25 years which can be meaningfully compared, projections of Federal SSI expenditures are presented in constant 1997 dollars. Expressed in these terms, growth in SSI program outlays during the next 25 years is projected to remain relatively modest, roughly in line with overall growth in the U.S. population. In constant 1997 dollars, the cost of the program is projected to increase to \$31.7 billion in 2021.
- Furthermore, when compared to the Gross Domestic Product, Federal SSI expenditures are projected to decline over time, from the current level of 0.35 percent of GDP in 1996 to 0.27 percent of GDP by 2021.

III. THE SUPPLEMENTAL SECURITY INCOME PROGRAM

The Supplemental Security Income (SSI) program is a nationwide Federal assistance program administered by the Social Security Administration (SSA) that guarantees a minimum level of income for needy aged, blind, or disabled individuals. In January 1997, 6.6 million individuals received Federally-administered SSI benefits¹ averaging \$365 per month.

A. BACKGROUND

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 was intended to supplement the incomes of individuals who were either ineligible for Social Security or whose benefits could not provide a basic living.

This means-tested assistance—also known as categorical adult assistance—actually comprised three separate programs—Old-Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Permanently and Totally Disabled (APTD). Despite substantial Federal financing, these programs were essentially State programs; Federal law established only broad guidelines and assistance. Federal financing was open-ended in the sense that the Federal Government would provide matching funds to support whatever benefit levels the States established. Federal law specified no maximum or minimum standards. Consequently, each State was responsible for deciding its own standards for determining who would get assistance and how much they would get. As a result, there were differing eligibility requirements and variations of payment levels from State to State.

Beginning in the early 1960s, this State-operated, Federally-assisted welfare system drew criticism from within and outside of government. Some of the criticism was directed at the “crazy quilt” eligibility requirements and benefit 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. The disparity in the degree of Federal financial support provided States also was an acknowledged problem.

Responding to these concerns, Congress passed and the President approved the SSI program (Public Law 92-603, enacted October 30, 1972), which reversed the historic 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 receives assistance and how much assistance they would receive.

B. THE BASIC PLAN

The main objective of the SSI program is to provide the basic cash 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;

¹ Including Federally-administered State supplementary payments.

- 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.

Although SSI has undergone several significant changes in the 25 years since its inception, these principles have been retained. The following description of the SSI program is organized according to the originating principles.

C. UNIFORM STANDARDS AND OBJECTIVE CRITERIA

Prior to the SSI program, aged, blind, or disabled individuals may or may not have been eligible for Federally-funded adult assistance depending on the State in which they lived. Benefit amounts also varied from State to State. The SSI program replaced the State-run programs of assistance with a program having nationally 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 Federal assistance. Effective January 1, 1997, the countable income limit for individuals is \$484 a month and \$726 a month for couples. The resource limit is \$2,000 in countable resources for an individual and \$3,000 for couples;
- Sixty-five as the minimum age limit for assistance based on age;
- A uniform definition of disability and blindness. The definitions for individuals 18 or older are the same as those used for the Social Security Disability Insurance 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 result in death and (1) if 18 or older prevents him/her from doing any substantial gainful activity¹ or (2) if under 18 results in marked and severe functional limitations². (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.³) In order to be considered blind, an individual's vision may not be better than 20/200 or have a limited visual field of 20 degrees or less with the best correction; and
- Uniform standards for citizenship and residency. In order to be eligible for SSI, an individual must be either a citizen (or national) of the United States or in one of the following categories:⁴
 - refugees (eligibility limited to the 5-year period after their arrival in the United States);
 - asylees (eligibility limited to the 5-year period after the date they are granted asylum);

¹ "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. Generally earnings from work activity of over \$500 a month is evidence of ability to engage in SGA. If an SSI *applicant* is earning over \$500 a month, he/she generally would not be considered disabled. However, if an SSI *recipient* is earning over \$500 a month, he/she could continue to be eligible for SSI. (See "Incentives for Work and Opportunities for Rehabilitation" section III.E.)

² The definition of disability and blindness for individuals under age 18 reflects amendments made by Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Prior to this, the law required a medically determinable physical or mental impairment of comparable severity to that required for individuals 18 or older.

³ This provision reflects amendments made by Public Law 104-121, the Senior Citizen's Right to Work Act of 1996, enacted March 29, 1996.

⁴ These standards reflect amendments made by Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Prior to this, the law permitted SSI eligibility for individuals who were residents of the United States and—citizens or nationals of the United States; aliens lawfully admitted for permanent residence in the United States; or aliens permanently residing in the United States under color of law.

- aliens who have had deportation withheld under section 243(h) ¹ of the Immigration and Nationality Act (INA) (eligibility limited to the 5-year period after their deportations are withheld);
- certain active duty Armed Forces personnel, honorably discharged veterans, and their spouses and dependent children; and,
- lawful permanent residents who earn, or can be credited (from their spouses or parents) with, 40 qualifying quarters of earnings.

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 United States, the District of Columbia or the Northern Mariana Islands. An individual also must be physically present in the United States ² 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.
- 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 cannot be conducted in the United States.

D. ASSISTANCE OF LAST RESORT

As a means-tested program, SSI takes account of all income and resources that an individual has or can obtain. The amount of an individual's 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 amount of, his/her SSI benefit. As countable income increases, an individual's SSI benefit amount decreases. 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 rate (currently \$484 for an individual; \$726 for an individual with an eligible spouse) 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, clothing, 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. However, the amount that is countable is limited to an amount equal to the one-third of the applicable Federal benefit rate plus \$20 (\$181.33 in 1997).

¹ On or after April 1, 1997, this INA citation is section 241(b)(3) and the reference will be to "removal withheld".

² Fifty United States, the District of Columbia or the Northern Mariana Islands.

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. The distinction between earned and unearned income is significant because different exclusions apply to each type.

However, not everything an individual receives is considered to be income. Generally, if the item received cannot be used as, or to obtain, food clothing 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 Exclusions ¹

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 for achieving self-support by a disabled or blind individual, and
- infrequent or irregularly received income (\$10 or less a month).

The principal *unearned* income exclusions are:

- the first \$20 per month ²,
- income set aside or being used to pursue a plan for achieving self-support by a disabled or blind individual,
- State or locally funded assistance based on need,
- rent subsidies under HUD programs and the value of food stamps, and
- infrequent or irregularly received income (\$20 or less a month).

2. Resources

The amounts of individuals' resources are used to determine whether they are eligible for SSI in any given month. SSI law states that eligibility is restricted to individuals who have countable resources (determined on a monthly basis) not exceeding \$2,000, or \$3,000 in the case of married couples, but does not define what resources are. The law does stipulate what items are to be excluded from resources.

Regulations stipulate that a resource is cash or other liquid assets 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, clothing 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.

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.

Resource Exclusions ¹

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 (plus accrued interest),
- household goods and personal effects in which one's equity does not exceed \$2,000,
- an automobile depending upon its use, otherwise, the current market value not in excess of \$4,500,
- property essential to income producing activity, and
- resources set aside to fulfill a plan to achieve self-support.

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 file for all other benefits for which they may be entitled.

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 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. People who are 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;
- 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);
- a physician certifies that the recipient's stay in a medical 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; or
- the recipient was eligible under section 1619(a) or (b) for the month preceding the first full month in the public institution and is permitted by the institution to retain any benefits payable for 2 months.

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

5. Personal Needs Allowance

When individuals enter certain public or private hospitals or other medical institutions in which more than half of the bill is paid by the Medicaid program, their monthly Federal payment standard is reduced to \$30, beginning with the first full calendar month they are in such institution. In the case of an individual under age 18, the \$30 payment standard 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 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 institution.

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.¹ 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 available to the eligible individual, a living allowance is provided for the ineligible spouse, as well as any ineligible children under age 21 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.

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. 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 21 who is living in the household. Deeming from an eligible parent 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 immigration sponsors and the sponsors' spouses are deemed to noncitizens admitted into the country under legally enforceable affidavits of support generally until the non-

¹ 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 only about 100 of these cases left.

citizens become U.S. citizens. Unlike spouse-to-spouse and parent-to-child deeming, no living allowances are provided for the sponsor or the sponsor's family.

Deeming ends before citizenship in the case of lawful permanent residents who earn, or can be credited with, 40 qualifying quarters of earnings. Children and spouses of workers may be credited with quarters earned by the worker. (After 1996, a quarter does not count as one of the required 40 if the noncitizen or worker received Federal means-tested public benefits during the relevant period.)

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

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 by having greater total income than those who do not work.

2. Impairment-Related Work Expense Exclusion

The cost 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 monthly countable income.

In calculating these expenses, amounts equal to the costs of certain attendant care services, medical devices, equipment, prostheses 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

The work expense provision for individuals who are blind is more liberal than the impairment-related work expense provision for individuals who are disabled. Any income that a blind individual uses to meet expenses relating to work is not counted 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 and is intended to help defray the cost of his/her educational training. Up to \$400 of earned income per month but no more than \$1,620 per year may be excluded.

5. Plan for Achieving Self-Support

A plan for achieving self-support (PASS) allows a disabled or blind individual to set aside income and resources to get a specific 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. The income and resources that are set aside are excluded under the SSI income and resources tests.

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

6. Special Provisions for Disabled People 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 limit (currently \$500 a month) can receive special cash benefits as 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 the SSI, social services, and Medicaid benefits that the individuals 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 which would be lost without assistance;
- meet all nondisability requirements for SSI payment other than earnings; and

- have been eligible to receive 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 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 Referral/Reimbursement

Since the beginning of the SSI program, blind or disabled individuals who are applying for or receiving SSI benefits are referred to the State Vocational Rehabilitation (VR) agencies to the extent that "the maximum number of such individuals may be rehabilitated into productive activity." SSA reimburses 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.

Individuals receiving SSI benefits who improve medically and, therefore, are no longer considered disabled can continue to receive SSI benefits if they are actively participating in an approved VR program and completion of the program would increase the likelihood that they will be permanently removed from the SSI rolls. SSI benefits and Medicaid generally continue until the rehabilitation services are completed or until the individual ceases to participate in the program.

Individuals age 16 or older who receive SSI benefits due to blindness or disability and who refuse, without good cause, to accept available rehabilitation services based upon a referral from SSA shall be ineligible for SSI.

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 reputation for dealing with the public in a fair and humane manner.

1. Application Process

Individuals can make appointments to apply for SSI benefits at any one of the approximately 1,300 SSA field offices around the country or through SSA teleservice centers. The claims process includes the application interview, the obtaining of necessary evidence and documentation, and the adjudication of the claim. Although the eligibility requirements of 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. Potential claimants initially contact SSA by phone, mail or in person. Field office personnel conduct an interview with the claimant and/or his/her representative.

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 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 makes determinations of all of the nonmedical eligibility factors while each State's Disability Determination Service (DDS) makes determinations of disability and blindness.

2. Determinations of Eligibility

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 is determined on a monthly basis. The amount of the monthly benefit generally is determined using income in the second month preceding the month for and in which the benefit is paid (a method called retrospective monthly accounting). However, at the start of a period of eligibility or re-eligibility, the benefits for the first and second months both are determined using the income received in the first month.

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

In addition to these nonmedical reviews, medical reviews are conducted on disabled or blind recipients in order to determine if they have medically recovered. For administrative efficiency the medical reviews are done most often on those disabled or blind recipients whose medical conditions are considered 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 limit;
- 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; and
- Within 1 year after attainment of age 18 and using the adult eligibility criteria, for recipients whose eligibility for SSI benefits was established under the disabled child eligibility criteria.

3. Representative Payees

When SSI recipients are incapable of handling their benefits, 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 (if the recipient is under age 18), or other close relative who will act in the recipient's best interest. In some cases, an SSA-approved organization may be appointed and some organizations may deduct 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 (\$26 a month in 1997 (\$51 a month in the case of an organization acting as payee for disabled recipients with a drug addiction or alcoholism condition)).

Representative payees may only use an SSI recipient's benefit 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 any overpayments that occur.

4. Appeal Rights

Recipients must be informed in writing in advance of adverse actions SSA plans to take and must be given the opportunity to request that their benefits continue pending a decision at the first level of appeal.

5. Advance Payments

Unlike many of the various State programs that the SSI program replaced, it was not designed to respond to the immediate needs of claimants. However, several provisions exist to fill the gap in responsiveness to individuals in such situations.

a. Emergency Advance Payments

An advance payment of no more than 1 month's benefit (including any Federally-administered State supplementary payment) may be made to an applicant faced with a financial emergency when there is a strong likelihood that the individual will be found eligible. Such payments may be made only once, and the amount advanced is recovered from subsequent SSI benefits. (Prior to the enactment of Public Law 104-193, emergency advance payments were made for the month of initial eligibility. Because Public Law 104-193 changed SSI law to provide that benefits are payable only for months following the month of application or eligibility, emergency advance payments may now be made in the month prior to an individual's eligibility.) If it is subsequently determined that the individual is not eligible for any reason other than failure to establish disability or blindness, the emergency advance payment is considered an overpayment.

b. Presumptive Disability or Blindness

Up to 6 months' payments may be made to an individual applying for benefits based on disability or blindness 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.

c. Attorney Fees

At any time, an individual may appoint a representative in any dealings with the Social Security Administration. 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 dealing with Social Security and not be prohibited by any law from acting as a representative.

A representative may charge and receive a fee for his/her services, but the Social Security Administration determines what the fee shall be and approves the fee agreement between the claimant and the attorney. Payment to attorneys is limited to the amount in the approved fee agreement or petition. For fee agreements, the approved fee can be for no more than 25 percent of any past due benefits. SSI differs from the Social Security program in that amounts cannot be withheld from an individual's SSI benefits to pay for attorney fees. SSI claimants are responsible for paying such fees directly to their attorneys.

G. STATE¹ SUPPLEMENTATION

In designing the SSI program Congress recognized that States, in many instances, would 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 to either provide no supplementation to the Federal assistance payments or to supplement those payments based on their views of the needs of their citizens. They were mandated to assure that their citizens would not receive lower benefits under the Federal program than they had under the former State program.

