

Social Security's Work Incentives and Benefits

The Social Security Administration has worked very hard to develop work incentives that make it possible for people with disabilities to test their ability to work with the confidence that they will continue to receive monthly payments and often health insurance as well. The information below is abstracted from the **SSA Red Book** and is available on line, <http://www.socialsecurity.gov/disabilityresearch/redbook.htm>

Glossary: SSA: Social Security Administration SGA: Substantial Gainful Activity \$900 (\$1500 Blind)
SSI: Supplemental Security Income SSDI: Social Security Disability Insurance

SSI (Title XVI)

SSI work incentives offer an individual the opportunity to continue receiving their SSI checks and/or Medicaid coverage while they work up to \$27,064 annual earnings (2007). Some of the work incentives can decrease countable income yet increase SSI payment to help cover special expenses. If the individual cannot receive SSI cash checks because earnings are too high, eligibility for Medicaid may continue.

SSDI (Title II)

There are several ways to become eligible for SSDI. SSDI provides benefits to disabled or blind individuals who are "insured" by worker's contributions to the Social Security trust fund. These contributions are based on your earnings or those of your spouse or your parents. Verify your eligibility with SSA.

SSI (Title XVI) and SSDI (Title II)

SSI and SSDI rules affecting eligibility have very important differences. Individuals may apply or be eligible for benefits under both programs, called "concurrent."

Personal Assets

An individual may exclude certain resources when determining SSI eligibility which are essential to the person's means of self-support and maintenance.

Property Essential to Self-Support

The PESS incentive allows an individual to possess business assets and capital without jeopardizing the individual's eligibility to continue receiving SSI.

Student Earned Income Exclusion

If you are under age 22, not married or head of a household, and regularly attending school, you can exclude up to \$1,510 of earned income per month or up to \$6,100 per year when figuring your SSI payment.

Continued Payment under a Vocational Rehabilitation Program

Under Section 301, if an SSDI or SSI beneficiary recovers from their disability while participating in an approved vocational rehabilitation program and it is likely to lead to the person becoming self-supporting, benefits may continue until the program ends.

Unsuccessful Work Attempt

is an effort to do substantial work in employment or self-employment that you stopped or reduced to below SGA level after a short time (6 months).

Trial Work Period (TWP)

SSDI beneficiaries are entitled to a 9 month Trial Work Period (TWP) for testing work skills while maintaining their monthly SSDI benefits. The TWP will end only when individuals have 9 months of trial work within a rolling 60 month period. Monthly incomes over \$640 (2007), or self-employment over 80 hours, will be counted as TWP months. Once all 9 months of TWP have been completed, a person enters Extended Period of Eligibility (EPE).

Extended Period of Eligibility (EPE)

The EPE is for 36 consecutive months following completion of the Trial Work Period (TWP). The beneficiary may receive a disability benefit for any month during this time that their earnings are below the SGA level. If an individual loses earned income within 60 months, they can request Expedited Reinstatement of the SSDI.

Expedited Reinstatement of Benefits

SSDI and SSI beneficiaries will be able to request reinstatement of their benefits if the reinstatement is made within 60 months from the month they were terminated. If the individual is not eligible for the Expedited Reinstatement, they must file a new application for benefits. Temporary benefits are available up to six months while SSA is making final determination.

*Overview developed by FCCF. See the **SSA RED BOOK** for further information.*

For SSDI recipients who earn more than SGA monthly and need to keep Medicaid coverage, use of IRWEs, Subsidy, and Special Conditions can permit the person to remain eligible by adjusting the dollar value of that individual's SGA level. It is important to work with the SSA to establish your adjusted SGA level prior to exceeding \$900 monthly earnings if you receive SSDI and Medicaid.

Subsidy and Special Condition

SSA uses only earnings (SSDI) that represent the real value of the work you perform to decide if your work is at the SGA level. You may receive on the job supports that may result in you receiving more pay than the actual value of the services you perform. Subsidy or special conditions may exist if:

1) You receive more supervision than other workers doing the same or a similar job for the same pay; 2) You have fewer or simpler tasks to complete than other workers doing the same job for the same pay; or 3) You have a job coach or mentor who helps you perform some of your work.

SSA does not take into account subsidy or special conditions when they figure an SSI payment amount.

Impairment Related Work Expenses (IRWE)

Certain items or services that the individual may need in order to work due to their disability may be deducted from their gross earnings to decrease monthly countable (SGA) earned income. The cost must be reasonable and represent the standard charge and you are not reimbursed by another source. SSA may also exclude IRWE from your earned income when they figure your SSI monthly payment amount. Examples may be attendant care services, medical devices, transportation, residential modifications, work-related equipment, assistants, etc.

Plan for Achieving Self-Support (PASS)

PASS allows a person to set aside income (other than SSI) and resources for a specified time for a work goal. This may make the person eligible for SSI and possibly some SSI cash payments. A PASS may be approved to set aside money to pay expenses for education, vocational training, starting your own business, etc. A PASS does not affect any SGA determination for your initial eligibility decision.

What About Insurance?

SSI Continued Medicaid Coverage

SSI allows for some individuals to continue receiving Medicaid when their SSI cash stops due to income. Under Section 1619B, individuals earning less than the threshold of \$27,064 who 1) used Medicaid during the past 12 months; 2) expects to use Medicaid in the next 12 months; 3) would be unable to pay expected medical bills without Medicaid coverage may continue to be eligible for Medicaid. The Threshold amount may be adjusted upwards depending on the individual situation. SSA should be consulted.

SSDI Continued Medicare Benefits

Most individuals with disabilities who work will continue to receive at least 93 consecutive months of hospital and supplementary medical insurance under Medicare, after the nine month Trial Work Period. You do not pay a premium for hospital insurance. Some individuals who have returned to work may buy continued Medicare coverage, as long as they remain medically disabled.

Work Incentives Supports

Florida has a network of SSA consultants whose only focus is to address the multiple barriers faced by beneficiaries who wish to start their first job or return to work. These consultants can provide education and assistance to help individuals (and their representative) utilize the appropriate benefit package and become employed.

Questions and Information



SSA Red Book

is located at:

[http://www.socialsecurity.gov/
disabilityresearch/redbook.htm](http://www.socialsecurity.gov/disabilityresearch/redbook.htm)

or call 1-800-772-1213

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