



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

**PRESERVE SUPPLEMENTAL SECURITY INCOME
FOR ADULTS AND CHILDREN:**

Oppose Cuts for SSI Recipients Who Live in the Same Household

As part of our nation's Social Security system, Supplemental Security Income (SSI) provides a basic standard of living for about 8.3 million Americans (1.2 million children and 4.8 million adults with significant disabilities; 2.2 million seniors). SSI helps people meet their daily needs, pay for out of pocket medical and disability-related expenses, and avoid extreme hardship and homelessness. All SSI recipients have extremely low incomes and assets. People who qualify due to a disability must also meet Social Security's stringent national standard.

SSI's modest benefits average only about \$540 per month, or \$18 per day, and are the only personal income for over half of adult recipients. The maximum federal SSI payment for an individual (\$735 per month in 2017) is less than 75 percent of the federal poverty guideline for a single person. Nevertheless, SSI lifts roughly half of recipients out of deep poverty.¹ Proposals to cut SSI if recipients live together – including families – would run counter to the fundamental American value that people should be able to pull together in tough times. Any cuts would devastate already-struggling households, and would be very difficult for SSA to administer.

A “SLIDING SCALE” WOULD HURT SENIORS, PEOPLE WITH DISABILITIES.

In 2005, about 16 percent of SSI recipients, or 1.2 million people, lived in the same household as another SSI recipient (other than a spouse).² Cutting SSI's already-modest benefits for these individuals would undermine SSI's effectiveness and risk serious harm to beneficiaries, including:

- **Reducing access to basic necessities.** People use SSI to pay for daily living expenses such as rent, utilities, food, and transportation. Housing is a major challenge for SSI recipients who live in the community; the average SSI benefit is far less than typical rents. In 2014, on average nationally, a person receiving SSI needed to pay 104% of their monthly benefit to rent a modest one-bedroom apartment on the open market.³ Many SSI recipients survive solely because of shared living arrangements, and should not be penalized for living together to keep a roof over their head.
- **Creating a “family penalty” for relatives who receive SSI and live together.** Cutting SSI if two or more recipients live together would create a disincentive for elderly and disabled individuals to remain in their family homes. This would be especially harmful for families where an elderly or disabled parent or grandparent is caring for a child with significant disabilities, for families caring for multiple children with disabilities, and for families living in multi-generational households to help make ends meet. The existing SSI “marriage penalty” has received considerable criticism for providing disincentives for couples where both members are elderly or disabled to get married. Cutting payments for non-married people living in households with multiple SSI recipients would create additional barriers for families to live together.
- **Increasing hardship, negative outcomes for children with disabilities.** Siblings may experience similar disabilities due to genetics, shared exposure to environmental hazards (like lead in the water), and common barriers to healthcare (like doctor shortages in some rural areas). Families caring for children with disabilities are significantly more likely to face material hardships like running out of food or skipping meals, housing instability and homelessness, and utility shutoff, compared with families raising children without disabilities.⁴ Seventy percent of poor families caring for more than one child with a disability face

such hardships.⁵ SSI reduces childhood poverty by boosting family income, which research finds can enhance both childhood achievement and adult outcomes.⁶ Cuts to SSI would make it harder for families raising multiple children with disabilities to meet their basic needs and to pay for the therapies, adaptive equipment, medically prescribed diets, diapers, medications, and other needs unique to each child.

- **Making it harder for families to care for children with disabilities at home.** SSI helps families raise children with disabilities at home by offsetting some of the often significant out-of-pocket expenses associated with caring for a child with a disability, as well as parental income lost due to caregiving responsibilities. Research puts the average cost of caring for a child with severe disabilities at about \$20,000 per year.⁷ Families caring for more than one child with disabilities can shoulder an even greater financial burden. Proposed cuts would make it even harder for families to care for multiple children with disabilities at home, or to adopt children with disabilities in need of a loving home.
- **Reducing access to shared living in the community for seniors, adults with disabilities.** SSI helps many people with disabilities and seniors secure housing in the community and avoid costly, harmful institutions such as nursing facilities. Some live in group homes or supported living arrangements where they contribute all but a very small portion of their monthly benefits to household expenses. Reducing SSI benefits for multi-recipient households could potentially significantly decrease the availability of these shared living arrangements as well as the quality of services.
- **Increasing institutionalization and homelessness.** SSI cuts would put many children, adults, and seniors at risk of homelessness and costly and harmful institutionalization. Cuts would almost certainly pose a barrier to serving people with disabilities in the least restrictive setting in accordance with the Supreme Court's *Olmstead* decision, and increase the burden on state and local governments to provide adequate services for seniors and people with disabilities.

A “SLIDING SCALE” WOULD SIGNIFICANTLY INCREASE ADMINISTRATIVE COSTS AND THE RISK OF IMPROPER PAYMENTS.

Households with two or more SSI recipients may change from month to month and year to year, for many reasons. SSI recipients often stay in group living arrangements for short periods of time, because they are in transition. For example, they may enter or leave a group home due to changes in their medical circumstances, as they become more or less independent. They may also leave a housing arrangement due to displacement or changes in family or personal circumstances, among a score of other reasons.

Reducing benefits for SSI recipients who live together would require the Social Security Administration (SSA) to track month-to-month changes in living arrangements at a significantly greater level of detail than SSA currently does, to increase or reduce SSI benefits for *every member of a shared household, every time the household makeup changes*. For example, when a household drops from three to two SSI recipients, each member's benefit would need to be changed – in all likelihood leading to months of over- and under-payments before correct benefits are issued. Faced with inadequate administrative resources, SSA already struggles to minimize improper payments. The proposed policy would almost certainly lead to a substantial increase in improper payments, while increasing the costs of administering the already complex SSI program.

Prepared by the CCD Social Security Task Force, May 2017. For more information contact Kate Lang, Justice in Aging, klang@justiceinaging.org or T.J. Sutcliffe, The Arc, sutcliffe@thearc.org.

¹ Arloc Sherman and Danilo Trisi, Safety Net More Effective Against Poverty Than Previously Thought. (Center on Budget and Policy Priorities, 2015).

² Joyce Nicolas, Prevalence, Characteristics, and Poverty Status of Supplemental Security Income Multirecipients, *Social Security Bulletin*, 73(3) (2013).

³ Technical Assistance Collaborative, Inc. and Consortium for Citizens with Disabilities, Housing Task Force (2015). *Priced Out in 2014: The Housing Crisis for People with Disabilities*.

⁴ Susan L. Parish, et al., Material Hardship in U.S. Families Raising Children with Disabilities: Research Summary and Policy Implications (UNC, March 2009).

⁵ Subharati Ghosh and Susan Parish, Prevalence and Economic Well-Being of Families Raising Multiple Children with Disabilities, *Children and Youth Services Review*, 35 (2013).

⁶ Greg J. Duncan and Katherine Magnuson, The Long Reach of Early Childhood Poverty, *Pathways* (Winter 2011).

⁷ Mark Stabile and Sara Allin, The Economic Costs of Childhood Disability, *The Future of Children*, 22(1) (Princeton-Brookings: Spring 2012).