



Aard Law
OFFICES, P.A.

**SUPPLEMENTAL SECURITY
INCOME (SSI)
QUALIFICATIONS**

**SSI is for adults and children
who are low-income and
disabled or age 65**

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SSI benefits are not the same as Social Security Disability (SSD) benefits. SSI benefits are for people who have low-income and may not have paid enough FICA taxes into Social Security to receive SSD.

When you win your disability case, you will be contacted by SSA to determine if you are eligible for SSI. They will ask you a lot of financial questions. This brochure will help you be prepared to answer these questions correctly. If you are eligible for SSI, you will also receive MEDICAID. In some cases, you may receive both MEDICAID and MEDICARE. Depending on your income it may be possible to have the State pay your MEDICARE monthly premiums.

Each year the maximum SSI benefit rate changes. In 2016 it is \$733 for an individual and \$1100 for a couple. This amount can be higher depending on what State you live in. Cost of living increases are added each year. The monthly SSI benefit amount you may receive will decrease depending on how much income you have, but some income does not count.

TO BE ELIGIBLE, YOU NEED THE FOLLOWING:

1. Be a citizen, legal alien, or alien permanently residing in the US under color of law, and
2. Disabled or blind: vision 20/200 or limited to a visual field of 20 degrees in better eye, with corrective lenses, and
3. Meet the income and resource requirements.

RESOURCES

- An individual cannot have more than \$2,000 in resources. An eligible couple or parents living with their eligible child cannot have more than \$3,000 in resources. Resources include cash, savings accounts, checking accounts, stocks, bonds, CDs, land, property that is not where the claimant resides, or life insurance policies with a face value over \$1,500. A car is not a resource if used to go to work or is handicapped equipped, is used to get medical treatment or used for essential daily activities. If the car cannot be totally excluded, the first \$4,500 is excluded.
- Real Estate that cannot be sold in spite of attempts to sell the property on the open market after a nine-month attempt will not count. Jointly owned real property which cannot be sold without undue hardship will not count.

- Lump sum retroactive payments for disability benefits are excluded for only nine (9) months. If they are not spent in 9 months, they count.
- Money held in a discretionary trust for the benefit of the claimant generally will not count.
- A trust that holds money, (e.g., a large personal injury settlement) may not count as a resource if the claimant has no access to the money. A trust can contain cash, assets, real or personal property that could be turned into cash. The trustee must manage the trust and decide how to spend the money to meet the claimant's needs. The claimant cannot revoke the trust. However, disbursements from the trust may be income in certain cases. Cash paid directly from trust to individual is unearned income and reduces the SSI payment. Money paid for food or shelter does reduce the monthly SSI benefit payments.

Disbursements from a trust which are NOT INCOME include money paid to providers for things that are not food or shelter. For example, money paid for medical services for care rendered to the claimant, money paid for telephone bills, education, and entertainment are not income.

- Dedicated savings accounts for children: past due benefits deposited into a dedicated savings account and any accrued interest are excluded from Resources and Income.
- Bank accounts in the individual's name count as resources regardless of where the funds came from. If someone else puts money in the individual's account, it is Income. All money in a joint account is presumed owned by the both persons. However, providing proof the claimant can no longer withdraw the money rebuts the presumption of 100% ownership.
- Income is any item a person receives that can be used to obtain food or shelter. Income can be in the form of cash or in-kind (non-cash items). Income can be earned or unearned. Earned Income is gross wages or net earnings from self employment. Unearned income includes annuities, Social Security benefits, Veterans Benefits, Workers Comp, pensions, alimony, support, dividends, interest, royalties, rents, life insurance policies, court awards, gifts, and inheritances.

