



*California's protection and advocacy system*

www.disabilityrightsca.org

Toll Free: (800) 776-5746

TTY: (800) 719-5798

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### **# 3: Fact Sheet on California's Budget Cuts to Benefits Programs – August 6, 2009**

#### **SSI Benefits are Being Cut Again**

On October 1, there will be additional cuts in the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program. This flier summarizes the cuts.

#### **How did the law change?**

On October 1, 2009, the SSI/SSP benefit payment rate will be cut \$5 for an individual who is over age 65 or disabled. The payment rate will be cut \$82 for a married couple, both of whom are over age 65 or disabled. These cuts are in addition to cuts that were already made on May 1, 2009 and July 1, 2009.

These additional cuts, like the previous ones, resulted from California's state budget.<sup>1</sup> These cuts were enacted by the California State Legislature and approved by California's Governor. Like the other cuts, it is the state portion, not the federal portion, that is being cut.

The Social Security Administration (SSA) has sent out notices notifying recipients about the prior cuts; SSA will send notices about the October 1, 2009 cut, as well. SSA is responsible for sending out notices because SSA administers the SSI/SSP program.

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<sup>1</sup> The changes are part of Senate Bill 4, 2009, 4<sup>th</sup> Extraordinary Session.

## How much SSI will I get?

The SSI/SSP benefit rates for individuals and married couples have been cut several times this year. The first chart below gives a detailed breakdown of the SSI/SSP benefit rate cuts for individuals. The second chart gives a detailed breakdown for married couples. **The last column of the charts, which is in bold-face type, explains how much your SSI/SSP benefit rate will be on October 1, 2009.**<sup>2</sup>

<b>SSI/SSP Payment Rates—Eligible Individual</b>					
	Dec 1, 2008	Jan 1, 2009	May 1, 2009	July 1, 2009	<b>Oct 1, 2009</b>
Aged or Disabled Person Living at Home	\$870	\$907	\$870	\$850	<b>\$845</b>
Blind Person Living at Home <sup>3</sup>	\$935	\$972	\$935	\$913	<b>\$908*</b>
Child under age 18 <sup>4</sup> Living at Home	\$756	\$793	\$756	\$739	<b>\$737*</b>
Person Living in a Home Without Cooking Facilities <sup>5</sup>	\$ 954	\$991	\$ 954	\$934	<b>\$929*</b>
Person Living in a CCF (board and care, group home) <sup>6</sup>	\$1,049	\$1,086	\$1,086	\$1,086	<b>\$1,086</b>

<sup>2</sup> Your actual SSI/SSP payment amount is calculated by subtracting your countable income from the payment rate listed in the chart.

<sup>3</sup> Includes children under age 18 who are blind.

<sup>4</sup> Disabled minor under 18 living with a parent. Does not include children who are blind. The SSP payment level for children who are blind is the same as for adults who are blind.

<sup>5</sup> Based on aged/disabled SSP rate plus Restaurant Meals Allowance (RMA) of \$84 for an individual and \$168 for a married couple. The February 19, 2009, and July 24, 2009, state budget bills *do not* reduce the \$84 and \$168 RMA amounts. These amounts also did not increase on January 1, 2009.

<sup>6</sup> These are residential care facilities (board and care), such as community care facility, foster family home, or certified family home. They are not

<b>SSI/SSP Payment Rates—Eligible Individual</b>					
	<b>Dec 1, 2008</b>	<b>Jan 1, 2009</b>	<b>May 1, 2009</b>	<b>July 1, 2009</b>	<b>Oct 1, 2009</b>
Person Living in a Long-Term Care Facility (nursing facility, Intermediate Care Facility) <sup>7</sup>	\$50	\$50	\$50	\$50	<b>\$50</b>

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health care facilities and are not licensed by the California Department of Health Care Services. The facilities get most of this SSI amount for providing board and care; they are required to pass on at least \$125 per month to you for personal and incidental expenses. There is no change in the amounts SSI pays for people living in these types of facilities.

<sup>7</sup> There are health care facilities that are licensed by the California Department of Health Care Services. You receive \$50 per month for personal and incidental expenses. There has never been an automatic cost of living adjustment for the Medicaid-funded facility rates.