¹ References to State include, in addition to the 50 States, the District of Columbia.

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 States. In 1997, 44 States have optional State supplementary payment programs.

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 mandatory passalong provisions (described below).

2. Mandatory State Supplementary Payment Programs

States are required to maintain the December 1973 income levels of individuals who were transferred from the former State adult assistance programs to the SSI program in 1974, except for Texas which has a constitutional bar against State supplementation. Because of the increases in Federal benefits over the years, there are few individuals who continue to receive mandatory State supplementary payments. In December 1996, there were roughly 2,800 such recipients.

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 \$5 fee for each supplementary payment issued.

States that administer their own supplementary payment programs establish their own eligibility criteria. States with Federally-administered programs must adhere to SSI eligibility criteria in all aspects except that they may establish additional income disregards.

Twenty-seven States ¹ administer their own programs. Eleven States ² have SSA administer their optional supplementary payment program. In one State (North Dakota) the supplementary payment program is county administered and in five States ³ the administration is split between Federal and State depending on the payment category.

4. Mandatory Passalong

It was originally Congress' view that increases in the Federal SSI benefit rate eventually would replace State supplementary payments. However, public reaction to States reducing their supplementary payment amounts when SSI payments were increased led Congress to mandate 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 "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

¹ Alabama, Alaska, Arizona, Colorado, Connecticut, Florida, Idaho, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Minnesota, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Virginia, Wisconsin and Wyoming.

² California, Delaware, District of Columbia, Hawaii, Massachusetts, Montana, Nevada, New Jersey, Pennsylvania, Rhode Island and Utah.

³ Iowa, Michigan, New York, Vermont, and Washington.

rate—the “expenditures” method. Currently 38 States¹ use the levels method and 11² use the expenditure method. Two States are unaffected by the mandatory passalong requirement. Texas has no mandatory or optional supplementary program because of a State constitutional impediment. West Virginia has no optional supplementary plan and was not required to establish a mandatory plan because Federal SSI income standards exceeded those under the State’s adult assistance programs in 1973.

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 assure that payments made by States or under the Social Security program are not duplicated by SSI benefits.

1. SSI 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 “SSI windfall offset” and was enacted to prevent windfall payments to individuals when Social Security and unreduced 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 may use its own criteria as long as the criteria is no more restrictive than the State’s January 1972 medical assistance standards. Forty States³ use SSI criteria and 11 States⁴ use their own criteria.

States also may enter into agreements with SSA for SSA to make Medicaid eligibility determinations on their behalf as 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 33⁵ States.

¹ Alabama, Alaska, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Washington and Wyoming.

² Colorado, District of Columbia, Idaho, Iowa, Maine, Massachusetts, Nebraska, Oklahoma, Oregon, Virginia and Wisconsin.

³ Alabama, Alaska, Arizona, Arkansas, California, Colorado, Delaware, District of Columbia, Florida, Georgia, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin and Wyoming.

⁴ Connecticut, Hawaii, Illinois, Indiana, Minnesota, Missouri, New Hampshire, North Dakota, Ohio, Oklahoma and Virginia.

⁵ Alabama, Arizona, Arkansas, California, Colorado, Delaware, District of Columbia, Florida, Georgia, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Montana, New Jersey, New Mexico, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Washington, West Virginia, Wisconsin and Wyoming.

Continued Medicaid eligibility is provided in SSI law for certain Social Security beneficiaries who lose SSI due to entitlement to Social Security benefits, or due to an increase in Social Security benefits resulting from:

- cost-of-living adjustments;
- actuarial increases in widow(er)s benefits;
- changes in the definition of disability for widow(er)s benefits; or
- increases in disabled adult child 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 Secretary 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.

The law also provides for Social Security offices to take food stamp applications from potentially eligible or eligible SSI households which are not already receiving food stamps and which 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 with States or local governments under which they 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.

Under these interim assistance reimbursement agreements, if the individual has given SSA written authorization, SSA sends an individual's first SSI benefit check 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 on to the claimant within 10 days ². Thirty-eight States ³ have interim assistance agreements with SSA.

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

² Beginning in August, 1996, in certain disabled children's cases, SSA first reimburses the State, then pays the remainder into special dedicated financial institution accounts for the children.

³ Alaska, Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Vermont, Virginia, Washington, and Wisconsin.

IV. ESTIMATES OF PROGRAM PARTICIPATION AND FEDERAL EXPENDITURES UNDER THE SUPPLEMENTAL SECURITY INCOME PROGRAM, 1997-2021

As described in section III, eligibility for payments under the SSI program depends on a complicated collection of provisions related to the socioeconomic status of the individual, as well as the evaluation of disability or blindness for persons under age 65. Consequently, future SSI program participation will depend on a variety of difficult-to-predict factors including the performance of national and local economies, distribution of personal income within that macroeconomic framework, the prevalence of disability in the general population, and the evaluation of disability as defined by the Social Security Act.

Prior to the issuance of this report, all estimates of expenditures under the SSI program have been of a short-term nature prepared in conjunction with the President's Budget. These short-term projections have relied exclusively on the evaluation of recent historical trends in the SSI program, and the extrapolation of such trends into the next few years. The provisions of Public Law 104-193 mandating this report have required that such projections of future program participation be prepared for a period of 25 years. Due to the complex interaction between the economy and the SSI program, models for projecting SSI program participation over such an extended time period should incorporate more sophisticated concepts than the trend analysis traditionally used for budget purposes. Unfortunately, the short time frame specified for the preparation of the initial edition of this report has not allowed for the extensive research efforts that will be required for the development of more sophisticated SSI models. Consequently, the estimates prepared for this inaugural report have been developed by extending our standard short-term projection methods. These estimates therefore should be considered to be extremely rough, especially for periods beyond the first 5 years. It is anticipated that over the next several years, the staff of the Office of the Chief Actuary will undertake a major effort to develop the models necessary to provide the President and Congress with more meaningful versions of the legislatively-mandated 25-year projections.

A. ECONOMIC AND DEMOGRAPHIC ASSUMPTIONS

Although models that will take account of a wider variety of economic parameters are not yet available, the estimates presented in this section have been prepared in a manner which accounts for the basic demographic changes expected to occur over the next 25 years. In addition, the basic indexation of the Federal benefit rate depends on a projection of the Consumer Price Index (CPI) over that same 25-year period. For purposes of developing these estimates, we have relied on the demographic projections and CPI assumptions underlying the intermediate estimates prepared for the 1997 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds ¹. A detailed discussion of these economic and demographic parameters is presented in section II.D of that report ². The key assumptions utilized directly for the projections presented in this report are summarized in the following two tables. Table IV.A1 presents population projections summarized by certain age subgroups that are specifically relevant to the SSI recipient categories. These demographic projections are the starting point for the SSI participant projections discussed in the next section.

¹ House Document 105-72, published April 24, 1997.

² *Ibid*, Section II.D, *Principal Economic and Demographic Assumptions*.

Table IV.A1.—Historical and Estimated Population in the Social Security Area as Projected for the Intermediate Assumptions of the 1997 OASDI Trustees Report, as of July 1, 1974-2021

[In thousands]

Year	Age groups				Total all ages
	0-17	18-21	22-64	65 or older	
Historical data:					
1974.....	70,704	16,732	112,540	22,735	222,712
1975.....	69,718	17,112	114,450	23,265	224,545
1976.....	68,728	17,425	116,462	23,822	226,437
1977.....	67,822	17,636	118,594	24,399	228,451
1978.....	66,994	17,783	120,845	24,986	230,606
1979.....	66,263	17,821	123,183	25,576	232,844
1980.....	65,737	17,763	125,480	26,148	235,128
1981.....	65,407	17,666	127,718	26,709	237,500
1982.....	65,198	17,482	129,958	27,319	239,958
1983.....	65,146	17,130	132,192	27,910	242,378
1984.....	65,251	16,656	134,369	28,468	244,743
1985.....	65,502	16,138	136,441	29,059	247,140
1986.....	65,820	15,677	138,382	29,708	249,586
1987.....	66,090	15,469	140,187	30,331	252,076
1988.....	66,321	15,539	141,878	30,885	254,623
1989.....	66,771	15,628	143,456	31,439	257,295
1990.....	67,575	15,464	144,960	31,978	259,977
1991.....	68,540	15,068	146,508	32,484	262,599
1992.....	69,525	14,575	148,175	32,995	265,271
1993.....	70,456	14,174	149,823	33,452	267,906
1994.....	71,302	13,997	151,285	33,841	270,426
1995.....	71,991	14,050	152,622	34,211	272,874
1996.....	72,525	14,254	154,020	34,540	275,339
Estimated:					
1997.....	72,920	14,562	155,524	34,792	277,798
1998.....	73,163	14,957	157,093	34,986	280,199
1999.....	73,314	15,352	158,713	35,180	282,559
2000.....	73,401	15,714	160,356	35,408	284,880
2001.....	73,468	15,975	162,087	35,638	287,168
2002.....	73,530	16,109	163,914	35,873	289,426
2003.....	73,543	16,218	165,745	36,155	291,661
2004.....	73,516	16,320	167,570	36,470	293,876
2005.....	73,472	16,438	169,353	36,813	296,076
2006.....	73,388	16,613	171,047	37,220	298,268
2007.....	73,224	16,841	172,616	37,774	300,455
2008.....	72,978	17,134	174,055	38,474	302,640
2009.....	72,713	17,446	175,492	39,175	304,826
2010.....	72,502	17,676	177,018	39,814	307,011
2011.....	72,371	17,752	178,420	40,649	309,192
2012.....	72,311	17,669	179,519	41,865	311,363
2013.....	72,339	17,470	180,533	43,179	313,521
2014.....	72,446	17,230	181,549	44,435	315,660
2015.....	72,592	17,015	182,455	45,713	317,775
2016.....	72,768	16,826	183,229	47,039	319,861
2017.....	72,963	16,690	183,821	48,440	321,913
2018.....	73,171	16,606	184,239	49,912	323,928
2019.....	73,385	16,542	184,521	51,450	325,899
2020.....	73,599	16,495	184,684	53,044	327,822
2021.....	73,806	16,465	184,739	54,684	329,694

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

As described in section III.D.1, the monthly Federal benefit standard is adjusted annually in January to reflect changes in the level of consumer prices. The adjustment factor is based on the year-to-year increase in the CPI for the third quarter of the calendar year. This “cost-of-living” adjustment is identical to the adjustment of Social Security benefits under the OASDI program. In previous years, occasional ad hoc increases were also applied to the Federal benefit rates, either in place of or in addition to such automatic adjustments. The history of legislation affecting the Federal benefit rates is presented in table V.A1. 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.

Table IV.A2.—Social Security Cost-of-Living Adjustments and Federal Benefit Rates Estimated on the Basis of the Intermediate Assumptions of the 1997 OASDI Trustees Report, 1974-2021

Year	Benefit rate increase ¹	Federal benefit rate		
		Individual	Couple	Essential person
Historical data:				
Initial benefit paid January 1, 1974 ²	—	\$140.00	\$210.00	\$70.00
1974	³ 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	³ 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
Estimated:				
1998	3.2	499.00	749.00	250.00
1999	3.3	516.00	774.00	258.00
2000	3.3	533.00	799.00	267.00
2001	3.4	551.00	826.00	276.00
2002	3.5	570.00	855.00	285.00
2003	3.5	590.00	885.00	296.00
2004	3.6	611.00	917.00	306.00
2005	3.5	633.00	949.00	317.00
2006	3.5	655.00	983.00	328.00
2007	3.5	678.00	1,017.00	340.00
2008	3.5	702.00	1,053.00	351.00
2009	3.5	726.00	1,090.00	364.00
2010	3.5	752.00	1,128.00	376.00
2011	3.5	778.00	1,167.00	390.00
2012	3.5	805.00	1,208.00	403.00
2013	3.5	833.00	1,250.00	417.00
2014	3.5	863.00	1,294.00	432.00
2015	3.5	893.00	1,339.00	447.00
2016	3.5	924.00	1,386.00	463.00
2017	3.5	957.00	1,435.00	479.00
2018	3.5	990.00	1,485.00	496.00
2019	3.5	1,025.00	1,537.00	513.00
2020	3.5	1,061.00	1,591.00	531.00
2021	3.5	1,098.00	1,647.00	550.00

¹ 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.

² 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.

³ Represent ad hoc increases and are specified in the law.

Estimates presented in the sections that follow are based on the assumptions described in this section. Furthermore, for purposes 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 PARTICIPANTS IN THE SSI PROGRAM

In this section, we present our projections of the various subpopulations which lead to the numbers of persons receiving Federal SSI payments. As required in the legislative mandate for this report, each table displays our projections split by basic recipient category: aged, blind or disabled adults, and blind or disabled children. These recipient categories are in large part based on age, where “aged” generally refers to SSI recipients qualifying based on being age 65 or older, “disabled children” generally refers to recipients under age 18 qualifying based on a disability, and “disabled adults” to disabled recipients age 18 or older. However, in certain circumstances, these general rules as to classification by age are not followed due to special provisions as to how SSI payment amounts are determined. More specifically:

- The *aged* category includes those individuals whose eligibility for SSI benefits is established based on meeting the age-65-or-older requirement for assistance, and the income and resource limits applicable for adults. In December 1996, there were 1,413 thousand aged recipients of Federally-administered SSI payments.
- The *blind or disabled adults* category includes those individuals whose eligibility is established based on meeting the definition of blindness or disability for individuals age 18 or older, and the income and resource limits applicable for adults. After attainment of age 65 these individuals generally continue to be classified as blind or disabled adults (rather than aged). In December 1996, there were 4,183 thousand blind or disabled adult recipients of Federally-administered SSI payments, including 658 thousand disabled and 20 thousand blind recipients aged 65 or older.
- The *blind or disabled children* category includes those individuals whose initial eligibility is established based on meeting the definition of blindness or disability for individuals under age 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 a result, blind or disabled children are generally reclassified as blind or disabled adults at age 18. However, students aged 18 to 21 are still classified as blind or disabled children for purposes of meeting the income and resources requirements¹. In December 1996, there were 1,018 thousand blind or disabled child recipients of Federally-administered SSI payments, including 63 thousand students aged 18 to 21.

