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# Overview of SSI/SSP Cash Grants—2000-01 to 2015-16

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LEGISLATIVE ANALYST'S OFFICE

Presented to:  
Assembly Budget Subcommittee No. 1  
On Health and Human Services  
Hon. Tony Thurmond, Chair



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## Background on SSI/SSP

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- What Is SSI/SSP?** The Supplemental Security Income/State Supplementary Payment (SSI/SSP) program provides cash grants to low-income individuals.
- How Is SSI/SSP Funded?** The state's General Fund provides the SSP portion of the grant while federal funds pay for the SSI portion of the grant.
- Who Receives SSI/SSP?** Low-income aged, blind, and disabled individuals are eligible to receive SSI/SSP grants.
  - **Eligibility Requires Low Income and Limited Assets.** Generally, to be eligible for the program, an applicant's income must be at or below the amount of the SSI/SSP monthly grant. Additionally, an individual is usually ineligible for SSI/SSP if he or she has assets in excess of \$2,000 (\$3,000 for couples).
  - **Eligibility Also Requires Age of at Least 65 and/or Disability Status.** To qualify for SSI/SSP on the basis of age, an individual must be age 65 or older. To be eligible for the grant based on disability (including blindness), an applicant must demonstrate that he or she is unable to work because of a permanent or long-term impairment.
- Eligibility of SSI/SSP Recipients for Other Public Assistance Programs.**
  - **SSI/SSP Recipients Ineligible for CalFresh Benefits.** The SSI/SSP recipients are *not* eligible for CalFresh benefits because a cash amount is included in the SSP benefit in lieu of CalFresh. This arrangement is known as the "supplemental nutrition assistance program cash-out program."
  - **SSI/SSP Recipients Automatically Enrolled in Medi-Cal.** Individuals who are aged, blind, or disabled and receive

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## Background on SSI/SSP

(Continued)

SSI/SSP cash assistance are automatically enrolled in Medi-Cal—California’s version of the state-federal Medicaid health program.



**How Much Do Individuals and Couples Receive?** The grant level that individuals and couples receive varies based on existing income and falling into a specific eligibility category. There are 26 eligibility categories, each with a unique maximum grant level. The figure below compares maximum SSI/SSP grant levels in 2000-01 versus 2015-16 (as proposed). The grant levels are also shown as a percentage of the federal poverty level (FPL). The FPL is adjusted annually for inflation.

<b>SSI/SSP Grants: Then and Now</b>		
	<b>2000-01</b>	<b>2015-16 Proposed</b>
<b>Maximum Grant—Individuals<sup>a</sup></b>		
SSI	\$531	\$744
SSP	181	156
<b>Totals</b>	<b>\$712</b>	<b>\$900</b>
Percent of FPL	102.3%	91.8%
<b>Maximum Grant—Couples<sup>a</sup></b>		
SSI	\$796	\$1,116
SSP	469	396
<b>Totals</b>	<b>\$1,265</b>	<b>\$1,512</b>
Percent of FPL	134.9%	113.9%

<sup>a</sup> Reflects maximum grant for an aged or disabled adult—either an individual or a couple—residing independently.  
FPL = federal poverty level.



**Cost-of-Living Adjustments (COLAs).** The federal government provides an annual COLA—based on the Consumer Price Index—for the SSI portion of the grant every January. In the past, the state has also provided a COLA based on the California Necessities Index (CNI). The state-funded COLA can be applied to the SSP portion of the grant or to the total SSI/SSP grant. The last state-funded COLA was provided in April 2005.

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## SSI/SSP Caseload and Funding



### How Many Californians Receive SSI/SSP?

<b>SSI/SSP Caseload: Then and Now</b>			
	<b>2000-01</b>	<b>2015-16 Estimated</b>	<b>Percentage Change</b>
Aged	333,593	359,885	7.9%
Blind	21,815	18,426	-15.5
Disabled	726,690	932,666	28.3
<b>Totals</b>	<b>1,082,098</b>	<b>1,310,977</b>	<b>21.2%</b>



### What Are the Total Expenditures for SSI/SSP?

<b>SSI/SSP Expenditures: Then and Now</b>			
<i>(Dollars in Millions)</i>			
	<b>2000-01 Actual</b>	<b>2015-16 Proposed</b>	<b>Growth</b>
General Fund	\$2,365	\$2,834	19.8%
Federal funds	4,135	7,402	79.0
<b>Totals</b>	<b>\$6,500</b>	<b>\$10,236</b>	<b>57.5%</b>

