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*Potential Effect of Marriage on Supplemental Security
Income (SSI) Eligibility and Benefits*

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January 8, 2008

Abstract. This report provides an overview of the potential effect of a marriage to another SSI recipient or an ineligible person on an individual's eligibility for and level of SSI benefits. Examples of cases in which a marriage can reduce a person's SSI benefits are provided. To date, no legislation has been introduced in the 110th Congress that would change the way marriage can affect SSI eligibility and benefits.

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Potential Effect of Marriage on Supplemental Security Income (SSI) Eligibility and Benefits

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January 8, 2008

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Summary

Supplemental Security Income (SSI) is a major benefit program for low-income persons with disabilities and senior citizens. As a means tested program, SSI places income and resource limits on individuals and married couples for the purposes of determining their eligibility and level of benefits. To become and remain eligible to receive SSI benefits, single individuals may not have countable resources valued at more than \$2,000 and married couples may not have countable resources valued at more than \$3,000. Although a person's home and car are excluded from these calculations, most other assets owned by a person or married couple are counted and in most cases, the assets of both partners in a marriage are considered shared and equally available to both the husband and the wife.

A person's countable income must be below SSI program guidelines to qualify for benefits and a person's monthly benefit level is reduced by a portion of his or her earned and unearned income. The income of a person ineligible for SSI can be considered when calculating the benefit amount of that person's spouse. A complicated process of deeming is used to determine how much of the ineligible person's income is to be considered when calculating his or her spouse's monthly SSI benefits.

In some cases marriage may result in a person being denied SSI benefits or seeing his or her SSI benefit level reduced because of the increase in family income or assets that results from the marriage. This can occur if an SSI beneficiary marries another SSI beneficiary or a person not in the SSI program. This potential effect of marriage on the SSI eligibility and benefits of SSI beneficiaries has been called a "marriage penalty" by the National Council on Disability.

This report provides an overview of the potential effect of a marriage to another SSI recipient or an ineligible person on an individual's eligibility for and level of SSI benefits. Examples of cases in which a marriage can reduce a person's SSI benefits are provided. To date, no legislation has been introduced in the 110th Congress that would change the way marriage can affect SSI eligibility and benefits. This report will be updated to reflect any legislative changes.

Contents

Supplemental Security Income (SSI)	1
SSI Resource Limits.....	2
Potential Impact of Marriage on SSI Eligibility and Benefits.....	3
Marriage As Defined by the SSI Program.....	3
Marriage of an SSI Beneficiary to Another SSI Beneficiary	3
Resource Limitations	4
Maximum Federal Benefit	4
Income Exclusions	4
Marriage of an SSI Beneficiary to a Non-Beneficiary	4
Deeming of Income.....	5
Deeming of Resources	6
Legislation Introduced in the 110 th Congress to Change the Way Marriage Affects the SSI Program.....	6

Tables

Table 1. Marital Status of U.S. Adult Population and SSI Adult Recipients by Age.....	2
Table 2. Illustrative Comparison of SSI Income Exclusions and Benefits for Two Single Beneficiaries and a Married Couple.....	4
Table 3. Examples of Income Deeming When an SSI Beneficiary Marries an Ineligible Spouse	7

Contacts

Author Contact Information	8
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This report provides an overview of the potential effects of marriage on Supplemental Security Income (SSI) eligibility and benefits. It includes an overview of the SSI program, information on the SSI resource limits, and a discussion of how the marriage of an SSI beneficiary to either another beneficiary or an ineligible person can affect his or her eligibility for benefits or monthly benefit level. In some cases, marriage may result in a person being denied SSI benefits or having his or her monthly SSI benefit level reduced. This situation has been called a “marriage penalty” by the National Council on Disability.¹

Supplemental Security Income (SSI)

Under the provisions of Title XVI of the Social Security Act, disabled individuals and persons who are 65 or older are entitled to benefits from the SSI program if they have income and assets that fall below program guidelines. SSI benefits are paid out of the general revenue of the United States and all participants receive the same basic monthly federal benefit. In most states, adults who collect SSI are automatically entitled to coverage under the Medicaid health insurance program.²

The basic monthly federal benefit amount for 2008 is \$637 for a single person and \$956 for a couple. This amount is supplemented by 44 states and the District of Columbia. Arizona, Georgia, Kansas, Mississippi, Tennessee, West Virginia, and the Commonwealth of the Northern Mariana Islands do not offer a state supplement.³ A participant in the SSI program receives the federal benefit amount, plus any state supplement, minus any countable income.⁴

At the end of October 2008, nearly 7.4 million people received SSI benefits. In that month, these SSI beneficiaries each received an average federal cash benefit of \$465.80 and the program paid out a total of over \$3.7 billion in SSI benefits.⁵ The average monthly benefit is lower than the federal benefit amount because a person’s total monthly benefit may be lowered based on earnings and other income.

