

Deeming Basics

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What is “deeming”?

“Deeming” is the term the Social Security Administration uses to describe the process of considering another person’s income and/or resources to be available for meeting an SSI claimant’s (or recipient’s) basic need for food and shelter. The concept of deeming is based on the notion that those who have a responsibility for others share their income and resources for the benefit of these persons. Deeming relationships include:

- the parental relationship to a minor child,
- a spouse-to-spouse relationship, and
- the relationship between a sponsor and a legal alien.

In these situations, SSA determines that a certain amount of the responsible party’s income and/or resources are “deemed” available for the welfare of the SSI claimant or recipient. SSA considers this “deemed” income and/or resources when someone first applies for SSI, and when figuring the SSI payment amount for individuals already found eligible.

Why is deeming important?

Deeming is an important concept for CWICs to understand for the following reasons:

1. Deemed income and/or resources can cause an SSI claimant or recipient who meets all other SSI eligibility criteria to be found ineligible. This may occur at the time of initial application, or at any other point at which a recipient becomes subject to deeming rules (i.e. when a recipient marries). In such situations an SSI recipient may clearly be eligible for SSI based on her/his own personal income and resources, yet could be determined ineligible for SSI due to the deemed income or resources from individuals responsible for her/his welfare.
2. Deemed income that causes ineligibility for SSI cash payments may also cause loss of Medicaid in states where SSI eligibility results in categorical eligibility for Medicaid.

3. The onset of deeming or changes in the amount of deemed income will affect an SSI recipient's monthly payment amount. Deemed income is considered to be a form of unearned income for SSI purposes and is applied in all SSI calculations as such.
4. Finally, because deemed income is considered to be a specific type of unearned income for SSI purposes, it may be used to fund an approved Plan for Achieving Self-Support or PASS. For WIPA personnel, deemed income may actually be considered an advantage for SSI recipients who want to use a PASS to help pay for services or items needed to achieve an occupational goal, but who have no other forms of earned or unearned income to set aside.

Under what circumstances does deeming apply?

The following section provides basic information on the three most common situations when deeming would occur as well as an overview of situations when deeming is NOT applied:

- ***Parent-to-Child Deeming:***

Parent-to-child deeming only applies to deeming of income and resources from an ineligible parent (or parents) to an SSI eligible child under the age of 18. Once the child reaches age 18, deeming of income and resources from the parent(s) no longer applies. Generally for parent-to-child deeming to apply, the child needs to be living with the parent(s). However, there are certain instances when a child who lives away from the parental home is still subject to parent-to-child deeming. A common example of this would be when a child under age 18 is away at school, but is still under parental control. There are also several very limited situations in which SSA may waive deeming of parental income and/or resources.

- ***Spouse-to-Spouse Deeming:***

Spouse-to-spouse deeming only applies when an SSI eligible individual is married to an ineligible spouse. If both members of a married couple are SSI eligible, another set of rules will apply. Generally, spouse-to-spouse deeming applies only when the two spouses live together in the same household, but there are some exceptions. In addition, there are certain circumstances under which SSA may treat individuals who are not legally married as a married couple for the purposes of deeming.

- ***Sponsor-to-Alien Deeming:***

Sponsor-to-alien deeming only applies to deeming the income and/or resources of an ineligible individual (and the individual's ineligible spouse if the individual is married) who sponsors an alien's legal entry into the United States. Deeming applies whether or not the alien lives with the sponsor.

- ***Multiple Deeming:***

In addition to the three common deeming situations described above, there are also situations SSA refers to as “multiple deeming”. Multiple deeming occurs when more than one SSI eligible individual resides in a household and more than one deeming relationship exists. For example, multiple deeming would occur if an SSI recipient were married to an ineligible spouse, and the couple had an SSI eligible child in the household. This situation would involve both parent-to-child and spouse-to-spouse deeming at the same time.

- ***When Deeming Does NOT Occur:***

An SSI recipient cannot have deemed income and/or resources attributable to another SSI recipient. For example, if a mother who receives SSI has minor children who are also SSI eligible, SSI does not deem any of the Mother’s SSI payment as being attributable to the children. Parent-to-child deeming would not apply in this instance. In addition, when an SSI recipient turns 18, SSA no longer considers the parental income and/or resources when determining the SSI recipient’s eligibility or monthly payment amount.

When two SSI recipients are married to one another or holding themselves out to the community as if they were married, spouse-to-spouse deeming does not apply. Social Security refers to these couples as “eligible couples” and applies a separate set of rules to the income and resources of these individuals when determining SSI eligibility and monthly payment amounts.

Finally, deeming is not applied to any income of children in the household when one or both parents receive SSI. Because deeming is related to relationships where the deemor is responsible for the deemee, it would never be the case that a child’s income would be deemed as being available to meet a parent’s basic needs for food and shelter. SSA assumes that the child’s income is used to pay for the food and shelter of the child.

In general, how does deeming work?

- For deeming of income and/or resources to apply, there must exist at least one “ineligible” person responsible for the SSI recipient’s welfare who is subject to deeming income and/or resources to the SSI recipient. SSI broadly defines “ineligible” as someone who is not eligible for SSI. SSA also uses the term “ineligible” to refer to other people involved in the deeming computation, but who are not receiving SSI benefits, such as brothers and sisters of an “eligible” SSI recipient who are under the age of 18 or under age 21 and a student.
- Deeming may apply to income or resources or both. If there is deemed income, this is applied to the SSI calculations and would result in either a reduced monthly payment for the SSI recipient, or ineligibility for SSI if the deemed income is high enough. Deeming of resources means that a portion of the ineligible deemor’s resources are attributable to the SSI recipient. If the SSI recipient’s countable resources go over the prescribed limit, ineligibility for SSI will result. Excess resources do NOT cause a reduction in SSI payments.