Table IV.B1 presents historical and projected numbers of persons applying for SSI benefits, by calendar year of application. Figure IV.B1 presents this same information in graphical form.

¹ For students aged 18 to 21, parent-to-child deeming is no longer in effect, but a special student earned income exclusion is provided.

Table IV.B1.—SSI Federally-Administered Applications ¹, Calendar Years 1974-2021

[In thousands]

Calendar year	Aged	Blind or disabled ²		Total
		Adults	Children	
Historical data:				
1974	(3)	(3)	(3)	(3)
1975 ⁴	325	938	137	1,400
1976	254	861	123	1,239
1977	259	894	145	1,298
1978	258	916	131	1,304
1979	262	942	147	1,352
1980	276	991	159	1,427
1981	130	629	104	864
1982	141	702	128	971
1983	190	761	140	1,092
1984	286	799	145	1,230
1985	223	968	154	1,345
1986	231	1,045	160	1,437
1987	200	896	137	1,233
1988	200	872	149	1,221
1989	222	915	157	1,294
1990	227	1,029	197	1,454
1991	227	1,225	254	1,706
1992	226	1,365	363	1,955
1993	218	1,486	487	2,191
1994	188	1,461	528	2,177
1995	165	1,310	492	1,966
1996	152	1,218	451	1,822
Estimated:				
1997	135	1,158	402	1,696
1998	114	1,165	408	1,688
1999	114	1,171	410	1,695
2000	113	1,178	412	1,703
2001	113	1,184	414	1,710
2002	112	1,188	415	1,715
2003	112	1,195	417	1,723
2004	111	1,200	420	1,730
2005	111	1,206	422	1,739
2006	110	1,212	423	1,746
2007	110	1,219	424	1,754
2008	112	1,230	423	1,765
2009	114	1,241	422	1,777
2010	116	1,252	420	1,789
2011	118	1,262	420	1,800
2012	122	1,269	419	1,810
2013	126	1,275	419	1,820
2014	129	1,280	420	1,829
2015	133	1,285	421	1,839
2016	137	1,289	422	1,848
2017	141	1,292	423	1,856
2018	145	1,295	424	1,864
2019	150	1,296	425	1,871
2020	154	1,297	426	1,878
2021	159	1,298	428	1,884

¹ Based on data reported in the Integrated Workload Management System (formerly known as the District Office Workload Report).

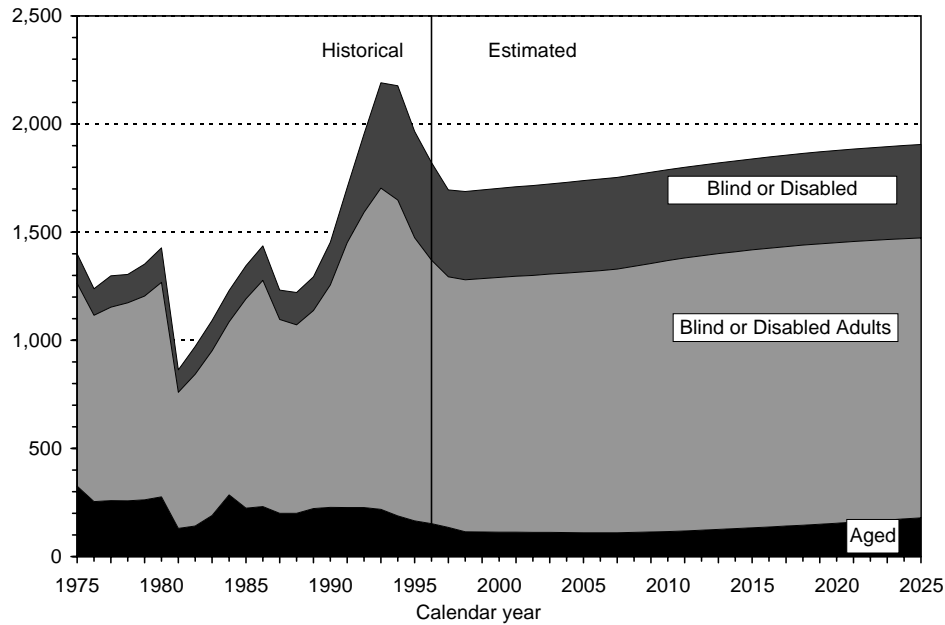
² Historical split between adults and children is estimated.

³ Consistent data on applications for 1974 (the first year of operation of the program) are not available.

⁴ Estimated using a 1-percent sample.

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

Figure IV.B1.—SSI Federally-Administered Applications, Calendar Years 1975-2025
[In thousands]



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, parental, and citizenship status. In addition, in over 90 percent of the cases, an evaluation of an alleged impairment must be done by the appropriate State Disability Determination Service. 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 is presented in section V.C. Table IV.B2 and figure IV.B2 present historical and projected numbers of persons who are ultimately awarded SSI eligibility as a final result of this decision process.

Table IV.B2.—SSI Federally-Administered Awards, Calendar Years 1974-2021
[In thousands]

Calendar year ¹	Blind or disabled			Total
	Aged	Adults	Children	
Historical data:				
1974	554	362	49	965
1975	260	383	59	702
1976	172	327	44	542
1977	190	320	48	558
1978	177	303	52	532
1979	160	273	51	484
1980	170	274	52	496
1981 ²	107	226	45	379
1982 ³	83	183	40	306
1983	135	236	49	420
1984	201	303	49	554
1985 ³	143	313	51	506
1986	149	369	54	572
1987	154	349	52	554
1988	155	343	51	549
1989	175	369	54	598
1990	179	423	83	685
1991	175	476	126	777
1992	175	590	191	956
1993	170	576	226	971
1994	144	533	206	883
1995	128	516	177	822
1996	113	482	147	741

Table IV.B.2.—SSI Federally-Administered Awards, Calendar Years 1974-2021 (Cont.)

[In thousands]

Calendar year ¹	Aged	Blind or disabled		Total
		Adults	Children	
Estimated:				
1997.....	102	434	125	661
1998.....	85	431	133	649
1999.....	84	433	134	651
2000.....	84	435	134	654
2001.....	84	438	135	656
2002.....	83	439	135	658
2003.....	83	442	136	661
2004.....	83	444	137	663
2005.....	82	446	138	666
2006.....	82	448	138	668
2007.....	82	451	138	671
2008.....	83	455	138	676
2009.....	85	459	138	681
2010.....	86	463	137	686
2011.....	88	467	137	692
2012.....	91	469	137	697
2013.....	93	471	137	702
2014.....	96	473	137	706
2015.....	99	475	137	711
2016.....	102	477	138	716
2017.....	105	478	138	721
2018.....	108	479	138	725
2019.....	111	479	139	729
2020.....	115	480	139	734
2021.....	118	480	139	738

¹ Represents period in which award was processed, not date of eligibility for payments.

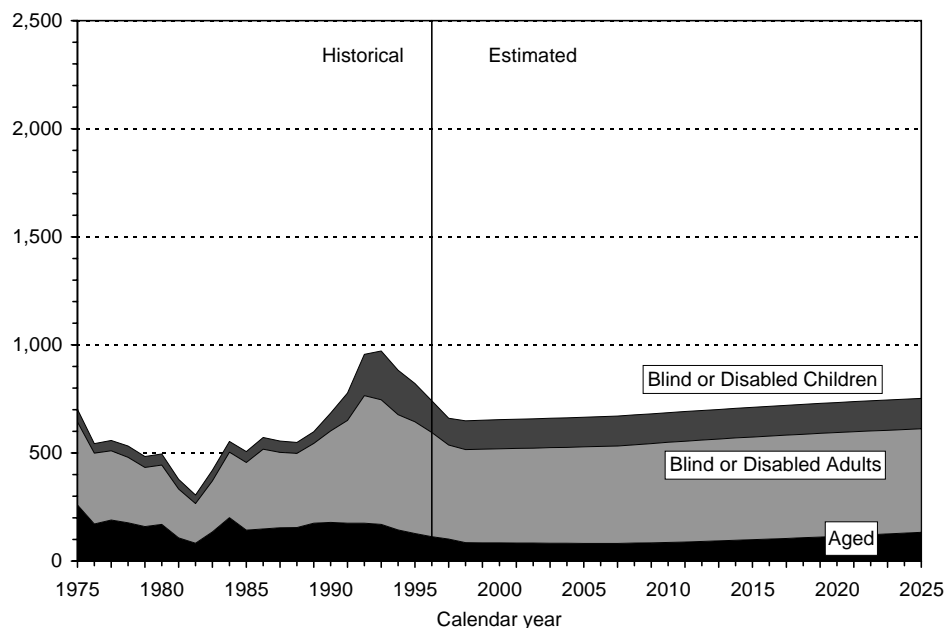
² Estimate based on 10 months of data.

³ Estimate based on 11 months of data.

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

Figure IV.B.2.—SSI Federally-Administered Awards, Calendar Years 1975-2025

[In thousands]



Among the persons receiving SSI benefits in a year, certain of them 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 an evaluation of the individual'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. In particular, 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. Table IV.B3 and figure IV.B3 present historical and projected numbers of such terminations by calendar year and type of benefit. The spike in terminations in 1997 is attributable to the recent legislation described in section II which (1) eliminated drug addiction and alcoholism as a basis for determination of disability, (2) authorized the appropriation of additional funding to conduct continuing disability reviews (CDRs), (3) restricted payments to certain noncitizens, and (4) revised the standard of disability for children.

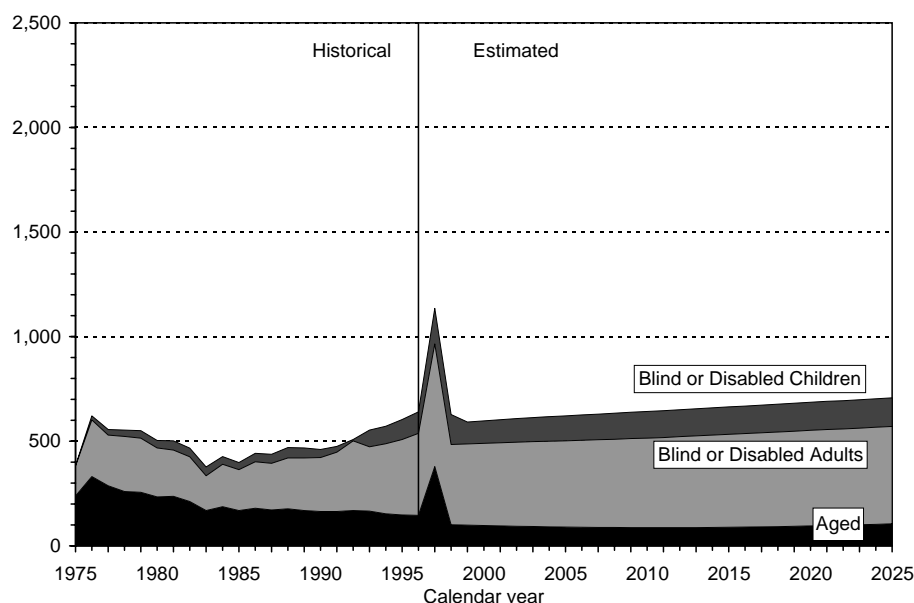
Some historical details on income and resource redeterminations and the results of continuing disability reviews are presented in section V.D. Section V.E presents information on certain incentive programs intended to encourage disabled SSI recipients to return to work.

Table IV.B3.—SSI Federally-Administered Terminations, Calendar Years 1974-2021
[In thousands]

Calendar year	Aged	Blind or disabled		Total
		Adults	Children	
Historical data:				
1974.....	91	17	6	114
1975.....	239	143	2	384
1976.....	331	271	19	621
1977.....	287	243	26	556
1978.....	260	263	30	553
1979.....	256	259	36	551
1980.....	234	234	36	504
1981.....	237	221	44	502
1982.....	212	214	41	468
1983.....	169	166	42	376
1984.....	187	203	37	426
1985.....	169	195	34	397
1986.....	180	222	40	441
1987.....	172	223	43	439
1988.....	177	243	50	470
1989.....	169	251	48	469
1990.....	164	258	39	461
1991.....	164	284	27	476
1992.....	169	333	6	508
1993.....	166	308	79	553
1994.....	153	335	84	572
1995.....	148	360	96	604
1996.....	146	392	103	641
Estimated:				
1997.....	379	587	169	1,135
1998.....	101	383	143	628
1999.....	99	388	104	592
2000.....	97	393	107	597
2001.....	95	397	110	603
2002.....	94	402	113	608
2003.....	92	406	115	613
2004.....	91	409	117	618
2005.....	90	412	119	622
2006.....	89	416	121	626
2007.....	88	419	123	630
2008.....	88	422	125	634
2009.....	87	425	126	639
2010.....	87	428	127	642
2011.....	87	431	128	646
2012.....	87	435	129	651
2013.....	87	438	130	655
2014.....	88	441	131	660
2015.....	89	445	131	665
2016.....	90	447	132	669
2017.....	91	450	132	672
2018.....	92	452	133	677
2019.....	93	455	134	682
2020.....	95	457	134	687
2021.....	97	459	135	691

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

Figure IV.B3.—SSI Federally-Administered Terminations, Calendar Years 1975-2025
[In thousands]



Combining the numbers of persons awarded SSI benefits during a year with the numbers of those already receiving benefits at the beginning of the year, and subtracting the numbers 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.B4 and in figure IV.B4.