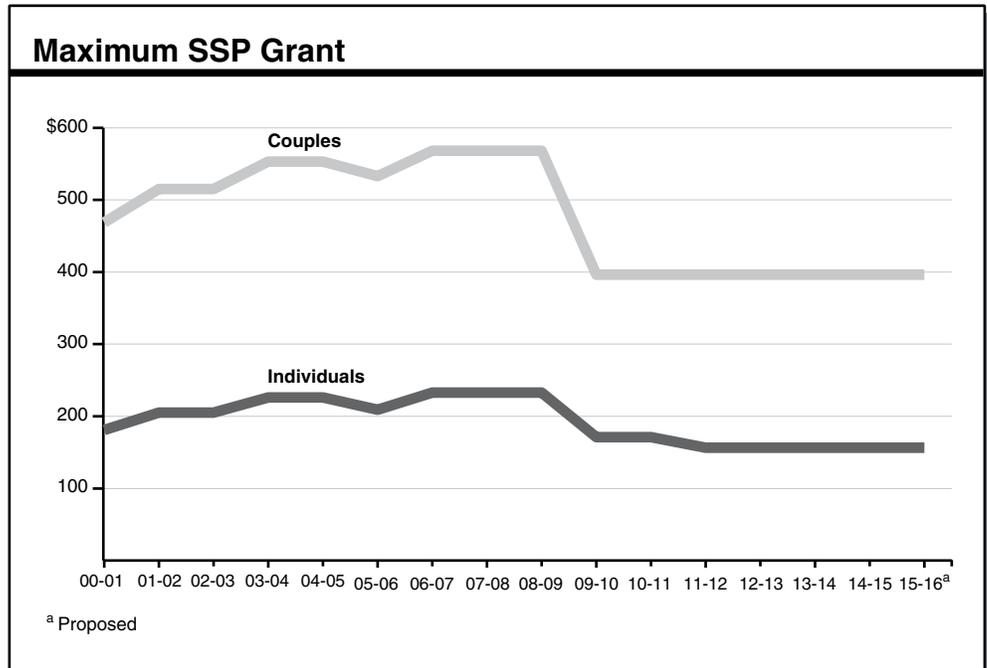
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## State Has Made Changes to SSI/SSP Grants to Achieve Budgetary Savings Since 2000-01



**Reduced the SSP Portion of the Grant for Individuals and Couples.**



- Maximum SSP Grant for Individuals and Couples Cannot Be Reduced Further.** The state is required to maintain its March 1983 SSP grant levels in order to continue to receive federal Medicaid funding. For individuals, the state reduced the SSP grant to this minimum level in 2011-12. For couples, this occurred in 2009-10.

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## State Has Made Changes to SSI/SSP Grants to Achieve Budgetary Savings Since 2000-01 (Continued)



**Did Not Provide State-Funded COLA in Most Years.** Since 2000-01, the state COLA was not provided in most years.

State-Funded COLAs Since 2000-01	
Year	Percentage
2000-01 (January)	2.96%
2001-02 (January)	5.31
2002-03 (June)	3.74
2003-04	—
2004-05 (April)	2.75
2005-06	—
2006-07	—
2007-08	—
2008-09	—
2009-10	—
2010-11	—
2011-12	—
2012-13	—
2013-14	—
2014-15	—
2015-16	—

COLA = cost-of-living adjustment.



**Did Not Pass Through Federal COLA.** Since 2000-01, the state did not pass through the federal COLA to grant recipients in 2005-06. This means that the state reduced the SSP portion of the grant by an amount equivalent to the federal COLA provided for the SSI portion of the grant. This causes the total SSI/SSP grant to remain at the same level, despite the federal COLA.

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## If the State Had Continued SSP COLAs on 2005-06 Grant Levels, Then . . .



*. . . Maximum SSI/SSP Grants for Individuals and Couples Would Be Significantly Higher in 2015-16.*

<b>2015-16 Maximum Grant Levels</b>		
	<b>Proposed</b>	<b>If State Had Continued SSP COLAs Since 2005-06</b>
<b>Maximum Grant—Individuals<sup>a</sup></b>		
SSI	\$744	\$744
SSP	156	308
<b>Totals</b>	<b>\$900</b>	<b>\$1,052</b>
Percent of FPL	91.8%	107.3%
<b>Maximum Grant—Couples<sup>a</sup></b>		
SSI	\$1,116	\$1,116
SSP	396	752
<b>Totals</b>	<b>\$1,512</b>	<b>\$1,868</b>
Percent of FPL	113.9%	140.7%

<sup>a</sup> Reflects maximum grant for an aged or disabled adult—an individual or a couple—residing independently.  
COLA = cost-of-living adjustment and FPL = federal poverty level.

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## Options for Restoring SSI/SSP Grants

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- Increase SSP Portion of Grant.** There are several options for increasing the SSP portion of the grant. For example:

  - **Grant Increase Could Be Provided Solely to Individuals to Increase Grant to 100 Percent of FPL.** An increase in the SSP portion of the grant could be provided solely to individuals—for whom the maximum grant level would otherwise be below FPL in 2015-16. This would increase the maximum SSP grant for individuals residing independently by \$81, thereby increasing the total SSI/SSP grant from \$900 to \$981.
  - **Grant Increase Could Provide an Increase Equivalent to Cumulative Amount of SSP COLAs Not Provided Since 2005-06.** As we note, such an increase would cause the maximum grant for individuals to be \$1,052 and the maximum grant for couples to be \$1,868 in 2015-16.
  - **Grant Increase Could Be Provided Based on Amount of Available of Funding.** A grant increase could be provided of an amount that backs into available funding. With more funding available, the grants could be increased by a greater amount.
  
- Provide State-Funded COLA Going Forward.** The state could provide a state-funded COLA for the SSP portion of the grant or for the total SSI/SSP grant. For 2015-16, we estimate that a state-funded COLA provided in January—based on a CNI of 3.06 percent—would cost about \$40 million General Fund if applied only to the SSP portion of the grant. The department reports that a state-funded COLA applied to the total SSI/SSP grant would cost about \$120 million General Fund, assuming January implementation.