The Difference Between SOCIAL SECURITY and SSI

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Social Security and “SSI” are both programs providing cash benefits. Both are administered by the federal Social Security Administration. Eligibility and benefit amounts are determined differently under the two programs. Eligibility for SSI is “means tested;” eligibility for Social Security is not.
Eligibility Groups

- **Social Security can cover:**
  - Individuals age 62 and older, or “disabled.”*
  - The dependents, survivors, children, and even parents of such individuals.

- **SSI can cover:**
  - Individuals age 65 and older.
  - Individuals under age 65 who are “disabled.”*

- Individuals can be eligible for both Social Security and SSI.

*Social Security and SSI use the same, special definition of “disabled.”*
Financial Eligibility

- **Under Social Security**, individuals must have had a specified amount of lifetime earnings in Social Security-covered work (including self-employment).
  - That amount is calculated in terms of numbers of "credits" (formerly, "quarters").
    - Individuals can earn up to four credits a year.
  - Dependents (spouses, children, parents) and survivors rely on the worker’s satisfaction of the credits requirements.

- **Under SSI**, individuals must show that their current “countable” income and resources are under SSI’s low financial eligibility levels.
  - “Countable” means that certain types and/or amounts of income and resources are not counted in determining eligibility.
Under Social Security, monthly benefit amounts are calculated based on the “worker’s” earnings history in Social Security covered work.

- Dependents and survivors benefits are based on specified percentages of the worker’s benefit amounts.

Under SSI, monthly benefit amounts are calculated by deducting the individual’s countable income from the SSI eligibility level.

- In 2017, the monthly income eligibility level is $735 for an individual, and $1,103 for a married couple.
- Example: Mr. X has countable income of $600 per month; his monthly SSI benefit would be $135 [$735 minus $600].
Some Grounds For Benefit Reductions

- **Under Social Security**, some of the most common grounds for benefit reductions are:
  - Taking benefits prior to attaining “full retirement age” [FRA].
  - Having earned income above specified amounts prior to FRA.
  - Receiving pensions from government employment.

- **Under SSI**, apart from actual income, assistance with shelter and/or food costs can be treated as income.
  - Such ‘phantom’ income is called “in-kind support and maintenance.”

- Collections on **Overpayments** can affect both benefits.
Overpayments

- Overpayments are a major problem for beneficiaries under both programs.
  - Collected by reductions in monthly payments (in some cases up to 100%).
- They occur when a beneficiary receives any amount of benefits contrary to applicable rules.
  - E.G., excess resources, unreported work income.
- Best Defense: know the rules and comply with them.
- Can appeal the merits, by a “Request for Reconsideration.”
- If overpayment admitted or confirmed, can request a “Waiver” of collection (or reduced monthly amount).
  - Must show you were not at fault, and, under Social Security, more.
Linkage to Health Coverage

- With **Social Security**, individuals eligible for Social Security are customarily eligible for premium-free Medicare Part A.
- With **SSI**, in New Mexico individuals who are found eligible for any amount of SSI are automatically eligible for full Medicaid.
  - As a result of the Medicaid coverage, the state Medicaid program will pay for the individual’s Medicare Part B premiums.
  - Also their Medicaid and SSI coverage entitles them to “Extra Help” subsidies for their Medicare drug coverage cost sharing.