Table IV.B4.—SSI Recipients With Federal Benefits in Current-Payment Status as of December, 1974-2021
[In thousands]

Year	Aged	Blind or disabled		Total
		Adults	Children	
Historical data:				
1974.....	(1)	(1)	(1)	(1)
1975.....	2,025	1,742	127	3,893
1976.....	1,867	1,780	152	3,799
1977.....	1,765	1,839	174	3,778
1978.....	1,686	1,873	196	3,755
1979.....	1,593	1,883	211	3,687
1980.....	1,533	1,922	227	3,682
1981.....	1,430	1,931	229	3,590
1982.....	1,329	1,916	228	3,473
1983.....	1,339	2,015	235	3,590
1984.....	1,347	2,104	248	3,699
1985.....	1,322	2,213	264	3,799
1986.....	1,291	2,351	279	3,922
1987.....	1,268	2,464	287	4,019
1988.....	1,245	2,555	289	4,089
1989.....	1,247	2,664	295	4,206
1990.....	1,257	2,817	339	4,412
1991.....	1,279	3,014	437	4,730
1992.....	1,304	3,276	622	5,202
1993.....	1,324	3,544	768	5,636
1994.....	1,326	3,748	890	5,965
1995.....	1,315	3,908	972	6,194
1996.....	1,296	4,013	1,016	6,326

Table IV.B4.—SSI Recipients With Federal Benefits in Current-Payment Status as of December, 1974-2021 (Cont.)

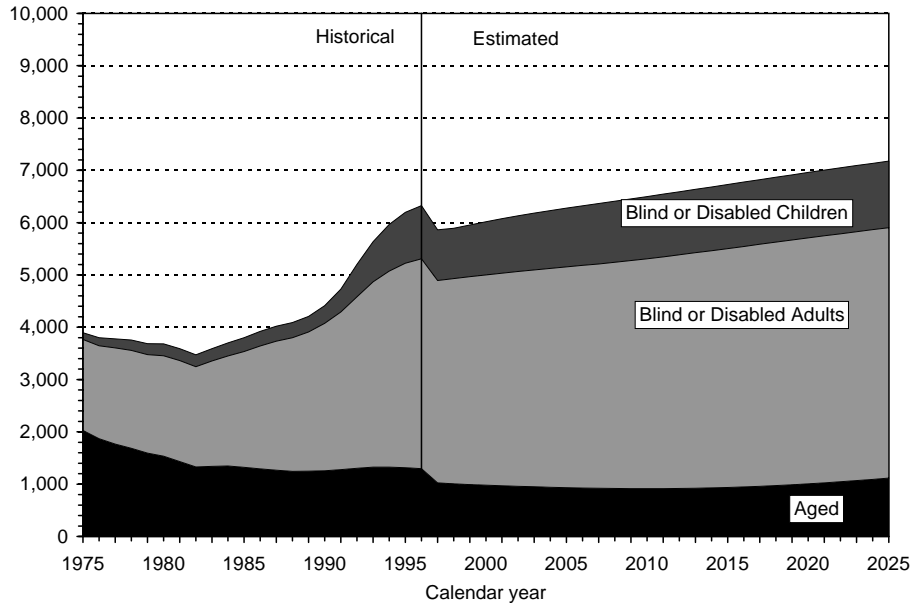
[In thousands]

Year	Aged	Blind or disabled		Total
		Adults	Children	
Estimated:				
1997.....	1,023	3,869	971	5,863
1998.....	1,007	3,923	961	5,891
1999.....	993	3,973	990	5,956
2000.....	980	4,020	1,017	6,018
2001.....	969	4,065	1,042	6,076
2002.....	959	4,107	1,064	6,130
2003.....	950	4,146	1,085	6,181
2004.....	941	4,184	1,104	6,229
2005.....	934	4,220	1,122	6,277
2006.....	927	4,256	1,139	6,322
2007.....	921	4,290	1,155	6,365
2008.....	916	4,325	1,168	6,409
2009.....	914	4,360	1,179	6,453
2010.....	913	4,397	1,189	6,498
2011.....	913	4,433	1,198	6,545
2012.....	916	4,469	1,206	6,591
2013.....	921	4,503	1,213	6,637
2014.....	928	4,536	1,219	6,683
2015.....	937	4,567	1,225	6,729
2016.....	947	4,598	1,230	6,775
2017.....	960	4,627	1,236	6,822
2018.....	974	4,654	1,241	6,868
2019.....	989	4,679	1,246	6,914
2020.....	1,006	4,701	1,251	6,959
2021.....	1,025	4,722	1,256	7,003

¹ Data not available.

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

Figure IV.B4.—SSI Recipients With Federal Benefits in Current-Payment Status as of December, 1975-2025
[In thousands]



As illustrated in figure IV.B4, the implementation of Public Law 104-121 and Public Law 104-193 results in a projected decline in the Federal recipient population over the next 2 years. Beginning in 1999, the Federal SSI recipient population is projected to resume growing at a modest rate, attaining its 1996 level sometime in 2007. In order to place this projected growth in the context of overall population growth, table IV.B5 and figure IV.B5 present Federal SSI recipients as percentages of selected Social Security Area population totals. For this presentation, the percentages have been calculated using the population age group totals corresponding to the age groups in the Federal recipient categories. However, as was discussed at the beginning of this section, there is some overlapping of age groups within the recipient categories (i.e., recipients aged 18-21 may be classified as either adults or children; recipients aged 65 or older may be classified as either aged or disabled). Therefore, the percentages for the respective recipient categories do not add to the percentage for the total SSI recipient population.

Table IV.B5.—SSI Recipients With Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1975-2021

Year	Aged ¹	Blind or disabled		Total ⁴
		Adults ²	Children ³	
Historical data:				
1975	8.62	1.12	0.15	1.73
1976	7.76	1.12	.18	1.67
1977	7.16	1.14	.20	1.65
1978	6.69	1.14	.23	1.62
1979	6.17	1.12	.25	1.58
1980	5.81	1.13	.27	1.56
1981	5.31	1.11	.28	1.51
1982	4.82	1.09	.28	1.44
1983	4.76	1.13	.29	1.47
1984	4.69	1.17	.30	1.51
1985	4.51	1.21	.32	1.53
1986	4.31	1.27	.34	1.56
1987	4.15	1.32	.35	1.59
1988	4.00	1.35	.35	1.60
1989	3.94	1.39	.36	1.63
1990	3.91	1.46	.41	1.69
1991	3.91	1.55	.52	1.79
1992	3.93	1.67	.74	1.95
1993	3.94	1.79	.90	2.10
1994	3.90	1.88	1.04	2.20
1995	3.83	1.94	1.13	2.26
1996	3.74	1.97	1.17	2.29
Estimated:				
1997	2.93	1.88	1.11	2.10
1998	2.87	1.89	1.09	2.09
1999	2.81	1.89	1.11	2.10
2000	2.76	1.89	1.14	2.11
2001	2.71	1.89	1.16	2.11
2002	2.66	1.89	1.19	2.11
2003	2.62	1.89	1.21	2.11
2004	2.57	1.89	1.23	2.11
2005	2.53	1.89	1.25	2.11
2006	2.48	1.88	1.27	2.11
2007	2.42	1.88	1.28	2.11
2008	2.36	1.87	1.30	2.11
2009	2.32	1.87	1.31	2.11
2010	2.28	1.87	1.32	2.11
2011	2.22	1.86	1.33	2.11
2012	2.16	1.86	1.34	2.11
2013	2.11	1.86	1.35	2.11
2014	2.06	1.86	1.36	2.11
2015	2.03	1.86	1.37	2.11
2016	1.99	1.85	1.37	2.11
2017	1.96	1.85	1.38	2.11
2018	1.93	1.85	1.38	2.11
2019	1.90	1.85	1.38	2.12
2020	1.87	1.84	1.39	2.12
2021	1.85	1.84	1.39	2.12

¹ Aged recipients as a percentage of the 65 or older Social Security Area population.

² Blind or disabled adult recipients as a percentage of the 18 or older Social Security Area population.

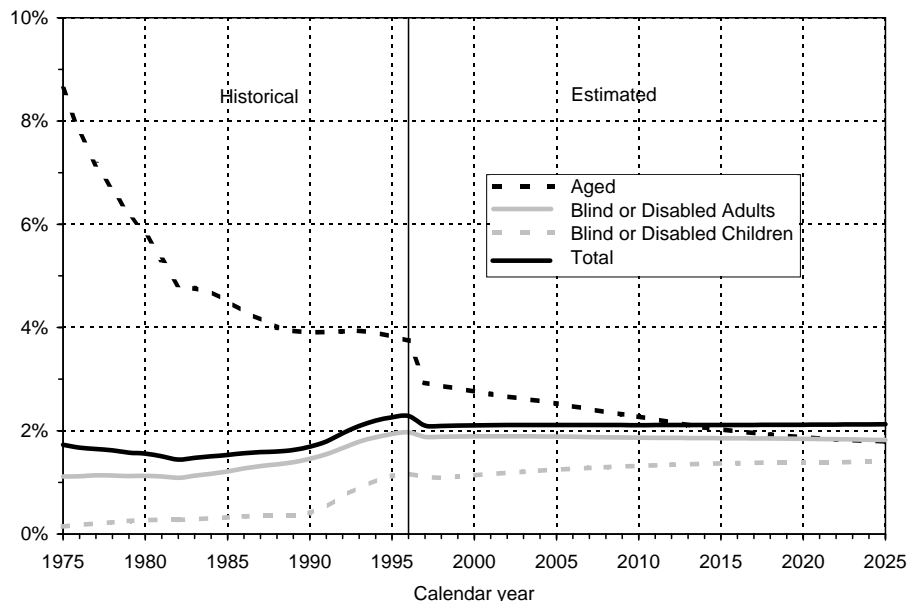
³ Blind or disabled child recipients as a percentage of the under age 22 Social Security Area population.

⁴ Total recipients as a percentage of the total Social Security Area population. Totals do not equal sums of components due to overlapping populations.

Reference to figure IV.B5 indicates that the number of persons receiving Federal SSI payments declined as a percentage of the total Social Security Area population from the inception of the program through the early 1980s. In 1983, the number of Federal SSI recipients started increasing as a percentage of the total population, and continued to increase through 1996. The number of Federal SSI recipients as a percentage of the total population is estimated to decline in 1997 due to the large number of terminations described previously, and then remain fairly constant as a percentage of the total population throughout the remainder of the projection period.

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 with a sharper decline estimated for 1997 due to the projected termination of benefits payable to certain elderly noncitizens. In contrast, except for the drop due to the terminations projected for 1997 and 1998, the number of blind or disabled children receiving Federal SSI payments increases steadily as a percentage of the under 22 population, with the increase being quite steep in the early 1990s. The blind or disabled adult Federal SSI recipient population as a percentage of the 18 or older population remained fairly level until the early 1980s when it started increasing and continued to increase through 1996. After the drop in 1997 due to the implementation of legislation described previously, the number of blind or disabled adults receiving Federal SSI payments are estimated to remain fairly level as a percentage of the 18 or older population, declining slightly near the end of the projection period.

Figure IV.B5.—SSI Recipients With Federal Benefits in Current-Payment Status as a Percentage of Selected Social Security Area Population Totals, as of December, 1975-2025



Historical and projected numbers of individuals who receive only a Federally-administered State supplement are presented in table IV.B6.

Table IV.B6.—SSI Recipients With Federally-Administered State Supplementary Benefits Only, in Current-Payment Status as of December, 1974-2021

[In thousands]

Year	Aged	Blind or disabled		Total
		Adults	Children	
Historical data:				
1974.....	(1)	(1)	(1)	(1)
1975.....	282	137	1	421
1976.....	280	155	1	437
1977.....	286	173	1	460
1978.....	282	179	1	462
1979.....	278	183	2	462
1980.....	274	184	2	460
1981.....	248	179	1	429
1982.....	219	164	1	384
1983.....	176	135	1	312
1984.....	184	146	1	331
1985.....	182	156	1	339
1986.....	182	164	1	348
1987.....	187	177	1	366
1988.....	188	185	1	375
1989.....	192	194	1	387
1990.....	197	206	1	405
1991.....	186	201	2	389
1992.....	167	196	2	364
1993.....	151	195	2	348
1994.....	139	189	2	331
1995.....	131	186	2	320
1996.....	116	170	2	288
Estimated:				
1997.....	114	161	2	277
1998.....	113	155	2	270
1999.....	112	150	2	265
2000.....	112	145	3	260
2001.....	111	141	3	255
2002.....	111	137	3	251
2003.....	111	133	3	247
2004.....	110	130	3	243
2005.....	110	127	4	240
2006.....	109	124	4	238
2007.....	109	122	4	235
2008.....	109	120	4	233
2009.....	109	118	4	231
2010.....	109	117	4	230
2011.....	110	116	4	230
2012.....	110	115	4	229
2013.....	111	114	4	229
2014.....	113	113	4	230
2015.....	114	112	4	231
2016.....	116	111	5	232
2017.....	118	111	5	233
2018.....	120	110	5	235
2019.....	122	110	5	237
2020.....	124	110	5	239
2021.....	127	109	5	241

¹ Data not available.

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

The combined numbers of persons receiving either a Federal SSI payment or a Federally-administered State supplement are displayed in table IV.B7.

