



Attorneys for special needs planning.

SUPPLEMENTAL SECURITY INCOME



» Supplemental Security Income (SSI) is a need-based income program for the elderly, visually impaired and disabled who have limited income and assets.

Although 65 years of age is the minimum for the age category, there is no age limit for the blind or disabled categories. The federal portion of the benefit is administered by the Social Security Administration (SSA), and some states offer a supplemental amount that is usually administered by a state agency. Many states also automatically give Medicaid eligibility to those individuals who are SSI eligible.

The SSI benefit payment amount is a minimum monthly income standard based upon the recipient's living arrangement and other available support and income. Unless specifically excluded, all other income is counted in determining the SSI payment. Examples of countable income include work earnings, Social Security and other federal government benefits, child support and gifts of food or shelter.

» NOT ALL COUNTABLE INCOME ACTUALLY REDUCES BENEFITS

The first \$20 of "unearned" income each month is not counted. Examples of unearned income include Social Security benefits, trust distributions and gifts. Each month the first \$65 of earned income, plus one half of the remaining income, is not counted. Total countable assets or "resources" cannot exceed \$2,000. Certain resources are not counted, including irrevocable burial contracts, a personal residence, a vehicle of limited value, household items, and a \$1,500 life insurance policy or bank account designated for burial.

When something of value is received, it is considered income for that month. If it is retained the following month, it becomes a resource. Income and resources of a spouse, parent of a child under age 18, or alien sponsor, are "deemed" available to the recipient for eligibility determination, with certain exclusions.

If a recipient gives away a countable resource or income for less than fair market value, the SSI benefit may be reduced or suspended based upon the value of the gifted amount. The maximum disqualification period is 36 months regardless of the gifted amount. The disqualification period, however, may be waived due to hardship exceptions.

Certain gifts by the recipient do not cause an SSI disqualification period, including gifts to a spouse or child with disabilities, a personal residence to a child whose care keeps the recipient out of a nursing home for two years or longer, or a share of a home co-owned by a sibling who has lived there for a year or longer. Gifted property causing

a disqualification period that is given back to the recipient will reverse the disqualification.

A recipient may put property into a self-settled Special Needs Trust (SNT) without having the trust property become a countable resource or cause a disqualification period. The trust must be created under certain legal requirements, including payback to the state Medicaid agency, upon the recipient's death, for all benefits received. Members of the Special Needs Alliance® (SNA) are experienced in special needs planning and can help establish and properly fund a self-settled needs trust that meets the federal and state requirements.

The best way to provide compassionate care and a comfortable life to your family member with special needs is to support your legal and financial decisions with reliable information and proven expertise. That's why America's finest disability attorneys are members of the Special Needs Alliance® (SNA).

As attorneys in the field of disability and public benefits law, we help to enhance your family member's quality of life. Every SNA member has the resources and legal expertise to help you maintain public benefits for your family member and develop effective estate plans and protect your assets.



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

