

# What Every Parent Should Know About Supplemental Security Income (SSI) and Your Child Turning 18

The Social Security Administration (SSA) manages Three different programs: Supplemental Security Income (SSI), Retirement Survivors Disability Insurance (RSDI) and Social Security Disability Insurance (SSDI).

## 1. When a child with a disability turns 18, they can file for Supplemental Security Income (SSI).

- At 18, when they apply, it's based on their income ALONE, not yours. • If your family exceeds the income cap, you cannot apply prior to 18, if you make an appointment prior to their 18<sup>th</sup> birthday YOUR income will be included.
- If you make the appointment after their 18<sup>th</sup> birthday only the applicant's income counts.

2. **What is considered Income?** Savings and checking accounts, mutual funds, savings bonds, certificates of deposits, joint accounts, real estate and other resources in the applicant's name. Any earned or unearned income. Any asset in their name that could be sold and converted to cash will be counted as a resource, part of their income. Be cautious with trusts. Special needs trusts (not in the child's name, but designed to benefit the child) may provide an opportunity for additional funds outside of the income cap. If special needs trusts are not set up correctly, they can end up jeopardizing the person's ability to collect SSI and eligibility for Medicaid. An alternative to a special needs trust could be an Achieving a Better Life Experience Accounts (ABLE), learn more at: [ssa.gov/ssi/spotlights/spot-able.html](https://ssa.gov/ssi/spotlights/spot-able.html)

3. **How far back do they look at income during the application process?** In our case they went back three years; this could change. If you have savings bonds, mutual funds, college funds, and/or stocks in your child's name (even if they only have joint ownership) you may need to dissolve or move the accounts out of your child's name. Plan for this well in advance. It may be nice that relatives provide savings bonds at each birthday or Christmas, but keep in mind **these do add up**. They will be listed as income and when your child applies it could make them ineligible to receive SSI. Another thing to be aware of is any wills or beneficiaries your child is listed in, any large sum of money that goes to them directly (even in the future) will make them ineligible for SSI and more importantly impact their ability to receive Medicaid.

4. **Guardianship/Power of Attorney.** You will need to decide if you will obtain guardianship or have a durable power of attorney. This is a personal choice, you need to do what's right for you and your child. Guardianship from state to state, and in some cases county to county may vary. You may need to obtain legal assistance. Your local Arc or a neighboring Arc, or a parent advocate group may be able to assist you with this matter.

Find your nearest Arc at [arcmi.org/find-your-local-arc](https://arcmi.org/find-your-local-arc).

5. **Will your child/dependent pay rent or will they share in the household expenses?** If your child shall pay you rent/room and board, you need to report the amount they will pay. If you charge rent, you will need to account for this on your taxes. If your child will **share** in the household expenses, you need to be prepared at the Social Security appointment to list everyone who lives in the household, their SS number(s) and monthly household expenses (mortgage, gas, electric, water, cable, groceries, etc.). If you state you will provide for all of your child's needs, he/she will receive a reduced benefit amount.

6. **Online application.** If you want to save time at the appointment, fill out the application online and make your own copies for your records and to submit at your appointment. Bring a printed copy of the application along with you, in our case all of the meds crossed over fine from the online form, but not all of the doctors information did (even when the meds they prescribed were listed, the doctor details were not.)

7. **Identification.** Apply for your child's State ID card long before your appointment. You will find this helpful in creating their financial account and setting up their SSI. Secretary of the State offices have a handicapped line if your child struggles with long waits. What to bring with you: [michigan.gov/sos/0,4670,7-127-1627\\_8669\\_9040\\_9043-312849--,00.html](https://michigan.gov/sos/0,4670,7-127-1627_8669_9040_9043-312849--,00.html)

8. **Financial account.** If you want to use a direct deposit option, open your child's bank/credit union account prior to your appointment. Make sure you have the institution's routing number and your child's account number with you.

9. **Supports for your application.** Keep in mind, you/your child will grant the SSA access to all of their medical records but there are other pieces of information you may wish to include with your child's application, not available in the medical records, or available but you may wish for them to stand out. Bring copies of documents from throughout their lifespan. If you kept records of medications, doctors, therapies, evaluations, hospital stays, etc., throughout their lifetime it will be much easier to assemble your supports. **SSI is not granted based on a diagnosis**; it is granted based on ability to work.

## 10. Where to learn more:

- Social Security – Supplemental Security Income - [ssa.gov/ssi/](https://ssa.gov/ssi/)
- Understanding SSI - [ssa.gov/ssi/text-understanding-ssi.htm](https://ssa.gov/ssi/text-understanding-ssi.htm)

Note, not SSI but **important**: At 18, if your child is male, you will need to register them for selective service, this can be done at: [sss.gov/](https://sss.gov/)

Compiled by Sally Nantais through research and her experience when her son turned 18. Revised 1/67/2023