- **THINGS THAT ARE NOT INCOME:** Things that are not income are any items that cannot be used as food, or shelter. Receipts from the sale or exchange or replacement of a resource continue to be a resource (not income). Examples of things that are not income include: medical care and services, including cash payments in certain limited situations; social services, including cash assistance to purchase certain services; weatherization assistance; income tax refunds; and proceeds of a loan (either money borrowed or money received as repayment). Bills paid for you by a third Party may be in-kind income if it meets the definition.
- **UNEARNED INCOME:** \$20.00 a month is deducted from unearned income. Not counted is ONE-THIRD of support payments made to a child; income set aside under a PASS plan; federal housing assistance; interest earned on an excluded burial fund/burial space; the value of a commercial transportation ticket; victims' compensation; relocation assistance; or in-kind support and maintenance from a non-profit organization if based on need. Sick pay is unearned income except the first 6 months it is paid. It can be counted as earned income if the disabled person made contributions to the sick pay plan. This reduces the amount of income that counts against eligibility and payment.
- **EARNED INCOME:** Unlike unearned income, not all of earned income is counted. It is reduced by \$20.00 (if not deducted from unearned income) and further reduced by \$65.00; and also reduced by 1/2 of the remaining earned income. If a person is eligible for SSI based on this month's income, that income will effect the SSI check two months later. This gives time to report income changes.
- **IN-KIND SUPPORT:** Items given to you may or may not count as income. If you live free in another person's household and that other person gives you BOTH food and shelter, SSA may use the "ONE-THIRD RULE." SSA will deduct 1/3 of the full SSI rate from your check. This rule does not apply if you are paying a pro rata share of the household expenses or have an obligation to do so. It also does not apply if you buy food separately. In these cases, SSA uses the "PRESUMED MAXIMUM VALUE RULE (PMV)." SSA starts with the presumption the value is one-third of the SSI benefit rate plus the \$20.00 exclusion. The value can not be any higher than that. However, the claimant may prove that the actual value is worth less than the presumed value with the smaller amount counted as income. **IN-KIND LOANS DO NOT COUNT AS INCOME.**

- **INCOME OF OTHERS MAY BE CONSIDERED YOUR INCOME.** Your spouse's income is considered available to you, provided your spouse is not eligible for SSI. An ineligible parent's (natural parent's, adoptive parent's, step-parent's) income is considered available to a child up to age 18 if the child is in the same household or if the child resides at school, but is still subject to parental control and visits on vacations. A sponsor's income is considered available to an alien. Not included as income to you would be public income your spouse/parent receives, and any income counted or excluded when figuring the amount of that public payment. Also not included would be a spouse's/parent's grant, scholarship, foster care money to an ineligible child, food stamps, tax refunds, income used to comply with court-ordered support, or support payments to the spouse/parent and irregular income.
- ***IT IS IMPORTANT TO NOTE THAT SSA CONSIDERS BOYFRIENDS AND GIRLFRIENDS TO BE SPOUSES IF YOU HOLD YOURSELVES OUT THAT WAY. YOU ARE NOT CONSIDERED SPOUSES IF YOU ARE JUST FRIENDS AND YOU LEAD INDEPENDENT LIVES (E.G., YOU BUY YOUR OWN FOOD, HAVE YOUR OWN BANK ACCOUNT, PAY YOUR OWN BILLS, ETC.). REMEMBER THAT YOUR SPOUSE'S INCOME CAN BE DEEMED TO BE YOUR INCOME, BUT A FRIEND'S INCOME CANNOT BE DEEMED YOUR INCOME.***
- You are not eligible if you are incarcerated for a full month.
- You are not eligible if you are out of the U.S.A. for a full month and for the following 30 days after returning.
- You should know that if you receive free room and board from another person, the value of it will not count if it is a loan that you intend to pay back. If it is not a loan, money will be deducted from your monthly benefits.
- If you give away, transfer or sell any resource for less than fair market value in order to receive SSI, you may not be eligible for benefits for 36 months.

If you have any questions, please call us at

239-945-0808

CHILDREN UNDER 18 – DEDICATED ACCOUNTS

The representative payee for a disabled child under age 18 who is eligible for more than six months worth of past-due benefits is required to open a separate account at a financial institution.

The past-due payments will be deposited directly into that "dedicated account", and the use of these funds is restricted.

Money in this dedicated account must be kept separate from any other money and is restricted in the way it may be used.

The representative payee will need to keep careful records of the use of this account in order to complete Social Security's required annual report.

How can you use the money in the dedicated account?

You can use the money only for the following expenses:

- medical treatment; and
- education or job skills training.

We also allow the following expenses, if they benefit the child and are related to the child's impairment:

- personal needs or assistance (for example, in-home nursing care);
- special equipment;
- therapy or rehabilitation; or
- other items or services approved by your local Social Security office, like legal fees incurred by the child in establishing a claim for disabled child's benefits.

The monies may NOT be used monies for basic monthly maintenance costs such as food, clothing, or shelter.

You must use the regular monthly SSI benefit for the child's food, clothing, or shelter.

If there are any questions on use of the funds, contact your local Social Security office.