

NLWJC - Kagan

Counsel - Box 035 - Folder 017

SSI Issues

11/12/96

MEDICAID ACTIVITIES RELATING TO CHILDREN
TERMINATED FROM SSI

I. The Problem

- o The welfare reform law requires SSA to take a different approach to determining childhood disabilities for the purpose of SSI eligibility.
- o This is expected to result in the termination of perhaps 250,000 to 300,000 children from SSI.
- o This directly impacts Medicaid. In 33 States, Medicaid eligibility for the disabled is directly dependent upon the individual's receiving payment from SSI. In 7 more States, SSI criteria are applied by the State in determining Medicaid eligibility. But even if a child no longer qualifies for Medicaid as a disabled person, that child may continue to qualify for Medicaid by meeting another eligibility requirement.
- o Our challenge is to find ways to assist State Medicaid programs in keeping as many of these children on Medicaid as possible.

II. Keeping Children on Medicaid for as Long as Possible

- o No SSI child may lose SSI benefits by reason of a redetermination of disability using the new definition earlier than July 1, 1997. We have distributed to States a Fact Sheet containing this item of information.
- o We would also require continuation of Medicaid eligibility during the SSI redetermination, and during any subsequent appeal during which SSI benefits continue.
- o Once a child's SSI payments have been stopped, the State is obligated to redetermine the child's Medicaid eligibility to see if he/she can qualify for Medicaid in any other way. The State must keep the child on Medicaid until that redetermination is completed. We are reviewing the possibility of proposing a regulatory change to assure that Federal funds are available to support Medicaid services during the period until the redetermination is made.

III. Getting the Medicaid Message to Families of Terminated Children

- o The Medicaid message is that even if a person loses SSI, it may be possible for them to continue to be eligible for Medicaid.
- o The Medicaid message will be in handout material available at the SSA field offices.
- o We are also discussing with SSA the feasibility of including the Medicaid message in the automated SSI termination notices, along with a list of State-specific toll-free phone numbers the beneficiaries can use for getting information about the process for continuing their Medicaid eligibility.

IV. Working with Other Federal Programs and Advocates to Ameliorate the Situation

- o We have begun working with representatives of the Title V Maternal and Child Health programs and the Department of Education to see how their resources could be used to get the message to low-income parents that their children may be able to continue to stay on Medicaid.
- o We have also had initial conversations with beneficiary advocates concerning welfare reform implementation. We plan to continue communicating with them to see how we can support their efforts in helping children to maintain their Medicaid eligibility where they qualify for reasons other than receipt of SSI.

V. Specific Implementation Steps

- o Include language on Medicaid in SSA notification letter to SSI representative payees -- November, 1996
- o Implement HCFA communications strategy with advocacy community -- January, 1997
- o Work out agreements with DHHS/HRSA and Department of Education for specific methods to inform low-income parents that their children may be able to stay on Medicaid despite loss of SSI -- February, 1997
- o Make Medicaid Fact Sheets available in SSA field offices -- March, 1997
- o Include expanded Medicaid language in Notices of Proposed Action when children and noncitizens lose SSI eligibility -- July, 1997
- o Add new noncitizen exemption and sponsor coding to State Data Exchange (SDX) system -- August, 1997

Dear Colleague:

On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed. This law contains several provisions affecting the payment of Supplemental Security Income (SSI) benefits to noncitizens. The Administration is committed to working to ensure the new law is implemented in a manner that fully protects the rights of those affected.

These provisions affect noncitizens who are currently receiving SSI benefits, as well as noncitizens who may apply for benefits in the future. We want to inform you of our plans for implementing the major provisions of the law so you are equipped to provide help to any legal immigrants with whom your groups works.

The new law prohibits payment of SSI to many noncitizens. The law is effective upon enactment for noncitizens applying for SSI benefits after August 22, 1996. For those currently receiving SSI benefits, their benefits will continue until we have reviewed their case, which will occur next Spring and Summer. Only the following noncitizens ^{remain eligible for} ~~may get~~ SSI:

- Refugees, asylees and noncitizens whose deportation has been withheld (subject to 5-year eligibility limit).
- Certain active duty Armed Forces personnel and honorably discharged veterans. Their spouses/children also may qualify. ←
- Lawfully admitted aliens who have 40 qualifying work quarters (quarters earned by spouse/parents may also count).

