

The Benefits of Social Security for Grandfamilies

Stronger Together

Third in a Series of Fact Sheets on Intergenerational Public Policy Solutions

Introduction

"Today, more and more children are being raised by their grandparents. These grandparents provide a crucial safety net, allowing children whose parents can't provide for them to remain in families, instead of winding up as wards of the state. But as the recession hits "grandfamilies," that safety net is under stress." – The Wall Street Journal, April 4, 2009¹

Grandfamilies are families headed by grandparents and other relatives who are sharing their homes with their grandchildren, nieces, nephews, and/or other related children. More than 6.5 million children across the country are living in households maintained by grandparents or other relatives.² These unique families take many forms: In some, the parents of the child may not be present in the home and the grandparent or other relative provides full time care for the child. In others, a parent may live in the home but a grandparent, aunt, or uncle assists or provides full time care for the child.

Grandfamilies come together for many reasons. Some form out of economic necessity, such as when a parent loses a job or lacks affordable housing. Some are created when a parent dies, joins the military or is otherwise unable to care for a child. Many types of grandfamilies benefit from Social Security's contribution to their family income.

Carol Berry, South Paris, Maine

Carol and her husband took in her grandson, Josh, seven years ago due to his parents' severe mental illness. Josh has a disability as well as diabetes and asthma. Carol's husband is physically disabled and depends on Social Security Disability Insurance. When Carol turned 62, she began receiving Social Security payments. Carol didn't plan on caring for an adolescent boy in her 60's. Feeding her family is a daily challenge. "We have to make the money stretch all month," she says. Sometimes they go to food banks. Sometimes they go without. For Carol, Social Security stands between her family and poverty.



Photo by Brian Enriquez

Social Security provides critical economic security for caregivers and children in these unique families. Created 75 years ago, Social Security is the nation's preeminent insurance program for American families. It is most well known for paying guaranteed pensions to workers when they retire, but it also provides critical income protection for workers and their families in the unfortunate event of death or disability.

Social Security is a safeguard for families when tragedy strikes. Unfortunately, many grandfamilies exist because a tragedy strikes a family. For children who are being raised by their grandparents and other relatives, Social Security is an indispensable support. Even with Social Security benefits, 22 percent of grandparent-headed families are poor. Without Social Security benefits, this group's poverty rate would be 59 percent or more.³

Despite the unparalleled success of Social Security, many commentators are now arguing for cuts to Social Security in order to pay down the federal debt. The sudden increase in the debt following the banking crisis and recession has caused public officials, particularly those already skeptical of Social Security, to argue for reductions in Social Security benefits. Despite the fact that Social Security has a \$2.6 trillion surplus and is prohibited in law from contributing to the federal deficit, policymakers are considering Social Security reductions. Such cuts would mean a considerable loss of economic security for grandfamilies.

Grandfamilies and advocates for grandfamilies can play an important role in communicating to policymakers the numerous ways Social Security protects children and caregivers. This fact-sheet includes an overview the major ways grandfamilies benefit from Social Security through benefits to both children and caregivers. It is not intended to be an exhaustive list of all the possible ways benefits are paid to grandfamilies.

How Social Security Keeps its Promise to All Generations

Three Principal Ways Social Security Benefits Grandfamilies:

Benefits For Caregivers

The vast majority of grandparents who take on the care of their grandchildren did not plan on raising children again. Many live on fixed incomes and suddenly find themselves being forced to make decisions between paying for diapers and formula for the children or prescription medications for themselves. For many of these caregivers, Social Security benefits are a critical support for themselves and their families. Disability benefits may provide, for example, the necessary resources for a disabled grandmother to continue to go to her doctor visits while also providing full time care and support for her grandchild. A retired grandfather may use his retirement benefits to help cover the costs of the home mortgage payment, a child's school fees, and the family's groceries. Spouses of grandparent workers may also receive additional benefits to support and share the challenging task of raising the grandchildren.

If parents of grandchildren are present in the home and receive Social Security benefits themselves, they may contribute a portion of that income toward caring for the children. Grandparents who are either over 65 or disabled or blind with very limited income and resources may also be eligible for Supplemental Security Income (SSI) for themselves.



Photo by Eugene Manning

Carolyn Perkins, West Brook, Maine

Carolyn has cared for her grandson Ezekiel, 13, since he was three months old. Ezekiel's mother died when he was a baby; his father has spent most of his life in prison. "I didn't want him to go into the foster system, or be adopted," she says.

Chronic back problems have left Carolyn is unable to work; her husband, a U.S. Coast Guard veteran, died in 1976. Carolyn depends on Social Security Survivor's Benefits and Disability Insurance to keep her family together.

Without it, she says, "I'd be living out of my car."

Adult caregivers in grandfamilies may be eligible for following benefits:

- Retirement Benefits
- Disability Benefits
- Survivors Benefits (for a surviving spouse)
- Spousal Benefits in any of the above categories
- Supplemental Security Income (SSI)⁴

Benefits For Children

When a child's parent dies or becomes disabled his or her family may choose to live with grandparents or other relatives in order to reduce housing, living and healthcare costs. Families where parents are not present to care for the children can be particularly vulnerable because grandparent caregivers in those families are likely to encounter the greatest challenges when facing the daily responsibilities of raising relative children.

