

CALIFORNIA'S MASTER PLAN FOR AGING

Increase Income for Seniors and People with Disabilities who Receive SSI/SSP

California has committed to developing a [Master Plan for Aging](#) in order to meet the needs of older adults today and for generations to come. The state has outlined four broad goals that the plan should accomplish: Every Californian should be able to 1) continue living in our communities and have the help we need to do so; 2) live in and be engaged in age-friendly communities; 3) maintain our health and well-being as we age; and 4) have economic security and be able to live in safe environments throughout our lives.

Advocates and service providers have broadly supported the state's efforts to develop the Master Plan, developing [principles](#) and [priorities](#) to guide the planning process. This issue brief focuses on income security and SSI/SSP.

Supplemental Security Income/State Supplementary Payment (SSI/SSP) provides a foundation for over 1.2 million California seniors and people with disabilities to meet their basic needs and live with dignity in the community. SSI/SSP is particularly important for older women, people of color, and LGBTQ individuals who experience the effects of discrimination across their lifespan, leading to a lack of retirement security as they age. Rising income inequality and historic discrimination mean that many Californians age into poverty and must rely on SSI/SSP to meet their basic needs.

For our state to be a place where everyone has equitable opportunities regardless of race or economic status, we need to address the legacy cuts from the recession that dropped many California seniors and people with disabilities into poverty.

1. INCREASE THE SSP GRANT

The state supplementary payment (SSP) to the combined federal and state SSI grant was cut significantly during the recession, with devastating costs to the individuals who rely on SSI for their basic needs, to their families and communities, and to our state. These recession-era cuts have never been restored, leaving low-income seniors and people with disabilities struggling to survive with an income far below the real cost of living in our state. Grants are so low that they [do not cover the cost of a studio apartment, food and healthcare in any county](#) – with significant deficits in counties as diverse as Los Angeles and San Benito. For those who can obtain below-market rent, grants are still insufficient to meet even basic needs for utilities, food, medicine, toiletries, clothing, and other necessities that higher income Californians take for granted. This situation has pushed low-income seniors and people with disabilities into homelessness and hunger and is a significant reason why California has the [highest percentage of seniors living under the Supplemental Poverty Measure of any state](#).

We can change this trajectory and ensure that the seniors and people with disabilities who receive SSI/SSP can live and grow old safely and with dignity. To build on the SSI program's proven ability to reduce poverty, the Plan should prioritize increasing the SSI/SSP grant to an amount that reflects the real cost of living for seniors using the [California Elder Index](#).¹

2. MAKE THE COLA FOR THE SSP GRANT MANDATORY

The recession-era cuts were exacerbated by California's failure to provide annual cost of living adjustments (COLA) to the SSP grant, causing SSI/SSP recipients to experience an additional cut as grants lost their value to inflation. While the SSP COLA has been restored, that restoration does not go into effect until 2022. To ensure that the SSP grant, once it is increased, can keep up with the rising costs of housing, food, and other basic needs, the SSP COLA should be provided automatically every year and should be calculated based on the full SSI/SSP grant.

3. PROVIDE RENTAL ASSISTANCE TO PREVENT SSI HOMELESSNESS

The rising cost of housing and other basic necessities is making it harder for SSI recipients to make ends meet and many are just one unexpected bill from falling behind in rent or utilities. Once a person becomes homeless the cost to re-house can be \$10,000 or more. It is in the state's financial and humanitarian interests to keep people housed. One way to do this is to provide a modest rent subsidy to recipients whose housing costs exceed 50 percent of their SSI income.

With a strong foundation of economic security from an SSI/SSP benefit that reflects the cost of living in our state, the most economically insecure older adults in California can begin to be included in the vision of the Master Plan for Aging. Economic security serves as a building block for the core goals of the plan: enabling older adults to live in the community with the help we need to do so, live in and be engaged in age-friendly communities, maintain our health and well-being as we age, and have economic security and be able to live in safe environments throughout our lives.

¹ An increase in SSI/SSP would mandate a parallel increase in the Cash Assistance Program for Immigrants (CAPI), which would improve the economic security of the immigrant seniors and people with disabilities who receive CAPI. CAPI provides state-funded benefits for certain immigrants who previously would have been able to receive SSI, but who are no longer eligible for SSI because of the restrictions placed on non-citizen eligibility in federal welfare legislation in 1996.