



Benefits Assistance Resource Center

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INTRODUCTION & OVERVIEW OF DEEMING

WHAT IS DEEMING?

"Deeming" is the term the SSA 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, clothing, and shelter. The concept of deeming is based on the notion that, in some situations, those who have a responsibility for others share their income and resources for the benefit of these persons. These situations would 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. This "deemed" income and/or resources is considered when someone first applies for SSI, and in figuring the SSI payment amount for individuals already found eligible.

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WHY IS DEEMING IMPORTANT?

- 1. Deemed income and/or resources can cause an SSI claimant 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.



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3. The onset of deeming or changes in the amount of deemed income will affect an SSI recipient's payment amount. Deemed income is considered to be a form of unearned income for SSI purposes and is applied to all SSI calculations as such. This topic is discussed in greater detail in the VCU-BARC Briefing Papers series on Deeming.
4. Deemed income must be considered by Benefits Specialists when performing benefits analysis and advisement because it is part of the overall benefit status of the consumer. As a form of income, deemed income must be considered when calculating the effect of employment on benefits status.

In what situations would deeming be likely to occur?

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 below the age of 18. Once the child reaches age 18, deeming of income and resources from her/his parent(s) no longer applies. Generally, the child needs to be living with her/his parent(s), but there are some exceptions to living outside of a parent's home when parent-to-child deeming could apply. There are also several very limited situations in which SSA may waive parental income and resource deeming. This is described in greater detail in the VCU-BARC Briefing Paper on Parent-to-Child Deeming.

SPOUSE-TO-SPOUSE DEEMING:

Spouse-to-spouse deeming only applies to the deeming of income and resources from a spouse that is not eligible for SSI to a spouse that is eligible for SSI. If both members of a married couple are SSI eligible, another set of rules would apply. Generally, spouse-to-spouse deeming applies only when the two spouses live together in the same household, but there are some exceptions. In some situations, individuals who are not legally married may be treated as a married couple for the purposes of deeming. See the VCU-BARC briefing Paper on Spouse-to-Spouse deeming for more information.

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.

OTHER DEEMING SITUATIONS:

Deeming is one of the most complex components of the SSI program. In addition to the three common deeming situations described above, there are also situations SSA refers to as multiple deeming, essential person deeming, and special deeming. Multiple deeming is the most

common and it involves situations in which multiple SSI eligible claimants reside in a household. For example, multiple deeming would occur if an SSI recipient were married to an ineligible spouse, and had an SSI eligible child in the household. This situation would involve both parent-to-child and spouse-to-spouse deeming. Essential person and special deeming are historical and dated at this point in time. Although Benefits Specialists may encounter isolated instances of these deeming rules, coverage of these situations is not considered useful in this document, other than to reference the POMS section SI 01300.000.

In general, how does deeming work?

1. For deeming to apply, the household must contain at least one of each category of individuals described below:
 - ◆ 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. An SSI recipient cannot deem income or resources to another SSI recipient. In some deeming situations, SSA also uses the term “ineligible” to refer to other people involved in applications of deeming, but who are not eligible for SSI, such as brothers and sisters of an “eligible” SSI recipient below the age of 18.
 - ◆ At least one “eligible” or potentially “eligible” SSI recipient, who is currently medically qualified to receive SSI and is also receiving deemed income and/or resources from an ineligible person or persons. SSI broadly defines “eligible” as someone who is currently receiving SSI or could be eligible for SSI.
2. Deeming may begin and end at any time. It does not just apply at time of initial application. Deeming will be applied whenever a claimant falls under the deeming rules, and will stop whenever that person no longer is subject to deeming.
3. The potential for and the amount of deemed income is examined during the annual SSI re-determination process (or at any time changes in deemed income are reported) and the SSI payment is adjusted accordingly. 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 deemed income may result in overpayment.

