

Supplemental Security Income

**The Rules That Allow You to Try Work
January 2025**

Cash Benefits from Social Security

- The Social Security Administration (SSA) is a federal agency that administers two cash benefit programs:
- Social Security, including Social Security Disability Insurance (SSDI) – Title II;
- Supplemental Security Income (SSI) -Title XVI.

Cash Benefits from Social Security

- Both pay benefits to those who meet SSA's disability standard.
- Each has different non-disability eligibility criteria.
- Each includes a different set of detailed work incentives and rules about work.
- It's important to know which benefit you receive when going to work.

How to Know for Sure Which Benefit You Receive?

- **SSDI** and Social Security Dependent or Survivor benefits are paid on the **Second, Third or Fourth Wednesday of the month.**
 - Unless you received Social Security before May 1997, or, if you are receiving both Social Security & SSI.
 - In that case Social Security is paid on the 3rd day of the month.

How to Know for Sure Which Benefit You Receive?

- **SSI** is paid on the **first day of the month**.
- However, if the first of the month falls on a weekend day or a federal holiday, SSI is paid on the day of the prior month that is just before the weekend day or federal holiday.
- E.g., because January 1, 2025, was a federal holiday, the January SSI benefit was paid on December 31, 2024

**This Presentation Covers only Supplemental
Security Income (SSI)**

What Is Supplemental Security Income?

- The SSI program was created in 1972, when Congress passed Title XVI of the Social Security Act.
- SSI is a needs-based program for people with limited income and resources.
- SSI is funded by General Tax Revenues and is affected by changes in income, resources and living arrangements.
- It provides cash to meet basic needs for food and shelter.

Distinctive Features of SSI

- Benefit is paid on the first of the month.
- Income and resource tests apply:
 - Income is any item received in cash or in-kind that can be used to meet the need for food or shelter, either directly or by sale or conversion.
 - Resources are things you own and have control over like cash, bank accounts, stocks and investments, land, life insurance, and personal property. The resource limit is \$2000 for an individual and \$3000 for a married couple.
- In Massachusetts, Medicaid (MassHealth) eligibility is automatic with SSI eligibility.

Who Can Get SSI?

- Those
 - Aged 65 or older,
 - blind or disabled aged 0-64, and
 - who have limited income and resources.
- Residents of the 50 States of the U.S., District of Columbia or Northern Mariana Islands
- Citizens of the U.S. or those meeting immigration eligibility criteria
- Those who have filed an application and meet medical and non-medical requirements.

SSI Payment Amount

- Payment amount is based on income, living arrangements, marital status, the maximum amount payable in the state, and whether the income of another counts toward the person's eligibility.
- The earliest possible payment date is the month after the month of application 20 CFR 416.335.
- Monthly federal benefit rate (FBR) payment set each January.
- The maximum 2025 SSI payment rate is \$967 for an individual and \$1450 for a married couple.
- Massachusetts pays a small state SSI supplement.

SSI Income

- Income is defined as “anything you receive in cash or in kind that you can use to meet your needs for food and shelter.”
- Income can be
 - Earned
 - Unearned.
 - In-kind
 - Deemed from a spouse, parent or sponsor (if a non-citizen with a sponsor)
- Income is counted in the month it’s received for SSI income eligibility purposes.

Examples of Earned Income

- Treated much more favorably than unearned income.
- Income from work includes -
- Wages, including payments for sheltered work or other work activities.
- Net self-employment income.
- In-kind payment (e.g., free rent for work).
- Bonuses

How Much of Your Earned Counts to Reduce Your SSI Benefit?

- A good estimate is about ½ of your gross monthly earnings does not count.
- But the actual amount can vary in individual cases.
- The basic earned income exclusion is \$65 and half of the remainder.
- You can also deduct the \$20 general income exclusion if has not been used on unearned income.
- Additional exclusions may also apply to you.