In examining the recent history of SSI participation and the projections of such participation in the near future, certain patterns are worth noting. The rapid increase in the total number of SSI participants 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

**Table IV.B7.—SSI Recipients With Federally-Administered Benefits in Current-Payment Status
as of December, 1974-2021**

[In thousands]

Year	Aged	Blind or disabled		Total
		Adults	Children	
Historical data:				
1974.....	2,286	1,639	71	3,996
1975.....	2,307	1,879	128	4,314
1976.....	2,148	1,935	153	4,236
1977.....	2,051	2,012	175	4,238
1978.....	1,968	2,052	197	4,217
1979.....	1,872	2,066	212	4,150
1980.....	1,808	2,106	229	4,142
1981.....	1,678	2,111	230	4,019
1982.....	1,549	2,080	229	3,858
1983.....	1,515	2,150	236	3,901
1984.....	1,530	2,250	249	4,029
1985.....	1,504	2,368	265	4,138
1986.....	1,473	2,516	280	4,269
1987.....	1,455	2,641	289	4,385
1988.....	1,433	2,740	290	4,464
1989.....	1,439	2,858	296	4,593
1990.....	1,454	3,023	340	4,817
1991.....	1,465	3,215	439	5,118
1992.....	1,471	3,471	624	5,566
1993.....	1,475	3,739	771	5,984
1994.....	1,466	3,937	893	6,296
1995.....	1,446	4,094	974	6,514
1996.....	1,413	4,183	1,018	6,614
Estimated:				
1997.....	1,136	4,030	973	6,140
1998.....	1,120	4,078	963	6,161
1999.....	1,105	4,123	993	6,221
2000.....	1,092	4,165	1,020	6,277
2001.....	1,080	4,206	1,045	6,331
2002.....	1,070	4,243	1,067	6,380
2003.....	1,060	4,279	1,088	6,428
2004.....	1,051	4,314	1,108	6,473
2005.....	1,044	4,347	1,126	6,517
2006.....	1,036	4,380	1,143	6,559
2007.....	1,030	4,412	1,158	6,600
2008.....	1,025	4,445	1,172	6,642
2009.....	1,023	4,479	1,183	6,685
2010.....	1,022	4,514	1,193	6,729
2011.....	1,023	4,549	1,202	6,774
2012.....	1,027	4,584	1,210	6,820
2013.....	1,033	4,617	1,217	6,866
2014.....	1,041	4,649	1,223	6,913
2015.....	1,051	4,680	1,229	6,960
2016.....	1,063	4,709	1,235	7,007
2017.....	1,077	4,738	1,240	7,055
2018.....	1,093	4,764	1,246	7,103
2019.....	1,111	4,789	1,251	7,151
2020.....	1,131	4,811	1,256	7,198
2021.....	1,152	4,831	1,261	7,244

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

phenomenon which is still not completely understood. However, extensive research conducted under contract to SSA and the Department of Health and Human Services suggested 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 near-term projected decline in program participation reflects the combined effects of recent legislation described in section II and mentioned above in regard to the expected increase in terminations of SSI benefits over the next 2 years.

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,¹ Calendar Years 1974-97

[In millions]

Calendar year	Aged	Blind or disabled		Total
		Adults	Children	
1974.....	\$1,783	\$1,884	\$166	\$3,833
1975.....	1,843	2,272	199	4,314
1976.....	1,785	2,507	220	4,512
1977.....	1,737	2,687	280	4,703
1978 ²	1,847	3,082	367	5,296
1979.....	1,760	3,142	404	5,306
1980.....	1,872	3,563	488	5,923
1981.....	1,963	4,023	563	6,549
1982.....	1,994	4,321	617	6,931
1983.....	2,064	4,773	693	7,530
1984.....	2,182	5,373	763	8,318
1985.....	2,198	5,772	840	8,809
1986.....	2,210	6,378	935	9,522
1987.....	2,210	6,855	1,005	10,069
1988.....	2,263	7,401	1,080	10,744
1989.....	2,361	8,133	1,153	11,647
1990.....	2,519	9,080	1,343	12,943
1991.....	2,806	10,685	1,916	15,407
1992.....	2,993	12,434	3,599	19,026
1993.....	3,230	14,081	4,366	21,677
1994.....	3,380	15,155	4,527	23,063
1995.....	3,499	16,356	5,051	24,906
1996.....	3,621	17,482	5,398	26,501
1997 (partially estimated).....	3,176	17,245	5,353	25,774

¹ 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.

² Includes 13 months of payments since payments due on January 1, 1978 and January 1, 1979 were both paid in calendar year 1978.

Notes:

1. Historical split between blind or disabled adults and children is estimated for 1974-78; historical split among all recipient categories is estimated for years 1979 and later.

2. Totals do not necessarily equal the sums of rounded components.

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.

Using this cash-flow concept causes these payments to differ from similar amounts shown in other Social Security Administration publications, such as the *Annual Statistical Supplement to the Social Security Bulletin*, in two main ways. First, the payments shown in the *Annual Statistical Supplement* are tabulated for the month the payment is due, while the amounts shown IV.C1 are tabulated for the month they are actually paid. In particular, since January 1 of each year is a Federal holiday, SSI payments due on January 1 of years 1979 and later are actually paid in December of the previous year. Thus, for example, the calendar year 1996 payment amounts shown in table IV.C1 reflect payments made in January-December, 1996, and include the payments due on January 1, 1997 (which were actually paid in December, 1996), but not the payments due on January 1, 1996 (which were actually paid in December, 1995). 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 year ¹ basis are presented in table IV.C2 for fiscal years 1978-97. 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 1978-97

[In millions]

Fiscal year	Aged	Blind or disabled		Total
		Adults	Children	
1978.....	\$1,848	\$3,033	\$353	\$5,234
1979 ¹	1,610	2,816	356	4,782
1980.....	1,813	3,386	455	5,653
1981.....	1,954	3,898	544	6,396
1982.....	1,996	4,241	599	6,836
1983.....	2,170	4,958	722	7,850
1984 ¹	2,004	4,826	688	7,517
1985.....	2,193	5,647	812	8,652
1986.....	2,209	6,174	906	9,290
1987.....	2,203	6,698	983	9,884
1988.....	2,419	7,794	1,141	11,354
1989 ¹	2,335	7,958	1,136	11,430
1990 ¹	2,273	8,089	1,159	11,521
1991.....	2,728	10,187	1,698	14,614
1992.....	2,949	11,927	3,005	17,881
1993.....	3,150	13,568	4,312	21,029
1994.....	3,588	15,926	4,709	24,223
1995 ¹	3,480	16,084	4,943	24,507
1996 ¹	3,317	15,993	4,944	24,254
1997 (partially estimated).....	3,498	17,343	5,366	26,207

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

Notes:

1. Historical split among recipient categories is estimated.
2. Totals do not necessarily equal the sums of rounded components.

¹ Fiscal years 1977 and later cover the period from October 1 of the previous calendar year to September 30 of the year. For example, fiscal year 1996 payments include payments made from October 1, 1995 through September 30, 1996.

² 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 month 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. Several economic series are available to allow current dollars to be adjusted for changes in prices, wages, and certain other aspects of economic growth during the projection period. The selection of a particular index for adjustment of current dollars depends upon a determination as to which index provides the most useful standard for adjusting dollar amounts over time, to create values that are appropriately comparable.

One of the most common forms of standardization is based on some measure of change in the prices of consumer goods. One such price index is the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics. This is the index used to determine annual increases in the SSI Federal benefit rate as described in table IV.A2, and for this reason 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 1974-96, along with the full 25-year projection period, 1997-2021. This same information is presented in graphical form in figure IV.C1.

The future growth in the “constant dollar” estimates is attributable primarily to the underlying growth in the U.S. population as shown in table IV.A1, since, after the spike in terminations in 1997, the projected SSI recipient population remains fairly constant as a percentage of the total U.S. population. However, a small part of the growth in estimated payments is due to some underlying real growth in the assumed average SSI benefit. This results from an estimated increase in the disabled child recipients and a decrease in aged recipients as a percentage of the total SSI recipient population, along with the fact that disabled children typically have a much larger SSI benefit than do aged recipients.

Table IV.C3.—SSI Federal Payments in Constant 1997 Dollars, Calendar Years 1974-2021

[In millions]

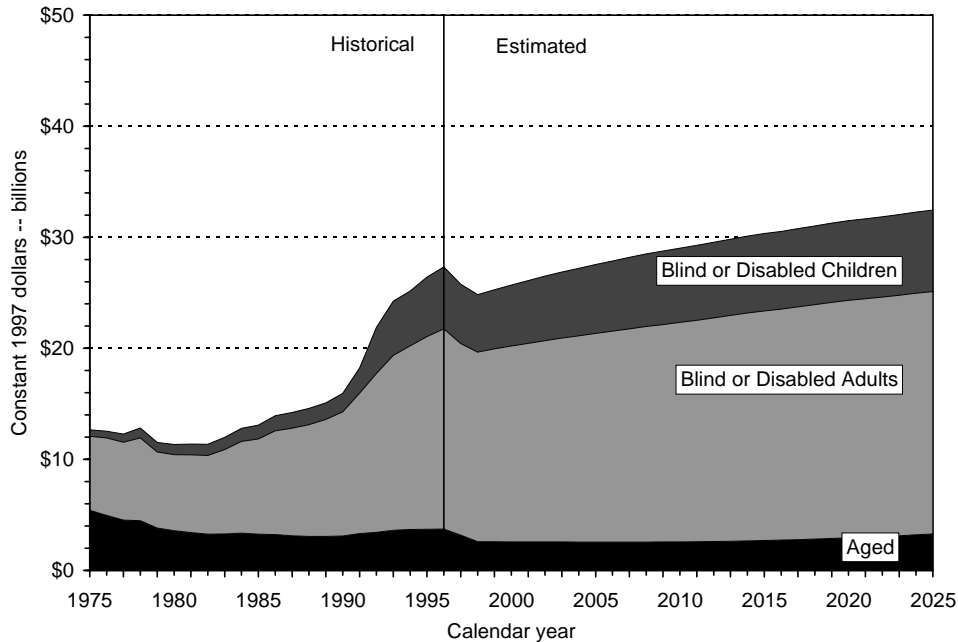
Calendar year	Aged	Blind or disabled		Total
		Adults	Children	
Historical data:				
1974.....	\$5,712	\$6,038	\$532	\$12,282
1975.....	5,413	6,672	585	12,670
1976.....	4,959	6,964	612	12,534
1977.....	4,532	7,010	730	12,272
1978.....	4,474	7,466	888	12,828
1979.....	3,826	6,830	878	11,534
1980.....	3,588	6,830	935	11,353
1981.....	3,413	6,995	978	11,386
1982.....	3,269	7,085	1,011	11,366
1983.....	3,286	7,599	1,104	11,989
1984.....	3,357	8,265	1,173	12,795
1985.....	3,267	8,579	1,248	13,094
1986.....	3,233	9,331	1,368	13,932
1987.....	3,121	9,683	1,419	14,223
1988.....	3,073	10,052	1,467	14,592
1989.....	3,059	10,541	1,495	15,095
1990.....	3,103	11,185	1,655	15,943
1991.....	3,323	12,651	2,269	18,243
1992.....	3,441	14,296	4,138	21,876
1993.....	3,612	15,746	4,882	24,240
1994.....	3,689	16,540	4,941	25,169
1995.....	3,712	17,349	5,358	26,419
1996.....	3,733	18,026	5,567	27,326

Table IV.C3.—SSI Federal Payments in Constant 1997 Dollars, Calendar Years 1974-2021 (Cont.)
[In millions]

Calendar year	Aged	Blind or disabled		Total
		Adults	Children	
Estimated:				
1997.....	\$3,176	\$17,245	\$5,353	\$25,774
1998.....	2,592	17,070	5,169	24,831
1999.....	2,584	17,377	5,316	25,277
2000.....	2,574	17,637	5,492	25,703
2001.....	2,567	17,885	5,654	26,105
2002.....	2,563	18,132	5,810	26,505
2003.....	2,561	18,362	5,950	26,873
2004.....	2,559	18,572	6,078	27,209
2005.....	2,559	18,791	6,207	27,556
2006.....	2,557	18,989	6,323	27,869
2007.....	2,557	19,194	6,435	28,186
2008.....	2,561	19,408	6,540	28,508
2009.....	2,564	19,581	6,615	28,760
2010.....	2,572	19,760	6,682	29,015
2011.....	2,584	19,941	6,745	29,270
2012.....	2,605	20,144	6,808	29,557
2013.....	2,628	20,328	6,866	29,821
2014.....	2,659	20,517	6,920	30,097
2015.....	2,693	20,678	6,966	30,337
2016.....	2,728	20,805	6,998	30,531
2017.....	2,773	20,965	7,045	30,784
2018.....	2,823	21,110	7,087	31,021
2019.....	2,877	21,259	7,135	31,271
2020.....	2,935	21,388	7,174	31,496
2021.....	2,993	21,475	7,201	31,670

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

Figure IV.C1.—SSI Federal Payments in Constant 1997 Dollars, Calendar Years 1975-2025
[In billions]



Although detailed projections of SSI State supplementary payments are not prepared, historical information on the amounts of such supplements is presented in tables IV.C4 and IV.C5. These amounts are consistent with those presented in the *Annual Statistical Supplement to the Social Security Bulletin*.

Table IV.C4.—SSI Federally-Administered State Supplementary Payments in Current Dollars, Calendar Years 1974-96
[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 ¹	833	2,155	2,988

¹ Split between recipient categories is estimated.

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

Table IV.C5.—SSI State-Administered Payments in Current Dollars, Calendar Years 1974-96
[In millions]

Calendar year	Aged	Blind or disabled	Total ¹
1974.....	\$89	\$49	\$149
1975.....	88	74	162
1976.....	88	77	166
1977.....	85	87	172
1978.....	91	88	180
1979.....	105	100	207
1980.....	117	106	226
1981.....	120	113	237
1982.....	125	119	276
1983.....	135	132	270
1984.....	141	152	299
1985.....	138	165	311
1986.....	147	185	340
1987.....	146	205	359
1988.....	150	224	381
1989.....	160	251	419
1990.....	177	281	466
1991.....	200	310	529
1992.....	216	323	550
1993.....	219	341	566
1994.....	225	354	585
1995.....	228	356	590
1996 ²	225	307	539

¹ Includes amounts not distributed by recipient category.

² Estimated.

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

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

As mentioned in the previous section, in order to make meaningful comparisons of dollar amounts projected over long periods of time, it is essential to provide some sort of standardization that accounts for various aspects of economic growth over the projection period. In that section, one such set of standardized amounts (“constant dollars”) were presented by adjusting for changes in the CPI over time. An alternative approach would be to provide some type of relative measure of these amounts. In the OASDI Trustees Report, such a relative measure of program costs is produced by comparing the nominal annual outgo to the total earnings in the economy subject to taxation under the OASDI program. In the case of SSI, a more appropriate measure is produced by comparing estimated annual SSI costs to the Gross Domestic Product (GDP—the total value of goods and services produced in the United States). 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 is projected to decline relative to GDP throughout the projection period.

