

Benefits to Work

Presented by
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The Arc Michigan



Topics

Social Security Disability Defined

Social Security Administration – SSA

Social Security Disability Insurance – SSDI

Supplemental Security Income - SSI

Medicare

Medicaid

Freedom to Work Medicaid

ABLE



Adult Definition of Disability

(Over age 18)

1. the person must have an impairment;
and
2. the person must be unable to perform SGA because of that impairment;
and
3. and thirdly, the condition must meet the duration requirement.

Definition of Disability Under 18 years of Age

“a person under the age of 18 shall be considered disabled if they have a medically determinable physical or mental impairment which results in marked and severe functional limitations and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.”



The Problems

I don't know if I can work.

I won't be able to make enough!

I will need assistance to be able to work.

My check will stop as soon as I start working!

What if I get sick again and have to stop working?

And The Parents

Worry, worry, worry.



Social Security Administration (SSA)

(The Two Sides for Disability Work Incentives)

Social Security Disability Insurance (SSDI)

1. Cash Benefit
2. Medical Benefit



Supplemental Security Income (SSI)

1. Cash Benefit
2. Medical Benefit



Social Security Disability Insurance(SSDI)

- Payable to a worker, and sometimes a family member, insured under the Act.
- To be insured, the worker must have sufficient work in Social Security tax covered employment or self employment.
- The worker must have a qualifying disability.



Quarters of Coverage AKA Social Security Credit

2017 one qtr = \$1300 gross earning/3 month. Four quarters maximum per year!

≥ 31 years of age you need 40 quarters
in the last 20 years to be fully insured

< 31 years of age you need less quarters
of coverage to be fully insured

< 24 years of age you need 6 quarters of
coverage to be fully insured



Social Security Administration

Social Security Disability Insurance

- SSDI – Social Security Disability Insurance
- DAC – Disabled Adult Child (CDB – Childhood Disability Benefit)
- DWB – Disabled Widow/Widower Benefit

7.65/15.3%
FICA



Social Security Administration

Social Security Disability Insurance (SSDI) *(AKA Title II or RSDI)*

- Insurance Program based on work history (can also be based on parents or spouses work history)
- No Resource limit
- 5 Month wait for cash benefit
- Cash benefit is all or nothing
- Medicare eligibility after 2 years
- Must be 18 years of age



Disabled Adult Child (DAC) or Childhood Disability Benefit (CDB)

An individual:

Who is unmarried and

Who is age 18 or over and

Whose disability began before the age of 22

Can draw from a parent's earnings record if:

The parent is drawing Social Security Disability or

The parent is drawing Social Security Retirement or

The parent is deceased



Disabled Widow(er)s Benefit(DWB)

- Are payable to the widow, widower, or surviving divorced spouse of an insured worker.
- The widow, widower, or surviving divorced spouse must be at least age 50
- Be found to be disabled before the end of a specified period of time called the “prescribed period,”
- and must meet other requirements regarding relationship to the worker and the length of time between the worker’s death and the application.



Social Security Administration

Supplemental Security Income (SSI or Title XVI)

for individuals who

- ✓ demonstrate economic need
and
- ✓ are 65 or older
or have a disability



Social Security Administration

The Supplemental Security Income (SSI) program pays benefits to disabled adults and children who have limited income and resources.

SSI benefits also are payable to people 65 and older without disabilities who meet the financial limits.



Social Security Administration

Supplemental Security Income (SSI or Title XVI)

- Disability
- Resources \$2000/\$3000
- Medicaid - Immediately
- Federal Benefit Rate (FBR)
\$750/\$1125 in 2018
- Value of the 1/3 Reduction
 - \$500

(\$42/per quarter from the State)



Social Security Administration

Supplemental Security Income (SSI or Title XVI)

- Children with Disabilities
 - Parents must be low income
- Age 18 redetermination
 - Adult Definition of Disability



SSDI & SSI – Work Incentives

Work Incentives are special rules that help individuals enter or return to work.



SSDI & SSI work Incentives are NOT the same!



