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Sara Gagné-Holmes
Commissioner



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March 17, 2025

Senator Henry Ingwersen, Chair
Representative Michele Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 834 – *An Act to Update the State Supplement to Supplemental Security Income*

Senator Ingwersen, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services, thank you for the opportunity to provide information in opposition of LD 834, *An Act to Update the State Supplement to Supplemental Security Income*. Given the general fund impact of this bill, the Department is opposed to its passage. Below is additional information for your consideration.

This bill would increase the minimum monthly state supplement payment from \$8 per month for an individual and \$12 per month for a couple to \$65 per month for an individual and \$130 per month for a couple. It also requires that the state supplemental income benefit must be indexed by the cost-of-living adjustment to the federal payment standard starting October 1, 2026.

The bill requires the Department of Health and Human Services to ensure that eligible individuals residing in nursing homes have a monthly amount for personal needs equal to at least 3 times the amount of the state supplemental income benefit.

State Supplement benefits are cash payments provided to individuals who are receiving Supplemental Security Income (SSI), or who would receive SSI but for excess income. They are meant to complement SSI and increase the income available to meet an individual/couple's needs. States are required to provide minimum mandatory payments to maintain their eligibility for federal Medicaid matching funds. State Supplement payments must be approved by the Social Security Administration (SSA). The methodology used to determine the payments must also be approved by the SSA.

State Supplement payments are considered countable income for other assistance programs, such as the federally funded Supplemental Nutrition Assistance Program (SNAP). Increasing these payments may reduce the amount of benefits received from other programs. It may also be counted as income against program benefits not administered by the Department, such as housing or heat assistance programs.

The State Supplement payment is also used in calculating the members' cost of care in nursing or residential care facilities. Increasing this payment would increase the income available to the individual and as a result increase the amount they are expected to pay to the facility for their care. The Department further notes that currently when an SSI recipient moves into a nursing facility, their Federal SSI amount decreases to \$30 per month. This, in addition to the current \$10 State Supplement benefit, provides them \$40 per month as a personal needs allowance. This is the same allowance for all MaineCare members residing in a nursing facility. The proposed bill would provide a State Supplement of at least \$195 per month. This increase, if the benefit is unspent, may have the unintended consequence of putting the individual over the federal asset limit in order to continue receipt of SSI.

Changes to the State Supplement payment may also increase payments under Maine law that provides Supplemental Security Income to all Maine immigrants lawfully residing in the United States who would be eligible for assistance under the federal Supplemental Security Income program, except for the provisions of Sections 401, 402 and 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This is a State Supplement payment that is equal to the amount the individual would be eligible to receive under the federal Supplement Security Income program, plus the State Supplemental income payment.

Thank you for the opportunity to present this testimony to the committee. We are happy to answer any additional questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ian Yaffe", with a horizontal line extending from the end of the signature.

Ian Yaffe, Director
Office for Family Independence