SSI, SSDI and Related Changes for People Who Transition: Working with Social Security Administration Field Offices

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Background

Moving from an institution to the community is a complex process that involves helping Money Follows the Person (MFP) participants identify their service needs and preferences, find affordable and accessible housing, develop and implement a service plan, and coordinate an array of activities. For participants who receive, or who are eligible for, Supplemental Security Income (SSI), another critical task is to work with the Social Security Administration (SSA) to increase the SSI benefit payment to support the participant in the community. This paper describes three potential sources of income for MFP participants and the scenarios that occur when someone transitions from an institution to the community. It also describes the SSA process for requesting a change in the SSI benefit and the information that is needed to determine the benefit and to establish or change the representative payee if necessary.

The information for this paper was obtained during discussions with key SSA officials. SSA noted that Field Office (FO) staff have been experiencing increased workloads due to the rapid increase in the number of people applying for Medicare and Social Security. In instances of transition from an institution, SSA encourages transition coordinators to be proactive and to develop relationships with local FO staff. Transition coordinators need to understand the SSA process and how to work effectively with SSA FOs to ensure that MFP participants receive the correct SSI payment as soon as possible when the participant moves to the community.

There are three primary SSA income support programs that benefit low income individuals.

- SSI is a federal program that makes monthly payments to people who are age 65 or older, are blind, or have a disability and have income, after disregards, that is less than the Federal Benefit Rate (FBR) and resources that are less than $2,000 for an individual and $3,000 for a couple. Some states supplement the FBR. In 2012, the SSI FBR is $698 per month for an eligible individual and $1,048 per month for an eligible couple.
- Social Security retirement benefits provide monthly benefits to workers and their dependents. To be eligible for these benefits the worker must have covered employment for 40 quarters (ten years of employment) and have attained retirement age. The retirement benefit amount is based on how much the worker earned and the age at which the worker retired.
- Social Security Disability Insurance (SSDI) pays benefits to people who cannot work because of a disability which is expected to last at least one year or result in death. Beneficiaries must pass a “recent work test” which that varies by the age at which a person acquired the disability. For example, if the disability was acquired prior to turning age 24, the person must have 1.5 years of work during the previous three years; between ages 24 and 31, three years of work during the prior 6 years; age 31 or later, 5 years of work during the previous 10 years.
Money Follows the Person participants often rely upon SSI to pay for their living expenses when they move from an institution to the community. Successful transitions depend in part on the timely change in the individual’s SSI benefit and securing access to affordable, accessible housing. To cover living expenses when beneficiaries move from an institution or nursing home to the community, the SSI payment must be increased from the personal needs allowance the beneficiary receives in an institution of $30 (higher in some states), to the FBR as soon as possible.

Ideally, the SSI payment amount change will be initiated prior to the move to housing in the community so that the beneficiary receives the higher payment the month in which the move takes place. However, the SSI payment amount cannot be determined until the beneficiary has moved and notifies the SSA Field Office of the new address and the actual living arrangement in the community. Beneficiaries will then receive a notice of the change in the SSI payment amount.

**Timetable.** Section 4 describes the timetable for processing SSI changes and issuing checks. Beneficiaries and transition coordinators can use the timetable to estimate when the higher SSI benefit will be received after reporting to SSA that the beneficiary moved from the institution. The estimate will help the transition coordinator and the beneficiary anticipate when the new benefit amount might be received.

**Housing subsidies.** When a beneficiary applies for a Housing Choice Voucher, they need to report their income and related information to the Public Housing Agency (PHA) that administers the voucher. The regulations that govern the Housing Choice Voucher program require that participants pay a portion of their income (generally 30-40%) towards housing costs. Thus, changes in the SSI beneficiary’s income affect the amount of the rent paid by the beneficiary. PHAs will use the beneficiary’s income at the time the beneficiary applies for a voucher to calculate the amount of the rent paid by the tenant and the housing subsidy. When the SSI beneficiary’s income increases, it must be reported to the PHA, which will then conduct a re-examination of the income and recalculate the beneficiary’s rent and the subsidy amount – raising the portion of the rent paid by the beneficiary and lowering the housing subsidy. Because the person’s rent is calculated based on the income that can be documented, it is unlikely that the change in the rent paid by the beneficiary can be calculated prior to the move since SSA cannot document the new SSI amount before the beneficiary moves to his or her new address.

