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HELPING LOW INCOME ELDERLS APPLY FOR SSI

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Only about half of the people 65 and older who qualify for the federal Supplemental Security Income program actually receive SSI benefits. Most of the others either don't know about SSI or are baffled by its complexity. Getting help in obtaining SSI can make a big difference in their lives.

This booklet is for case managers, outreach workers, family members, friends, trained volunteers, or information and referral workers — anyone who is in a position to help low-income elders qualify for SSI. If you fit any of those categories, this booklet was written for you. You may be the person who can make the difference in an elderly person's life.

WHAT IS SSI?

Congress created the Supplemental Security Income program in 1974 to replace several types of programs including state-run Old Age Assistance. SSI aims to ensure a minimum standard of living to low-income people who are either *elderly (65 or older)*, *blind*, or *disabled*.

SSI is managed by the Social Security Administration, but the rules are much more complicated for SSI than for Social Security payments. SSI is “means-tested” — available only to those who can show that their income and assets are low.

Applying for SSI can be time-consuming. But the benefits can make it well worth the effort. In Massachusetts,

for example, those who qualify for SSI get:

- *A monthly check* of up to \$586.82 for a single elderly person or \$888.72 for a married couple. The actual amount depends on income level and household composition (see table on page 10).
- *Automatic qualification for Medicaid.* For some elderly people, Medicaid coverage may be the only thing that can save them from losing all their assets in the event of a sudden, expensive illness.
- *Automatic coverage for the Medicare Part B premium, Part B co-payments, and the annual deductible.* This provides medical insurance, while Medicare Part A covers hospital insurance.
- *Eligibility for Food Stamps.* Food Stamps can save the recipient anywhere from \$10 to \$115 a month, depending on income and household expenses. They require a separate application at the local Food Stamp office.

*All these benefits belong by right to everyone
who meets the SSI qualifications.
They are not a charity.*

WHO QUALIFIES FOR SSI?

To be eligible for SSI an individual must:

- be one of the following: (a) age 65 or older, (b) blind, or (c) disabled; and
- be a US citizen or be in the United States legally; and
- have limited income (see middle of page 8 through page 10, and note that some income isn't counted); and
- have limited assets (under \$2,000 for an individual, or \$3,000 for a married couple — but a lot of things, including an owner-occupied house, aren't counted); and
- agree to apply for other benefits to which he or she is entitled (Social Security retirement benefits, VA benefits, pension, etc.).

The rules for determining income and assets are complicated. See pages 8 and 9, and also page 11 of this booklet for some things that aren't counted. The point is: If you think a client or family member *may* be eligible, pursue it. Many people who qualify for SSI don't know that they do.

WHY DO PEOPLE NEED HELP GETTING SSI?

Here are some of the obstacles that keep about half the elders who are eligible for SSI from getting it:

- **SSI is little-understood.** In one survey of people who were thought to be eligible for SSI but weren't getting

it, two fifths of the people had never heard of SSI. Nearly half of those who *had* heard of it couldn't distinguish it from Social Security. Another study found that only one third of those surveyed knew that SSI could increase an eligible person's income, and only one fourth knew that SSI could lead to eligibility for Medicaid.

- **SSI explanatory materials are difficult.** Because SSI rules and procedures are so complex, the Social Security Administration documents that describe SSI are hard to understand. Many people — especially those for whom English is a second language — may need help in understanding them.
- **The Social Security Administration, which administers SSI, is understaffed.** Its toll-free phone line is often clogged with calls. Rarely are staff available to visit homebound applicants. And the lack of staff may cause delays. This situation is not likely to change soon. A frail elder often doesn't have the stamina to ensure that the application is correct and complete and that the process goes smoothly.

Most people need some kind of help in securing SSI benefits. A project by Families USA to increase participation by eligible Massachusetts elders in SSI found that nearly 100% of those people who ultimately got benefits said they had received help in applying for SSI. It ranged from advice to transportation to Social Security offices to follow-up phone calls.

SSI CAN MAKE A DIFFERENCE

“[Mrs. F] of Canton is 86 and has a bad back, but until a year ago she was still cleaning other people’s houses. She needed the money — her only other income, from Social Security, was about \$500 a month, or \$6,000 a year. That placed her well below the poverty level of \$7,360 a year.

“Then, Peggy McDonough, a case manager at the Health and Social Services Consortium in Sharon, told Mrs. F about another federal program that could help her...

“Over the next few weeks, McDonough successfully shepherded [Mrs. F] through the confusing [SSI] application process at the Social Security Administration.

“Today, [Mrs. F], who is a widow and lives in public elderly housing, receives an extra \$100 a month in an SSI check and doesn’t have to clean houses anymore. ‘I don’t know what I would do without it,’ she says...