Table IV.D1.—SSI Federal Payments as a Percentage of GDP, Calendar Years 1974-2021

Calendar year	GDP (In billions)	Aged	Blind or disabled		Total
			Adults	Children	
Historical data:					
1974	\$1,497	0.119	0.126	0.011	0.256
1975	1,631	.113	.139	.012	.265
1976	1,819	.098	.138	.012	.248
1977	2,027	.086	.133	.014	.232
1978	2,291	.081	.135	.016	.231
1979	2,558	.069	.123	.016	.207
1980	2,784	.067	.128	.018	.213
1981	3,116	.063	.129	.018	.210
1982	3,242	.061	.133	.019	.214
1983	3,515	.059	.136	.020	.214
1984	3,902	.056	.138	.020	.213
1985	4,181	.053	.138	.020	.211
1986	4,422	.050	.144	.021	.215
1987	4,692	.047	.146	.021	.215
1988	5,050	.045	.147	.021	.213
1989	5,439	.043	.150	.021	.214
1990	5,744	.044	.158	.023	.225
1991	5,917	.047	.181	.032	.260
1992	6,244	.048	.199	.058	.305
1993	6,553	.049	.215	.067	.331
1994	6,936	.049	.219	.065	.333
1995	7,254	.048	.225	.070	.343
1996	7,580	.048	.231	.071	.350
Estimated:					
1997	7,963	.040	.217	.067	.324
1998	8,365	.032	.211	.064	.307
1999	8,796	.031	.211	.064	.306
2000	9,256	.031	.210	.065	.306
2001	9,748	.030	.209	.066	.305
2002	10,273	.029	.208	.067	.304
2003	10,825	.029	.207	.067	.303
2004	11,408	.028	.206	.067	.302
2005	12,024	.028	.204	.068	.300
2006	12,678	.027	.203	.068	.298
2007	13,353	.027	.201	.068	.296
2008	14,060	.026	.200	.067	.294
2009	14,806	.026	.199	.067	.292
2010	15,587	.026	.197	.067	.289
2011	16,394	.025	.196	.066	.287
2012	17,214	.025	.195	.066	.286
2013	18,067	.025	.194	.065	.284
2014	18,958	.025	.193	.065	.283
2015	19,886	.025	.192	.065	.282
2016	20,854	.025	.191	.064	.280
2017	21,859	.025	.190	.064	.278
2018	22,897	.025	.189	.063	.277
2019	23,983	.025	.188	.063	.276
2020	25,111	.026	.187	.063	.275
2021	26,292	.026	.185	.062	.273

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

Figure IV.D1.—SSI Federal Payments as a Percentage of GDP, Calendar Years 1975-2025

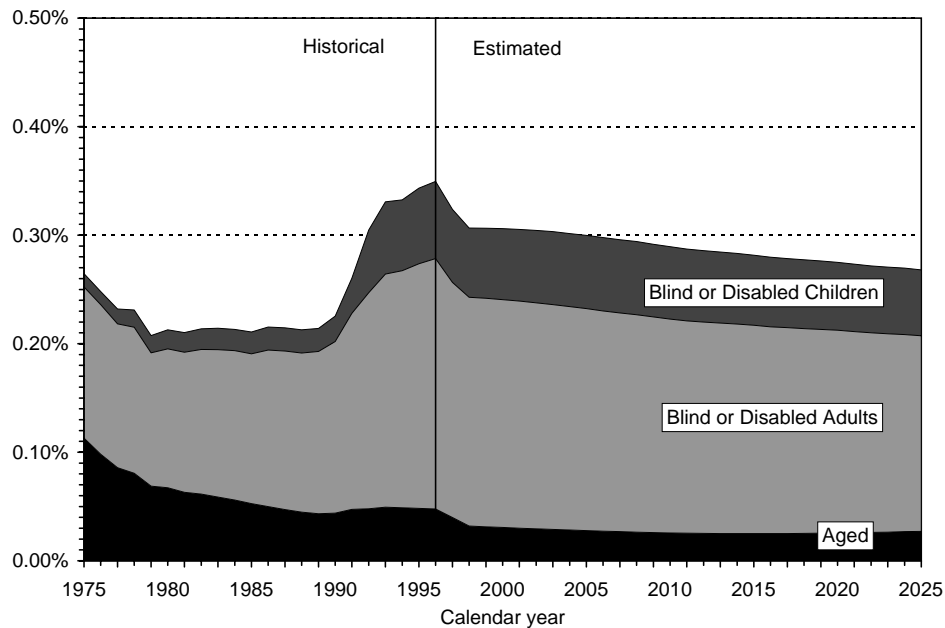


Figure IV.D1 presents a concise summary of Federal expenditures under the SSI program. Following the initial higher costs of the program, total Federal SSI payments during the 1980s were a fairly constant percentage of GDP (0.21 percent). During the early 1990s, SSI experienced rather rapid growth (to 0.35 percent of GDP in 1996) due to a combination of factors discussed earlier in section IV. Welfare reform legislation is expected to result in a substantial drop in the cost of SSI as a percentage of GDP over the next 2 years. As mentioned earlier, the estimates prepared for this report project total participation in the SSI program to remain a stable proportion of the U.S. population. Federal SSI expenditures, after adjusting for growth in prices, are projected to grow slightly faster than the population due to the estimated small amount of real growth in the SSI average benefit, as discussed previously in section IV.C. Since the real growth projected for GDP under the 1997 Trustees Report intermediate assumptions is greater than the combined effects of increases in SSI participation and the estimated real increase in the SSI average benefit, Federal SSI payments are projected to decline as a percentage of GDP over the next 25 years, reaching 0.27 percent of GDP by 2021.

**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. Section 201(g)(1) of the Social Security Act provides that administrative expenses for the SSI program, including Federal administration of State supplementation payments, may be financed from the OASDI Trust Funds. The trust funds are reimbursed from the General Fund of the Treasury for any such SSI administrative expenditures. These reimbursements include adjustments for any interest losses the trust funds may have incurred as a result of such expenditures. The legislative history of the 1972 amendments (which established this funding mechanism) indicates a desire to obtain economy of administration by giving SSA the responsibility for the SSI program because of its existing field office network and its administrative and automated data processing facilities. Because of the integration of the administration of the SSI and OASDI programs, it was desirable to fund them from a single source, with reimbursement to the trust funds based on a Government Accounting Office-approved method of cost analysis of the respective expenses of the SSI and OASDI programs, and a final settlement by the end of the subsequent fiscal year required by law. Table IV.E1 provides historical data on selected administrative costs of the SSI program.

Table IV.E1.—Selected SSI Administrative Costs, Fiscal Years 1978-97
[Outlays in millions]

Fiscal year	Payments to the trust funds ¹	Beneficiary services ²
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	³ 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 (partially estimated)	2,248	46.0

¹ This activity funds the reimbursement to the OASI and DI Trust Funds from the General Fund of the Treasury for the SSI program's share of SSA's administrative expenses.

² Includes payments to State Vocational Rehabilitation (VR) agencies for VR services and payments for referral and monitoring services for Drug Addicts and Alcoholics, which terminated effective January, 1997.

³ 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 correcting lenses, or with tunnel vision of 20 degrees or less. An individual transferred from a State Aid to the Blind (AB) program 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 were 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 benefits and either the special cash benefit or Medicaid eligibility under section 1619.

Act

1996 *(Public Law 104-193, enacted August 22.)*

For individuals under age 18, the “comparable severity” standard was eliminated and replaced with a requirement that a child would be considered disabled if he/she had a medically determinable impairment that resulted in “marked and severe functional limitations,” and met the existing statutory duration requirement. The law also eliminated references to “maladaptive behaviors” in the Listing of Impairments for children, and discontinued 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, or violating State or Federal conditions of probation or parole. 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. Other Eligibility Provisions

a. Citizenship and Residence

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 was extended to residents of the Northern Mariana Islands, effective January 9, 1978.

1980 *(Public Law 96-265, enacted June 9.)*

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

1989 *(Public Law 101-239, enacted December 19.)*

SSI eligibility was continued for a disabled or blind child who was receiving SSI benefits and living with a parent who is a member of the U.S. Armed Forces assigned to permanent duty ashore outside 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.

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

Act

1996 *(Public Law 104-193, enacted August 22.)*

Prohibits SSI eligibility for all noncitizens, with exceptions for certain classes of refugees and asylees, active duty military and veterans and their spouses and minor children, and lawful permanent residents who earn, or can be credited with, 40 qualifying quarters of earnings.

(Public Law 104-208, enacted September 30.)

Amends Public Law 104-193 to add to the list of “qualified aliens” certain noncitizens (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.

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

1972 *(Public Law 92-603, enacted October 30.)*

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

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

1994 *(Public Law 103-296, enacted August 15.)*

Any individual who is receiving SSI based on a disability where drug addiction or alcoholism (DA&A) 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 benefit suspensions. Before benefits 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 benefits; however, this does not prevent such individuals from reapplying and again becoming eligible for benefits.

SSI disability benefits 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.

Act

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 may retain the lesser of 10 percent of the monthly benefit or \$51 (indexed to the Consumer Price Index (CPI)) as compensation for their services.

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

1996 *(Public Law 104-121, enacted March 29.)*

An individual is not considered disabled if drug addiction or alcoholism is a contributing factor material to a finding of disability.

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

d. Institutionalization

1972 *(Public Law 92-603, enacted October 30.)*

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

1976 *(Public Law 94-566, enacted October 20.)*

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

1983 *(Public Law 98-21, enacted April 20.)*

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

1986 *(Public Law 99-643, enacted November 10.)*

Effective July 1, 1987, up to 2 full months of full-rate benefits can be made to recipients of special SSI payments under section 1619 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 and for whom the receipt of benefits is necessary to maintain living arrangements to which they may return.

Act

1996 *(Public Law 104-193, enacted August 22.)*

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

e. Vocational Rehabilitation and Treatment

1972 *(Public Law 92-603, enacted October 30.)*

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

1976 *(Public Law 94-566, enacted October 20.)*

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

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

1980 *(Public Law 96-265, enacted June 9.)*

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

1981 *(Public Law 97-35, enacted August 13.)*

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

Reimbursement for the cost of rehabilitation services will be made if the services result in the recipient's return to work.

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.)*

Provision for continuation of payments to SSI recipients who have medically recovered while enrolled in an approved vocational rehabilitation program extended to blind SSI recipients.

Act

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 the provision providing for benefit continuation to beneficiaries who medically recover while participating in a State VR program to include beneficiaries participating in a non-State VR program.

f. Continuing Disability Reviews and Eligibility Redeterminations

1994 (Public Law 103-296, enacted August 15.)

During each of fiscal years 1996, 1997, and 1998, required SSA to conduct continuing disability reviews (CDRs) on a minimum of 100,000 SSI recipients. In addition, during the same period, required SSA to redetermine the SSI eligibility of at least one-third of all childhood 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.)

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 for all childhood SSI recipients eligible for the month before the month in which they attain age 18.

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.

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

Act

1980 *(Public Law 96-265, enacted June 9.)*

Children aged 18 or older are not subject to parental deeming.

Sponsor's income 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 103-152, enacted November 24.)*

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

Continues deeming from an ineligible spouse or parent who is absent from the household due to active military service.

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 revised 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; and
- provides that in certain cases, deeming would not apply for a 12-month period if the noncitizens (or their children) have been battered, or subjected to extreme cruelty by family members.

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 for the same period 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.

Act **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.

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, living arrangements, and other conditions 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.

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.

Act

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 Medicaid institutions. Individuals or couples living in their own households receive the full Federal benefit. If an individual or couple is living in another person's household and receiving support and maintenance there, the Federal benefit is reduced by one-third. The Federal benefit rates for persons in households are increased annually to reflect increases in the cost of living. Legislation affecting the level of Federal benefit rates since the inception of the SSI program are summarized in table V.A1.

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

Act	Living arrangements ¹	Amount ²		Conditions
		Individual	Couple	
1972 ³ . . .	Own household ⁴	\$130.00	\$195.00	Was to be effective January 1, 1974; superseded by Public Law 93-233.
1973 ⁵ . . .	—	140.00	210.00	Was to be effective January 1, 1974; superseded by Public Law 93-233.
1973 ⁶ . . .	—	140.00	210.00	Effective January 1, 1974.
1973 ⁶ . . .	—	146.00	219.00	Effective July 1, 1974.
1974 ⁷ . . .	—	—	—	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.
1983 ⁹ . . .	—	⁸ 157.70	⁸ 236.60	Effective July 1, 1975.
	—	304.30	456.40	Effective July 1, 1983 (general benefit increase).
	—	⁸ 314.00	⁸ 472.00	Effective January 1, 1984.
1973 ⁵ . . .	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.
1973 ⁶ . . .	—	70.00	—	Was to be effective July 1, 1974.
	—	70.00	—	Effective January 1, 1974.
	—	73.00	—	Effective July 1, 1974.
1974 ⁷ . . .	—	—	—	Mechanism established for providing cost-of-living adjustments.
	—	⁸ 78.90	—	Effective July 1, 1975.
1983 ⁹ . . .	—	152.50	—	Effective July 1, 1983 (general benefit increase).
	—	⁸ 157.00	—	Effective January 1, 1984.
1972 ³ . . .	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 ¹⁰ . . .	—	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).

¹ For those in another person's household receiving support and maintenance there, the Federal benefit rate is reduced by one-third.

² For those without countable income. These payments are reduced by the amount of countable income of the individual or couple.

³ Public Law 92-603, enacted October 30, 1972.

⁴ Includes persons in private institutions whose care is not provided by Medicaid.

⁵ Public Law 93-66, enacted July 9, 1973.

