

Social Security Benefits for your Disabled Child
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Who is Eligible for Child Disability Benefits?

The most common income benefit for disabled children and adults is the Supplemental Security Income (SSI) program. Some disabled individuals are able to qualify for a different (and usually more generous) income benefit called Child Disability Benefits (CDB). This income benefit is only available to a disabled person age 18 or over who is:

- the child of a parent who is currently receiving Social Security Disability Income (SSDI) or Social Security Retirement Income (SSRI) or;
- the child of a deceased parent who was insured for Social Security benefits at the time of the parent's death; and
- was disabled before the age of 22 and remained continuously disabled until the parent became disabled, retired or died; and
- the child does not marry, unless the spouse is also receiving social security benefits.

If the CDB is based upon the parent's disability, the child's benefit will end if the parent no longer qualifies for SSDI benefits because the parent's disability ended. Natural and adopted children can be eligible for this benefit and in some cases a step-child or grandchild can qualify depending upon whether the stepparent or grandparent supported the disabled child/grandchild before qualifying for SSDI or SSRI benefits (or before dying).

Benefit Amount

The CDB benefit for the child of a disabled or retired worker is 50% of the parent's benefit amount. The CDB benefit for the child of a deceased worker is 75% of the parent's benefit amount. If both parents are insured and either disabled, retired or deceased, the child's benefit amount will be calculated based upon the higher account of the two parents.

In some cases the CDB benefit may be reduced by the Family Maximum Amount (FMA). This is a cap on the total benefits that the Social Security Administration will pay to the family, including the insured worker, the spouse and other children if applicable. The FMA cap is usually between 150% to 200% of the insured worker's benefit amount.

Typically the CDB benefit is higher than the SSI benefit amount (\$674 for 2009). Unlike SSI there is no asset limit for the CDB benefit. The child will be eligible for Medicare 24 months from when the CDB benefits began, so the earliest a child could receive Medicare based upon the parent's account would be age 20.

Medicaid and CDB Benefits

If a child was receiving SSI and Medicaid at the time the child qualified for CDB, they can continue to receive Medicaid as long as the child's assets remain below the Medicaid asset limit. Under a law called the Pickle Amendment, Medicaid will not count the CDB income in calculating if the child has a co-payment or "spend down" for medical coverage.

Disability Standard

The standard to be considered "disabled" by the Social Security Administration is the same as to qualify for SSDI benefits. The Social Security Administration must agree that the child was unable to work for at least the next 12 months in standard gainful employment. In assessing disability the Social Security Administration takes into account the person's age, education, and prior work history. Substantial gainful employment occurs if the child earns gross income of at least \$980 per month (\$1,640 if blind) for 2009. This amount is adjusted annually.

In some cases it can be difficult to prove that the child was disabled before age 22, especially if they did not apply for SSI and Medicaid benefits before that age. School records and medical records can be important to establish the date of disability in many cases.

For the CDB it is important that the child be continuously disabled before age 22. If for example, a child worked in substantial gainful employment for a year after graduating from high school and then applied for CDB benefits at age 20, they will not meet the requirement of being *continuously* disabled before age 22. If a child is receiving CDB benefits, however, and is then able to work after age 22, they can reapply for CDB benefits if they cannot maintain employment. If a child is able to work successfully at substantial gainful employment and is earning sufficient income the Social Security Administration may eventually terminate the CDB benefit on the basis that the child is no longer disabled.

Examples

The following are a few brief examples of the CDB program:

- Sally is 35 when her father, Tom, retires from Boeing. Sally has been diagnosed with Cerebral Palsy since birth. At age 18 Sally qualified for SSI and Medicaid benefits because of her disabilities. Tom's SSRI benefit is \$1700 per month. Sally will be eligible for one half of that amount or \$850 per month. (The combination of Sally's benefit amount and Tom's do not hit the FMA so Sally's benefit amount is not reduced).

Sally will not longer receive SSI of \$674 per month when her CDB starts. She will start receiving Medicare two years after her CDB benefit starts. As long as Sally's assets remain below \$2000 she can keep her Medicaid benefits with no

spend down or co-payment even though her income exceeds the Medicaid spend down limit of \$674 (Medically Needy Income Level or MNIL).

- Sally's father dies when she is 40. Her CDB will increase to \$1,275 or 75% of Tom's benefit at the time of his death.
- Sally is able to work for two years and earns sufficient income so that she cannot keep her CDB. After two years her health problems prevent her from continuing to work. She can be re-instated in the CDB program when her employment ends.
- Sally marries Jack when she is 45. Jack is not retired or disabled so he is not receiving any social security benefits. Sally will permanently lose her CDB benefit when she marries Jack. If Jack was also disabled and receiving SSDI benefits himself then she could keep her eligibility for CDB benefits.
- Tim is paralyzed from an auto accident when he is 22. Because he was not disabled before age 22 he will never qualify for CDB on his parent's account when his parent retires or dies.
- Rick was diagnosed with mental illness from age 15 but when he graduated from high school he worked for two years as a construction worker. At age 20 he could no longer work because of his mental illness and qualified for SSI. When his father retired at age 65 Rick was denied CDB because he was not disabled continuously before the age of 22 because of his short term employment from age 18 to 20.

Where to Apply

You apply for CDB benefits through the Social Security Administration. You can call them at 1-800-772-1213. You can also get more information on the CDB program from the Social Security Administration's web site at www.ssa.gov.