Supplemental Security Income

Created in 1972, the federal Supplemental Security Income (SSI) program provides monthly cash assistance to people who are disabled or elderly and have little income and few assets. Like the Old-Age, Survivors, and Disability Insurance (OASDI) program, commonly known as Social Security, SSI is administered by the Social Security Administration (SSA). In January 2022, 7.7 million people collected SSI benefits.

Who Qualifies for SSI and What Benefits Do They Receive?

The vast majority of SSI recipients — 86 percent — are eligible due to a severe disability (including blindness). In January 2022, 1 million recipients were children. Since SSI is available only to those who are disabled (or elderly) and have very low incomes and assets, more disabled children become eligible for SSI when poverty rates rise.

SSI recipients may have no more than $2,000 in assets for individuals and $3,000 for couples, with certain exceptions. Because recipients typically have no other source of income, more than half receive the basic monthly SSI benefit, which in 2022 is $841 for an individual and $1,261 for a couple.

SSA reduces these benefit amounts for recipients who have other sources of income or live in a Medicaid facility or with someone who provides support. For example, while SSA exempts (or “disregards”) the first $20 per month of unearned income when determining a person’s SSI eligibility and benefit levels, any income above that amount from sources such as Social Security benefits, pensions, interest, and child support is subtracted from SSI benefits. Similarly, SSA disregards the first $65 per month of earnings, but each dollar of earnings above that level typically reduces...
SSI benefits by 50 cents. Such reductions dropped the average SSI monthly benefit to $625 in January 2022.

More Than Half of Supplemental Security Income Recipients Have No Other Source of Income

Percent of SSI recipients receiving other sources of income, by age, December 2019

<table>
<thead>
<tr>
<th>Age</th>
<th>Earned income</th>
<th>Other unearned income</th>
<th>Social Security</th>
<th>No other income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children under 18</td>
<td>0.2%</td>
<td>6.4%</td>
<td>4.8%</td>
<td>23.6%</td>
</tr>
<tr>
<td>Adults 18-64</td>
<td>4.8%</td>
<td>7.5%</td>
<td>28.5%</td>
<td>62.4%</td>
</tr>
<tr>
<td>Elderly over 65</td>
<td>1.2%</td>
<td>10.8%</td>
<td>56.4%</td>
<td>38.1%</td>
</tr>
</tbody>
</table>

Note: Figures do not add to 100 percent because recipients may fall into multiple categories.
Source: Social Security Administration: SSI Annual Statistical Supplement, 2019 Table 7D
In most states, SSI recipients are automatically eligible for Medicaid, which provides essential long-term services and supports. Medicaid supports home- and community-based services, such as personal and attendant care services that help people with disabilities live in their homes and communities. Medicaid also covers wheelchairs, lifts, and supportive housing services. This care is typically unavailable through private insurance and is too costly for all but the wealthiest people to fund out of pocket. Over 60 percent of SSI recipients also get SNAP (food stamps) and about one-quarter receive housing assistance. Finally, many states supplement the federal SSI benefit, though some have cut those additional payments over the years.

**How Has SSI Changed Over Time?**

Since SSI benefits were first distributed in 1974, the share of older people receiving benefits has fallen steadily, mostly because fewer people in this group qualify under SSI’s increasingly stringent income limits. The share of children and adults with disabilities receiving SSI grew, partly due to policy changes in 1984 that expanded eligibility based on mental impairments and a 1990 Supreme Court ruling that expanded the SSI disability criteria for children. A statutory change in 1996 restricted eligibility for children and immigrants. The share of Americans receiving SSI has remained steady at around 2.5 percent over the past
decade and is projected to fall slightly over the long term. The share of people from specific age groups receiving SSI is expected to stay steady or (in the case of older people) to continue declining.

### How Is SSI Funded?

Unlike Social Security, which is financed by dedicated payroll taxes, SSI is funded from general revenues. SSI expenditures, at $60 billion in fiscal year 2020, were 0.27 percent of gross domestic product that year. More than $9 of every $10 pays for benefits; the rest covers administrative costs.

### How Effective Is SSI?

Before any state supplement, and without income deductions, SSI benefits are about three-fourths of the poverty line for a single person. Thus, while SSI alone is not enough to lift someone living independently out of poverty, it reduces the number of people in extreme poverty and lessens their need for support from family members. But 4 in 10 recipients have incomes below the federal poverty line even with their SSI benefits.

Many other needy older adults or disabled people, including people with a lawful immigration status affected by the 1996 eligibility restrictions, don’t get benefits.
Ways to Improve SSI

Congress can strengthen SSI by updating the asset limits and income disregards and indexing them to inflation. The asset limits have been frozen since 1989 and the income disregards have remained the same since SSI’s launch in 1974, preventing many needy older adults and disabled people from qualifying.

Congress can also improve SSI by increasing the basic SSI benefit, partially exempting retirement savings from the asset limits, and easing eligibility restrictions for people with a lawful immigration status.

For more information on SSI see:

SSI: A Lifeline for Children with Disabilities

SSA Needs Large Funding Boosts Following Pandemic, Years of Underinvestment