



RURALFACTS

SSI BENEFITS & CHILDREN WITH DISABILITIES

The Basics

Social Security administers two programs that children with disabilities under 18 may qualify for: Social Security Child's/Survivor's Benefits and Supplemental Security Income (SSI). This factsheet focuses only on the application process for SSI for children.

To qualify for SSI, a child must meet Social Security's 1) income and resource requirements and 2) disability qualification. SSI is a needs-based program, so you and your family must have income and resources below a certain level to qualify. The maximum monthly benefit for SSI in 2009 is \$674 per month (the Federal Benefit Rate), and in most states a child who qualifies for SSI will automatically qualify for Medicaid coverage. For some families, whose children may have expensive medical needs, the Medicaid coverage may prove to be an even more valuable benefit than the monthly benefit check.

You can apply for Social Security benefits by calling 1-800-772-1213 or visiting your local Social Security office. The application forms (SSA-3881-BK and others) are also available at the Social Security website, www.socialsecurity.gov.

It may take up to 100 days to process your application. The time it takes depends on:

- 1) the state where you live;
- 2) the nature of your child's disability;
- 3) how quickly SSA receives your child's medical and school records; and
- 4) whether your child will need an additional medical examination.

Financial Eligibility for SSI

Because SSI is a needs-based program, Social Security will investigate whether your family's income and resources are below their allowable limits. Social Security will "count" some resources and income, but exclude others. For children under 18, Social Security will count both your child's and your family's resources and income. Once your child turns 18, only his/her resources and income are counted.

Resources

In general, resource limits are \$2,000 for a single person and \$3,000 for a couple. For a family with a disabled child who is applying for SSI, there is an additional \$2,000 asset limit for the child. When Social Security looks at the assets of the parents of a minor child, the following things will be examined:

- Cash on hand, in a bank, or other financial institution.
- Stocks and bonds, CDs, IRAs.
- Contents of a safe deposit box.
- Valuable coins/stamps, other collections, or antiques.
- Property and homes, including a home you may own, but don't live in.
- Funeral/burial agreements, etc.
- Insurance policies and their "cash surrender value."

Resources SSA won't count for an individual:

- Up to \$2,000 total of any assets combined.
- A home, as long as you live in it.
- An irrevocable funeral agreement of up to \$2,000, or up to \$1,500 in a separate account that is designated "for future burial expenses."

- An insurance policy with a face value of under \$1,500.
- An insurance policy owned by someone other than the child's parents.
- "Term" insurance policies.
- Personal possessions and household goods.
- Property essential to self-support (for instance, land that you farm to have some income, tools needed to work, rental property that brings in some net income, a business bank account).
- Assets excluded as part of a Social Security *Plan to Achieve Self Support* (PASS).
- Trusts that are not under the family's control, or where the trust principal or interest cannot be used to provide cash to you or your child, or used for food, clothing, or shelter.

Income and Deeming

Along with countable resources below the SSI limit, a family must also have *countable income* below a certain level in order to qualify financially for SSI benefits. "Deeming" is the practice of counting the parents' income when determining whether a minor child is financially eligible for SSI. First Social Security totals all the "countable income" and then factors in how many other children are in the family who aren't applying for SSI.

SSI *counts* both unearned and earned income, but counts them differently. In addition, some income is excluded from being counted. For minor children, Social Security will count the income of the parents, and the income of all children, including the child with a disability.

Countable Income

Some examples of unearned income are: SSDI, Veterans Benefits, Rail Road Retirement, Unemployment Insurance, and Child Support. Generally, unearned income is all counted except for a \$20 general income exclusion.

Example:	
How Social Security Counts Unearned Income	
Family receives \$350 in Rail Road Retirement	
\$350	
- \$20	unearned income exclusion
\$330	Social Security "counts" this amount as income

Two exceptions are:

- 1) when the unearned income is child support, and
- 2) when the unearned income is in the form of "in-kind support and maintenance."

Child support counts as a child's income, not the parent's income. "In-kind support and maintenance" is free food/shelter the family may be receiving from someone else.

Generally, earned income is wages, salary, or the net income from self-employment. SSI does not count the first \$65/month of earned income (earned income exclusion), and if there is no unearned income, SSI will not count an additional \$20/month of earnings (general income exclusion). After the first \$65 (or \$85) of earnings, SSI will only count half of what remains.

Example:	
How Social Security Counts Earned Income when there is no Unearned Income	
Family total wages are \$2300/month	
\$2300	
- \$85	general and unearned Income exclusions (\$65 + \$20)
\$2215	
÷ 2	
\$1107.50	Social Security "counts" this amount as income

Once your child qualifies for SSI, if he/she is a student and begins to work, SSI won't count the first \$1,640/month he/she earns, up to a total of \$6,600/year (in 2009). If your child earns more than \$6,600 in a year, SSI will count the earnings over \$6,600 in the same way it counts other earnings; the first \$65/\$85 each month won't count, nor will half the remainder. This is called the Student Earned Income Exclusion (SEIE).

