

# WI Employment First Conference 4/3/2014



## Social Security Work Incentives

Connie DaValt – Area Work Incentives  
Coordinator/PASS Specialist

[connie.davalt@ssa.gov](mailto:connie.davalt@ssa.gov)

(866) 807-5995 ext 26030



# **SOCIAL SECURITY DISABILITY**

## **Benefits paid to workers with disabilities and their families**

- unmarried child under age 18 or age 19 if a full time high school student
- unmarried child age 18 or older if disabled prior to age 22
- spouse over age 62 or any age if caring for a child who is under age 16 or disabled

**\*Paid from the Disability Insurance(DI) Trust Fund\***

**\*\*Medicare\*\***

# Work requirements vary depending on your age at the time your disability begins

## ❖ Before age 24

- 1 ½ years of work in a 3 year period prior to when the disability began

## ❖ Age 24-31

- Work during half the time between age 21 and the onset of disability

## ❖ Age 31 or older

- Work during 5 out of the last 10 years before the disability began

# How do you qualify for disability benefits?

- ❖ You must have a condition or impairment which is expected to last over a year or end in death which does not allow you to earn over the Substantial Gainful Activity (SGA) threshold (\$1,070/mo 2014)
- ❖ You must meet Social Security work requirements

# **SUPPLEMENTAL SECURITY INCOME (SSI)**

**People with limited income and resources can be eligible for SSI if they meet the following criteria:**

- ❖ Blind at any age; or**
- ❖ Disabled at any age; or**
- ❖ Age 65 or older**
- Paid from general tax revenues**
  - Medicaid**

# SSI Financial Eligibility

## 2014 Rates



- Have low income and savings
  - “Countable” income:
    - Less than \$721.00 per month – individual
    - Less than \$1082 - couple
  - “Countable” assets:
    - \$2,000.00 for single person
    - \$3,000.00 for couple

# What are Work Incentives and Employment Supports?



- **SSDI employment supports provide help over a long time to test the ability to work, continue working and gradually become self-supporting and independent**
- **SSI employment supports offer ways to continue receiving checks and/or MA while working and can increase the net income**

# What scares SSI and SSDI recipients who want to work?

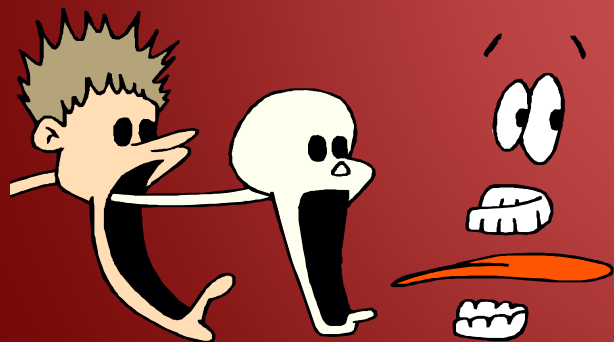


Change scares people - like starting a new vocational program or a new job!

Benefit checks being reduced or stopped



Continuing health care coverage



Creating an overpayment that has to be paid back!

Sure these things are scary, but a lot less scary when you know some basic program rules and PLAN!



# Let's look at some SSDI



## Work Incentives:

- **9 month Trial Work Period**
- **SGA - Impairment Related Expenses, Subsidy, Unsuccessful Work Attempts**
- **36-Month Extended Period of Eligibility**
- **Extended Medicare**
- **Expedited Reinstatement of Benefits**

# Trial Work Period



## 9 month trial work period

- Time to test ability to work
- Months do not need to be consecutive
- Full benefit continues no matter how much is earned
- \$770 in monthly gross earnings in (2014)



# Trial Work Period Example

Joe becomes disabled in 1/2011. In 3/12 he decides to return to work earning \$1200 mo

Joe's trial work period :

3/12 4/12 5/12 6/12 7/12 8/12 9/12  
10/12 11/12

Joe will receive his entire SSDI check during his trial work period

# Substantial Gainful Activity

- The performance of significant & productive work for pay. Currently \$1070 per month  
(Blind SGA \$1800 per month)
- If performing SGA work after the Trial Work Period  
- may lose SSDI benefit
- The Cessation Month - First month after TWP with earnings over SGA
- Benefits paid for cessation month and two grace months

# Joe's Example



Joe continues to work, earning \$1200 mo  
12/12 cessation month

1/13 grace month

2/13 grace month

Joe received full SSDI benefits from 3/12-  
2/13 while working



# How SSA evaluates an employee's work and earnings and decides if they are at the SGA-level

1. Gross average earnings minus
  - Impairment-Related Work Expenses
  - Special Conditions
  - Subsidy
2. Consider the value of the work
3. Consider if work is an “unsuccessful work attempt” (lasted 6 mo or less)

# Impairment Related Work Expenses (IRWE)

Three essentials of IRWE:

- Related to disability
- Necessary for work
- Paid out of consumer's pocket
  - And NOT reimbursed



# Some of the items that can be deducted:

## Items

Medication

Transportation

Medical Equipment

Prosthesis

Service Animal

Medical Supplies

Non Medical Appliances



## SERVICES

Medical Services

Attendant Care

Diagnostic Procedures

Job Coach

Community Residence  
Program





# Subsidy and Special Conditions

- Support on the job that could result in more pay than the value of the services performed
- Hired through a special program, by a family member, continuing a long term employment situation
- Has a job coach
- Has a disability, which makes him/her significantly slower than other individuals performing the same job

Deducted from gross wages to determine countable income

# Unsuccessful Work Attempt (UWA)

- Work attempt - discontinued or reduced
- Below SGA within six months
- Due to individual's impairment  
or  
removal of special conditions

# Extended Period of Eligibility (EPE)

- **Consecutive 36 month period after TWP**



- **Cash benefits reinstated for any month earnings under SGA (\$1070) without a new application**



# Joe

Joe's extended period of eligibility runs from  
12/12 – 11/15

During this time, if wages drop below the  
SGA level, benefits resume



# Expedited Reinstatement of Benefits (EXR)

When disability benefits have ended due to earnings from work, the beneficiary is able to request reinstatement without filing a new application

- Within 5 years of benefit termination
- Beneficiaries must be unable to work due to their medical condition
- They may receive temporary benefits (as well as Medicare/Medicaid) for up to 6 months while SSA evaluates their medical condition

# Continuation of Medicare



- Individuals with disabilities who work will continue to receive at least 93 consecutive months of Medicare after the nine month trial work period
- Claimant can choose to purchase coverage (\$104.90 mo)

# Ticket to Work

The screenshot shows the top portion of the Social Security Administration's website. At the top left is the SSA logo and the text 'The Work Site'. The main header features the Social Security Administration logo and the text 'Social Security Official Social Security Website'. A navigation bar includes links for 'Accessibility', 'Contact Us', 'FAQs', 'Español', 'Other Languages', and 'Sign In'. Below this is a search bar and a secondary navigation bar with links for 'Home', 'Numbers & Cards', 'Benefits', 'Information for...', 'Business & Government', and 'Our Agency'. The main content area begins with a 'Welcome To The Work Site' banner. Below this are three promotional boxes: 'Attend a Work Incentives Seminar Event Webinar REGISTER NOW!', 'Ticket Talk Podcast Series!', and 'Visit the Choose Work BLOG'. A large banner for 'Ticket to Work' features the text 'Good Jobs, Good Careers, and a Better Self-Supporting Future' and the SSA logo. Below this banner is a section titled 'Are You A Social Security Beneficiary? Learn about Ticket to Work!' with a paragraph of text and a link to 'Learn more about how to get started making these choices.'

SSA The Work Site

Accessibility · Contact Us · FAQs · Español · Other Languages · Sign In

Social Security  
Official Social Security Website

Home Numbers & Cards Benefits Information for... Business & Government Our Agency

Welcome To The Work Site

Attend a Work Incentives Seminar Event Webinar  
**REGISTER NOW!**

Ticket Talk  
Podcast Series!

Visit the  
Choose Work  
**BLOG**

**Ticket to Work**  
Good Jobs, Good Careers,  
and a Better Self-Supporting Future

**Are You A Social Security Beneficiary? Learn about Ticket to Work!**

The Ticket To Work Program can help Social Security beneficiaries go to work, get a good job that may lead to a career, save more money, and become financially independent, all while they keep their health coverage. Ticket to Work is a free and voluntary program that gives beneficiaries real choices that can help them create and lead better lives. Individuals who receive Social Security benefits because of a disability probably already qualify for the program. [Learn more about how to get started making these choices.](#)

Ticket to work can be used to obtain free employment support services from an Employment Network or State Vocational Rehabilitation Agency

# Ticket to Work

- SSDI/SSI beneficiaries receive a “ticket” to purchase employment services from an Employment Network (EN) of their choice
- Voluntary program
- An EN can be a state, local or private organization
- Beneficiaries “making progress” using their ticket will not be scheduled for a continuing disability medical review

[www.yourtickettowork.com](http://www.yourtickettowork.com)



SSI



Work Incentives

# Let's look at some SSI Work Incentives

- Earned Income Exclusion
- IRWE
- Blind Work Expenses
- Student Earned Income exclusion
- Continued Medical Assistance under 1619(b)
- PASS

# SSA Doesn't Count All of Your Income...

- General Income Exclusion of \$20  
Deducted first from unearned income
- Earned Income Exclusion  
\$65 per month - plus 1/2 of the rest



**It Pays to Work!**

**2014 SSI Federal Benefit Rate \$721**



## SSI Earned Income example

Dorothy receives SSI benefits of \$721 mo, she starts working and earns \$1285 mo