In addition to changing the SSI payment amount based on the beneficiary’s living arrangement, the Social Security Administration must change the address of the beneficiary, and, in some cases, change the representative payee. The information below addresses several different situations that may arise during the transition process.

1. **Income Scenarios**

   **Beneficiary Receives Only SSI and Moves from the Institution into the Community**
The SSI benefit for an individual in a nursing home or other medical treatment facility is limited to $30 per month when Medicaid pays more than 50% of the cost of care in the facility. When the beneficiary leaves the facility and moves into the community, SSA bases the SSI payment on the full FBR ($698 per month for an individual in 2012) minus any countable income. In States that pay a federally administered State Supplement, this additional amount is included in the SSI check. In these States, the SSI check can be higher than $698 depending on the amount of the State supplement. Note that some states administer their own state supplement program (see below).

The higher benefit rate applies beginning with the month the beneficiary moves. For example, if the beneficiary leaves the nursing home on September 20th, he or she is potentially eligible for up to $698 for the month of September.

Contacting the SSA Office

To change the beneficiary’s payment and address:

- The beneficiary should call SSA at 800-772-1213 and explain the situation.
- If the person has a representative payee, the payee should call.
- If anyone other than the beneficiary or the payee makes the call, such as a relative, transition coordinator or caseworker who is assisting the beneficiary, the beneficiary will have to be present during the call and give verbal consent to the SSA representative for the other person to speak for him or her.

Information SSA Will Need to Process the Change

SSA’s field offices are responsive to the beneficiary and process changes as efficiently as possible. FOs have the flexibility to receive information by phone or in person. Some FOs may find that a face-to-face meeting makes it easier to process the change than other methods of communication. If the beneficiary comes to the FO with the transition coordinator, the FO staff can freely discuss the case with the beneficiary and the transition coordinator will be able to participate in the discussion with the beneficiary’s permission.

The SSA claims representative (CR) will ask about the beneficiary’s new living arrangement in order to process the change in the SSI payment amount. Regardless of who contacts SSA, they should be prepared to provide the following information:

- The date of the move (release date from the institution);
- Contact person at the institution in case SSA needs to make contact;
- The beneficiary’s new residence address;

The Social Security Administration Field Office needs information about the community living arrangement in order to process a change in SSI benefit.

Gather documentation about the new living arrangement before the interview with the SSA Field Office.
• If the new address is not the mailing address, they will need to provide the mailing address information;
• The monthly rent amount and the landlord’s or facility’s name and contact information;
• The type of living arrangement (e.g., renting, living alone, living with others, subsidized housing);
• If living in a household with others, the names and ages of all members of the household at that time;
• If living in a household with others, the names of household members who receive SSI, if known. If unknown, the claims representative checks electronically.
• Documents (e.g., rent receipt, statement from a landlord or a roommate, proof of discharge date from the institution, etc.) if requested by the claims representative. Providing requested documents helps SSA process the change more quickly.
• Information about the beneficiary’s bank account – account number and routing number – so SSA can pay SSI benefits by direct deposit. Paper checks may be issued to beneficiaries who prefer checks over direct deposit or beneficiaries who do not have a bank account. However, SSA is transitioning away from paper checks, so direct deposit is highly recommended.

NOTE: If the beneficiary needs a new representative payee, the person wishing to be the payee should call 800-772-1213 and make an appointment to visit a Social Security Office and file an application to be the payee. See Section 5 for information about applying to be representative payee for the beneficiary.

Beneficiary Receives Both SSI and Social Security and Moves from the Institution into the Community

For SSI benefits, use the same procedures as for SSI-only situations (described above).

If the individual also receives Social Security benefits, the information provided for the SSI address change is sufficient to make the address change for Social Security benefits as well. Social Security benefits are not suspended when an individual is in an institution, so in most cases only an address change and, if necessary, a representative payee change is needed.

