

Slide 1

Work Incentive Programs and Building Financial Assets for People with Disabilities

Presented by:

Karla Bell

Project Specialist,

California Health Incentives Improvement Project

Slide 2

- California Health Incentives Improvement Project logo
 - California Health Incentives Improvement Project (CHIIP)
 - Funded by a Medicaid Infrastructure Grant from the federal Centers for Medicare and Medicaid Services
 - Goal:

To increase the employment rate of people with disabilities by making sure necessary supports are in place, such as access to health care and the ability use personal assistance services at work

Slide 3

Reasons to Work

- **More income**
- **Independence**
- **Learn New Skills**
- **Meet New People**
- **Build Assets**
- **Increase Retirement**
- **Tax Credits**

Slide 4

Work Incentive Tips

- Work incentives provide a safety net
- To use most work incentives:
 - Tell Social Security that you have gone to work or
 - Report changes in your earnings
- Some work incentives require you to ask Social Security to determine if you can use them
- Know what benefits you receive and if you have used any of the work incentives
 - Get a Benefits Planning Query
 - Talk to a Benefits Planner

Slide 5

Disability Benefit Programs

- Social Security Disability Insurance (SSDI)
- Supplemental Security Income (SSI)
- Both SSDI and SSI = Concurrent benefits

Slide 6

Social Security Disability Insurance (SSDI)

- Based on work, not financial need
- Must have worked long enough & recently enough (FICA contributions) to become insured
- Disabled or blind under Social Security rules
- 5 month waiting period
- Medicare eligible after entitled for 24 months
- Not affected by resources
- 3 Different Forms: SSDI, Childhood Disability Benefits (CDB), Disabled Widow(er)s Benefits (DWB)

Slide 7

Supplemental Security Income (SSI)

- Federal income program funded by general tax revenues (not Social Security taxes)
- Aged, blind or disabled people with limited income and limited resources
- U.S. Citizen or qualified alien
- Income/resources of family members or living arrangements may affect eligibility
- No waiting period
- Automatic Medi-Cal eligibility in CA

Slide 8

SSDI Work Incentives

- Trial Work Period
- Extended Period of Eligibility
- Expedited Reinstatement
- Continuation of Medicare

Slide 9

Trial Work Period (TWP)

- Allows you to test work for at least 9 months while receiving full SSDI benefits
- No limit to earnings during TWP
- Lasts until you complete 9 months (not necessarily consecutive) of work within a rolling 60-consecutive month period
- 2009: \$700 gross earnings or 80 hours in self-employment = TWP month
- After TWP, there is a 3 month grace period with full SSDI benefits in addition to earned income

Slide 10

What happens if I stop work after I complete my Trial Work Period?

- Automatic reinstatement for the first 3 years (Extended Period of Eligibility)
 - Key concept:
 - Substantial Gainful Activity (SGA)
 - 2009: SGA is \$980 in countable earnings (\$1640 for a Blind individual)
- Additional 5 years of reinstatement if work stops and there is no medical improvement (Expedited Reinstatement)

Slide 11

What happens to Medicare if SSDI benefits stop?

- Medicare coverage uninterrupted during Trial Work Period
- Continues for at least 93 months after the 9 month Trial Work Period
- After that you may be able to purchase Medicare coverage

Slide 12

SSI and Work

- Going to work can increase overall income
- Medi-Cal can continue even if working
- Reinstatement

Slide 13

How earnings affect SSI payments

- SSA counts less than half of your earned income

For example:

- \$885 in wages
- \$400 counts against SSI
- Certain Impairment Related Work Expenses (or Blind Work Expenses) can also be deducted from your gross wages

Slide 14

SSI Calculation Example

\$885 Gross Wages

-\$20 General Income Exclusion

\$865 Remainder

-\$65 Earned Income Exclusion

\$800 Remainder

-\$100 Impairment Related Work Expense

\$700

÷ 2

\$350.00 Total Countable Income

\$850.00 Maximum SSI Rate

-\$350.00 Total Countable Income

\$500.00 Adjusted SSI Payment

\$885.00 Gross Wages

+\$500.00 SSI

-\$100 IRWE

\$1285.00 Spendable Income

Slide 15

What happens if my earnings are so high that my SSI stops?

