

# Transition Truths: Social Security

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The Social Security system provides support—in the form of income or money—for the greater welfare of Americans.

## How this System Works

This system consists of the people, places, policies, and programs that work to protect the economic well-being of Americans who are older, unemployed, and/or disabled. Benefits are meant to cover needed living expenses until such time that an individual can go or return to work, if applicable.

## People and Places

The people in this system are benefits counselors, case managers at local offices, policymakers, and people who receive benefits (beneficiaries). The work of this system takes place in regional Social Security offices and Employment Networks, which can help people who are receiving benefits go or return to work. At the federal level, the [U.S. Social Security Administration](#) is solely responsible for managing this vast system of services and supports that are aimed at meeting the changing needs of the American people.

## Policies and Programs

The [Social Security Act](#) was originally passed in 1935 to provide benefits in the form of monetary assistance to older Americans, people who were unemployed, and some people with disabilities. The two important programs authorized by the Social Security Act are SSI and SSDI.

[Supplemental Security Income \(SSI\)](#) is a need-based program for people who are older or disabled with limited financial resources. This means that they have little to no income and few assets like money in a bank account. People on SSI receive monthly benefits to pay for needed living expenses after they have gone through the process of applying. They also receive Medicare or Medicaid health coverage (see the section of this tool that deals with the Healthcare system).

[Social Security Disability Insurance \(SSDI\)](#) is a program for Americans who used to work and pay Social Security taxes but developed a disability and can no longer work. Beneficiaries must apply to receive benefits, and the amount depends on how much they paid into Social Security while they were working. Children of parents receiving SSDI can also receive payments, regardless of disability, through age 18. If the child is disabled, or is a full-time student in high school or elementary school, benefits may continue through age 19.

Because SSI and SSDI require an individual to have low income and SSI limits assets, it can be difficult to save money. The [ABLE Act of 2014](#) allows beneficiaries to create savings accounts as long as they became disabled before age 26.

Special rules known as work incentives make it possible for people with disabilities receiving Social Security or Supplemental Security Income (SSI) to work and still receive monthly payments and Medicare or Medicaid. For example, the [Student Earned Income Exclusion](#) supports the ability of transition-aged youth to work and have earnings through work-based learning programs that are integrated into educational programs. Another example is the [Plan for Achieving Self Support \(PASS\)](#), which allows a person with a disability to set aside income and resources for a specified period of time to achieve a work goal, such as saving extra money so they can buy equipment to start a business, or so they can pay for a training program related to a career goal.

The [Ticket to Work and Work Incentives Improvement Act of 1999 \(TWWIIA\)](#) authorizes programs for SSDI and SSI beneficiaries with disabilities to transition to employment. Through this program, beneficiaries can access free employment services through service known as Employment Networks (EN) or state vocational rehabilitation (VR) agencies. In addition, funding is provided through the [Protection and Advocacy for Beneficiaries of Social Security Program](#) for legal advocacy services to remove barriers to employment for SSDI and SSI beneficiaries with disabilities in all states, the District of Columbia, and five U.S. territories. The protection and advocacy system can help an individual secure services from an EN, protect access to transportation, obtain housing assistance, and defend their employment rights under legislation like the Americans with Disabilities Act.

## Eligibility

Eligibility for SSI and SSDI is complicated and specific to each program. See the websites linked above for more specific information.

For children and youth with disabilities under age 18, SSI measures family income and assets, and the individual cannot have a job that is considered “substantial work.” A child is considered disabled if they have a physical or mental condition or a combination of conditions that result in “marked and severe functional limitations.” The condition must last at least 12 months or be expected to lead to the child’s death. For adults, the definition of disability expands to include the inability to do substantial gainful activity or work, and the individual’s own income and assets are measured rather than their parent’s.

SSDI and Ticket to Work eligibility are outlined above.