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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 840 – *An Act to Modernize the State Supplement to Supplemental Security Income by Removing Marriage Disincentives*

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 840, *An Act to Modernize the State Supplement to Supplemental Security Income by Removing Marriage Disincentives*. Given the general fund impact of this bill, the Department is opposed to its passage. Below is additional information for your consideration.

This bill establishes that the Department will not modify payments of State Supplement benefits based on marital status and will make payments to each individual of an eligible couple, as a replacement for one reduced payment to an eligible couple. The bill also establishes that, in determining any increase according to the US Consumer Price Index, consideration must be given to the goal of reaching, within a reasonable time, a benefit level equal to or consistent with the current budget at the lower level of living for an individual, rather than a retired couple, established by the US Department of Labor, Bureau of Labor Statistics, for Portland, Maine.

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 or 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 payment methodology is currently aligned with federal SSI law for determining eligibility based on being an eligible individual vs. an eligible couple. If the bill passes, it would result in a change to the State Supplement payment, however it would not result in SSI payment changes. Most of the financial impact that is felt by eligible couples is felt by the reduction of their federal SSI payment. For example, the payment for SSI in 2025 for an individual is \$967 per month plus \$10 per month in State Supplement. For an eligible couple, the payment is \$1450 per month plus \$15 per month in State Supplement. The marriage of two eligible individuals creates a loss of \$484 per month in SSI and \$5 per month in State Supplement. This bill would address only the loss of the \$5 State Supplement payment. The

result will require an increase in general fund appropriations. Additionally, if proposed changes in LD 834, *An Act to Update the State Supplement to Supplemental Security Income*, were passed, the financial implications of benefits being issued to an individual vs. a couple would require a more significant increase in general funds appropriated for the State Supplement benefit.

It is also important to note that 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.

Changes to the State Supplement payment may also increase payments under Maine law that provide 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 provide input to the Committee. Should you have any questions we will gladly be of assistance.

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