⁶ Public Law 93-233, enacted December 31, 1973.

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

⁸ Subject to automatic provisions, see table IV.A2

⁹ Public Law 98-21, enacted April 20, 1983.

¹⁰ Public Law 100-203, enacted December 22, 1987.

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.

Act

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.

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.

(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.

The value of assistance provided under certain Federal housing programs.

1977 *(Public Law 95-113, enacted September 29.)*

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 Act of 1974 extended on a permanent basis. Effective January 1, 1978.

Act

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 disregards.

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 97-424, enacted January 6.)*

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.

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 disregarded 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.)*

Above provisions for 1983 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.

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 the interest on the funds to be excluded from income if retained in the fund.

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.)
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.
Redefined 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.

6. Limits and Exclusions From 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.

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.

- Act* 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 handicapped person.
- 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 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.
- 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.
- 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, if held in separately identifiable burial funds and if inclusion of any of the burial funds in countable resources would cause the resource limit to be exceeded.
- 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* permitted exclusion, regardless of value of an automobile needed for essential transportation or modified for a handicapped person. 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 because 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).
- Allows the exclusion of burial funds, as described above, regardless of whether or not counting any portion of those funds would result in excess resources.

Act

- 1988 *(Public Law 100-360, enacted July 1.)*
Removes the transfer-of-assets penalty for transfers made July 1, 1988, or later.
- (Public Law 100-707, enacted November 23.)*
Removes the time limit for exclusion of disaster assistance.
- 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, within reasonable limits. Shares of nonnegotiable stock in regional or village corporations held by natives of Alaska.
For persons transferred from State programs to SSI, resource exclusions equal to the maximum amount permitted as of October 1972 under the State program.
- 1988 *(Public Law 100-383, enacted August 10.)*
Restitution payments made to Japanese internees and relocated Aleutians.
- 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.)*
Made 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.)*
Dedicates financial institution accounts required to be established for disabled individuals under age 18 with a representative payee.

Act **7. Presumptive and Emergency Payments and Interim Assistance Reimbursement**

a. Presumptive Payments

1972 *(Public Law 92-603, enacted October 30.)*

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

1976 *(Public Law 94-569, enacted October 20.)*

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

1990 *(Public Law 101-508, enacted November 5.)*

Extends the period for receipt of payments to 6 months.

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.)*

May be made if applicant has a financial emergency in the month of filing, if other eligibility requirements are met. Advance payments must be repaid within 6 months.

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 was 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.

Act **8. Medicaid Eligibility**

1972 *(Public Law 92-603, enacted October 30.)*

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

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

1976 *(Public Law 94-566, enacted October 20.)*

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

1980 *(Public Law 96-265, enacted June 9.)*

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

Restored Medicaid eligibility for some disabled widow(er)s who became ineligible for SSI due to a change in the Social Security disabled widow(er)s benefits reduction factor.

Medicaid protection for disabled widow(er)s whose title II benefits increased in 1984 because of a change in the actuarial reduction formula.

(Public Law 99-643, enacted November 10.)

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

Effective July 1, 1987, certain expenses that would be lost if SSI eligibility was discontinued may be excluded from earnings when determining sufficiency of earnings to establish SSI recipient status eligibility for Medicaid purposes—

Act

- impairment-related work expenses of disabled persons;
- work expenses of blind persons;
- income required for achieving an approved self-support plan; and
- the value of publicly funded attendant care services.

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

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

1987 *(Public Law 100-203, enacted December 22.)*

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

1990 *(Public Law 101-508, enacted November 5.)*

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

9. State Supplementation

1972 *(Public Law 92-603, enacted October 30.)*

States were 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, was provided to States electing Federal administration of their supplementary plans. This provision applies only to supplementary payments that do not, on the 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.)

Act

1973 *(Public Law 93-66, enacted July 9.)*

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

1976 *(Public Law 94-585, enacted October 21.)*

After June 30, 1977, when the Federal SSI payment level is increased by a cost-of-living increase, such an increase will be disregarded 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.)*

Began 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 1985.

1987 *(Public Law 100-203, enacted December 22.)*

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

Provided 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.)*

The Omnibus Budget Reconciliation Act (OBRA) of 1993 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.

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);
- Up to \$10 of earned income in a month if it is infrequent or irregular, that is, if it is received only once in a calendar quarter from a single source or if it cannot reasonably be expected. (If the total amount of the infrequent or irregular income exceeds \$10, this exclusion cannot be used.);
- Up to \$400 per month but not more than \$1,620 in a calendar year received by a blind or disabled child who is a student 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 the 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 65;
- 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 65;
- 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; and
- 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 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;
- Any portion of a grant, scholarship or fellowship used for paying tuition, fees or other necessary educational expenses. Portions set aside for food, clothing 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;
- Up to \$20 of unearned income in a month if it is infrequent or irregular; that is, if a type of unearned income is received only once during a calendar quarter from a single source or if it cannot reasonably be expected.

- 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;
- 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 received SSI as a blind or disabled individual prior to age 65;
- 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 (after April 1, 1990);
- The value of any commercial transportation ticket, for travel by the 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;
- 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;
- Interest or other earnings on a dedicated account excluded from resources; and
- Unearned income excluded by other Federal laws. See Appendix to Subpart K, 20 CFR 416.

3. Resource Exclusions

- The home (including the land appertaining thereto);
- Household goods and personal effects to the extent that their total value does not exceed \$2,000;
- An automobile may be totally excluded if: (1) it is necessary for employment; (2) it is necessary for the medical treatment of a specific or regular medical problem; (3) it is modified for the operation by or transportation of, a handicapped individual; or (4) it is necessary to perform essential daily activities. If the automobile does not meet any of the above requirements, it may be excluded to the extent that its current-market value does not exceed \$4,500;
- Property of a trade or business which is essential to the means of self-support;

- Nonbusiness property which is essential to the means of self-support;
- Resources of a blind or disabled individual which are necessary to fulfill an approved plan for achieving 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;
- Payments or benefits provided under a Federal statute other than title XVI of the Social Security Act where exclusion is provided by such statute;
- Disaster relief assistance;
- Burial spaces and certain funds up to \$1,500 for burial expenses;
- Title XVI or title II retroactive payments (for 6 months following receipt);
- Housing assistance;
- Refunds of Federal income taxes and advances made by an employer relating to an earned income tax credit, (for the month following receipt);
- Payments received as compensation for expenses incurred or losses suffered as a result of a crime (for 9 months);
- Relocation assistance from a State or local government (for 9 months); and
- Dedicated financial institution accounts for disabled children.

C. HISTORICAL ALLOWANCE DATA

At the end of 1996, 79 percent of SSI recipients were receiving benefits based on a determination of disability. Claims are filed at a local Social Security office and claims requiring an evaluation of disability are sent to the State Disability Determination Service (DDS) for a decision. Initial DDS decisions that are unfavorable to the applicant may be appealed to the DDS for a reconsideration of that initial denial. Persons denied at the reconsideration level may apply to the Office of Hearings and Appeals (OHA) for a hearing before an Administrative Law Judge (ALJ), and beyond OHA to the Federal court system.

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 determination process and only captured various point-in-time snapshots of this process. A complete picture of the disability determination process can be fully understood only by compiling a longitudinal data base from administrative records at all level of appeals. Beginning in 1993, such a longitudinal data base (the "Disability Research File") was constructed by the Division of Disability Program Information and Studies within SSA's Office of Disability to assist the agency in understanding and managing this process. In the process of constructing this data base, 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 is a table based on the Disability Research File showing 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 OHA case control data.

The process used to build this research file is cumbersome, involving more than 150 steps, and generally requiring about 4 months to complete. Much of this complexity flows from the fact that the file is assembled based on filing date cohorts. As a result, the research file is updated only annually (usually beginning in July). Therefore, research file data are not yet available for claims filed in 1996.

Methods used for estimating results (through January 1997) for claims filed in 1996—Although decision counts are available for 1996 filers (from many of the "source" files), those counts do not translate directly into the claims/appeals counts included in the following table, 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 January 1997) for 1996 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. While we believe that the methods used are reasonable, it must be emphasized that the resulting estimates may prove to be of limited reliability, especially in light of the fact that the estimates give results only through January 1997, whereas the final research files will reflect information through June 1997. Actual data for 1996 will be available to replace these estimates in the 1998 annual report.

2. General Considerations

Some general points that apply to table V.C1 are as follows:

- Data for 1988-95 filers are as of June 1996. Results for those years' filers have been updated to include OHA results through August 1996.
- Data for 1996 filers are preliminary estimates as of January 1997, and reflect larger numbers of claims still pending. January 1997 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. Experience shows that there is a lower allowance rate on claims that have been pending in OHA a year or more, than on previously decided appeals.
- Computations of overall allowance rates exclude cases which have been appealed and for which a decision is pending.

Table V.C1.—Disposition of Applications for SSI Disability Benefits by Year of Filing¹, Level of Decision, and Program Involvement

Calendar year of filing	Total claims filed	Initial decisions				Reconsiderations				Appeals beyond reconsideration ²				Selected summary totals								
		Allowances		Appeals to reconsideration		Allowances		Appeals to reconsideration		Allowances		Appeals to reconsideration		Allowances at all levels		Denials after all appeals						
		Number	Per- cent ³	Number	Per- cent ⁴	Pending	Per- cent ³	Denials	Per- cent ⁵	Pending	Per- cent ⁴	Pending	Per- cent ⁶	Denials	Per- cent ⁷	Number	Per- cent ⁹	Number	Per- cent ¹⁰			
Disabled adult claims																						
1988	946,603	272,204	28.8	674,399	265,151	39.3	—	38,385	14.5	226,766	140,649	62.0	—	82,405	58.6	58,244	392,994	41.5	120,790	17.9	553,609	82.1
1989	969,218	292,044	30.1	677,174	274,823	40.6	—	43,505	15.8	231,318	146,051	63.1	—	90,151	61.7	55,900	425,700	43.9	133,656	19.7	543,518	80.3
1990	1,099,805	347,823	31.6	751,982	320,207	42.6	—	52,055	16.3	268,152	175,365	65.4	—	109,005	62.2	66,360	508,883	46.3	161,060	21.4	590,922	76.6
1991	1,288,329	415,336	32.2	872,993	383,667	43.9	—	59,158	15.4	324,509	222,311	68.5	1,560	139,224	63.1	81,527	613,718	47.7	198,382	22.7	673,051	77.1
1992	1,415,624	436,888	30.9	978,736	433,244	44.3	—	58,819	13.6	374,425	261,846	69.9	8,121	156,608	61.7	97,117	652,315	46.3	215,427	22.0	755,188	77.2
1993	1,503,276	416,300	27.7	1,086,976	485,164	44.6	—	57,939	11.9	427,225	297,069	69.5	39,731	159,096	61.8	98,232	633,335	43.3	217,035	20.0	830,210	76.4
1994	1,434,411	354,673	24.7	1,079,738	477,574	44.2	—	54,895	11.5	422,679	289,014	68.4	105,524	119,464	65.1	64,026	529,032	39.8	174,359	16.1	799,855	74.1
1995	1,312,740	322,868	24.8	980,887	411,516	42.0	24,938	42,508	11.0	344,070	218,679	63.6	161,450	40,331	70.5	16,898	405,707	36.3	82,839	8.4	711,660	72.6
1996	1,311,700	322,000	28.2	818,500	339,500	41.5	54,700	39,300	13.8	245,500	112,600	45.9	99,600	9,830	75.6	3,170	371,130	37.6	49,130	6.0	615,070	75.1
Disabled child claims																						
1991	250,962	148,220	59.1	102,742	24,702	24.0	—	5,605	22.7	19,097	9,222	48.3	95	3,865	42.3	5,262	157,690	62.9	9,470	9.2	93,177	90.7
1992	372,971	189,079	50.7	183,892	49,297	26.8	—	9,463	19.2	39,834	19,889	49.9	870	7,396	38.9	11,623	205,938	55.3	16,859	9.2	166,163	90.4
1993	496,131	212,268	42.8	283,863	75,967	26.8	—	11,338	14.9	64,629	31,476	48.7	6,242	9,713	38.5	15,521	233,319	47.6	21,051	7.4	256,570	90.4
1994	525,205	172,593	32.9	352,612	91,646	26.0	—	11,339	12.4	80,307	37,987	47.3	17,720	8,654	42.7	11,613	192,586	37.9	19,993	5.7	314,899	89.3
1995	488,553	2,595	145,167	29.9	340,791	82,308	24.2	4,619	8,799	11.3	68,890	29,641	43.0	24,357	2,461	46.6	156,427	34.2	11,260	3.3	300,555	88.2
1996	475,200	109,000	121,500	33.2	244,700	50,900	20.8	14,200	3,000	8.2	33,700	10,820	32.1	10,610	109	51.9	124,609	36.5	3,109	1.3	216,781	88.6

¹ Data for claims filed in 1988-95 reflect results as of June 1996. Data for claims filed in 1996 are preliminary estimates as of January 1997. The ultimate number of allowances and denials are subject to change until all initial decisions have been completed and all appeals are final.

² Includes cases appealed to the Office of Hearings and Appeals, as well as beyond OHA to the Federal courts.

³ Percentage of decisions at this level.

⁴ Percentage of denials at this level appealed to next level.

⁵ Number of persons appealing beyond the reconsideration level.

⁶ Includes cases remanded to OHA from the Federal courts.

⁷ Percentage of decisions at this level. For years where decisions are still pending, the preliminary percentage shown will ultimately be lower as all cases are processed. This is true since allowances are generally processed more quickly than denials.

⁸ 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).

⁹ Percentage of initial decisions excluding appealed cases pending decisions.

¹⁰ Percentage of initial denials.

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. Scheduled redeterminations are selected annually or once every 6 years depending on the likelihood of payment error in the case. Except for certain institutionalized individuals, all recipients are periodically scheduled for a redetermination. 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 selected but not completed during the fiscal year due to 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. Table V.D1 provides historical data on numbers of redeterminations completed by fiscal year.