$\$1285 - 85 = 1200/2 = \$600$  countable income

SSI rate \$721 - \$600 = \$121 SSI payment

Dorothy's income : \$1285 wages+\$121 SSI=  
\$1406

# Blind Work Expenses

- Service animal expenses
- Transportation to/from work
- Federal, State and local income taxes
- Social Security taxes
- Attendant care services
- Visual and Sensory aids
- Translation of materials into Braille
- Professional association fees and union dues



# SSI – Student Exclusion

- Under age 22
- “regularly attending school”
  - Could be high school or college
  - Could be home study or work study
- 2014 maximum exclusion of \$7060 per year or \$1750 per month



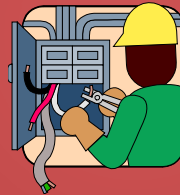
# Continued Medical Assistance Section 1619 (b)



- When work earnings reduce SSI payments to zero, MA will continue if yearly wages below “Threshold”  
2014 Wisconsin = \$33,361
- Individual Thresholds can be higher based on an individual’s actual MA use

# PASS

## Plan for Achieving Self-Support



An SSI Work Incentive



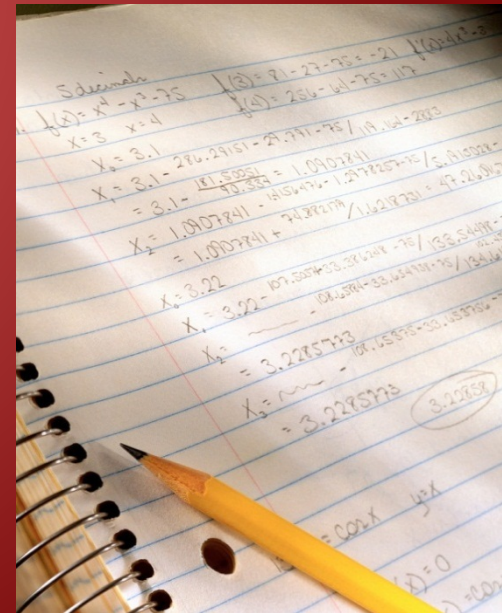
# “What is PA\$\$?”

**P**lan for the future

**A**n “agreement” which lets the recipient use their own income or resources to help reach their work goal

**S**elf-financed employment plan

**S**pecific job goal needed to begin



# How does a PASS work?

Kelly receives SSDI of 520.00

Without PASS :

\$520.00 SSDI

- 20.00

exclusion

\$500.00

Countable  
Income (CI)

\$721.00 SSI FBR

- 500.00 CI

221.00 SSI payment

**Total Income w/o PASS =  
741.00/mo**



# PASS Goal

Kelly has a goal of becoming a nursing assistant and has been accepted into nursing school. She would like to put all of her SSDI benefits aside to help pay for school.

## Kelly, with PASS

\$520.00 SSDI  
- 20.00 exclusion  
\$500.00  
- \$500.00 PASS  
0.00  
Countable Income  
(CI)

721.00 SSI FBR  
- 0.00 CI  
721.00 SSI payment  
  
**Total Income w/  
PASS: \$1241**  
**721.00 SSI, *plus*  
500.00 to spend on  
tuition, books, etc.**

# Occupational Goals: where a PASS begins!



A job that will produce sufficient earnings to:

- reduce dependency on SSI (earn enough to **substantially** reduce SSI payments)
- **eliminate** dependency on SSDI (have SGA earnings – 2014 \$1070 mo)
- is feasible, considering one's disability and strengths and abilities

# What Kinds of Expenses Can a Plan Help Pay For?

- School or training expenses
  - tuition, fees, books & supplies
- Supplies to start a business
- Employment services, such as job coach
- Attendant care or child care expenses
- Equipment & tools to do the job
- Transportation for work
- Uniforms, special clothing, safety equipment





# PASS Expenses

- PASS expenses must be
  - Directly related to attaining the job goal
  - Necessary
  - Reasonable
  - Not incurred prior to start of the PASS
  - Cannot be reimbursed by third party