Example - SSI Earned Income Exclusion

- Anna receives \$967 in SSI per month and \$114.39 in the Massachusetts state supplement. She takes a job paying \$885 gross per month. She has no other income.
- Here's how to calculate how her SSI benefit will change.
- $\$885 - 85 (\$20 + \$65) = \800 .
- $\$800 \text{ divided by } 2 = \$400 \text{ (countable earnings)}$.
- $\$967 - \$400 = \$567 \text{ (new SSI payment)}$
- Her new income is \$1566.39 (\$885 in gross wages, \$567 in SSI, and \$114.39 in the Massachusetts state supplement).

Report Your Work and Wages Regularly

- It is critical to report your employment and pay changes to Social Security right away so that Social Security can pay make any needed changes to your SSI benefits and avoid large overpayments
- Report to Social Security any time there is a change in jobs or pay no later than the 10th day of the month after the month in which the change occurs.

Additional Earned Income Exclusions

- Potential additional earned income exclusions include
 - Impairment Related Work Expenses
 - Blind Work Expenses
 - Student Earned Income Exclusion
 - Plan to Achieve Self-Support

Impairment Related Work Expense (IRWE)

- An Impairment Related Work Expense (IRWE) is the cost of impairment related items and services that you need in order to work and that is out of pocket.
 - E.g., co-pays for prescriptions or other medical care to treat your disabling condition,
 - cost of driving a modified vehicle to work,
 - reasonable cost of alternate transportation if you cannot take available public transportation or drive yourself in an unmodified vehicle.
- The cost of the IRWE can be deducted from your earned income to calculate your SSI payment amount.
- Generally, you must be working in the month you pay for an IRWE.

Student Earned Income Exclusion (SEIE)

- The SEIE applies to a person
 - under age 22
 - who is regularly attending school in grades 7-12, college, or in a training course to prepare for employment
- In 2025, the exclusion is –
 - Up to \$2,350 in a calendar month
 - Capped at \$9,460 in a calendar year.
 - These exclusions increase each January with the Cost of Living Allowance (COLA).

Blind Work Expenses (BWE) Exclusion

- This exclusion applies to people eligible for SSI because they have
 - Central visual acuity of 20/200 or less in the better eye with best correction, or
 - Or a limitation in the field of vision in the better eye such that the widest diameter of the visual field subtends an angle of 20 degrees or less.
- Income used to meet expenses necessary to earn that income is excluded from counting.
 - Examples include, service expenses, travel to and from work, Federal state and local income taxes, Social Security taxes, visual aids, translation of materials into Braille professional association dues, union dues, lunches at work.

Plan to Achieve Self Support (PASS)

- A PASS lets you set aside and save income and/or resources to reach a work goal.
- Set aside income/resources are excluded when determining eligibility and payment amount for SSI.
 - Can establish or maintain SSI eligibility
 - Can maintain or increase SSI payment
- SSDI beneficiary can establish SSI eligibility with a PASS.
- The PASS must be in writing and be approved by SSA.
 - Social Security form SSA-545BK, <https://www.ssa.gov/forms/ssa-545.html>

Resources

- The Red Book on Work Incentives, <https://www.ssa.gov/pubs/EN-64-030.pdf>
- Working While Disabled: How We Can Help, <https://www.ssa.gov/pubs/EN-05-10095.pdf>
- Reporting Wages When You Receive Supplemental Security Income (SSI), <https://www.ssa.gov/pubs/EN-05-10503.pdf>
- What You Need to Know About Your Supplemental Security Income (SSI) When You Turn 18, <https://www.ssa.gov/pubs/EN-05-11005.pdf>
- Plan to Achieve Self-Support (PASS) <https://www.ssa.gov/disabilityresearch/wi/pass.htm>

Resources

- Work Incentives Planning and Assistance (WIPA) Projects have assist beneficiaries in making informed choices about work and earnings. WIPA services are free.
- WIPA staff have work incentive expertise and can:
 - Explain SSA work incentives and how earnings affect a beneficiary's Federal, state, and local benefits, and
 - Identify possible barriers that prevent beneficiaries from achieving their employment goals
- Massachusetts WIPA Programs –
 - Work Without Limits, <https://workwithoutlimits.org/benefits-counseling/wipa-home/>
 - MassAbility Benefits Counseling, <https://www.mass.gov/benefits-counseling>

Questions?

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