

Supplemental Security Income at the Margins

Roosevelt's latest paper, *Estimating the Cost and Impacts of the SSI Restoration Act*, examines one of the least understood and most neglected components of the US social safety net: **Supplemental Security Income (SSI)**. The paper offers one of the few comprehensive analyses of how current legislative proposals to reform SSI would change material outcomes for people who rely on the program.

SSI serves people with severe disabilities and deep economic insecurity. Despite its role as a last-resort source of cash income, the program has changed little in decades. This paper models what would happen if Congress updated core features of SSI that have long been frozen in place. **The results show that basic fixes would sharply reduce poverty, nearly eliminate deep poverty for the SSI recipient population, and do so at a modest cost by recent legislative standards.**

Who Relies on SSI

Created in 1972, SSI serves people who are disabled or elderly and therefore unable to rely on steady income from work. SSI pays a monthly cash benefit. In 2026, the **maximum benefit** is just under **\$1,000 per month for an individual** and just under **\$1,500 for a couple**, with most recipients receiving less as income rises. Even at the maximum benefit level, SSI leaves many recipients **below the poverty line**.

Key characteristics of the SSI population include:

- Most of the about **7.4 million recipients nationwide** are people with disabilities, including individuals with physical, intellectual, or psychiatric impairments that substantially limit their ability to work.
- A smaller share of recipients are low-income older adults, often with limited or no Social Security benefits.
- Most recipients have **annual incomes below \$12,000**, and many have far less.
- Eligibility requires having no more than **\$2,000 in countable assets for an individual** or **\$3,000 for a couple**.

Economic hardship is widespread among people on SSI. Using the Supplemental Poverty Measure, the paper finds that **poverty rates among SSI recipients are more than double the national poverty rate**. Deep poverty remains a defining feature for many receiving SSI, and it is especially concentrated among children, racial minorities, and people living in the South.

The application and maintenance process is demanding. Recipients must repeatedly document income, assets, living arrangements, and household support. Disability determinations routinely take **eight months or longer**, and many applicants cycle through denials and appeals. In fiscal year 2023 alone, **more than 30,000 people died** while waiting for a disability decision that could have made them eligible for SSI benefits.

Why the Program Has Fallen So Far Behind

Several structural features explain why SSI is far less generous than many expect:

- **Income disregards are frozen to 1972 levels**, causing benefits to fall rapidly as even limited earnings rise.
- **Asset limits remain extremely low and frozen to 1989 levels**, preventing recipients from saving even modest emergency funds.
- **Tens of thousands of recipients are disenrolled each year** after exceeding asset limits, often due to small inheritances, back pay, or temporary savings.
- **Marriage penalties are severe**, with asset limits for couples set at only **150 percent** of the individual threshold.
- **Earned income reduces benefits by 50 cents per dollar**, while Social Security income reduces benefits dollar-for-dollar.
- **In-kind support rules penalize community care**, treating help with rent or utilities as income that lowers benefits.

Together, these rules keep recipients financially fragile by design.

What Current Proposals Would Change

The paper models reforms drawn from the SSI Restoration Act of 2024. If enacted, the legislation would:

- raise maximum SSI benefits to the poverty line
- increase income disregards and index them to inflation
- raise asset limits to more realistic levels
- eliminate penalties tied to in-kind support
- remove marriage penalties by equalizing thresholds

Under these changes, **poverty among SSI recipients would fall by more than 60 percent, and deep poverty would be nearly eliminated.** Gains are especially pronounced across much of the South.

What the Analysis Shows—and What It Would Take

This paper is one of the few attempts to model recent SSI reform proposals in detail. It shows how modest policy changes translate into large reductions in poverty for people who are elderly or living with serious disabilities.

The full reform package carries an estimated **annual cost of \$61 billion.** That amount is comparable to the **annual cost of expanding the [business income deduction](#) in Trump's reconciliation bill.** Changing a single line item from that bill could fully fund a comprehensive modernization of SSI.

The analysis makes clear what that trade-off could buy: a system that does not leave recipients in a constant state of economic insecurity.



About The Roosevelt Institute

The Roosevelt Institute is a think tank, a student network, and the nonprofit partner to the Franklin D. Roosevelt Presidential Library and Museum that, together, are learning from the past and working to redefine the future of the American economy. Focusing on corporate and public power, labor and wages, and the economics of race and gender inequality, the Roosevelt Institute unifies experts, invests in young leaders, and advances progressive policies that bring the legacy of Franklin and Eleanor Roosevelt into the 21st century.