

# **SSI/SSP Overview**

## **Senate Sub 3 Committee Hearing**

**April 28, 2016**

### **California Department of Social Services**

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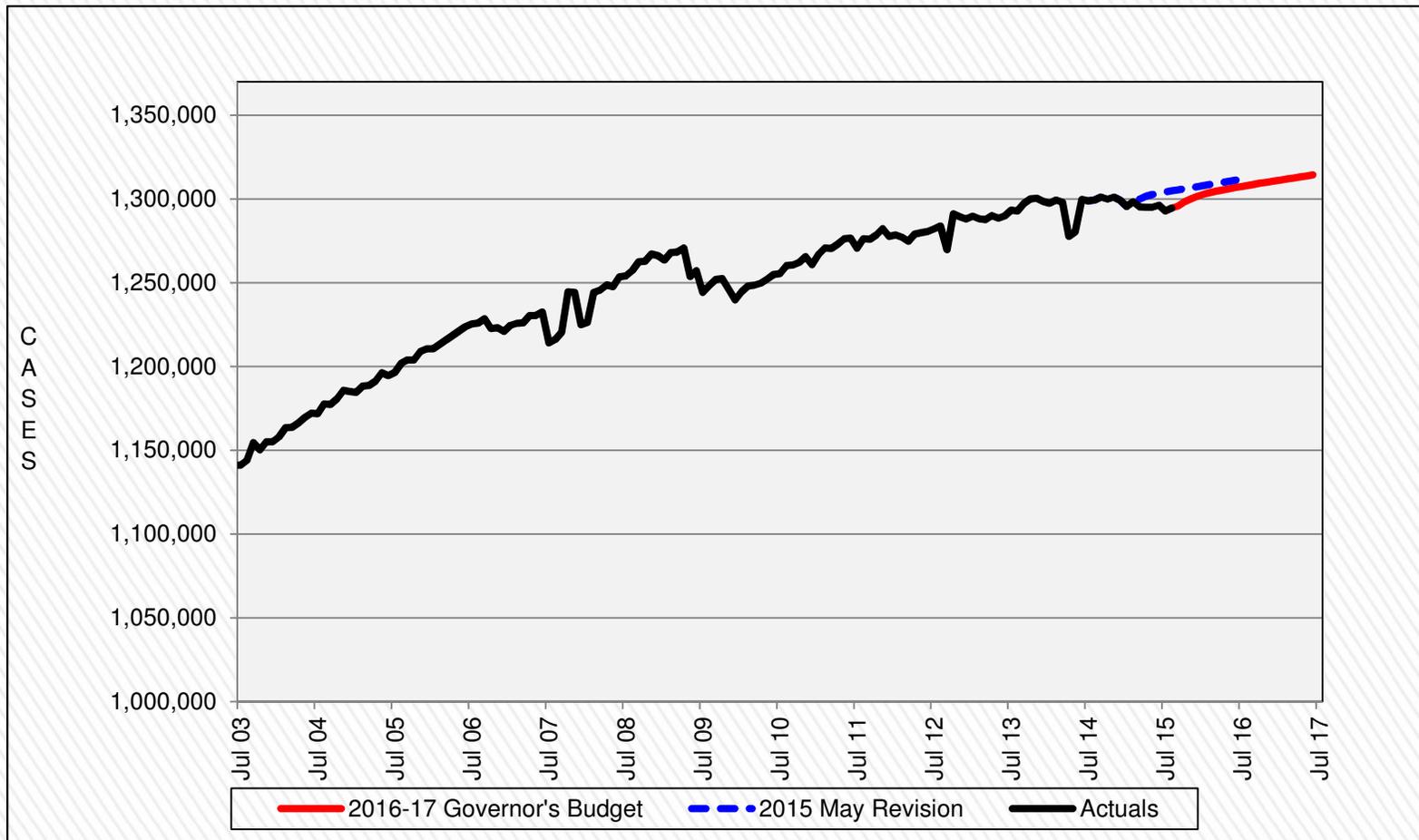
Eileen Carroll, Deputy Director



# Supplemental Security Income/State Supplemental Payment (SSI/SSP)

- SSI/SSP provides a monthly cash benefit to enable aged, blind, and disabled people to meet their basic living expenses.
- SSI is funded by the US Treasury. SSP is funded by the State General Fund (GF).
- SSI/SSP serves approximately 1.3 million recipients in 20 categorical variations, such as independent single adult, or aged or disabled couple.