~~We are asking for your help in informing~~ ^{It would be helpful if you would inform} your constituents who are immigrants (according to our records, about 82 percent of noncitizen SSI recipients met the time requirements for citizenship as of December 1994) about the new law. In particular, to help avoid alarm that SSI benefits will terminate immediately under the new law, ~~we are asking for your help in making sure that noncitizens currently receiving SSI understand that their benefits will not be stopped until the following steps have been followed:~~ ^{it would be helpful if you could assist us in informing}

- They receive a notice (sometime in February or March 1997) from the Social Security Administration (SSA) telling them we will be reviewing their citizenship or immigration status and they have 90 days to respond.
- After the 90-day-period, if they are not in one of the eligibility categories, they will receive another letter from SSA telling them when their benefits will be stopped. This letter will explain how they can appeal the decision and how they can have their benefits continued during their appeal.

A general informational fact sheet describing how the new law affects noncitizens is enclosed. If you have any questions, please call _____ at _____.

Sincerely,

Joan Wainwright

Enclosure

Social Security

OGC comments

10/21/96



Supplemental Security Income For Noncitizens

New laws change the way we pay Supplemental Security Income (SSI) benefits to noncitizens. The new laws apply to people who are already receiving SSI benefits and to people who are applying for benefits.

What The Laws Say

Under the new laws, only United States (U.S.) citizens and nationals and certain noncitizens can get SSI benefits.

Who may get SSI on or after August 22, 1996?

- Citizens or nationals of the U.S.
- Noncitizens who were already getting SSI on August 22, 1996, may continue to get benefits until we review their case (see "When Will Your Benefits Stop?" on the back of this factsheet).
- Noncitizens who have been lawfully admitted to the U.S. for permanent residence and have a total of 40 qualifying work credits.
 - Work credits earned by your spouse or parent may also count toward the 40 credits. (These work credits count for SSI eligibility, but not for Social Security benefit purposes.)
 - Work credits earned after December 31, 1996, **cannot be counted** if the noncitizen, spouse, or parent received certain types of federally funded benefits based on limited income and resources during that period.
- Certain noncitizens who are active duty members, or who are honorably discharged veterans, of the U.S. Armed Forces, their spouses, and unmarried dependent children.

- Certain other noncitizens may be eligible for five years after:
 - the date of admission as a refugee under Section 207 of the Immigration and Nationality Act (INA);
 - the date granted asylum under Section 208 of the INA; or
 - the date deportation is withheld under Section 243(h) of the INA.

Your local Social Security office can tell you whether you are eligible.

Proof Of Your Status Is Required

If you file a new application for SSI benefits, you must give us proof of your U.S. citizenship or noncitizen status. Noncitizens who have served in the U.S. Armed Forces may also need to give us proof of military service. Although procedures have not been finalized, here are some examples of the kind of information you may need to provide:

- As proof of citizenship—a U.S. birth certificate, passport, or naturalization certificate;
- As proof of your noncitizen status—an unexpired Form I-94 or I-551 from the Immigration and Naturalization Service (INS); or
- As proof of military service—U.S. military discharge papers (DD Form 214) showing honorable discharge—not based on your noncitizen status.

If you were receiving SSI as of August 22, 1996, you may also need to give us proof of citizenship or noncitizen status.

When Will Your Benefits Stop?

For noncitizens who are getting SSI as of August 22, 1996, the new law requires that we look at your case within 12 months to make sure that you are eligible under the new law. During February and March 1997, we will send you a letter telling you about the law and what you have to do to prove that you are in one of the eligibility categories. If you are unable to prove that you are in one of the eligibility categories, we will send you a second letter telling you when your SSI benefits will stop.

If you can receive SSI benefits for only five years because of your particular noncitizen status, we will send you a letter telling you when the five-year period ends. We will also send you a letter before we stop your benefits.