Deeming Chart

On the next page is a chart you can use to see if your income is low enough for your child to qualify financially for SSI. This chart works if you have only earned income or only unearned income. If you have both, call Social Security to ask if you qualify financially. To use the chart, find the column heading across the top that reflects your family's situation (e.g. Parent to Child-Earned Income-2 Parents). Follow that column down until it meets the row that shows how many children you have in addition to the disabled child for whom you are applying. (e.g., if you have 4 children and one is disabled, you will go to row 3). Where your row and column intersect,

there are two numbers. If your income is more than the bottom number, your child is not financially eligible for SSI. If your income is less than the top number, your child is eligible for a full SSI benefit

(\$674/month in 2009). If your income falls between the two numbers, your child is financially eligible for a partial SSI benefit.

CHART OF MONTHLY DEEMING BREAKEVEN POINTS FOR A FEDERAL SSI PAYMENT (effective 1/1/2009)							
Number of Ineligible Children		Parent to Child				Spouse to Spouse to Child	
		Earned Income		Unearned Income		All income is earned	All income is unearned
		1 parent	2 parents	1 parent	2 parents		
0	reduction begins at:	1473	2147	714	1051	2147	1051
	eligibility ceases at:	2821	3495	1388	1725	3495	1725
1	reduction begins at	1810	2484	1051	1388	2484	1388
	eligibility ceases at:	3158	3832	1725	2062	3832	2062
2	reduction begins at	2147	2821	1388	1725	2821	1725
	eligibility ceases at:	3495	4169	2062	2399	4169	2399
3	reduction begins at	2484	3158	1725	2062	3158	2062
	eligibility ceases at:	3832	4506	2399	2590	4506	2736
4	reduction begins at	2821	3495	2062	2399	3495	2399
	eligibility ceases at:	4169	4843	2736	3073	4843	3073

Disability Qualification

Congress changed the children’s eligibility criteria for determining disability in 1996, so children now have different, higher standards than adults must meet to qualify for SSI. The new definition of disability for children in the SSI program is

“...a child under age 18 will be considered disabled if he or she has a medically determinable physical or mental impairment or combination of impairments that causes marked and severe functional limitations and that can be expected to cause death or that has lasted or can be expected to last for a continuous period of not less than 12 months.”

To apply for SSI for your child, you will complete the “Questionnaire for Children Claiming SSI Benefits.” Provide as much information as possible on this form, especially names and contact

information for medical or school personnel who can provide information about your child’s disabling conditions.

The Questionnaire is designed to elicit answers about what your child can do. However, on this form, it is important to describe your child’s disability by the limits imposed on the worst days. When filling out this form, it is important to qualify items that need qualification. For instance, if your child can walk, but only for a few steps at a time, or only if he/she rests five minutes after each ten minutes of walking, don’t write “yes, he/she can walk” and stop there. Describe all the limits that apply when your child walks or attempts to walk. If he/she gets very short of breath, or experiences pain, describe it fully. It may be helpful to describe how your child is functioning in comparison to how a child of that age typically functions. For example, a mom might say, “my first child was walking by 13 months of age, but Cindy is now 27 months old and still isn’t able to stand by

TIPS FOR A SUCCESSFUL APPLICATION

- ✓ Include a list of all current medications, dosages, side effects, and reasons they were prescribed.
- ✓ Describe the support the child needs from care givers, school staff, or support staff in detail on the child's worst day.
- ✓ Include all doctors' names and contact information.
- ✓ Compare your child's functioning level (speech, academic, mobility, ability to assimilate new information or adapt to change) to other children of the same age.

herself, let alone walk." Don't feel limited by the space provided with each question. You can always attach additional sheets if needed to fully answer the questions.

While you apply for SSI through your local office and they review your financial eligibility, the decisions about your child's disability are made by each state's Disability Determination Service (DDS). The Disability Determination Service will screen each application for a "medically determinable impairment." DDS will collect all known medical records in

order to verify the presence of a disability. If there are not sufficient medical records or if a disability is alleged and no documentation is available, DDS will seek a "consultative exam (CE)." DDS will ask the treating and/or consultative physicians to complete forms, and the doctors will have to mark whether the disability exerts "marked" or "severe" functional limitations. It may be helpful to discuss these standards with your child's doctors so they can understand the implications of their check marks and (possibly arbitrary) judgment calls. For instance, a pediatrician may be reluctant to check "marked" or "severe" so as not to offend a family, even when there may well be "marked" or "severe" functional limits. However, if "marked" or "severe" is not checked, Social Security may deny the claim. Alert your child's doctor that you are applying for SSI and that they need to emphasize deficits.

If you are not fully able to list your child's symptoms and describe his/her functional limits, it can be very helpful for a friend, advocate, or family member to contact both the DDS Disability Examiner and the consultative physician. These contacts should provide both examiners with a real picture of your child and the impact of his/her disability. Include letters from friends or advocates with the application.

If DDS finds your child's disability doesn't "meet the listings" (Social Security's list of approved "medically determinable impairments"), DDS Disability Examiners are supposed to evaluate whether your child's disability "equals" the listings. To determine if your child "equals" the listings, DDS is also supposed to consider the combined effect of multiple partial disabilities. SSA calls this a "combination of impairments." This is often the hardest case to make. If your child has a "combination of impairments" and DDS denies the application, you should give serious consideration to appealing.

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