Nearly 70% of adult SSI recipients have been married at some point in their lives. **Table 1** details the marital status of SSI recipients as compared to the overall population of the United States.

¹ National Council on Disability, *The Social Security Administration’s Efforts to Promote Employment for People with Disabilities: New Solutions for Old Problems* (Washington: GPO, 2005), pp. 62-64.

² Thirty-nine states, the District of Columbia, and the Commonwealth of the Northern Mariana Islands grant Medicaid eligibility to all adult SSI recipients, or have Medicaid eligibility rules that are the same as those of the SSI program. For more information, see <http://www.ssa.gov/work/ResourcesToolkit/Health/medicaid.html>.

³ SSI benefits are not available to residents of Puerto Rico, Guam, or the United States Virgin Islands. Residents of these jurisdictions are eligible to receive federal benefits from their commonwealth or territorial government under provisions of Title XIV and Title XVI of the Social Security Act. These benefits are administered by the Department of Health and Human Services.

⁴ The first \$20 of income in a month, the first \$65 of earned income in a month, and one half of earned income above \$65 in a month are not counted for the purposes of determining the SSI benefit level. For additional information on the SSI income rules, see CRS Report RS20294, *SSI Income and Resource Limits: A Fact Sheet*, by Scott Szymendera (hereafter cited as CRS Report RS20294, *SSI Income and Resource Limits: A Fact Sheet*, by Scott Szymendera).

⁵ Social Security Administration, *SSI Monthly Statistics, October 2007*, Table 1. Available on the website of the Social Security Administration at http://www.ssa.gov/policy/docs/statcomps/ssi_monthly/2007-10/table01.pdf.

Table 1. Marital Status of U.S. Adult Population and SSI Adult Recipients by Age
(in percent)

	Over Age 18		Age 18-64		Over Age 65	
	U.S.	SSI	U.S.	SSI	U.S.	SSI
Married	54.1	22.4	54.0	20.4	54.3	26.3
Widowed	6.4	20.2	1.8	7.5	30.1	43.9
Divorced or Separated	15.5	26.9	21.3	29.9	11.8	21.0
Never Married	24.0	30.6	27.9	42.2	3.9	8.7

Source: Congressional Research Service (CRS) table with data on U.S. population taken from the United States Census Bureau 2005 American Community Survey and data on SSI taken from Social Security Administration, *SSI Annual Statistical Report, 2004* (Washington: GPO, 2005), Table 35.

Notes: Data on SSI is from the end of 2001. Numbers may not add up due to rounding. For additional information on the American Community Survey see the website of the United State Census Bureau at <http://www.census.gov/acs/www/index.html>.

SSI Resource Limits

Individuals and couples must have limited assets or resources in order to qualify for SSI benefits.⁶ Resources are defined by regulation as “cash or other liquid assets or any real or personal property that an individual (or spouse, if any) owns and could convert to cash to be used for his or her support and maintenance.”⁷ When a couple marries and pools their assets, they may find themselves with resources that render them ineligible for continued SSI benefits.

The countable resource limit for SSI eligibility is \$2,000 for individuals and \$3,000 for couples. These limits are set by law, are not indexed for inflation and have been at their current levels since 1989.⁸ Not all resources are counted for SSI purposes. Excluded resources include an individual’s home, a single car used for essential transportation and other assets specified by law and regulation.⁹

⁶ For additional information on the SSI resource rules, see CRS Report RS20294, *SSI Income and Resource Limits: A Fact Sheet*, by Scott Szymendera.

⁷ 20 CFR § 416.1201.

⁸ 42 USC § 1382(a).

⁹ A complete list of excluded resources can be found at 20 CFR §§ 416.1210-416.1247.

Potential Impact of Marriage on SSI Eligibility and Benefits

Marriage As Defined by the SSI Program

Federal regulations establish the definition of marriage for the purposes of determining SSI eligibility and calculating SSI benefits.¹⁰ Two people are considered married for the purposes of the SSI program if one of the following conditions is present:

- The couple is legally married under the laws of the state in which they make their permanent home;
- The SSA has determined that either person is entitled to Social Security benefits as the spouse of the other person;¹¹ or
- The couple is living together in the same household and is leading people to believe that they are married.