- If deeming applies, it may begin and end at any time. Deeming does not just apply at time of initial application, but is applied whenever a recipient falls subject to the deeming rules and will stop whenever that person no longer is subject to deeming.
- The potential for and the amount of deemed income and/or resources is examined during the annual SSI re-determination processor at any other time changes in deeming status are reported. SSA will determine the amount of income to be deemed to the eligible individual and will adjust the monthly SSI payment accordingly. Deemed income is treated as a form of unearned income. In deeming situations, this income is added to any other countable earned or unearned income attributable to the SSI recipient.
- Deeming may be applied retroactively in the same manner that SSA retroactively considers all other forms of unearned or earned income. Failure to report changes in a deemor's income or resources may result in overpayment or SSI benefits.
- SSA does not count all income and resources of the ineligible parent(s), spouse, or sponsor when calculating the amount of deemed income. Certain types of income and resources are specifically excluded during deeming determinations. These exclusions from income and resources used in the deeming computation do not always correspond to exclusions of an SSI recipient's own income or resources. The list of exclusions is lengthy and complex and WIPA personnel are advised to consult the POMS or contact their VCU NTC Technical Assistance Liaison for specific questions.
- SSA also applies various deductions or allocations to further reduce countable income for deeming purposes. An allocation is a certain portion of an ineligible parent's or spouse's income used to provide for the ineligible parent's or spouse's own living expenses and those of any ineligible child or children living in the household. Allocations are a standard amount which is determined by subtracting the individual Federal Benefit Rate (FBR) from the Eligible Couple Federal Benefit Rate for the current year.

How does deeming apply to Work Incentive Planning and Assistance activities?

Deemed income determinations and calculations are extremely complex and may only be performed by the SSA personnel. CWICs should never attempt to make deeming calculations independently. However, it is important for CWICs to understand the basic rules governing deeming, including situations in which deeming would apply and how deemed income is determined.

CWICs must be aware of when deemed income is at play because it will interact with other forms of unearned income and earned income. Consideration of deemed income must be integrated into all benefits analysis and advisement. As previously stated, deemed income may be set aside in a Plan for Achieving Self-Support (PASS). This can be a powerful tool for CWICs to use in helping an individual to achieve career goals, while easing the transition from dependence upon SSI to self-support.

What are SSI recipients required to report to the SSA related to deeming?

Deeming increases the reporting responsibilities to include all others involved in the deeming equation. The SSI recipient will need to report any changes involving:

- Address or living arrangement;
- Household changes such as birth, death, adoption, or other circumstance;
- Marital status such as marriage, divorce, separation, and/or resumption of living together after a separation or divorce;
- Attainment of age 18 by an eligible or ineligible child in the household;
- Attainment of age 22 by an eligible student child or age 21 by an ineligible student child;
- Student status of an eligible child under age 22 and an ineligible child under age 21;
- Income of all those involved in the deeming equation including ineligible parent(s), ineligible children in the household, ineligible spouse, and sponsors of aliens and their living arrangements with spouses;
- Resources of ineligible spouses, parents, sponsors of aliens and their living-with spouse.

Frequently Asked Questions

Does deeming apply to Social Security Disability Insurance (SSDI) beneficiaries also, or are there separate deeming rules for SSDI beneficiaries?

No, deeming does not apply to any Social Security title II beneficiaries under any circumstances.

If an SSI recipient has a representative payee and/or guardian, is she or he subject to deeming due to SSI's terminology that "Deeming is based on the concept that, in some situations, those who have a responsibility for one another share their income and resources."

No, the presence of a representative payee and/or guardian for someone on SSI does not mean that SSI recipient receives deemed income or resources from her/his payee or guardian. Many SSI recipients have either or both representative payees and guardians yet are not subject to deeming. For instance, once a child reaches the age of 18, regardless of whether her/his parent is the 18-year-old youth's representative payee or guardian, parent-to-child deeming ends at age 18.

If an SSI recipient who has income deemed from a parent, sponsor or spouse, chooses to go to work, will SSI and Medicaid eligibility cease when the SSI recipient's check is reduced to \$0.00 due to the SSI recipient's wages?

No, the SSI recipient will continue to be Medicaid and SSI "eligible" if the only reason her/ his SSI check was reduced to \$0.00 was due to earned income at this point under the

1619(b) work incentive provision. Also, in this situation it's important to note that the Medicaid threshold earnings limit will only be based on the SSI recipient's wages. The deemed income will not be included in determining if the recipient is working at the state threshold earnings limit. For example, if the state threshold is \$18,000 per year, and the SSI recipient is earning \$17,900 per year in gross wages plus receiving \$400 per month (\$4,800 per year) in deemed income from a spouse, the \$4,800 in deemed income is not included in determining if the person is earning at the state limit of \$18,000. Therefore, the person has \$17,900 in earned income and \$4,800 in deemed income, for a total of \$22,700. However, he/she is still below the state threshold because only the \$17,900 is counted for threshold determination purposes.

Does deeming still apply if the responsible party really does NOT contribute to the welfare of the claimant/recipient by providing assistance with food and shelter?

Yes, it does not matter if money is actually provided to the SSI claimant/recipient for deeming to apply.

Conducting Independent Research

POMS SI 01310.000 -- Deeming, General - Subchapter Table of Contents
POMS SI 01320.000 -- Deeming of Income - Subchapter Table of Contents
POMS SI 01330.000 -- Deeming of Resources – Subchapter Table of Contents

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