

Providing the best quality of life requires informed decisions.

Compassionate care and a comfortable life for your loved one with special needs means supporting your legal and financial decisions with reliable information and proven expertise.

The Special Needs Alliance (SNA) is a national, not for profit organization of attorneys dedicated to the practice of disability and public benefits law. Individuals with disabilities, their families, and their advisors rely on the SNA to connect them with nearby attorneys with an average of 20 years of experience in this complex arena. Every member of the SNA is equipped to help you maintain public benefits for your loved ones and develop effective estate plans that protect their assets.

This brochure is provided as a service of Special Needs Alliance and is informational only. It is not intended to serve as legal advice or replace the advice of a legal professional.



Special needs require special attorneys.

Special Needs Alliance members
are available nationwide.

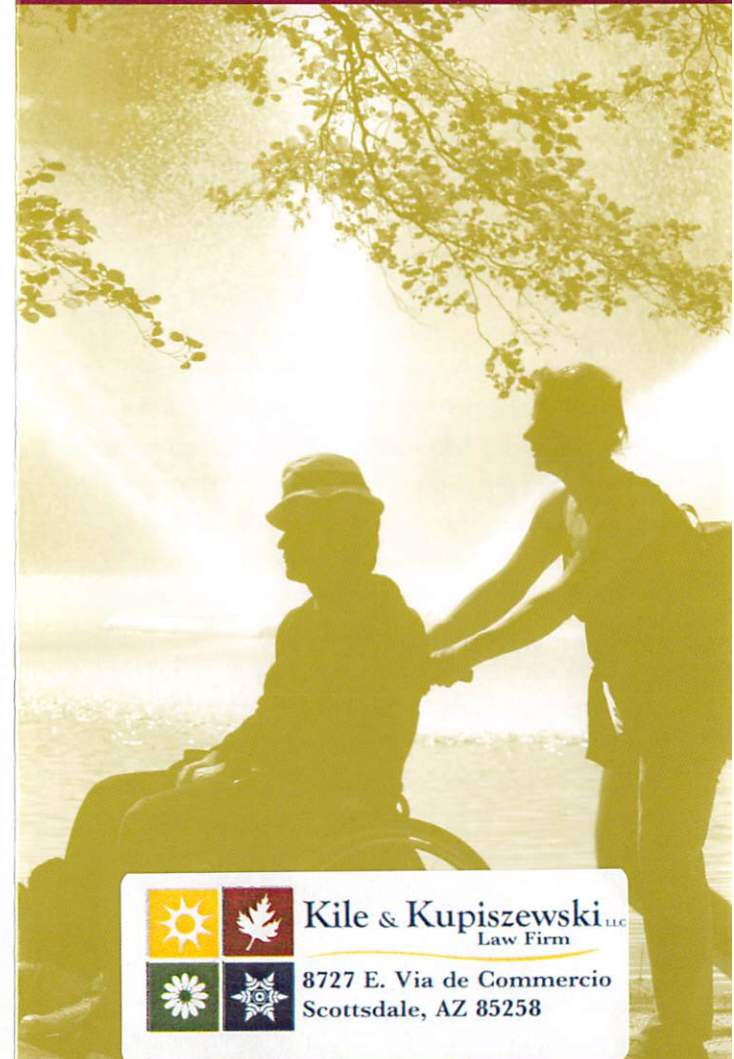
To contact a member in your area, call

877-572-8472

or visit us online at

www.specialneedsalliance.org

Supplemental Security Income



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Supplemental Security Income (SSI) is a need-based income program for the aged, blind and disabled who have limited income and assets.

Although 65 years of age is the minimum for the age category, there is no age limit for the blind or disabled categories. The federal portion of the benefit is administered by the Social Security Administration (SSA), and some states offer a supplemental amount that may be administered by either the SSA or a state agency. Many states also automatically give Medicaid eligibility to those individuals who are SSI eligible.

The SSI benefit payment amount is a minimum monthly income standard based upon the recipient's living arrangement and other available support and income. In 2006, the federal full benefit rate was \$603, and state supplements may increase this amount.

Unless specifically excluded, all other income is counted to determine the SSI payment. Examples of countable income include work earnings; Social Security and other federal government benefits; child support; and gifts of food, clothing or shelter.

Not all countable income actually reduces benefits, as the first \$20 of "unearned" income each month is not counted.

Examples of unearned income include Social Security benefits, trust distributions and gifts. The first \$65 plus of the remainder of "earned," or work, income each month also is not counted. Total countable assets or "resources" cannot exceed \$2,000. Certain resources are not counted, including irrevocable burial contracts, a personal residence, a vehicle of limited value, household items, and a \$1,500 insurance policy or bank account designated for burial.

The month that something of value is received, it is considered income for that month. If it is retained the following month, it becomes a resource. Income and resources of a spouse, parent to a child under age 18, or alien sponsor, are "deemed" as available to the recipient for eligibility counting with certain exclusions.

If a recipient gives away a countable resource or source of income for less than market value, the SSI benefit will be reduced or suspended based upon the value of the

gifted amount. The reduction or suspension formula is loss of one month's benefit for each monthly federal and state supplement benefit rate amount gifted away. The maximum disqualification period is 36 months regardless of the gifted amount, and the disqualification period may be waived due to hardship exceptions.

Certain gifts do not cause a SSI disqualification period, including gifts to a spouse or disabled child, a personal residence to a child whose care keeps the recipient out of a nursing home for two years or longer, or a share of a home co-owned by a sibling who has lived there for a year or longer. Gifted property causing a disqualification period that is given back to the recipient will reverse the disqualification.

A recipient also may put property into a supplemental needs trust without having the trust property become a countable resource or cause a disqualification period. The trust must be created under certain statutory requirements, including payback of the state Medicaid agency upon the recipient's death for all benefits received.

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