

NATIONAL CENTER ON LAW & ELDER RIGHTS

<https://ncler.acl.gov>

SSI Recipients and Economic Impact Payments

Supplemental Security Income (SSI) recipients who do not typically file a tax return should have received their third economic impact payment (EIP) automatically in April 2021. Those who receive their SSI benefits electronically by direct deposit or Direct Express Card should have received their EIP in the same way around April 7. Those who receive their monthly SSI benefits by check in the mail were mailed paper check EIPs beginning April 9.

The Social Security Administration (SSA) will **not count** any of the EIPs as [income](#) for SSI recipients, and the payments are **excluded** from [resources](#) for 12 months after receipt. Many SSI recipients received their first EIP under the CARES Act in May 2020. They are now approaching the end of the 12-month exclusion period for the first EIPs starting on June 1, 2021, when any remaining CARES Act EIP funds they still have which puts them over the \$2,000 resource limit (\$3,000 for an eligible couple) will be counted as a resource, and they will lose their eligibility for SSI for that month. SSI recipients and their payees must take care to be sure they have spent down their CARES Act EIP funds before 12 months have passed since they received the payment. Since EIP funds are not the same as SSI benefits, individuals are not limited in what they can spend these funds on and can spend down on whatever they wish, including on gifts and charitable contributions.

On April 17, 2020, SSA issued [EM-20014 SEN](#), ***Effect of Coronavirus Aid, Relief, and Economic Security (CARES) Recovery Rebates* on SSI Income and Resources***. These instructions for SSA employees state:

Income

Accept the individual's allegation regarding any recovery rebates. Document the allegation in the SSI Claim system (i.e. DROC or Person Statement).

Resources

Develop and exclude the rebate from resources only when an individual alleges receiving and retaining an amount that may affect eligibility.

When development is needed, document the rebate according to the following:

- Accept the individual's allegation regarding any retained recovery rebate amounts. Document the allegation in the SSI Claim system (i.e. DROC or Person Statement).
- For rebates retained in financial institution accounts, document the SSI Claim system (i.e. DROC or Person Statement) with the individual's statement as to the date and amount of rebate-related deposits. Take action to exclude retained rebate amounts from the account balance for up to 12 months. When rebates are commingled with other countable funds in an account, always assume that non-excluded funds are withdrawn first, leaving as much of the excluded funds in the account as possible per SI 01130.700.
- When readily available, bank records reflecting transaction details may also be used to document receipt and retention of recovery rebates

Access to Financial Institutions (AFI) Considerations

AFI responses may include recovery rebates in first of the month balances. When processing initial claims or post entitlement events involving AFI verifications, pay special attention to months in which reported balances contribute to a determination of excess resources. Just as you would screen these months for

early-deposited payments, tax returns, or any other excludable funds, you must now also consider retained recovery rebates as a potential exclusion subject to the instructions section above.

The same instructions are applicable to the subsequent EIPs as well. Advocates may find that SSA employees in local offices are not following these instructions. Please contact us for technical assistance if you have encountered an SSI recipient who has erroneously received a Notice of Overpayment or a Notice of Planned Action suspending their benefits because SSA has incorrectly counted an EIP as a resource, at ConsultNCLER@acl.hhs.gov.

* *"Recovery rebate" is the statutory term used in the CARES Act for the economic impact payments.*