“[Mrs. F] qualified for Medicaid, which meant she no longer had to pay expensive premiums for private insurance to supplement her Medicare coverage. SSI also began paying her monthly premium of \$46 for Medicare...

“All the benefits combined lifted [Mrs. F] slightly above the federal poverty level.”

(From an article by Sue Scheible in *The Patriot Ledger*, in Quincy, Mass., April 17, 1995.)

HOW YOU CAN HELP

Here are some things that a helper (whether a social-service worker, a relative, or a volunteer) can do:

- **Make a quick preliminary screening.** This may be the most important step. A rough inventory of the person's major assets and income sources can tell you if he or she is "in the ballpark" for benefits. In some cases, you can rule out SSI immediately. For example, someone who owns a vacation home, or owns stocks and bonds worth more than a few thousand dollars, will not qualify regardless of income.
- **Help make initial contact with the Social Security Administration.** By telephoning Social Security and stating the person's intent to apply, you can establish a protective filing date. ("Protective" refers to the fact that, if the applicant is later declared eligible, SSI benefits will start as of this initial filing date.) Or you can use a simple inquiry form for this purpose. But in either case, a formal application needs to be made within 60 days after the protective filing date is established.
- **Help make an appointment with a Social Security Administration representative, and see that the applicant gets there.** This can include setting up the appointment, providing transportation, and sitting in on the actual interview. Application may be made by phone, but the Social Security office will want certain documents. Many people hesitate to mail them, fearing they may get lost. They may be willing to take the documents to the office in person, if they can get there.

- **Help gather documents.** In SSI applications, *original* documents are generally required. These normally include such things as proof of age, bank statements, and proof of income (the Social Security representative handling the application will tell you what is needed). Many applicants need help in searching out the required documents.
- **Follow up on the application.** This includes keeping in touch with the elderly applicant or a key family member. It can also include getting the name of an individual at the Social Security Administration who can be called —more than once if necessary— to ask what is happening with the process for the person you are assisting. (Case managers need to develop a rapport with a contact person at the local Social Security office so that they can call that person with questions or problems their clients may have.)
- **Act as a formally designated “representative.”** By calling your local Social Security office and asking for Form 1696, the “Appointment of Representative” form, you can arrange to receive notices and letters regarding the person’s SSI application if need be. You can also represent the applicant at hearings. This is a role that family members and friends can very usefully play.
- **Help appeal a denial of benefits.** Few applicants seem to understand that, in the 60 days after a denial of benefits, they have the right to appeal. If they **do** know, they may still be confused by the appeals process. If you think the denial may be a mistake — and sometimes it is! — your encouragement and help can make a difference to the applicant. Legal services offices will generally provide free representation in these

cases. To locate the legal services office nearest you, call your state's Office of Elder Affairs.

- **Help with a Food Stamp application.** The Social Security Administration will help an SSI recipient apply for Food Stamps if he or she lives in a household where everyone is receiving or applying for SSI. Otherwise, SSI recipients must apply on their own at a local Food Stamp office. Help from someone else with the Food Stamp application process can be all-important.
- **After a decision is made, keep track of the applicant.** Most elders are on a fixed income, and many who are not eligible for SSI now will become eligible later. In general, changes in income, assets, and living arrangements can all affect SSI eligibility and benefit levels. SSI recipients are responsible for informing the Social Security Administration of all of these changes.

CALCULATING COUNTABLE INCOME FOR SSI

Here are some things that *don't count as income*:

- the first \$20 a month of “unearned” income (e.g., from Social Security);
- the first \$65 a month earned from working;
- half the amount over \$65 earned from working;
- Food Stamps;
- home energy assistance;
- loans that have to be repaid;
- income-tax refunds.

This list is not complete, but it includes the most common items subtracted from income. The point is: Some people's *countable income* may be several thousand dollars less than their *actual income*. It is countable income that determines whether someone is eligible for SSI. If there is a *possibility* that the person is eligible for SSI, always follow it up and file a formal application.

MONTHLY INCOME STANDARDS FOR SSI

Using the example of Massachusetts, the following table shows the standards that are used to determine (a) eligibility for SSI and (b) the amount of money paid to those who do qualify. First, an applicant's monthly countable income is calculated (see the next section for more information on how this is done). If countable income is below the state's SSI standard, then the *difference* between the SSI standard and the applicant's countable income becomes the monthly payment.

In each state, different income standards are used, depending on whether the applicant is single or married, and also on whether the applicant shares living expenses with others.