Beneficiary Receives Only Social Security Benefits and Moves from the Institution into the Community

Social Security benefits are less than the SSI Federal Benefit Rate

If the institutionalized individual has been receiving only Social Security benefits, and these benefits are less than the SSI FBR ($698 in 2012), the individual should file an application for SSI benefits. This applies to individuals who may be eligible for SSI but have not applied. The SSI benefit will be the difference between the Social Security benefit minus the $20 disregard and the SSI FBR of $698. NOTE: In some cases, a resident of a nursing home may already be eligible for SSI and his or her benefits are merely suspended. In that situation, a new SSI
application is not required. The individual’s SSI benefits can be reinstated without filing an application.

For example, if a nursing home resident receives $300 per month in Social Security benefits, he or she would not be eligible for SSI payments while in the nursing home due to the $30 SSI payment limit for residents of nursing homes when Medicaid pays for the care. However, when this individual leaves the nursing home, he or she could be eligible for SSI because the $300 Social Security benefit is less than the SSI Federal benefit rate ($698 in 2012). The SSI benefit in this situation would be $418 a month ($698 less $280 after the $20 disregard).

If the individual is 65 or older, SSA can process the SSI claim quickly in most situations. SSA needs information about the individual’s other income, assets, and living arrangements. In most cases, a paper form is not used. The Field Office claims representative asks questions and enters the responses electronically. If there is a need to use Form 4641 (which authorizes SSA to obtain account records from a financial institution), the beneficiary needs to sign the form. The SSA Field Office will explain what additional information is required.

If the individual is under age 65 and getting Social Security benefits based on a disability, SSA can use the medical decision from the Social Security claim for the SSI claim and a new disability decision will not be required. In most situations, SSA can process the SSI claim quickly when the individual is already getting Social Security benefits based on disability. SSA will need information about the individual’s income and assets if a new claim or a redetermination is needed. The SSA claims representative determines on a case-by-case basis whether a new claim or a reinstatement is required.

If the individual has had a representative payee for the Social Security benefits, the payee will need to file an application to be payee for the SSI benefit as well.

**Beneficiaries with earned income**

The person is eligible for SSI if the person’s only income is Social Security and the Social Security payment is less than $718 (SSI FBR + $20 disregard of unearned or earned income). When beneficiaries have both unearned and earned income, the $20 disregard is applied to the unearned income. If the beneficiary has earned income, the first $65 a month and 50% of the remaining earned income is disregarded. Other deductions from earned income might also be applied.

**Example:** Joan earns $300 a month from a part time job. She receives $250 a month from Social Security. Her combined gross income is $550 a month. The $20 general exclusion is applied to her unearned income. SSA disregards the first $20 a month of unearned income, leaving $230 a month in unearned income. Her $300 earned income is reduced by $65 and half the remainder or $117.50. She has $230 in countable unearned income and countable earned income of $117.50 a month. She is eligible for an SSI benefit of $350.50 a month.
$250.00  Social Security benefit  
- 20.00  general exclusion  
$ 230.00  countable unearned income  

$300.00  wages  
- 65.00  earned income exclusion  
$235.00  
- x 0.5  divided in half  
$117.50  countable earned income  

$230.00  countable unearned income  
+$117.50  countable earned income  
$347.50  countable income for the month  

$698.00  SSI FBR for 2012  
- $347.50  subtract countable income  
$350.50  SSI benefit amount  

Social Security payment is more than the SSI FBR  

If the Social Security payment is more than the SSI FBR + $20, no SSI benefit is payable. In that situation, SSA does not need detailed information about living arrangements. SSA may need to process a simple change of address for the Social Security benefits and direct deposit. If a payee or change of representative payee is required, the potential payee will need to file an application to be representative payee.  

2. Information about State Supplement Payments  

Some States provide a supplemental benefit to SSI beneficiaries. The supplement may be paid by SSA in their SSI check or paid directly by the state. In states where the supplement is paid in the SSI check, the individual’s countable income can be higher than the FBR depending on the amount of the supplemental benefit.  

The amount of the supplement is determined by each state and may vary according to the beneficiary’s living arrangement. State supplements may be provided to one or more eligibility groups, may vary by SSI eligibility group, and may vary by, or be limited to, specified living arrangements such as residential settings (e.g., adult family care homes or assisted living/residential care facilities). Transition coordinators may want to verify the amount of the state supplement if available in their state. Information about State Supplement programs –
eligibility, living arrangements and the amount of the supplement in 2011 – are available at: www.socialsecurity.gov/policy/docs/progdesc/ssi_st_asst/index.html.