Social Security & Money

1. Earned:

Money received for employment

2. Unearned:

Just about everything else including SSDI



VS



Social Security Administration

SSI Work Incentives

- 1. GIE (General Income Exclusion):**
First \$20 of unearned income (if no unearned income then the first \$20 of earned income)
- 2. EIE (Earned Income Exclusion):**
First \$65 of earned income
- 3. Divide remainder of earned income by 2**



SSI Calculation Sheet without Unearned Income

Customer Name _____ Date 2018

Step		Calculations
Gross Earned Income		800.00
Student Earned Income Exclusion	-	
Remainder		800.00
General Income Exclusion (GIE)	-	20.00
Remainder		780.00
Earned Income Exclusion (EIE) \$65	-	65.00
Remainder		715.00
Impairment Related Work Expense (IRWE)	-	0.00
Remainder		715.00
Divide by 2	/	2.00
Blind Work Expenses (BWE)	-	0.00
Total Countable Earned Income	=	357.50
Total Countable Earned Income		
Total Countable Earned Income	+	357.50
PASS Deduction	-	0.00
Total Countable Income	=	357.50
Total Countable Income		
Base SSI Rate (\$750 individual, \$500 VTR, \$1,125)		750.00
Total Countable Income	-	357.50
Adjusted SSI Payment	=	392.50
Adjusted SSI Payment		
Adjusted SSI Payment		392.50
Gross earned income received	+	800.00
PASS, BWE or IRWE Expenses	-	
Total Financial Outcome	=	1,192.50

SSI Only

20 hours a
week at
minimum wage



Social Security Administration

SSI Work Incentives

IRWE (Impairment Related Work Expense)

SEIE (Student Earned Income Exclusion)

BWE (Blind Work Expense)

EXR (Expedited Reinstatement)

PASS (Plan for Achieving Self-Support)



Social Security Administration

SSI Work Incentives

IRWE (Impairment
Related Work
Expense)



- The item(s) or service(s) enables you to work;
- You need the item(s) or service(s) because of a physical or mental impairment;
- You pay for the item(s) or service(s) and are not reimbursed by another source such as Medicare, Medicaid, or a private insurance carrier;
- The cost is “reasonable”, that is, it represents the standard charge for the item or service in your community.

IRWE

- The expense must be related to an impairment **and**
- The expense must help the individual work,
- The expense must be paid by the individual and not reimbursed by another source,
- The expense must be paid within a month in which the individual works, and
- The expense must be reasonable

SSI Only Calculation Sheet with IRWE

Customer Name _____ Date 2018 _____

Step	Calculations
Gross Earned Income	800.00
Student Earned Income Exclusion	-
Remainder	800.00
General Income Exclusion (GIE)	- 20.00
Remainder	780.00
Earned Income Exclusion (EIE) \$65	- 65.00
Remainder	715.00
Impairment Related Work Expense (IRWE)	- 40.00
Remainder	675.00
Divide by 2	/ 2.00
Blind Work Expenses (BWE)	- 0.00
Total Countable Earned Income	= 337.50
Total Countable Earned Income	
Total Countable Earned Income	+ 337.50
PASS Deduction	- 0.00
Total Countable Income	= 337.50
Total Countable Income	
Base SSI Rate (\$750 individual, \$500 VTR, \$1,125)	750.00
Total Countable Income	- 337.50
Adjusted SSI Payment	= 412.50
Adjusted SSI Payment	
Adjusted SSI Payment	412.50
Gross earned income received	+ 800.00
PASS, BWE or IRWE Expenses	-
Total Financial Outcome	= 1,212.50

SSI Only

Social Security Administration

SSI Work Incentives

SEIE -Student Earned Income Exclusion

- **Under age 22**
- **Regularly attending school**
 - In college or university at least 8 hours a week or
 - In grades 7-12 at least 12 hours a week or
 - In a training course to prepare for employment at least 12 hours a week
- **Up to \$1820per month**
- **A yearly cap of \$7350**



SEIE -Student Earned Income Exclusion

- Under age 22
- Regularly attending school
- In college or university at least 8 hours a week or
- In grades 7-12 at least 12 hours a week or
- In a training course to prepare for employment at least 12 hours a week
- Up to \$1790 per month
- A yearly cap of \$7200