Under the terms of the Defense of Marriage Act, P.L. 104-199, a married couple must consist of one man and one woman for the purposes of the SSI program.¹²

Marriage of an SSI Beneficiary to Another SSI Beneficiary

When two SSI beneficiaries marry, they are considered a beneficiary couple. As a result, they are entitled to a federal benefit of up to \$956 per month and may have countable resources valued at up to \$3,000. Their combined countable income is used to reduce their monthly benefit.

The marriage of two SSI beneficiaries can have a negative effect on their eligibility for benefits and their total amount of benefits. As a married couple, both beneficiaries are presumed to have access to the couple's shared income and resources. Compared with two single beneficiaries as single persons, a married couple has a lower resource limit, a lower maximum federal benefit, and a lower amount of excluded income as shown in **Table 2**.

¹⁰ 20 CFR § 416.1806.

¹¹ For additional information on husband's and wife's benefits, see CRS Report RS22294, *Social Security Survivors Benefits*, by Kathleen Romig and Scott Szymendera.

¹² For additional information on the Defense of Marriage Act and its application to Social Security programs, see CRS Report RL31994, *Same-Sex Marriages: Legal Issues*, by Alison M. Smith and CRS Report RS21897, *The Effect of State-Legalized Same-Sex Marriage on Social Security Benefits and Pensions*, by Laura Haltzel and Patrick Purcell.

Table 2. Illustrative Comparison of SSI Income Exclusions and Benefits for Two Single Beneficiaries and a Married Couple

	Two Single Beneficiaries		Married Couple
	Man	Woman	
Monthly earned income	\$200	\$200	\$400
Monthly maximum federal benefit	\$637	\$637	\$956
Basic income exclusion	\$85	\$85	\$85
Additional income exclusion (½ of earnings above \$85)	\$57.50	\$57.50	\$157.50
Countable income (earned income minus exclusions)	\$57.50	\$57.50	\$157.50
Total monthly SSI benefit (Maximum federal benefit minus countable income)	\$579.50	\$579.50	\$798.50
Combined monthly benefits		\$1,159.00	\$798.50

Source: Congressional Research Service (CRS).

Resource Limitations

Single SSI beneficiaries can have countable resources valued at up to \$2,000. Combined, two such single beneficiaries can have a total of up to \$4,000 in countable resources and can exclude from their countable resources two cars and two houses. However, as a married couple, their maximum amount of resources is \$3,000 and they may exclude from their countable resources one car and one house.

Maximum Federal Benefit

The maximum federal SSI benefit for 2008 is \$637 per month for a single beneficiary and \$956 per month for a married couple. Two unmarried beneficiaries could each receive up to \$637 per month in benefits or a combined monthly benefit of up to \$1,274. However, as a married couple, these beneficiaries can receive a maximum benefit of \$956 per month.

Income Exclusions

A single SSI beneficiary is allowed to exclude \$85 of income (the first \$20 in monthly earnings and \$65 in earned income on top of the first \$20) as well as one-half of all earned income above \$65 from the income used to reduce the monthly SSI benefit. Two single beneficiaries can each exclude the basic \$85 for a combined exclusion of \$170. However, a married couple is entitled to exclude only the basic \$85 and one-half of their combined earnings over \$65.

Marriage of an SSI Beneficiary to a Non-Beneficiary

The marriage of an SSI beneficiary to a person who does not receive SSI benefits can have a negative effect on the SSI beneficiary's eligibility and amount of benefits if the ineligible spouse brings significant income or assets to the family. Generally, the income and assets of both persons in a marriage are considered shared and equally available to either person, which can result in an increase in the beneficiary's countable income or resources after marriage.

Deeming of Income

When an SSI beneficiary marries a person who does not receive SSI benefits, a portion of the ineligible spouse's income is assigned, or deemed, to the SSI beneficiary and is counted as income for the purposes of determining benefit eligibility and the amount of monthly benefits. The procedure used to deem income from an ineligible person to his or her spouse who receives SSI benefits consists of several steps set by regulation and takes into account the overall size of the family.¹³ The four steps in the income deeming process are included below and two examples of income deeming are provided in **Table 3** at the end of this report.