<b>SSI/SSP Payment Rates—Eligible Married Couple</b>					
	Dec 1, 2008	Jan. 1, 2009	May 1, 2009	July 1, 2009	Oct. 1, 2009
Both Aged or Disabled, Living at Home	\$1,524	\$1,579	\$1,524	\$1,489	<b>\$1,407</b>
Both Blind, Living at Home	\$1,751	\$1,806	\$1,751	\$1,711	<b>Informa- tion not available<sup>8</sup></b>
One Aged or Disabled/ One blind, Living at Home	\$1,666	\$1,721	\$1,666	\$1,628	<b>Informa- tion not available</b>
Living in a Home Without Cooking Facilities <sup>9</sup>	\$ 1,692	\$1,747	\$ 1,692	\$ 1,657	<b>\$1,575<sup>10</sup></b>
Couple Living in Non- Medical Out-of-Home Care Facility <sup>11</sup>	\$2,098	\$2,172	\$2,172	\$2,172	<b>\$2,172</b>
Couple Living in a Medicaid-Funded Medical Facility <sup>12</sup>	\$100	\$100	\$100	\$100	<b>\$100</b>

### **Will there be automatic cost of living adjustments in SSI/SSP in future years?**

In the past, there were automatic cost of living adjustments from both the state and federal government every year for SSI/SSP. The state often

<sup>8</sup> This amount will soon be released by the Department of Social Services.

<sup>9</sup> Based on aged/disabled SSP rate plus Restaurant Meals Allowance (RMA) of \$84 for an individual and \$168 for a married couple. The February 19, 2009 budget bills *do not* reduce the \$84 and \$168 RMA amounts.

<sup>10</sup> The exact amount will soon be released by the Department of Social Services.

<sup>11</sup> See footnote 5.

<sup>12</sup> See footnote 6.

reduced or suspended these cost of living adjustments when it was having budget problems.

Federal Social Security law still requires the federal government to provide cost of living adjustments for SSI. However, effective October 1, 2009, the State of California has eliminated automatic state cost of living adjustments for the state portion of the payment. The California Legislature will need to take action in a future year for this to change.

People who live in Medi-Cal-funded health care facilities have never been entitled to an automatic cost of living adjustment. They get a small amount of “personal and incidental” money from SSI/SSP.

### **Will the SSI cuts affect people who live in a group home/board and care home, nursing home, or other Medi-Cal-Funded facility?**

No, the rate cuts will not affect people who live in a group home/board and care home, nursing facility, or another type of facility. This is true both for people who live in group homes/board and care homes and for people who live in nursing facilities or other types of Medi-Cal funded health care facilities, such as ICF/DDs.

- People who live in group homes/board and care facilities will get the amount listed in the chart above, which is not reduced. This money is used to pay the board and care facility; it does not go directly to the SSI recipient. See footnote 5.
- People who live in Medi-Cal-funded health care facilities will continue to receive only personal and incidental money. See footnote 6.

### **Why is the payment rate for couples going down so much more than the payment rate for an individual?**

The Governor asked the Legislature to reduce the state payment for SSI/SSP to the absolute minimum that the federal government will allow it to be reduced. According to the California Department of Social Services, this is \$830 for an individual who is over age 65 or disabled, and \$1,407 for a married couple, both of whom are over age 65 or disabled. The Legislature did not go along with the Governor entirely. Instead, the Legislature chose to reduce the benefit payment rate for an individual to \$845 (rather than \$830), but accepted the Governor’s proposal to reduce the benefit payment rate for a couple to the minimum of \$1,407.

## **Can I file an appeal if I think The SSI/SSP cut is wrong?**

The Social Security Administration says that because the reduction in your check results from a change in state law that affects everyone like you, you do not have a right to an appeal to challenge the in benefits. However, you do have a right to appeal if you believe that SSA made a mistake in the way it calculated the amount of the reduction. For example, if the new law says that you are to receive an SSI/SSP grant reduction of \$5, but your payment was actually reduced by \$75.00, then you would have the right to ask for a hearing.

## **Will I have an overpayment if I appeal?**

If you requested that your benefits continue at the previous level (that is, the amount you were receiving before the cut), and you lose your appeal, you will have an overpayment.<sup>13</sup>

## **Right now, my SSI check is being reduced to recover an overpayment. What will happen now?**

If you receive SSI, Social Security cannot deduct more than 10% of the SSI benefit payment rate from your check to recover an overpayment. Since the SSI/SSP payment rate is going down, the amount Social Security deducts to recover the overpayment should also go down. The amount that Social Security deducts from your check should go down to 10% of the new SSI benefit payment rate.

## **What did Disability Rights California do when these cuts were proposed?**

Disability Rights California opposed all of these cuts. They were enacted over our objections, and the objections of many other advocates. We are disappointed that these cuts were enacted. They will cause a hardship for many people.

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<sup>13</sup> See 20 CFR §§ 416.1402, 416.1403, 416.1401