

# What is the difference between SSDI and SSI?

[Social Security Disability Insurance \(SSDI\) and Supplemental Security Income \(SSI\)](#) are two programs that provide cash benefits to disabled individuals. While both programs require that claimants be disabled from work, the financial eligibility requirements under each program are very different.

## **SSDI is insurance for workers**

SSDI is not a “hand-out” or a welfare program. SSDI is an entitlement program and works more like an insurance program for workers. Under the Federal Insurance Contributions Act (FICA), 6.2% of every paycheck goes directly into the Social Security trust fund. You become SSDI eligible when (1) you have contributed (paid taxes) long enough to have earned credits to be fully insured, and (2) you have contributed recently enough to have insured status. Usually, you have insured status for up to five years after you stop working. You can apply for SSDI when you have stopped working, or when your monthly income falls below substantial gainful activity (SGA) which is currently \$1170. Moreover, your monthly benefit amount is based on your earnings record. SSDI claims have a mandatory five month waiting period. You must be disabled for **five months** after your disability onset date before you can start receiving SSDI cash payments. SSDI can pay retroactive benefits as far back as twelve months preceding the date of application. With SSDI, a claimant becomes Medicare-eligible 24 months after they become disabled.

## **SSI is a “needs-based program”**

SSI is available to disabled individuals that have no work history, or have worked under the table and therefore do not qualify for SSDI. It is essentially a welfare program. Although the Social Security Administration approves and denies claims, the benefits are not paid out from the Social Security trust fund but rather the general revenue. SSI is only available to individuals with little to no income who own less than \$2,000 in assets (for married couples, the value of assets must not exceed \$3,000). The maximum benefit under SSI varies state-to-state because states can supplement it. Currently in Pennsylvania, the maximum benefit amount under SSI is \$735 per month, but this amount may be reduced if the individual is working, living rent-free, or has some other means of income that warrants reducing the SSI amount. SSI is only available to U.S. citizens or legal residents who arrived to the U.S. prior to August 22, 1996. There are no “retroactive” benefits under SSI. Regardless of the date you became disabled from work, SSI will only pay benefits as early as the date of application. Medicaid eligibility starts the same month as SSI eligibility.

Contact a [Pennsylvania Social Security Disability Income lawyer](#) at [215.587.8400](tel:215.587.8400) for a free consultation.