Information About Medicaid

If you are getting Medicaid based on your SSI, your Medicaid should continue as long as you are eligible for SSI. If we find that you are not eligible for SSI under the new law, the letter we send you about that decision will tell you more about your Medicaid.

You Can File A New Claim

If your SSI benefits stop because you are not an eligible noncitizen, you can apply again. Contact us right away if you become a U.S. citizen, your immigration status changes and you become an eligible noncitizen, or you have gained 40 qualifying work credits (because of your work and/or that of a spouse or parent). You will need to provide your naturalization certificate or other documents that show your immigration status.

If You Have A Sponsor

When you entered the U.S., you may have had someone sign an agreement to provide support for you. This agreement is called an affidavit of support and the person who signed it is called your sponsor.

If you have a sponsor, we generally will count his or her income and resources (and his/her spouse's) as your income and re-

sources for a certain period of years from the time you arrive in the U.S.

Your local Social Security office can give you more information about these rules and how they apply in your case.

Becoming A Citizen

You can get more information about becoming a citizen by writing or visiting a local Immigration and Naturalization Service (INS) office or call 1-800-870-3676 to get an application for naturalization (N-400 Form).

For More Information About SSI

You can get more information 24 hours a day by calling Social Security's toll-free telephone number 1-800-772-1213. If you want to speak to a representative, you should call between the hours of 7 a.m. and 7 p.m. on Monday through Friday. Our lines are busiest early in the week and early in the month, so it's best to call at other times. Please have your Social Security number handy when you call. Our representatives can give you the address and telephone number of your local Social Security office if you would like to visit the office.

If you have a touch-tone phone, recorded information and services are available 24 hours a day, including weekends and holidays.

People who are deaf or hard of hearing may call our toll-free "TTY" number, 1-800-325-0778 between 7 a.m. and 7 p.m. on Monday through Friday.

The Social Security Administration treats all calls confidentially—whether they're made to our toll-free numbers or to one of our offices. We also want to be sure that you receive accurate and courteous service. That is why we have a second Social Security representative monitor some incoming and outgoing telephone calls.

Social Security Administration
SSA Publication No. 05-11051
September 1996
ICN 480360
Unit of Issue: HD (one hundred)





Social Security Administration Letter Sent to State Human Services Directors,
October 24, 1996 Describing New Eligibility Requirements and Timeframes for Non-citizens

Dear Human Services Director:

On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed. This law contains several provisions affecting the payment of Supplemental Security Income (SSI) benefits to noncitizens. The Administration is committed to working to ensure the new law is implemented in a manner that fully protects the rights of those affected.

These provisions affect noncitizens who are currently receiving SSI benefits, as well as noncitizens who may apply for benefits in the future. We want to inform you of our plans for implementing the major provisions of the law so your State is equipped to provide help to those who may have questions or concerns.

The new law prohibits payment of SSI to many, but not all, noncitizens. The law is effective upon enactment for noncitizens applying for SSI benefits after August 22, 1996. For those currently receiving SSI benefits, their benefits will continue until we have reviewed their case, which will occur next Spring and Summer. Only the following noncitizens remain eligible for SSI:

- Refugees, asylees and noncitizens whose deportation has been withheld (subject to 5-year eligibility limit).
- Certain active duty Armed Forces personnel and honorably discharged veterans. Their spouses/children also may qualify.
- Lawfully admitted aliens who have 40 qualifying work quarters (quarters earned by spouse/parents may also count).

We are asking for your help in informing your constituents who are immigrants about the new law. In particular, to avoid alarming SSI beneficiaries that their benefits will terminate immediately under the new law, we are asking for your help in making sure that noncitizens currently receiving SSI understand that their benefits will not be stopped until the following steps have been followed:

- They receive a notice (sometime in February or March 1997) from the Social Security Administration (SSA) telling them we will be reviewing their citizenship or immigration status and they have 90 days to respond.



- After the 90-day-period, if they are not in one of the eligibility categories, they will receive another letter from SSA telling them when their benefits will be stopped. This letter will explain how they can appeal the decision and how they can have their benefits continued during their appeal.