SSI Only Calculation Sheet with IRWE		
Customer Name _____ Date 2018__		
Step	Calculations	
Gross Earned Income		800.00
Student Earned Income Exclusion	-	800.00
Remainder		0.00
General Income Exclusion (GIE)	-	20.00
Remainder		0.00
Earned Income Exclusion (EIE) \$65	-	65.00
Remainder		0.00
Impairment Related Work Expense (IRWE)	-	0.00
Remainder		0.00
Divide by 2	/	2.00
Blind Work Expenses (BWE)	-	0.00
Total Countable Earned Income	=	0.00
Total Countable Earned Income		
Total Countable Earned Income	+	0.00
PASS Deduction	-	0.00
Total Countable Income	=	0.00
Total Countable Income		
Base SSI Rate (\$750 individual, \$500 VTR, \$1,125)		750.00
Total Countable Income	-	0.00
Adjusted SSI Payment	=	750.00
Adjusted SSI Payment		
Adjusted SSI Payment		750.00
Gross earned income received	+	800.00
PASS, BWE or IRWE Expenses	-	
Total Financial Outcome	=	1,550.00

SSI Only



Expedited Reinstatement



- Up to 60 months from termination of cash benefit **due to work**
- Provisional Benefit – up to 6 months
- Does the disability still exist
If yes, reinstatement of cash benefit and medical



Social Security Administration

SSDI/DAC/DWB

Work Incentives

- TWP – Trial Work Period
- EPE – Extended Period of Eligibility
 - IRWE- Impairment Related Work Expenses
 - Subsidy/Special Condition
- EXR – Expedited Reinstatement



SSDI Only

SAMPLE CHART

1) Trial Work Period (♦T W P) 2) Extended Period of Eligibility (E P E) 3) Substantial Gainful Activity (▷S G A)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Months Used	
2011 ♦720 →1000	☒ T1 \$900	☒ T2 \$900	☒ T3 \$900	☐ \$700	☐ \$650	☐ \$650	☐ \$650	☐ \$700	☐ \$700	☒ T4 \$900	☒ T5 \$900	☒ T6 \$900	6 TWP	
2012 ♦720 →1010	☒ T7 \$1,000	☒ T8 \$1,000 TWP	☒ T9 \$1,000 Ends	☑ \$1,000 EPE →	☑ \$1,000 begins	☑ \$1,000 when	☑ \$1,000 TWP	☑ \$1,000 ends	☑ \$1,000 and	☑ \$1,000 goes	☑ \$1,000 on for	☑ \$1,000 36 mos	3 TWP Ends March	
2013 ♦750 →1040	☑ \$1,050 Cessat.	☑ \$1,050 Grace	☑ \$1,050 Grace	☑ \$1,000	■ \$1,050	☑ \$1,000	■ \$1,050	■ \$1,050	■ \$1,050	■ \$1,050	■ \$1,050	☑ \$1,000	Cessat. during EPE	
2014 ♦770 →1070	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	■ \$1,200	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	Check if under SGA
2015 ♦780 →1090	☑ \$1,000	☑ \$1,000	☑ \$1,000 EPE Ends	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	☑ \$1,000	36 mos EPE ends March
2016 ♦810 →1130	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	☑ \$1,050	Check if staying ↓ SGA
2017 ♦840 →1170	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,050	
2018 ♦850 →1180	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	☑ \$1,100	■ \$1,500	■ \$1,500	■ \$1,500	■ \$1,500	■ \$1,500	■ \$1,500	■ \$1,500	Termination of benefits



2018 TWP - \$85

SGA - \$\$1180/\$1970

Substantial Gainful Activity (SGA)

Is a Decision (\$1170 Non Blind/\$1950 blind)