For many of these grandfamilies, whether or not the child's parent(s) are present in the home, Social Security provides critical economic security. The caregivers in these families may receive Social Security benefits themselves, but for many, this income combined with their savings may not be adequate to provide for the needs of the children in their care. An additional child benefit may provide the necessary resources for the caregiver to provide essentials such as formula, diapers, schools clothes and supplies. Social Security may provide critical support directly to children in grandfamilies through survivors, disability, and retirement benefits, as well as Supplemental Security Income (SSI). Each of these programs may offer a child benefit for qualifying children. This support is available in addition to the support that the adult family members may receive.⁵ Children living in grandfamilies can be eligible for the child benefit through their parents or grandparents.



Photo by Ed Babb

Unmarried children younger than 18 (up to 19 if they are attending school full time) may be eligible for:

- *Survivors Benefits*: up to 75 percent of deceased parent's or grandparent's basic Social Security benefits
- *Disability Benefits*: up to one-half of their full retirement benefits if the child's parent or grandparent caregiver is disabled
- *Retirement Benefits*: Up to one-half of the parent or grandparent's full retirement benefits if the child's parent or grandparent caregiver is retired
- *Supplemental Security Income (SSI)*: SSI financially helps children (up to 22 if they are students attending school regularly) who meet Social Security's definition of disability for children and whose family income and resources fall within the eligibility limits.

Grandchild Benefits

Some children in grandfamilies may qualify for grandchild benefits. Individual cases vary and families should contact the Social Security Administration to see if a particular child is eligible but generally the following conditions must apply:⁶

- The biological parents of the child are deceased or disabled, or the grandchild must be legally adopted by the grandparent.⁷

Roberta Jackson, Winston Salem, North Carolina

Roberta, 63, has raised her 14-year-old grandson Drew since he was six years old. Drew receives Social Security Survivor Benefits, which cover food for his growing 6'1 frame – but not much else. To pay other bills for their family, Roberta uses her Social Security disability payments. Roberta is struggling with diabetes and arthritis, but fights to make sure Drew is getting the education and support he needs to succeed. "It's very expensive to be the supportive parent I know I need to be," she says.

- The child is not receiving benefits from a parent when the grandparent retires, becomes disabled, or dies.
- The natural parent(s) of the child is not be making regular contributions to the child's support.
- The child is unmarried and under 18 or up to 19 if attending school full time.
- The grandchild began living with grandparents before age 18 and received at least one half of support from the grandparent for the year before the month grandparents become entitled.⁸

These benefits allow grandfamilies to take care of grandchildren without bearing excessive pressure and therefore assure them of economic security. As the nation's most successful income protection program, Social Security manifest intergenerational interdependence by supporting grandfamilies not just older adults or children.

How to Determine if Your Grandfamily is Eligible for Social Security Benefits

There are several resources that may help grandfamilies determine if adult members or children in grandfamilies can qualify for Social Security benefits:

Generations United: Generations United provides additional information about the benefits of Social Security as a program for all ages, including fact sheets on the benefits the program offers children and grandfamilies at www.gu.org/socialsecurity.asp.

Social Security Administration: The Social Security Administration has a wealth of information about eligibility for benefits on their website at www.socialsecurity.gov. A screening tool is available on the website to help you find out if you qualify for Social Security benefits. If qualified, you can apply for retirement benefits online at www.socialsecurity.gov. The Social Security Administration also has a staffed toll-free number from 7:00 AM to 7:00 PM ET Monday through Friday: 1-800-772-1213. People who are deaf or hard of hearing may call the TTY number at 1-800-325-0778. In addition, you can make an appointment at your local Social Security office by calling 1-800-772-1213.

Benefits Quicklink, www.aarp.org/quicklink: This web resource from AARP is designed with grandparents raising grandchildren in mind. It takes users through a series of questions which help determine the state, federal and private benefits for which caregivers and children may qualify. Benefits Quicklink also provides state fact sheets on Social Security and SSI for older adults with limited incomes: www.giclocalsupport.org/bop_statefactsheets.

**For more information on Social Security,
visit www.gu.org/socialsecurity.asp**

For further information please contact:

Generations United

1331 H Street, NW, Suite 900

Washington, DC 20005

(202)289-3979; fax (202)289-3952; email: gu@gu.org

GU's web site, www.gu.org, contains additional information about intergenerational topics.

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Generations United (GU) is the national membership organization focused solely on improving the lives of children, youth, and older people through intergenerational strategies, programs, and public policies. GU represents more than 100 national, state, and local organizations and individuals representing more than 70 million Americans. Since 1986, GU has served as a resource for educating policymakers and the public about the economic, social, and personal imperatives of intergenerational cooperation. GU acts as a catalyst for stimulating collaboration between aging, children, and youth organizations providing a forum to explore areas of common ground while celebrating the richness of each generation.