A general informational fact sheet describing how the new law affects noncitizens is enclosed.

Sincerely,

Carolyn W. Colvin
Deputy Commissioner
for Programs and Policy

Enclosure

Social Security Administration Letter Sent to Advocacy Groups, October 24, 1996 Describing
New Eligibility Requirements and Timeframes for Non-citizens

Dear Colleague:

On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed. This law contains several provisions affecting the payment of Supplemental Security Income (SSI) benefits to noncitizens. The Administration is committed to working to ensure the new law is implemented in a manner that fully protects the rights of those affected.

These provisions affect noncitizens who are currently receiving SSI benefits, as well as noncitizens who may apply for benefits in the future. We want to inform you of our plans for implementing the major provisions of the law so you are equipped to provide help to any legal immigrants with whom your groups works.

The new law prohibits payment of SSI to many noncitizens. The law is effective upon enactment for noncitizens applying for SSI benefits after August 22, 1996. For those currently receiving SSI benefits, their benefits will continue until we have reviewed their case, which will occur next Spring and Summer. Only the following noncitizens remain eligible for SSI:

- Refugees, asylees and noncitizens whose deportation has been withheld (subject to 5-year eligibility limit).
- Certain active duty Armed Forces personnel and honorably discharged veterans. Their spouses/children also may qualify.
- Lawfully admitted aliens who have 40 qualifying work quarters (quarters earned by spouse/parents may also count).

It would be helpful if you would inform your constituents who are immigrants about the new law. In particular, to avoid alarming SSI beneficiaries that their benefits will terminate immediately under the new law, you can assist us in informing noncitizens currently receiving SSI that their benefits will not be stopped until the following steps have been followed:

- They receive a notice (sometime in February or March 1997) from the Social Security Administration (SSA) telling them we will be reviewing their citizenship or immigration status and they have 90 days to respond.
- After the 90-day-period, if they are not in one of the eligibility categories, they will receive another letter from SSA telling them when their benefits will be stopped. This letter will explain how they can appeal the decision and how they can have their benefits continued during their appeal.



A general informational fact sheet describing how the new law affects noncitizens is enclosed.

Sincerely,

Joan Wainwright
Deputy Commissioner
for Communications

Enclosure

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

01-Nov-1996 09:30am

TO: (See Below)

FROM: Stephen C. Warnath
 Domestic Policy Council

SUBJECT: welfare reform

Carolyn says SSA has incorporatated INS' input on refugee/asylees and is ready to send out the POMS. Should go out today.

Apparently, California may be issuing regs today to implement at least some of the welfare reform law including treatment at health clinics. Emily, do you know more about this and whether the President will need to address the issue while in California?

Thanks.

Distribution:

TO: Kenneth S. Apfel
TO: Jeremy D. Benami
TO: Emily Bromberg
TO: Diana M. Fortuna
TO: Kenneth S. Apfel
TO: Jeremy D. Benami
TO: Emily Bromberg
TO: Diana M. Fortuna
TO: Elena Kagan

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

01-Nov-1996 12:54pm

TO: (See Below)

FROM: Diana M. Fortuna
Domestic Policy Council

SUBJECT: SSA notice to families with children on SSI

I have the revised version of the notice from SSA that will go to all families with children on SSI who will be reevaluated as a result of the new law. SSA was able to pull back on the original draft and revise it to reflect helpful comments by advocates and others. I promised SSA we would comment by cob today so that they can get it to the printers in time to ensure that the notices will meet the deadlines in the law.

The new version looks much better.

Please let me know if you want to review it. If I don't hear from you within a few hours, I will assume you don't want to. (I don't think any of you need to look at it.)