# SSI/SSP Caseload



The total SSI/SSP caseload is comprised of recipients who are aged, blind or disabled with Medi-Cal eligibility categorical codes.

# SSI/SSP

➤ SSI/SSP Budget:

FY 2015-16

Estimated budget is \$9.7 billion (\$2.5 billion SSP portion)

FY 2016-17

Estimated budget is \$9.8 billion (\$2.5 billion SSP portion)

The Social Security Administration administers SSI/SSP for the state. Effective October 2015, the administrative fee is \$11.56 per benefit issuance, and is funded 100 percent GF.

Administration costs are estimated at \$185 million FY 15-16; \$189 million FY 16-17.

# Maintenance of Effort (MOE)

To receive Medicaid reimbursement, states that provide an SSP payment must maintain the state's March 1983 payment level. To meet the ***Maintenance-of-Effort (also known as MOE, or pass-along)*** requirement, two methods are available:

- 1. *Payment Levels Method*** — The State may not lower its supplementary payment levels for any of the 20 payment categories below their March 1983 levels.
- 2. *Total Expenditures Method*** — State expenditures for supplementary payments in the current calendar year must at least equal expenditures in the preceding calendar year. If expenditures are less in the current year (shortfall), the State must increase expenditures in the next calendar year by an amount at least equal to the shortfall without any penalties.

In 2015, thirty nine states, including California, used the **payment levels method**.

## Supplemental Security Income/State Supplementary Payment Payment Standards Aged/Disabled Individuals

- Effective January 1, 2016, a SSI/SSP monthly payment ranges from \$889.40 to \$1,664.20.
- As of January 1, 2017, a SSI/SSP monthly payment is projected to range from \$907.03 to \$1,699.90
- Average grants below are based on actual data from July 2014 through June 2015:

	<u>SSI</u>	<u>SSP</u>	<u>TOTAL</u>	<u>FY 15-16(est)</u>	<u>FY 16-17(est)</u>
Aged:	\$353.03	\$158.91	\$511.94	\$511.94	\$519.23
Blind:	\$457.76	\$203.69	\$661.45	\$661.45	\$669.79
Disabled:	\$505.94	\$156.42	\$662.36	\$662.36	\$670.30

Federal Cost of Living Adjustments (COLA) increase the SSI payments. State COLAs increase the SSP payments.

# Supplemental Security Income/State Supplementary Payment Historical Data Aged/Disabled Individuals

	SSI	SSP	TOTAL	COLA Pass-through/Suspension and Other reductions	
Jun-2008	\$637	\$233	\$870		<b><u>CNI COLA suspended</u></b>
<b>Jan-2009</b>	\$674	\$233	\$907	\$19	CPI COLA passed through at 5.8% and <b><u>CNI COLA suspended</u></b>
May-2009	\$674	\$196	\$870	-\$37	Withheld January CPI COLA
July-2009	\$674	\$176	\$850	-\$20	State SSP grant reduced by 2.3%
Nov-2009	\$674	\$171	\$845	-\$ 5	State SSP grant reduced for individuals only 0 .6%
Jan 2010	\$674	\$171	\$845	0	Negative CPI COLA held at 2009 level
Jan-2011	\$674	\$171	\$845	0	Negative CPI COLA held at 2010 level
<b><u>Jun-2011</u></b>	\$674	<b>\$156.40</b>	\$830.40	-\$14.60	<b><u>SSP MOE floor for individuals only</u></b>
Jan 2012	\$698	\$156.40	\$854.40	\$24	CPI COLA passed through at 3.6%
Jan 2013	\$710	\$156.40	\$866.40	\$12	CPI COLA passed through at 1.7%
Jan 2014	\$721	\$156.40	\$877.40	\$11	CPI COLA passed through at 1.5%
Jan 2015	\$733	\$156.40	\$889.40	\$ 12	CPI COLA pass through at 1.7%
Jan 2016	\$733	\$156.40	\$889.40	\$0	CPI COLA 0%
Jan 2017	\$746	\$161.03	\$907.03	\$17.63	CPI COLA pass through at 1.7%, CNI at 2.96%