Step 1. Determining the countable income of the ineligible spouse

The first step in the deeming process is to determine the countable monthly income of the ineligible spouse by taking his or her total earned and unearned income and reducing it by a special limited set of income exclusions. Generally, most income other than federal social service benefits is counted.¹⁴

Step 2. Allocating income for ineligible children and sponsored aliens

Once the countable income of the ineligible spouse has been established, this amount is further reduced to account for any ineligible children living in the household or any aliens that the ineligible spouse may be sponsoring.¹⁵ For each child or sponsored alien, the countable income of the ineligible spouse is reduced by an amount equal to the difference between the monthly federal SSI benefit rate for a couple and the monthly federal SSI benefit rate for an individual.¹⁶ For 2008, this amount is \$319, the difference between the federal SSI benefit rate for a couple of \$956 and the rate for an individual of \$637.

Step 3. Determining SSI eligibility

The final countable monthly income of the ineligible spouse is used to determine the continued SSI eligibility of the beneficiary. If the final countable income of the ineligible spouse is less than or equal to the difference between the monthly federal SSI benefit rate for a couple and the monthly federal SSI benefit rate for an individual (\$319 for 2008), then no income is deemed to the beneficiary and the beneficiary is eligible to continue receiving SSI benefits as an individual.

If, however, the final countable income of the ineligible spouse is greater than the difference between the monthly federal SSI benefit rate for a couple and the monthly federal SSI benefit rate for an individual, then the beneficiary and his or her spouse are considered a couple and eligible to receive SSI benefits at the level for a couple.

¹³ 20 CFR § 416.1163.

¹⁴ A complete list of exclusions can be found at 20 CFR § 416.1161.

¹⁵ Children who are receiving SSI or other public income maintenance payments are not counted.

¹⁶ This amount is reduced by the amount of any income of the child or sponsored alien.

Step 4. Determining the SSI benefit

If a married beneficiary is considered an individual after Step 3, then his or her monthly SSI benefit is equal to the federal benefit rate for an individual minus any of his or her countable income. The income of the ineligible spouse is not considered when determining the benefit amount in this case.

If, however, the married beneficiary and his or her spouse are considered a couple after Step 3, then their benefit is reduced by their combined countable income. The final countable income of the ineligible spouse is added to the total income of the beneficiary. This amount is then reduced by the standard income exclusions and the couple's monthly benefit is reduced by this final income amount.

Deeming of Resources

Unlike the rules governing the deeming of income from an ineligible spouse to an SSI beneficiary, the resource deeming rules are straightforward. Any resources owned by the ineligible spouse are deemed to the beneficiary. All of the resources of a married couple are considered to be available to the SSI beneficiary and are subject to the regular SSI resource limitations. If the beneficiary is considered a single beneficiary, then he or she may have countable resources valued at up to \$2,000. If, after the deeming of income, he or she is considered part of a beneficiary couple, then the countable resource limit is \$3,000. The only exception to this rule is that the pension plan of an ineligible spouse is not deemed to a beneficiary.

Legislation Introduced in the 110th Congress to Change the Way Marriage Affects the SSI Program

To date, there have been no bills introduced in the 110th Congress that would directly change the way the marriage of an SSI beneficiary, either to another beneficiary or to a non-beneficiary, would affect the SSI eligibility and benefits of that beneficiary.

Table 3. Examples of Income Deeming When an SSI Beneficiary Marries an Ineligible Spouse

Example 1		Example 2		
Monthly income of beneficiary	\$0		\$0	
Monthly income of ineligible spouse	\$800		\$2,000	
Step 1. Countable income of ineligible spouse	\$800		\$2,000	
Step 2. Allocations for two children	Countable income	\$800	Countable income	\$2,000
	Minus allocations of \$319 for each child	\$638	Minus allocations of \$319 for each child	\$638
	Final countable income	\$162	Final countable income	\$1,362
Step 3. Eligibility determination	Final countable income of \$162 is LESS THAN \$319 so beneficiary is treated as an INDIVIDUAL		Final countable income of \$1,362 is MORE THAN \$319 so beneficiary is treated as a COUPLE	
Step 4. Monthly benefit determination	Federal benefit for individual	\$637	Federal benefit for couple	\$956
	Minus countable income of beneficiary	\$0	Minus countable income of couple	Income of beneficiary \$0 Plus final countable income of ineligible spouse \$1,362 Minus exclusions (\$20, first \$65 of all earned income, 1/2 of earned income above \$65) \$723.50 Couple's total countable income \$638.50
Total monthly SSI benefit	\$637	Total monthly SSI benefit	(\$956-\$638.50) = \$317.50	
Combined monthly income and SSI benefit	\$1,437		\$2,317.50	

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Source: Congressional Research Service (CRS).

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