Distribution:

TO: Emily Bromberg
TO: Elena Kagan
TO: Kenneth S. Apfel
TO: Richard E. Green
TO: Jack A. Smalligan
TO: Jeremy D. Benami

CC: Carol H. Rasco

October 17, 1996

TO: Ken Apfel
Steve Warnath

FR: Judy Chesser

RE: 40 Quarters Letter

Attached is the long awaited letter from Archer and Clay saying that non-covered work should count toward 40 quarters.

attachment 2 pages

copy to Jeremy
Glenn Kagan
Emily Bromberg

Wow!
Diana

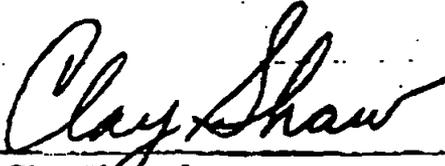
The Honorable Shirley S. Chater

October 16, 1996

Page 2

Accordingly, any earnings of a noncitizen for work legally performed in the United States – not just covered earnings – should be used in the quarters of coverage calculation. Simply stated, the focus should be on whether the individual has worked legally and earned a certain level of earnings, not whether the individual worked in Social Security covered employment.

Sincerely,



E. Clay Shaw, Jr.
Chairman, Subcommittee
on Human Resources



Bill Archer
Chairman
Committee on Ways and Means

in New Quarter

EXECUTIVE OFFICE OF THE PRESIDENT

08-Oct-1996 01:37pm

TO: (See Below)

FROM: Diana M. Fortuna
Domestic Policy Council

SUBJECT: Info from Elaine Ryan of APWA

1. I talked to Elaine Ryan about the meeting they had with SSA last Wednesday on the "SSA issues" that NGA etc. had identified at the last meeting.

She said it went well, as did Judy Chesser.

The main issue is just understanding the timing of SSA's actions -- sending notices, doing redeterminations, losing eligibility. I thought we had given them a timeline that laid all this out a while back, but apparently it never stuck.

They had heard about a letter that SSA is planning to send out to immigration advocates explaining that, contrary to some of the alarming things people are hearing out in the field, no one is getting cut off SSI till next year. Steve. W. and I were just going over the draft of this letter trying to make it better. Elaine said they thought that that letter or a similar one should go to states/governors. This is a good idea, and we should urge SSA to do it.

It should deal with the children's timeline as well as the immigrants. Children losing SSI may be eligible for TANF, and states want to know how/when to plan for this possibility.

2. She raised an issue to me that I haven't focused on before.

Lyn, I am cc'ing you because of the child welfare link in this issue.

SSI is one of the two doors into IV-E; the other being AFDC. Today half come in through each door. It also gets them Medicaid.

For disabled kids who are adopted or in foster care, losing Medicaid and/or SSI could jeopardize placements with adoptive/foster care parents. In addition, she says that states want time to plan for TANF for this children if they do lose SSI.

Lyn, any thoughts? What should we be doing in this area?

3. Another issue she is interested in: What percentage of legal immigrants losing SSI are eligible to be naturalized anytime soon? She says Judy Chesser mentioned it might be as high as 80% -- this sounds too high to me.

States want to know this to help them make the decision about whether to serve legal immigrants in Medicaid and TANF -- i.e., is it worth cutting them off if they're coming right back?

4. FYI, APWA survey is done and being faxed to us. 15 states responded to the question on Medicaid option; 14 of those said they would still offer Medicaid to legal immigrants.

Distribution:

TO: Jeremy D. Benami
TO: Stephen C. Warnath
TO: Emily Bromberg

CC: Elena Kagan
CC: Keith J. Fontenot
CC: Richard E. Green
CC: Lyndell Hogan

THE WHITE HOUSE
WASHINGTON

Elena -

This is the letter that
SSA wants to send to advocate
~~advocacy~~ groups to get their
help to reassure people that
they won't lose their benefits
immediately & without warning.
Are there any comments or
revisions you would like to make?
Thanks,
Steve

Draft - to advocates

Dear Colleague:

On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed. This law contains several provisions affecting the payment of Supplemental Security Income (SSI) benefits to noncitizens. *The Administration is committed to working to ensure that the new law is implemented in a manner that fully protects the rights of those affected.*

These provisions affect noncitizens who are currently receiving SSI benefits, as well as noncitizens who may apply for benefits in the future. We want to inform you of the major provisions of the law ~~because of your concern for the well-being of these individuals~~ *our plans on implementation*

The new law prohibits payment of SSI to many noncitizens. The law is effective upon enactment for noncitizens applying for SSI benefits after August 22, 1996. For those currently receiving SSI benefits, their benefits will continue until we have reviewed their case, which will occur next spring and summer. Only the following noncitizens may get SSI.