## Supplemental Security Income/State Supplementary Payment Historical Data Aged/Disabled Couples

	SSI	SSP	TOTAL	COLA Pass-through/Suspension and Other reductions	
Jun-2008	\$956	\$568	\$1,524		CNI COLA at 3.7% provided
<b>Jan-2009</b>	\$1,011	\$568	\$1,579	\$55	CPI COLA passed through at 5.8%, <b><u>CNI COLA suspended</u></b>
May-2009	\$1,011	\$513	\$1,524	-\$55	Withheld January CPI COLA
July-2009	\$1,011	\$478	\$1,489	-\$35	State SSP grant reduced by 2.3%
<b><u>Nov-2009</u></b>	\$1,011	<b><u>\$396.20</u></b>	\$1,407.20	-\$81.80	<b><u>SSP MOE Floor for Couples Only</u></b>
Jan 2010	\$1,011	\$396.20	\$1,407.20	0	Negative CPI COLA held at 2009 level
Jan 2011	\$1,011	\$396.20	\$1,407.20	0	Negative CPI COLA held at 2010 level
Jan 2012	\$1,048	\$396.20	\$1,444.20	\$37	CPI COLA passed through at 3.6%
Jan 2013	\$1,066	\$396.20	\$1,462.20	\$18	CPI COLA passed through at 1.7%
Jan 2014	\$1,082	\$396.20	\$1,478.20	\$16	CPI COLA passed through at 1.5%
Jan 2015	\$1,100	\$396.20	\$1,496.20	\$18	CPI COLA pass through at 1.7%
Jan 2016	\$1,100	\$396.20	\$1,496.20	\$0	CPI COLA 0%
Jan 2017	\$1,119	\$407.93	\$1,526.93	\$30.73	CPI COLA pass through at 1.7%, CNI at 2.96%

# SSI/SSP and Federal Poverty Level

- January 2016 federal poverty guidelines:
  - \$990 per month for individuals
  - \$1,335 per month for couples
- SSI/SSP payment standard and poverty guidelines:
  - 2016 SSI/SSP Payment:
    - Individual \$ 889.40 : 91 percent of federal poverty guideline
    - Couple \$ 1,496.20 : 113 percent of federal poverty guideline
  - 2017 SSI/SSP Payment:
    - Individual \$ 907.03 : 92.5 percent of federal poverty guideline
    - Couple \$ 1,526.93 : 115 percent of federal poverty guideline

# SSI/SSP and CalFresh

California SSI/SSP recipients are **not** eligible for CalFresh benefits because a \$10 cash amount is included in the SSP benefit in lieu of CalFresh benefits.

- This arrangement is authorized in Federal law and is called the “supplemental nutrition assistance program cash-out program.”
- \$10 is the CalFresh amount most California recipients could have obtained in 1975 when the state’s cash-out status was approved in Federal law.
- The CalFresh benefit is 100 percent federally-funded, however administration costs are shared by the state.
- The SSP payment contains no distinguishable amount for CalFresh. The CalFresh cash-out sum cannot be separated from the total SSP amount used to satisfy the SSI/SSP MOE requirement.

California is currently at the March 1983 payment level. To meet the SSI/SSP MOE requirement, the state cannot reduce the SSP monthly payment below their current levels.