3. Income and Rental Payment

When an MFP participant applies for a housing subsidy, they will be asked to report their income. The amount of the rent calculated by the PHA that is paid by the individual is generally 30-40% of their monthly adjusted income. The reported income is used to determine the rent paid by the individual and the amount of the subsidy paid by the PHA to the landlord. While in an institution, individuals who are eligible for SSI receive a personal needs allowance or stipend. When the individual moves to the community, the SSI payment is increased. The PHA will calculate the rent paid by the individual using their current income, the personal needs allowance. When the SSI benefit is increased, the new income amount should be reported to the PHA that administers the Housing Choice Voucher, verified by SSA documentation. The individual’s rent will increase because of the change in income.

Key points

- Know what information the SSA Field Office needs to process a change in the SSI payment.
- Ask the Field Office CR for an estimate of when the change in the SSI payment is likely to go into effect.
- If the beneficiary received a housing choice voucher, contact the PHA when the SSI payment changes.

4. Timetable for Issuing Benefit Checks

SSA estimates that it can take about 30 days from the date an individual contacts SSA to receive their adjusted payment in one check. This time frame accounts for SSA’s other pending work as well as the necessary documentation needed to make the changes.

SSA sends a written notice of all changes that affect the SSI check (increase, decrease, reinstatement, suspension). The SSI computer is programmed to send a letter whenever the payment amount changes. Beneficiaries will receive a notice in about 10 days from the day that the CR inputs the new information into the computer. In some cases the CR can enter the

1 A table from “Priced Out in 2010” published by the Technical Assistance Collaborative lists state supplements for individuals with disabilities living independently. The information is available at: http://www.tacinc.org/downloads/Priced%20Out%202010/SSI%20Recipients.pdf
information the same day that the Field Office is contacted. In other cases, the CR may need to review the information before entering the change. The notice is sent to the beneficiary’s address that is on the SSI computer system and to the representative payee, if any.

SSI benefits are paid on the first of each month based on the information recorded for the beneficiary on the SSA computer system. If the first of the month is a holiday or weekend, SSA issues the benefits a day or two earlier. Absent any changes to this information, the SSI beneficiary receives the same amount every month.

Changes made to the beneficiary’s record during the month can affect the benefit amount for that month as well as the next month. In addition to the $30 personal needs allowance the beneficiary will receive a second SSI paper check within 7 to 10 days of when the SSA CR enters the change to “living in the community” into the SSI computer system. Approximately 2 to 3 days is the actual mailing time. If the individual has direct deposit, the money will be received a few days sooner. Here is an example of when the change of payment would be processed for an SSI beneficiary moving from a nursing home to an apartment.

Example

Jane and her transition coordinator contact SSA on July 16, 2012 to report that Jane is scheduled to move from a nursing home to an apartment on August 1st. The SSA CR sets up an appointment for Jane on July 31st. On July 31st, she and the transition coordinator have an interview with the CR, by phone or in person, to report her pending move and to provide the necessary information to SSA. Jane moved to her new address on August 1st. Additional documentation requested by SSA is provided to the claims representative on August 2nd. The CR enters the change to the SSI computer system on August 2nd and Jane’s SSI record is up-dated with her new address.

Jane will receive two SSI checks for August, the $30 personal needs allowance will come on August 1st to the old address. The second paper SSI check with the difference between the $30 and the new benefit payment due her for August will come to the new address about 7 to 10 days after August 2nd – the day the change was processed by the SSA computer system. If Jane has direct deposit, her funds would be received a few days sooner. This change is processed early enough in August so that the SSI payment on September 1st will be for the full amount due for September.

This description of how SSI payments are issued can assist the MFP transition coordinator to estimate when a beneficiary will receive the increased SSI benefits. However, the best way to get an estimate is to ask the SSA Field Office CR. In most cases, the CR can provide a good estimate of when to expect the SSI check. Remember, changes in the beneficiary’s income must be reported to the PHA.
5. Information about Representative Payee Changes

SSA decides if an individual needs a representative payee

There can be many reasons why SSA decides someone needs a representative payee. The law requires most minor children and all adults deemed legally incompetent have payees. Otherwise, SSA appoints a representative payee if SSA has received evidence indicating the beneficiary needs help managing their money and meeting current needs.