# Elements of a PASS

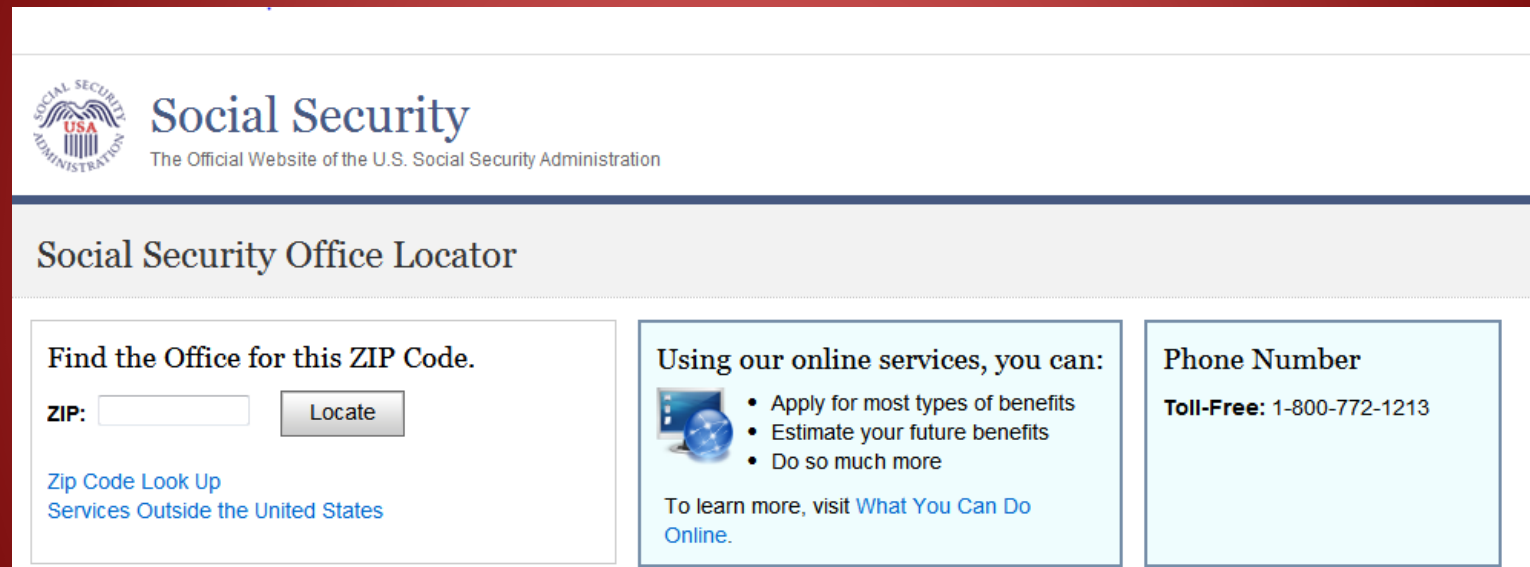
- **A PASS must:**

- 📄 Be designed specifically for the client
- 📄 Be in writing (SSA-545)
- 📄 Establish a specific JOB goal the client is capable of attaining (feasible)
- 📄 Contain a reasonable time frame
- 📄 List income/expenses that are necessary to achieve the work goal
- 📄 Identify how the funds will be set aside
- 📄 Show that living expenses can be met while PASS is in effect



# How to contact Social Security

www.socialsecurity.gov - “find an office”



The screenshot shows the Social Security Administration's website header with the logo and the text "Social Security The Official Website of the U.S. Social Security Administration". Below this is the "Social Security Office Locator" section. It features three main boxes: a search box for ZIP codes with a "Locate" button and links for "Zip Code Look Up" and "Services Outside the United States"; a box titled "Using our online services, you can:" with a list of services and a link to "What You Can Do Online"; and a box titled "Phone Number" with the toll-free number "1-800-772-1213".

**Social Security**  
The Official Website of the U.S. Social Security Administration

## Social Security Office Locator

**Find the Office for this ZIP Code.**

ZIP:

[Zip Code Look Up](#)  
[Services Outside the United States](#)

**Using our online services, you can:**

- Apply for most types of benefits
- Estimate your future benefits
- Do so much more

To learn more, visit [What You Can Do Online](#).

**Phone Number**

**Toll-Free:** 1-800-772-1213

Provides address/phone number/hours for your local office as well as other agencies in your area that may provide services you need

# Create a MySSA account



- Change your address/phone number and direct deposit (SSDI clients)
- Request a benefit verification letter
- Check your benefit/payment info and your earnings record
- Get an estimate of your disability, retirement or survivor benefit

# Reporting SSI Work

- SSI Telephone Wage Reporting method:  
toll free automated system that allows reporting of gross monthly wages over the phone



- SSI Mobile Wage Reporting Application:  
wage reporters can download and install the free SSIMWR app on an Apple or Android mobile device



# Who else can help?

## Disability Benefit Specialists

DBSs are in every county in WI. They are available to help answer questions, file applications and solve problems related to Social Security, Medicare, health insurance and other benefits for people with disabilities between the ages of 18-59

[www.dhs.wisconsin.gov/disabilities/benspecs/program.htm](http://www.dhs.wisconsin.gov/disabilities/benspecs/program.htm)

## Work Incentives Planning and Assistance (WIPA)

Community based organizations that work to enable beneficiaries to make informed choices about work and to support working beneficiaries to make a successful transition to financial independence



[www.choosework.net](http://www.choosework.net)

Questions???