1995 Monthly Income Standards*
for Age-Based (65 or Older)
SSI in Massachusetts**

Living Arrangement	Unmarried Individual	Member of a Married Couple***
FULL COST OF LIVING (paying 2/3 or more of full household expenses)	\$586.82/mo.	\$444.36/mo.
SHARED LIVING EXPENSES (paying one's share of rent, food, heat, etc.)	497.26	444.36
HOUSEHOLD OF ANOTHER (making token payments for household expenses)	409.70	336.90
REST HOME CARE (living in a licensed rest home and paying all income above \$60/month to the rest home)	751.00	751.00

* An applicant whose income is above these figures is not eligible for SSI in Massachusetts. For those who are eligible, monthly SSI payments are determined by subtracting countable income from the SSI standard.

** These figures include a state supplement which Massachusetts, like most other states, tacks onto the basic federal stipend. Therefore, these figures vary from one state to another. *Important:* In every state, the figures change at the start of every calendar year.

*** If a person who is eligible for SSI lives with a spouse who is not eligible for SSI, some of the spouse's income may be counted in figuring the SSI payment.

CALCULATING ASSETS FOR SSI ELIGIBILITY

The amount of assets an individual has also determines if he or she is eligible for SSI. Assets include cash, bank accounts, stocks and bonds, and some other property. Here are some things that *don't count* toward the \$2,000 (or \$3,000 for a couple) an applicant is allowed in assets:

- the home the applicant owns and lives in;
- one car¹;
- household goods and personal property up to \$2,000;
- burial plots for the applicant and members of the immediate family, and burial funds valued at \$1,500 or less per person, or life insurance policies with a combined face value of \$1,500 or less;
- property or equipment needed for paid work or, more generally, self-support;

Again, this list is not complete. When in doubt, always contact the Social Security Administration.

¹ The exception is if the applicant owns a car that (a) is not used for employment or medical appointments *and* (b) is not necessary for essential daily activities *and* (c) is worth more than \$4,500. In that case, the difference between the car's value and \$4,500 would be included in the person's assets.

HOW THE FORMULAS ARE USED: AN EXAMPLE

Walter is a 68-year-old widower who owns a small house in rural Massachusetts and lives in it by himself. He works part-time at odd jobs and gets a small Social Security check every month. His income and assets break down like this:

INCOME

\$256 per month from Social Security

\$225 per month (average) from odd jobs

Total income = \$481

ASSETS

Owner-occupied house (not counted)

Car worth appr. \$2,500 (not counted)

Checking account with \$1,000 balance

Household goods worth less than \$2,000 (not counted)

Tools needed for his paid work (not counted)

Total countable assets = \$1,000

First we look at the countable assets to see if they exceed the limit of \$2,000 for an unmarried individual (see page 10). They don't. His *total* assets, including the house, add up to many times \$2,000, but only the *countable* assets concern us here.

Now we look at Walter's income. It comes to \$481 a month. But then we start subtracting:

Average monthly income	\$481
Exclusion of first \$65/mo. from earned income	- 65
Exclusion of 1/2 of remaining earned income.....	- 80
(that is, 1/2 of \$225 - \$65 = 1/2 of \$160 = \$80)	
<u>Exclusion of first \$20 of "unearned" income</u>	<u>- 20</u>
Countable monthly income	316

To calculate his monthly SSI payment, we subtract his countable monthly income from his state's SSI standard:

1995 Massachusetts SSI monthly income standard for individual living alone	\$586.82
<u>Countable monthly income</u>	<u>- 316.00</u>
SSI monthly benefit	270.82

For Walter, SSI would mean a monthly check of just over \$270.00 as well as automatic eligibility for other benefits such as Medicaid.

HELPFUL FORMS AND PUBLICATIONS

Helpful forms and publications available from the Social Security Administration:

“Record of SSI Inquiry” (SSA 3462)

“Appointment of Representative Form” (SSA 1696)

Understanding SSI (SSA 17-008). This is a detailed 62-page source book on SSI rules and procedures nationwide.

PHONE NUMBERS

Social Security Administration

Toll-free number (800) 325-0778, 7 am - 7 pm business days (best to call early or late in the day). If asking about benefit amounts, be sure to get specific amounts for your state.

Local office. Check the Government section of your local phone book.

Your state's elder affairs department

They can give you referrals to local providers of aging services. In Massachusetts, the Executive Office of Elder Affairs can be reached at (617)727-7750 (Boston area) or toll-free at (800)882-2003. The hearing-impaired number is (800)872-0166.

This booklet owes much to three pilot projects carried out by the Massachusetts office of the Families USA Foundation in cooperation with the Social Security Administration, which runs SSI. These projects explored ways of getting SSI for more low-income elders who are eligible. The booklet is also a result of a 1994 study conducted by the Gerontology Institute and Center at the University of Massachusetts Boston. Gerontology Certificate students in an action-research class interviewed 213 people who applied for SSI under the 1993 Families USA benefit outreach project. A grant from the Boston Foundation made the UMass Boston project and this booklet possible.

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Gerontology Institute
University of Massachusetts Boston
100 Morrissey Blvd.
Boston, MA 02125-3393