Based on countable earnings

* Prior to Cessation

UWA – unsuccessful work attempt

IA - Income Averaging – one calendar year only

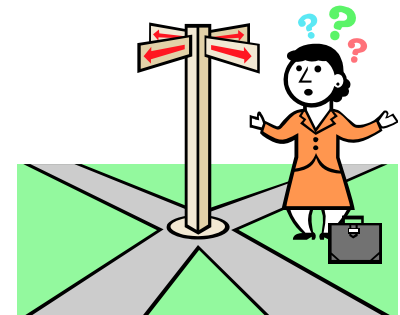
IRWE – impairment related work expense

Subsidy/Special Condition

* After Cessation

IRWE

Subsidy/Special Condition



UWA, IA, IRWE, Subsidy/Special Condition

▲ **Prior to Cessation but after TWP**

- ▲ Unsuccessful work attempt (UWA) – worked 6 months or less due to disability
- ▲ Income Averaging (IA) – Can only average across one calendar year

● **Can be used anytime after TWP**

- IRWE- An out of pocket expense, due to disability, that is reasonable, and allows you to work
- Subsidy/Special Condition - An employer may subsidize the earnings of an employee with a serious medical impairment by paying more in wages than the reasonable value of the actual services performed. When this occurs, the excess will be regarded as a subsidy rather than earnings.



Calculating Countable Income

Monthly Earnings	\$1,300
- SSA Approved IRWE	<u>\$50</u>
	\$1,250
-Subsidy/Special Condition 20% SSA Approved	<u>\$250</u>
Total Countable Earnings Month	<u><u>\$1000</u></u>

Above or Below SGA?



Expedited Reinstatement

- Eligibility up to 60 months from termination of cash benefit **due to work**
- Provisional Benefit – up to 6 months
 - ? Does the disability still exist
 - If yes, reinstatement of cash benefit and medical if also terminated
- 24 months under SGA – Work incentives begin again



Medical Benefits

If I try to go to work, wont I automatically lose my Medicare and/or Medicaid?



Social Security Administration

SSDI – Medicare

- Medicare coverage
- Starts 24 months after entitlement to SSDI
- Part A covers Hospitalization
- Part B covers Medical Providers
- Medicare Part D began January 2006, prescription drug coverage
- No resource limits



SSI – Medicaid

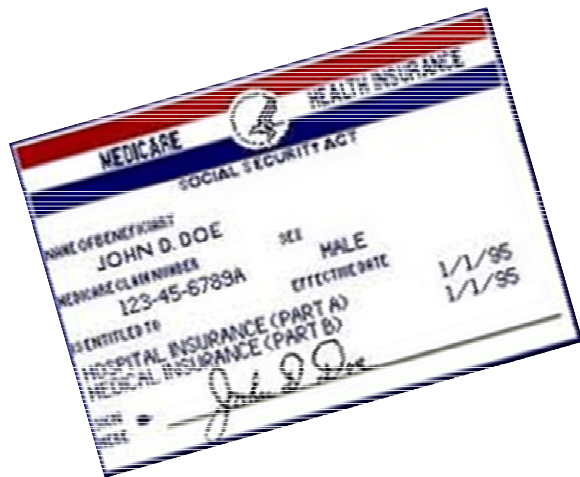
- 1634 State
- Starts the same month as eligibility for SSI
- Hospitalization, Medical Providers, Prescriptions
- Resource limits \$2,000 for single, \$3,000 for a couple



Some SSDI Beneficiaries may be eligible for both Medicare and Medicaid. They will need to apply for Medicaid separately from SSDI. DHS determines eligibility for Medicaid.

EPMC – Extended Period of Medicare Coverage

Medicare Part A free for at least 93 months after TWP
Medicare Part B premium must be paid by beneficiary
Medicare Part D premium must be paid by beneficiary



Medicaid Coverage

If receiving SSI – Automatically get Medicaid – MI is a 1634 State!

SSA computer tells DHS computer to turn on Medicaid coverage.



Medicaid Coverage – 1619(B)

- Have been eligible for an SSI cash payment for at least 1 month;
- Still meet the disability requirement; and
- Still meet all other non-disability SSI requirements; and
- Need Medicaid benefits to continue to work; and
- Have gross earnings that are insufficient to replace SSI, Medicaid and publicly funded attendant care services.