How SSA decides who will be payee

When selecting a representative payee, SSA’s main concern is that the payee is someone who has frequent contact with the beneficiary and who knows his or her needs. SSA looks at every case individually but family and close friends are often the best choice. If the beneficiary is living with someone who helps them, SSA will also give that person strong consideration.

When family and friends, or other close individuals are not able to serve as payee, SSA may select a qualified organization to be representative payee.

If a concerned person or organization wants to become a representative payee

An individual or organization who wants to become the representative payee must contact the nearest SSA Field Office for an appointment. SSA usually will require a face-to-face interview with the payee applicant for the completion of a form SSA-11 (Request to Be Selected as Payee). SSA will ask for proof of identification, such as the social security number for an individual or employer identification number for an organization.

Because SSA will also interview the beneficiary if possible, the process takes less time if the beneficiary is able to be present during the interview.
Changing a representative payee

Sometimes SSA finds it necessary to change a payee for a beneficiary who is already receiving benefits through a payee. This can occur if circumstances change and a more suitable payee applicant is found. Often, the beneficiary will request that SSA change the payee. This is especially true for individuals transitioning from institutional settings, particularly if the institution is the currently designated as the representative payee. SSA will not automatically choose a new payee, but when SSA gets new information, SSA will investigate every case thoroughly and decide who will be the best payee.

The timing of the payee change could affect receipt of the new FBR by the beneficiary. On average, SSA processes a payee change in about three weeks once the application is filed, the individual applying to be the payee meets the requirements to become a payee, and the beneficiary agrees with the change. SSA noted that the quality of the payee can be more important than how long the process takes. If the person moves before the representative payee is changed, arrangements need to be made to be sure the previous payee continues their responsibilities to pay bills incurred by the beneficiary.

Notices and appeals

When SSA initially appoints, or changes, a representative payee, SSA will send a final decision letter to the beneficiary, the new payee and, if applicable, the old payee.

If the beneficiary does not agree with the decision letter (e.g., they feel they do not need a payee, or they want a different payee), they will have 60 days to appeal the decision by sending a letter to SSA.

SSA’s goal

SSA Field Offices process payee actions as quickly as possible but situations differ and the required case development may sometimes take longer than anticipated. SSA’s primary goal is to make the best decision for the beneficiary.

The process may take less time when both the beneficiary and the new representative payee are present for an in-person appointment. If the Field Office determines that the payee applicant should be selected as the representative payee, advance notification can be provided to the beneficiary using form SSA-4164 (Advance Notification of Representative Payment). If the beneficiary is not present and a person wants to apply to become a representative payee, he or she must complete Form SSA-11 (Request to be selected as Payee). This information is entered directly into SSA’s computer system. The system automatically determines who requires an advance notice and produces the advance notice. The notice advises the beneficiary that, if no protest is received within 15 days from when the advance notice was sent, the payment will be made to the payee as stated in the notice. It will also explain the 60-day reconsideration period. If the beneficiary does not protest the decision, SSA will approve the application and process it.
The approval can be made prior to the end of the 15-day period only if the beneficiary comes into the Field Office and signs Form 4164 and agrees to the payee change.

6. Some Final Tips

A good working relationship with the local SSA Field Office will help both the transition coordinator and the Field Office. Transition coordinators and SSA staff share a common goal—helping individuals. If a transition coordinator is knowledgeable about SSA programs and procedures and demonstrates the ability to assist SSA Field Offices help its clients, this will help to build a good relationship. After handling a few transitions, transition coordinators will learn about what SSA needs to process these situations.

Remember that SSA provides a wealth of information about its programs and organization on the Internet at [www.socialsecurity.gov](http://www.socialsecurity.gov). Becoming familiar with the SSA’s website can save time for the coordinator who will find extensive information perhaps reducing the need to call SSA’s 800 number (800-772-1213, 800-SSA-1213) or the local Field Office.