

WHAT'S THE DIFFERENCE BETWEEN SSI AND SOCIAL SECURITY DISABILITY?

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Social Security administers two different disability programs. One is called Supplemental Security Income or SSI. The other is called Social Security Disability or Disability Insurance Benefits. People refer to this second program by a variety of acronyms, including SSD, SSDI, and DIB. In my practice and in this article, I use the acronym DIB because it is the most accurate. So, what is the difference between SSI and DIB?

SSI is essentially a federal welfare program for disabled individuals. SSI is paid out of the yearly federal budget drawn from income taxes. It is not paid out of the Social Security trust fund. There are a great deal of complicated rules pertaining to eligibility for SSI. However, in general, you need to have very little monthly income and less than \$2,000.00 in assets. In making this assets calculation you do not count the house you live in or one car. Thus, to be eligible for SSI you have to show generally two things. The first is the resource test. The second is whether you are disabled.

DIB is a totally separate program even though it is also administered by Social Security as well. DIB is funded by the Social Security trust fund. In other words, it is paid for by the Social Security taxes people pay with each pay check that they receive. There is no resource test for DIB. Even a millionaire can receive DIB. However, in order to qualify for DIB, generally an individual will have had to have worked and paid taxes in the United States for at least 10 years. Because you purchase this DIB insurance as you work, you must prove disability within a period of time after you stopped working. For example, if you have worked steadily for 10 years and then stop, you will need to prove that you became disabled within approximately 5 years of when you stopped working. So there are two components for DIB. The first is whether you have worked long enough and recently enough. The second, as with SSI, is whether you are disabled.

Some people are eligible for SSI. Some are eligible for DIB. Some are eligible for both. And some are eligible for neither program. In order to determine what you may be eligible for, you should probably speak with a lawyer.

In the end, the standard for disability is the same for both programs. In the simplest possible terms, disability is the inability to perform full time work due to limitations caused by medical conditions. However, the rules pertaining to technical eligibility for both SSI and DIB are complicated. Hopefully this

article gave you a basic idea of the differences between the two programs. If you are considering applying for either SSI or DIB, please call our office.