Medicaid Coverage – 1619(B)

Earnings between Break Even Point and Yearly Threshold

2018 Break Even Point = \$1785

2018 Threshold for MI = \$36,048

Resources below \$2000/\$3000



Freedom to Work Medicaid

If Resources go above \$2,000 (but below \$7390)

or

Countable Earned Income
+Unearned Income are below
250% Federal Poverty Level

and

Working

then

Move to Freedom to Work Medicaid!



Freedom to Work Medicaid

Eligibility

1. If Resources go above \$2,000 (but below \$7390)
2. Countable Earned + Unearned (using SSI method)
= *less than 250% FPL*

(250% FPL = \$2529/monthly or \$30,350/year)

Unearned Income

$$\$1000 - \$20 = \$980$$

Countable Earned Income

$$\$1565 - \$65.00/2 = \$750$$

Add:

$$\$980 + \$750 = \$1730$$



Freedom to Work Medicaid

Once enrolled allows for:

Up to \$75,000 in savings

Unlimited retirement savings

Premium paid after 138% FPL (\$1396) at 2.5% of MAGI

(\$2,400 MAGI = \$60.00/monthly)



Held Harmless for Returning
to another Medicaid Program





SSA Decisions

Any decision made by SSA is
appealable!

SSA decision letters will give time
frame for the appeal.

Achieve a Better Life Experience (ABLE) Act

Federal Law!

- ✓ Onset of disability was on or before age 26
- ✓ \$500,000 in ABLE Account
- ✓ \$15,000 yearly contribution limit
- ✓ Up to \$100,000 will not counted as resource for Medicaid
- ✓ Spending regulations
- ✓ Medicaid Payback upon death.

Important Things to Remember

Report, report, report!

- ✓ Earnings – avoid overpayments!
- ✓ Marriage
- ✓ Divorce
- ✓ Attending School
- ✓ Leaving School
- ✓ And NEVER throw any SSA Paperwork away



Resources

* Ticket to Work Helpline: 866-968-4872 (V) 866-833-2967 (TTY)

Ticket to Work Online: choosework.ssa.gov

MPAS Protection & Advocacy for Beneficiaries of Social Security (PABSS): 800-288-5923

Disability Benefits 101: mi.db101.org

Social Security My Account: www.ssa.gov/myaccount/

MDHHS MIBridges: newmibridges.michigan.gov

Michigan ABLE Accounts: www.miable.org

Michigan WIPA Projects

The Arc Michigan WIPA

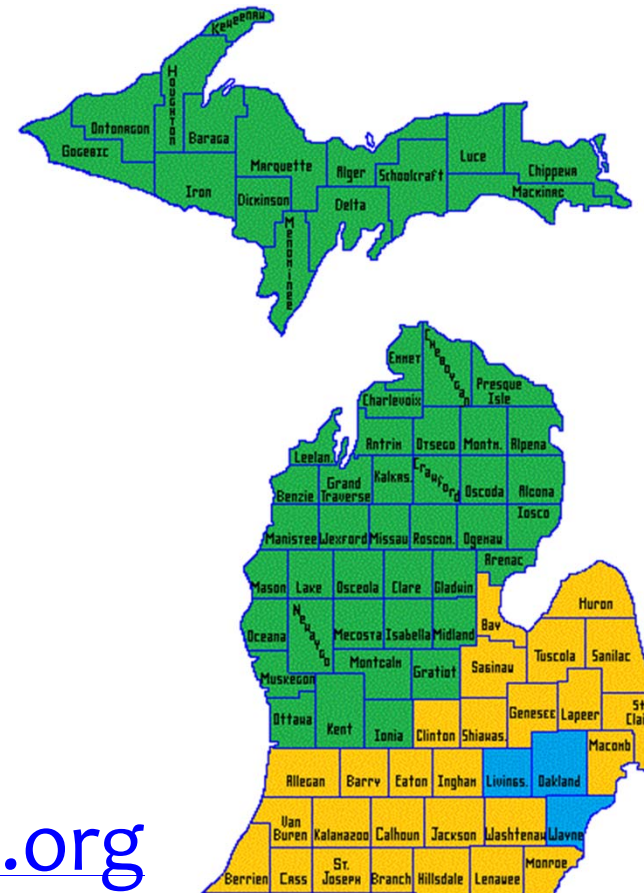
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Questions?