Table V.D1.—SSI Redeterminations Completed, Fiscal Years 1986-96
[In thousands]

Fiscal year	Number of redeterminations
1986.....	2,278
1987.....	2,244
1988.....	1,997
1989.....	2,226
1990.....	2,103
1991.....	2,138
1992.....	2,321
1993.....	2,223
1994.....	¹ 1,900
1995.....	² 1,597
1996.....	1,763

¹ Decrease in number of redeterminations completed in fiscal year 1994 due to low-error profile redeterminations not being completed from January through September 1994.

² Effective fiscal year 1995, approximately 200,000 fewer redeterminations were selected annually due to a change from a 3-year to a 6-year redetermination cycle for low-error profile cases.

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 identifier to the Supplemental Security Record of the SSI recipient. The case is then selected and scheduled for a field office review of the issue for which the indicator was posted. SSA develops over 600,000 limited issues annually.

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 reviews (CDR) procedures should be applied with respect to both the title II and title XVI programs, title XVI was not amended to accomplish this. In 1994 and

again in 1996 legislation was enacted adding some mandates for the performance of CDRs under the SSI program.

Public Law 104-296 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 reach 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 (using the criteria for adults who file new applications for benefits) to all SSI child recipients who are eligible for the month before the month in which they attain age 18 and 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.

In order to handle the large CDR workload mandated under these various provisions, SSA developed, beginning in 1993, a process by which certain title II cases scheduled for a CDR would be screened using the results of a profiling process which included a mailer interview for some cases. In 1996 the profiling process was extended to title XVI adults who were scheduled for a CDR. The screening process resulted in the deferral of full medical reviews for 39,241 cases for which a scheduled title XVI CDR was processed in 1996.

For cases involving individuals who receive both title II and title XVI benefits, CDRs are typically initiated as title II CDRs with the results of the review affecting eligibility for benefits under both programs. Table V.D2 presents the latest available summary of results on CDRs of title XVI recipients performed under titles II and XVI since 1993. This table includes only cases for which a full medical review was conducted. In particular the table does not include:

- cases for which a mailer was completed, but for which a full medical review was deferred;
- CDRs initiated as the result of work activity on the part of the beneficiary/recipient; and
- miscellaneous other CDRs processed by the State Disability Determination Services 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.—Disposition of SSI Continuing Disability Medical Reviews by Fiscal Year of Initial Decision¹, Level of Decision, and Review Category

Fiscal year of initial DDS decision	Initial decisions				Reconsiderations				Appeals beyond reconsideration ²				Selected summary totals									
	Continuations		Appeals to reconsideration		Continuations		Appeals to beyond reconsideration		Continuations		Continuations at all levels		Cessations at initial level		Cessations after all appeals							
	Number	Per- cent ³	Number	Per- cent ⁴	Number	Per- cent ³	Number	Per- cent ⁴	Number	Per- cent ³	Number	Per- cent ⁷	Number	Per- cent ⁸	Number	Per- cent ⁷						
1993	1,363	1,298	95.2	65	54	83.1	11	20	46.5	23	10	43.5	6	3	75.0	1	1,321	98.1	65	4.8	25	1.9
1994	10,978	9,236	84.1	1,742	1,221	70.1	30	635	53.3	556	344	61.9	216	63	49.2	65	9,934	92.6	1,742	15.9	798	7.4
1995	16,270	12,128	74.5	4,142	2,825	68.2	101	1,447	53.1	1,277	665	52.1	520	64	44.1	81	13,639	87.2	4,142	25.5	2,010	12.8
1996	26,884	20,631	76.7	6,253	3,799	60.8	1,333	1,274	51.7	1,192	461	38.7	444	7	41.2	10	21,912	87.3	6,253	23.3	3,195	12.7
Reviews of concurrent title II/XVI cases initiated under title II																						
Title XVI initiated reviews for low-birth-weight children																						
1994	1,207	756	62.6	451	157	34.8	7	52	34.7	98	42	42.9	30	3	25.0	9	811	69.3	451	37.4	359	30.7
1995	4,391	2,211	50.4	2,180	657	30.1	39	193	31.2	425	145	34.1	123	4	18.2	18	2,408	56.9	2,180	49.6	1,821	43.1
1996	5,709	2,490	43.6	3,219	868	27.0	356	193	37.7	319	84	26.3	84	—	—	—	2,683	50.9	3,219	56.4	2,586	49.1
Total XVI initiated reviews excluding low-birth-weight children																						
1995	7,680	5,688	74.1	1,992	1,161	58.3	71	451	41.4	639	290	45.4	240	19	38.0	31	6,158	83.6	1,992	25.9	1,211	16.4
1996	69,163	55,347	80.0	13,816	7,945	57.5	3,499	2,177	49.0	2,269	683	30.1	663	9	45.0	11	57,533	88.5	13,816	20.0	7,468	11.5

¹ Data reflects results as of February 1997. The ultimate number of continuations and cessations are subject to change until all appeals are final.

² Includes cases appealed to the Office of Hearings and Appeals, but not cases appealed beyond OHA to the Federal courts. These excluded cases have a minimal impact on the number of continuations.

³ Percentage of decisions at this level.

⁴ Percentage of cessations at this level appealed to next level.

⁵ Number of persons appealing beyond the reconsideration level.

⁶ Includes cases remanded to OHA from the Federal courts.

⁷ Percentage of initial decisions excluding appealed cases pending decisions.

⁸ Percentage of initial decisions.

E. INCENTIVES FOR WORK AND OPPORTUNITIES FOR REHABILITATION

1. Work Incentives

Since the beginning of the SSI program, a number of disabled 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), plans for achieving self-support (PASS), and student earned income (SEI).

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 income exclusions 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 limit that is ordinarily considered to represent substantial gainful activity (SGA) ¹; 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. ²

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 the same information in graphical form.

¹ For the period 1980-89, the monthly SGA limit was set at \$300. It was increased to \$500 effective January, 1990.

² More detailed information on participation by SSI recipients in work incentive programs is provided in the *Quarterly Report on SSI Disabled Workers and Work Incentive Provisions* 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, 1987-96

Year	In current-payment status		1619(b) workers ³	Total workers
	1619(a) workers ¹	Other workers ²		
1987.....	14,559	142,664	15,632	172,855
1988.....	19,920	153,599	15,625	189,144
1989.....	25,655	161,928	18,254	205,837
1990.....	13,994	182,421	23,517	219,932
1991.....	15,531	186,824	27,264	229,619
1992.....	17,603	199,665	31,649	248,917
1993.....	20,028	210,322	35,299	265,649
1994.....	24,315	217,478	40,683	282,476
1995.....	28,060	223,573	47,002	298,635
1996.....	31,085	225,310	51,905	308,300

¹ In January, 1990, the SGA limit 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).

² Workers' earnings are at or below the SGA limit.

³ 1619(b) recipients are not in current-payment status but retain SSI recipient status for Medicaid purposes.

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

Figure V.E1.—SSI Federally-Administered Blind or Disabled Working Recipients as of December, 1987-96
[In thousands]

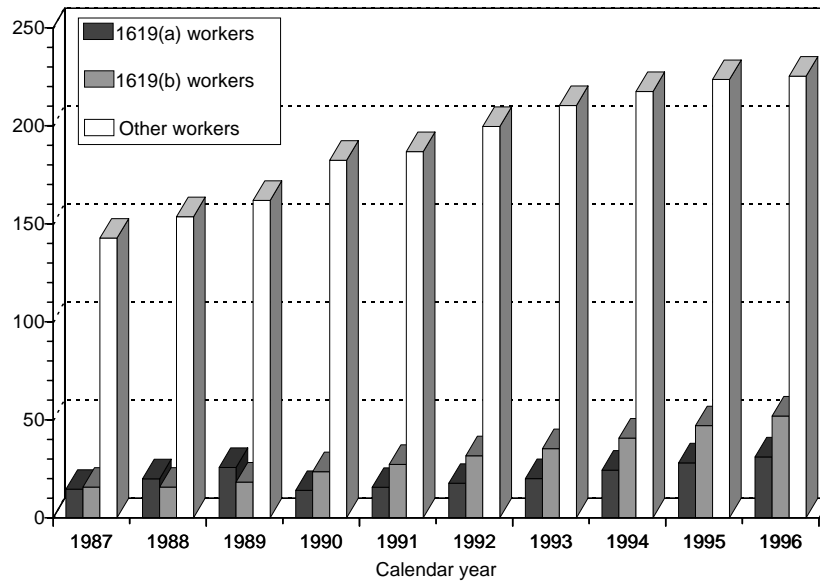


Table V.E2 presents historical numbers of SSI recipients who benefit from other selected work incentive provisions: (1) plan for achieving self-support (PASS), (2) impairment-related work expense exclusion (IRWE), and (3) blind work expense exclusion (BWE). These recipients may be benefitting from more than one of these selected work incentive provisions. This data 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, 1990-96

Year	PASS ¹			IRWE	BWE
	Non-workers ²	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

¹ Includes only PASS plans which exclude income. Data is not available on PASS plans which exclude only resources.

² PASS plan excludes unearned income.

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 limit.

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, 1987-96

Year	Blind or disabled workers with SSI recipient status			
	In current-payment status		1619(b) workers ³	Total workers
	1619(a) workers ¹	Other workers ²		
1987.....	\$494	⁴ \$124	\$739	⁴ \$211
1988.....	522	⁴ 127	721	⁴ 218
1989.....	518	⁴ 131	712	⁴ 231
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

¹ In January, 1990, the SGA limit 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).

² Workers' earnings are at or below the SGA limit.

³ 1619(b) recipients are not in current-payment status but retain SSI recipient status for Medicaid purposes.

⁴ Estimated.

2. Vocational Rehabilitation

Individuals who are blind or disabled applying for or receiving Federal SSI benefits are referred to State Vocational Rehabilitation (VR) agencies to the extent that “the maximum number of such individuals may be rehabilitated into productive activity.” Recipients who have been referred to VR agencies and accepted as clients lose eligibility for SSI benefits if they refuse, without good cause, the services offered. As indicated in the Work Incentives section above, the 1980 amendments provided for the continuation of SSI payments for certain disabled individuals enrolled in VR programs whose disability ceased due to medical recovery. This provision was extended to SSI blind recipients effective April, 1988. In 1994, regulations were amended to expand access to private and public non-State VR providers when a State VR agency does not serve an SSI recipient whom SSA refers for services.

From the beginning of the SSI program through 1981, VR agencies were reimbursed for the cost of VR services regardless of outcome. The 1981 amendments changed the reimbursement provisions so that VR agencies would be reimbursed for the cost of VR services only if the services result in the recipient returning to work.¹ For reimbursement purposes, recipients are considered to have returned to work if they have had earnings exceeding the SGA limit for 9 continuous months. Effective with the 1990 amendments reimbursement for the cost of VR services was authorized for individuals who were not receiving Federal SSI benefits for any month for which the individual:

- had special SSI recipient status for Medicaid purposes under subsection 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.

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

Table V.E4.—Vocational Rehabilitation Reimbursement Claims Allowed, Fiscal Years 1987-96

[Amounts in thousands]

Fiscal year	Concurrent title II/XVI claims		Title XVI only claims		Total claims	
	Number	Amount title XVI	Number	Amount	Number	Amount
1987	(1)	(1)	1,493	\$10,010	(1)	(1)
1988	(1)	(1)	1,720	14,831	(1)	(1)
1989	(1)	(1)	1,871	18,366	(1)	(1)
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

¹ 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.

¹ Reimbursement may also be made in cases where the recipient, without good cause, refuses to continue to accept VR services or fails to cooperate in such a manner as to preclude successful rehabilitation. In such cases, the recipient would become ineligible for SSI benefits due to a failure to accept the offered services. In addition, reimbursement may be made in cases where the recipient medically recovers while engaged in a program of rehabilitation services approved by SSA; and SSA determines that completion of such program increases the likelihood the individual will be permanently removed from the rolls.

F. INVOLVEMENT OF SSI BENEFICIARIES IN OTHER PROGRAMS

In this section we present data on prior enrollment by recipients, including State programs funded under part A of title IV of the Social Security Act and State general assistance programs. These data are based on information from the Supplemental Security Record, the main administrative file for the SSI program.

SSA does not maintain complete information in its administrative files concerning the involvement of SSI recipients in all other assistance programs. We do, however, have some indication with regard to entitlement to benefits under two other programs—Aid to Families with Dependent Children (AFDC) and Interim Assistance Reimbursement (IAR)—at the point that a person applies for SSI benefits.

Of the 6.6 million people receiving SSI payments in January 1997, almost 1.5 million had at some time received income from the program formerly known as AFDC (1.469 million). While most of those receiving AFDC at the point of application for SSI were children (54 percent), a large number were disabled individuals (42 percent) who received assistance benefits either as children or as caretaker relatives.

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. Of the 6.6 million people receiving SSI payments in January 1997, about 6,500 had part of their initial SSI check paid to their State as reimbursement for interim assistance.

G. BIBLIOGRAPHY OF RESEARCH ON RELATED TOPICS

The legislative mandate for this report requires inclusion of summaries of “relevant research on the SSI program by the Social Security Administration and others.” Given the volume of research that has been done since the inception of the Supplemental Security Income (SSI) program and the brief period available for us to prepare this first report, we concluded that we could most effectively optimize interested readers’ access to this information by developing a comprehensive bibliography for them, rather than by attempting to synopsise numerous, sometimes lengthy and complex documents.

The following list of reference sources includes studies and reports regarding various aspects of the SSI program that were prepared by, or under contract for, the Social Security Administration. The list also includes information gleaned from the extensive holdings of the Library of Congress regarding studies that have been conducted by public and private entities regarding SSI benefit levels, recipients, and reform proposals. It is not intended to be an exhaustive compilation of relevant studies. In future reports, we may attempt to expand the listing and to include research summaries, particularly of relevant studies completed since the last report.

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