Refugees, asylees and noncitizens whose deportation has been withheld (subject to 5-year eligibility limit after entering the U.S.)

Certain active duty Armed Forces personnel and honorably discharged veterans. Their spouses/children also may qualify.

Lawfully admitted aliens who have 40 qualifying work quarters (quarters earned by spouse/parents may also count)

We are asking for your help in informing your constituents who are immigrants about the new law. In particular, we are asking for your help in making sure that noncitizens currently receiving SSI understand that their benefits will not be stopped until the following steps have been taken.

- o they receive a notice from the Social Security Administration (SSA) (sometime in February or March 1997) telling them we will be reviewing their citizenship or immigrant status and they have 90 days to respond;
- o after the 90 day period, if they are not in one of the *exceptions listed above* eligibility categories, they will receive another letter from SSA telling them when their benefits will be stopped.

In order to protect the rights of eligible individuals, our workers will be instructed to provide assistance in complying with the new law's eligibility determinations.

Add it re: due process appeal + continuation of benefits through initial level of appeal

Consider it re: decision to stop an individual's benefits will be treated as a suspension of eligibility rather than a termination + reinstatement of individual naturalizes within 12 months.

action tips

add: something on 40 Q's - we can assist em in moving 10 Q's

provide help to legal immigrants your group works with

04-52 16:05 FROM: ODCLCA DC 202 4827155

ID: 2024827155

A general information fact sheet describing how the new law affects noncitizens is enclosed.
If you have any questions, please call _____ at _____.

Sincerely,

Joan Wainwright

Enclosure

SSA Top 5 list

ISSUE: Furnishing Immigration and Naturalization Service with information on individuals unlawfully in the United States.

DISCUSSION: SSA has agreements with 15 States and the District of Columbia to administer payments in supplementation of the Federal SSI payments. Section 404 of P.L. 104-193 obligates these federally administered States to furnish name and address of, and other identifying information on any individual who the State knows is unlawfully in the United States.

SSA is preparing a modification to the State supplementation agreements that will notify the involved States of this obligation. *why?*

SSA will also develop a process that SSA offices and States can use to report individuals unlawfully in the U.S.

On September 16, SSA staff had an initial discussion with INS on this issue. INS reported that it has an internal working group to determine its position on what needs to be reported and how the information would be reported. It has not yet involved States or Federal agencies in these discussions. Until INS provides some initial direction, States and Federal agencies cannot implement this provision, which was effective upon enactment.

Drop for news

??

ISSUE: Public Law 104-193 provides that certain legal aliens and disabled children will become ineligible for SSI benefits. Consequently, these individuals also will be ineligible for State supplementary payments. Discontinuance of these supplementary payments may affect State compliance with Section 1618 of the SSAct--Passalong.

DISCUSSION: States may comply with Passalong using either of two methods. They can either maintain their individual supplementary payments at the March 1983 levels or higher (payment levels method), or they can maintain total supplementary expenditures at the prior calendar year's level (total expenditures method).

Those States meeting Passalong compliance by the payment levels method will not be affected. Those States are not required to spend a specific amount of money for supplementary payments. They must only maintain their payment levels for the recipients remaining on the rolls.

The twelve States¹ meeting compliance by the total expenditures method will only be affected if their recipient rolls decline and remain lower because of the loss of aliens and disabled children. Their total expenditures then will not be as much as the prior calendar year's. However, there are two ways a State in this position can still meet compliance. The State must either:

- 1) increase the State supplementary payments to those remaining on the rolls sufficiently to meet the prior calendar year expenditures; or
- 2) return to the payment levels method of compliance by restoring any deficient payment levels to the March 1983 level.

SSA will monitor the expenditures of these 12 States. If any State is likely to not meet the total expenditures test, SSA will work with that State to ensure that it is aware of its alternatives.

