

FAST FACTS to SOCIAL SECURITY'S WORK INCENTIVES and BENEFITS

Many people with disabilities want to work but have many questions about how work will affect their benefits, particularly health care benefits. Social Security and SSI have special work incentives that make it possible for people with disabilities to test their ability to work and still receive monthly payments and health insurance. Below is a summary of the work incentives that apply to:

SSI (Title XVI)

SSI work incentives offer the individual opportunities to continue to receive their SSI cash benefits and/or Medicaid coverage while they work. If the individual cannot receive SSI cash benefits because their earnings are too high, eligibility for Medicaid may continue. In many cases, if the person loses their job or is unable to continue working, they can renew eligibility without filing a new application.

Earned Income Exclusion - Allows for the first \$65 of earnings in a month, plus one-half of the remainder to be excluded when figuring the SSI payment amount. This exclusion is applied in addition to the \$20 general income exclusion if not calculated under unearned income.

Student Earned Income Exclusion - A person under age 22, and regularly attending school can exclude up to \$1,820 of earned income per month or up to \$7,350 per year when figuring their SSI payment.

Property Essential To Self-Support - Allows the individual to exclude certain resources, which are essential to the person's means of self-support.

Impairment Related Work Expenses - Certain items or services that may be needed to work, due to the disability. The cost of such items may be deducted from gross earnings to determine if the individual is performing at SGA.

Plan for Achieving Self-Support - 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 or more SSI cash payment.

SSI Payments under 1619 (a) - Allows for non-blind SSI recipients who use other work incentives to reduce earned income in order to receive cash payments even when their gross earned income exceeds SGA levels.

Continued Medicaid Coverage under 1619 (b) - Allows for individuals to continue to receive Medicaid when their SSI cash payment is stopped due to earnings that exceed the SGA level but fall below the threshold amount.

Continued Payment under a Vocational Rehabilitation Program - a person who medically recovers while participating in a vocational rehabilitation program that is likely to lead to the person becoming self-supporting, may receive benefits until the program ends.

Blind Work Expenses - Any earned income that an individual who is blind uses to meet any expense incurred to earn that income.

Benefits for People Eligible Under Section 1619 (a) or (b) Who Enter a Medical Treatment Facility - If an individual is eligible under Section 1619, they may receive their SSI for up to two months while in a Medicaid, public medical or psychiatric facility.

Reinstatement of Eligibility Without a New Application - SSI cash payments and/or Medicaid coverage can be maintained without a new application if an individual has been ineligible for twelve months or less for any reason other than medical recovery.

Expedited Reinstatement - an individual who no longer receives SSDI/SSI benefits due to work, has 60 months to request reinstatement of benefits. The individual will receive provisional benefits for 6 months while a disability determination is made. If SSA determines that the individual is no longer disabled, the provisional benefits will not be considered an overpayment.

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SSDI, CDB, DWB (Title II)

Under the Title II program, an individual has the right to utilize work incentives to test their ability to work. This includes full cash benefits during the nine-month trial work period followed by a 36 month extended period of eligibility, and a five year period in which SSA can start cash benefits without a new application. Individuals may continue to have Medicare coverage during this time or even longer.

Trial Work Period - A period of 9 months (not necessarily consecutive, but must occur within a 60-month period) during which an individual will receive full SSDI benefits regardless of how high their earnings may be. Only months during which an individual earns over \$850 in 2018 or works over 80 hours in self-employment are counted as trial work period months.

Extended Period of Eligibility – The 36 consecutive months following a successful trial work period. The beneficiary who is blind or disabled may receive a disability benefit check for any month that their earnings are below the substantial gainful activity (SGA) level. For 2018, SGA is \$1,180 countable/month for a disabled individual and \$1,970 countable/month for a blind individual.

Impairment-Related Work Expenses - Certain items or services that may be needed to work, related to the disability. The cost of such items may be deducted from gross earnings to determine if the individual is performing at SGA.

Continuation of Medicare – Most people receive at least 93 consecutive months of hospital and medical insurance under Medicare. You pay no premium for hospital insurance (Part A). Although cash benefits may cease due to work, you have the assurance of continued health insurance under Continuation of Medicare and the Medicare Buy-In Program.

Continued Payment under a Vocational Rehabilitation Program - a person who medically recovers while participating in a vocational rehabilitation program that is likely to lead to the person becoming self-supporting, may receive benefits until the program ends.

Subsidy and Special Conditions – SSA's name for support an individual receives on the job that may result in their receiving more pay than the actual value of the services performed. A Subsidy is provided by the employer and Special Conditions are provided by an outside support (i.e. VR, Job Coach, etc.). SSA uses the real value of the work performed to determine SGA.

Unsuccessful Work Attempt – If, within 6 months of the person starting work, the individual made an effort to do substantial work but stopped or, their income was reduced to below the SGA level because of their impairment and/or the removal of "special conditions" related to their impairment but essential to their ability to do their job.

Unincurred Business Expenses (Self-Employed Only) - SSA deducts from the person's net earnings contributions that are given to them without cost for self-employment. SSA does this in an effort to obtain an accurate measure of the value of the work performed. (SSA generally follows the IRS rules to figure net earnings from self-employment.)

Working While Blind – a blind individual continues receiving benefits as long as their earnings are below the SGA of \$1,970/month.

Expedited Reinstatement – an individual who no longer receives SSDI/SSI benefits due to work, has 60 months to request reinstatement of benefits. The individual will receive provisional benefits for 6 months while a disability determination is made. If SSA determines that the individual is no longer disabled, the provisional benefits will not be considered an overpayment.