¹ "Grandfamilies' Come Under Pressure - Tough Economy Adds to the Strains on Americans Raising Grandchildren," April 4, 2009.

² American Community Survey (ACS) 2006-2008. Detailed Table B09006, Relationship by Householder for Children Under 18 Years in Households.

³ Reno, V.P. & Lavery, J. (January 2009). Strengthening Social Security for Vulnerable Groups. Washington, DC: National Academy of Social Insurance.

⁴ SSI is a different and separate program from Social Security that is administered by the Social Security Administration and provides critical support to adults and children with disabilities and limited incomes.

⁵ The total monthly benefits a family can receive are subject to family benefits caps. Refer to <http://www.socialsecurity.gov/OACT/COLA/familymax.html>

⁶ There may be additional conditions for grandchildren to qualify. Refer to <http://www.ssa.gov/kids/parent5.htm>

⁷ The parent's disability must be established by the Social Security Administration as defined under section 223 of the Social Security Act.

⁸ Specifically grandchildren are eligible for Social Security child benefits if their natural or adoptive parents are either deceased or disabled for the year before the month the grandparents became entitled to Social Security retirement or disability benefits, or died.

The Benefits of Social Security for Caregivers in Grandfamilies

Social Security protects workers and their families in the event of death, disability, and retirement and provides resources that help them continue to care of their children.

	General Eligibility Requirements	Survivors Benefits	Retirement Benefits	Disability Benefits	Eligibility for SSI Benefits	Common Examples
Worker Benefits	Workers become eligible for Social Security benefits if they have earned enough credits toward Social Security benefits based on the amount of time they have worked and paid into the system.		In general, workers will receive full retirement benefits at full retirement age (currently age 66), reduced benefits at as early as age 62.	In general, the amount of benefits disabled workers can receive depend on the age they have become disabled and the amount of time they have worked and paid into the system.	Blind or disabled adults who meet Social Security's definition of disability or blindness for adults and who have very limited family incomes and resources can receive SSI benefits. In general, individuals are eligible for SSI if they have resources of \$2,000 or less (or \$3,000 or less for a couple) excluding certain resources such as a home, an automobile and household goods and personal effects.	Caregiver Benefit A child moves in with his grandparents when they discover that his parents have become drug involved and are unable to safely raise him. The grandfather is disabled and the grandmother is retired. The disability and retirement benefits that the grandparents receive help them cover the costs of the family's groceries and their home mortgage.
Spouse Benefits	Spouses can receive Social Security benefits on the basis of their working spouses' earning records if they reach age 62 or older. They do not need to meet the age or disability requirements if they are taking care of workers' children who are younger than age 16 or disabled and are entitled on workers' earning records.	The amount of survivors benefits spouses can receive depends on the age of their retirement.	The amount of retirement benefits spouses can receive depends on the age of their retirement and whether they are taking care of the children.	The amount of disability benefits spouses can receive depend on the age of their retirement and the fact whether they are taking care of the children.		

The Benefits of Social Security for Children in Grandfamilies

Social Security serves vulnerable children as the dependents of deceased, retired, or disabled parent or grandparent workers and provides them child benefits in addition to their parents' or grandparents' Social Security benefits.

	General Eligibility Requirements	Survivors Benefits for Children	Retirement Benefits for Children	Disability Benefits for Children	Eligibility for SSI Benefits	Examples
Child Benefits Qualified Through Parents	<p>Unmarried children younger than 18 (or up to 19 if they are attending elementary or secondary schools full time) are eligible for Social Security child benefits.</p>	<p>Children can receive child survivors benefits of up to 75 percent of the deceased parent's or grandparent's basic Social Security benefits.</p>	<p>Children can receive child retirement benefits up to one-half of the parent's or grandparent's full retirement benefits.</p>	<p>Children can receive monthly child disability benefits of up to one-half of a parent's or grandparent's full retirement benefits.</p>	<p>Unmarried grandchildren younger than 18 (or up to 22 if they are students attending schools regularly), who meet Social Security's definition of disability for children, and whose grandfamily's incomes and resources fall within the eligibility limits.</p>	<p>Child Survivor Benefit A child's mother dies and her father is incarcerated. Her grandparents step in to raise her. The survivors benefits the child receives provide essential financial support to assist the child's grandparents in meeting her needs.</p>
Child Benefits Qualified Through Grandparents	<p>Unmarried grandchildren younger than 18 (or up to 19 if they are attending elementary or secondary schools full time) are eligible for Social Security child benefits if their natural or adoptive parents are either deceased or disabled for the year before the month the grandparents became entitled to retirement or disability insurance benefits, or died. In addition, the grandchild must have begun living with the grandparent before age 18 and received at least one half of his or her support from the grandparent for the year before the grandparent's entitlement month.</p>					<p>GrandChild Benefit A child's mother and father die when the child is 10 years old. The child's grandmother steps in to raise her. Three years later the grandmother becomes disabled and is unable to continue to work. The grandmother has been unable to secure survivor benefits for the child. The child receives grandchild benefits to help the grandparent care for her.</p>