¹ Colorado, Idaho, Iowa, Maine, Massachusetts, Michigan, Nebraska, Oklahoma, Oregon, Virginia, Washington, and Wisconsin

Ready to tell NGA? Drop for now

ISSUE: How will SSA process requests from States and other agencies regarding the 40 Quarters of Coverage exception to restrictions on alien eligibility for public benefits?

DISCUSSION: Aliens who are admitted for lawful residence and who can be credited with 40 quarters of coverage can generally continue to receive or become eligible for public benefits. The quarters of coverage can be their own, and in some cases, quarters earned by their spouse or parents.

SSA is the source of quarters of coverage information and, therefore, agencies will need to contact SSA for the information.

SSA is examining the best method to implement these requirements.

ISSUE: How will children currently receiving SSI disability benefits be affected by the legislation?

We can expect that States will be interested in the answers to the following questions:

- 1) What standard will we use for evaluating childhood disability?
- 2) What due process rights will we offer children when the DDS determines that they do not qualify under the new rules?
- 3) When will children be terminated from the SSI rolls?
- 4) How many children will be terminated from the SSI rolls?

ISSUE: How can Federal and State agencies work together and prevent fraud due to false alien documents and other sources?

DISCUSSION: More than ever before, the Welfare Reform changes make it important for an individual receiving or applying for public benefits to have documents which establish United States citizenship or "qualified" alien status. While offices have long been aware of the need to evaluate carefully documents which establish alien status, government offices are less familiar with fraudulent naturalization certificates.

TO: Jeremy Ben-Ami
Emily Bromberg
Keith Fontenot
Richard Green
Elena Kagan

FROM: Diana Fortuna 

DATE: 9/17/96

Attached is some info on a new and thorny sounding issue from Judy Chesser of SSA.

September 13, 1996

NOTE TO JUDY L. CHESSER

SUBJECT: Impact of Welfare Reform on Maintenance of Effort Rules --
INFORMATION

You asked what effect there would be on the maintenance of effort (otherwise known as passalong) rules when noncitizens and disabled children are removed from the SSI rolls as a result of welfare reform.

There are two methods of meeting the "maintenance of effort" requirement. A State may maintain its payment levels; i.e., simply maintain the supplementary payment amounts on top of the Federal benefit rate increased by the COLA. Or, a State may chose to maintain the same total expenditures it made for supplements in the 12 month period preceding the COLA.

States that meet the passalong requirement by maintaining individual benefit levels would save money as they would be paying State supplements to fewer people. Those 12 States that use the total expenditure method of meeting the passalong requirement would see a drop in their total aggregate expenditures and thus, would have to increase supplementary payment amounts to the remaining eligible individuals in order to reach the spending level they experienced for the preceding 12 month period. These States have the option of changing to the benefit level method, but in doing so would be required to establish supplements that would result in payment levels equal to the combined Federal and State payment levels for March 1983 increased by all intervening COLAs.

The attached table shows those 12 States, the estimated maximum number of individuals who might be removed from the rolls in those States as a result of welfare reform, and the total expenditure levels they must maintain.


David R. Mattson

Maximum Number of Individuals Losing State Supplementary Payments
in States Using the Aggregate Method
of Determining State Supplementary Payments

7

	Est. Number of Noncitizens Leaving Rolls	Est. Number of SSI Children Requiring Reexamination	Est. Total Leaving Rolls	Est. Total Expenditure Levels (in millions)
Michigan	5,677	15,033	20,710	\$61 ¹
Massachusetts	15,027	4,733	19,760	160 ²
Virginia	5,486	8,610	14,096	19
Washington	6,982	3,338	10,320	28
Wisconsin	2,347	7,067	9,414	124
Colorado	3,312	2,011	5,323	55
Oregon	2,339	1,525	3,864	25
Oklahoma	1,018	1,895	2,913	38
Iowa	634	1,989	2,623	19
Idaho	318	1,334	1,652	10
Nebraska	397	923	1,320	5
Maine	483	432	915	8

¹ Michigan has notified us that they will be switching to the benefit level method in 1997.

² Massachusetts was using the benefit level method in 1995 and switched to the total expenditure method in 1996. We estimate that they will have to meet this figure.