4. 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 from deeming determinations. These exclusions from income used in the deeming computation do not always correspond to exclusions of an SSI recipient's own income. The list of exclusions is lengthy and complex. The other papers in this series will mention the most common exclusions in each category, but Benefits Specialists are advised to consult the POMS for specific questions.
5. 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 applied for:
 - ◆ Ineligible parents;
 - ◆ Ineligible children in the household;
 - ◆ Sponsors of SSI eligible aliens; and
 - ◆ Dependents of sponsors of SSI eligible aliens.
6. 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.

How does deeming apply to Benefits Planning Assistance and Outreach (BPAO) activities?

Deemed income calculations are extremely complex and may only be performed by the SSA Claims Representative. Benefits Specialists should never attempt to make deeming calculations without assistance from Social Security personnel. Yet, it is important for Benefits Specialist to understand the basic operations of deeming, including situations in which deeming would apply and how deemed income is determined.

Benefits Specialist 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.

Keep in mind that as a form of unearned income, deemed income may be set aside in a Plan for Achieving Self-Support (PASS). There is no rule prohibiting deemed income from use in a PASS. This can be a powerful tool for Benefits Specialists to use in helping an individual to achieve career goals, while easing the transition from dependence upon SSI to self-support. Use of deemed income in PASS is explained in greater detail in the other VCU-BARC Briefing Papers series on Deeming.

FREQUENTLY ASKED QUESTIONS

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 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 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 a spouse.

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 SSDI beneficiaries and there are no separate rules for deeming for SSDI. SSDI has no deeming rules associated with it.

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

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

If an SSI recipient has a representative payee and/or guardian is she/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, receiving deemed income 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.

RESOURCES AND WEBSITES**Social Security's Program Operations Manual System (POMS)**

Section [SI 01300.000](#) covers SSI's day to day operating polices for deeming applications at the following web address:

<http://policy.ssa.gov/poms.nsf/36f3b2ee954f0075852568c100630558/521b907c70ac19a785256a5f000b6c7f?OpenDocument>

Code of Federal Regulations (CFR's):

PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED

http://www.ssa.gov/OP_Home/cfr20/416/416-0000.htm

§416.1160 What is deeming of income.

http://www.ssa.gov/OP_Home/cfr20/416/416-1160.htm

Social Security Handbook 2001:

Chapter 21 Supplemental Security Income.

http://www.ssa.gov/OP_Home/handbook/handbook.21/handbook-toc21.html

2167. Deeming of income and resources.

http://www.ssa.gov/OP_Home/handbook/handbook.21/handbook-2167.html

SSA BPAO Manual On-Line:

http://www.ilr.cornell.edu/ped/ssa_curriculum/

**Work Incentive and Work/
Supported Employment Re-
lated Organizations:**

Virginia Commonwealth
University
[http://www.ced.wvu.edu/Programs/
Community/BPAO/index.htm](http://www.ced.wvu.edu/Programs/Community/BPAO/index.htm)
<http://www.worksupport.com>
<http://www.vcu-barc.org>
[http://www.vcu.edu/rrtcweb/witn/
ssi.htm](http://www.vcu.edu/rrtcweb/witn/
ssi.htm)
<http://www.spiconnect.org>
<http://www.vcu.edu/rrtcweb/sec/>

University of Missouri
<http://www.rcep7.org/ssa/>

Cornell University
<http://www.ilr.cornell.edu/ped>

University of Montana-Rural
Institute
<http://www.ruralinstitute.umt.edu>

Institute for Community Inclusion
<http://www.childrenshospital.org/ici>

Griffin-Hammis Associates, LLC
<http://www.griffinhammis.com>

<p>Virginia Commonwealth University's</p>  <p>Benefits Assistance Resource Center</p> <p>Give us a call or e-mail us....We are the answer to your Social Security Work Incentives questions!!!</p> <p>Virginia Commonwealth University Benefits Assistance Resource Center P.O. Box 842011 1314 W. Main St. Richmond, VA 23284-2011 (804) 828-1851 VOICE -- (804) 828-2494 TTY -- (804) 828-2193 FAX http://www.vcu-barc.org</p>	
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