- If your earnings are so high that your SSI payments stop:
- **1619(b):** Medi-Cal continues until you earn above a Threshold
 - 2009 California Threshold Amount = \$34,788.00
 - 2009 Blind Threshold Amount = \$36,348.00
- People with high medical costs can earn even more (Individualized Threshold)
- **Benefits can start again if you stop working or your earnings decrease (Reinstatement)**

Slide 16

Ticket to Work

A ticket you can use to get free employment services: 1-866-968-7842

Shows a SAMPLE Ticket to Work and Self-Sufficiency card

Slide 17

Work Incentives Seminar Events (WISE)

- Community Events
- FREE information about Ticket to Work and other work incentives for SSDI and SSI recipients
- Meet local Employment Networks and Work Incentives Planning and Assistance (WIPA) representatives
- Find a WISE near you:
- <http://www.cessi.net/WISE/>

Slide 18

Asset Building Tools:

- 250% Medi-Cal Working Disabled Program
- Plan to Achieve Self-Support (PASS)
- Individual Development Accounts (IDAs)

Slide 19

Medi-Cal Working Disabled Program

- An individual with a disability who is working full or part time may qualify
- **Individuals can earn up to \$55,188 (\$73,884 for a couple) gross per year and still qualify for Medi-Cal**
 - Higher gross wages possible when there are Impairment Related Work Expenses (IRWEs)
- Affordable premiums:
 - \$20 - \$250 (Single Person)
 - \$30 - \$375 (Couples)

Slide 20

Medi-Cal Working Disabled Program

- Asset Limit (\$2000 individual, \$3000 couple)
- Retirement Plans allowed and not counted towards asset limit
- All disability income is exempt in determining eligibility and premium (Social Security Disability Insurance-SSDI, State Disability Insurance, Workers Comp., Childhood Disability Benefits, private disability insurance, etc.)
- Maintain In-Home Supportive Services at home and in the workplace

Slide 21

Plan to Achieve Self-Support (PASS)

A PASS can help you reach your job goal!

- Allows you to set aside income and/or resources for a specified time for a work goal
- Help you establish or maintain SSI eligibility and can increase your SSI payment amount
- Both SSI and SSDI recipients may qualify
- Must have income other than your SSI payment or excess resources

Slide 22

Plan to Achieve Self-Support (PASS)

Requirements:

- Vocational Goal
- Complete a written plan
- Reasonable time frame for meeting your vocational goal
 - List and explain your necessary expenses
- Examples: Educational costs, business start-up costs for self-employment, vehicle modifications

Who can help:

- PASS Cadres
- WIPA Community Work Incentives Coordinator
- Vocational Counselor

Slide 23

Individual Development Accounts (IDAs)

What is an IDA?

- Special matched savings account for individuals with low incomes
- Savings and match money can be used to buy a house, pay for education or start a business
- Programs usually provide financial education classes and counseling to the accountholders

Qualifying for an IDA

- Earned Income
- 200% of poverty level
- Other program specific requirements

Slide 24

Individual Development Accounts (IDAs)

Types of IDAs

- Federally Funded (AFIA or TANF)
- Non-Federally Funded (State or Private)

Impact on SSDI or SSI

- No impact on SSDI cash benefit, eligibility or application
- AFIA or TANF IDA will not affect SSI resource limit, matching deposits do not count as income, and account owner's deposit can cause their SSI benefit amount to go up
- Non-Federally funded IDAs will count towards SSI resource limit

Slide 25

Shows a screen shot of the www.db101.org website page

Slide 26

Shows a screen shot of the www.tknl.org website

Slide 27

Resources

Talent Knows No Limits

www.tknl.info

Disability Benefits 101

www.DB101.org

WISE Events

<http://www.cessi.net/WISE/>

Benefits Planning Assistance (WIPA)

<https://secure.ssa.gov/apps10/oesp/providers.nsf/bystate>

Slide 28

Resources

Ticket to Work

<http://www.yourtickettowork.org/>

Contact your PASS Cadre (PASS Plan)

<http://www.ssa.gov/disabilityresearch/wi/passcadre.htm>

PASS Plan form

<http://www.socialsecurity.gov/online/ssa-545.html>

SSA Red Book-Guide to Work Incentives

<http://www.ssa.gov/redbook/>

Slide 29

Resources

Find an IDA program in your area

<http://www.cfed.org/ida/directory/>

World Institute on Disability Access to Assets

<http://www.wid.org/programs/access-to-assets>

Equity e-Newsletter

<http://www.wid.org/programs/access-to-assets/equity>

Slide 30

Resources

For more information, or if you have any questions, contact Karla Bell by e-mail at:

kbell@interwork.sdsu.edu

To order brochures about the Working Disabled Program, **contact Nicholas Moore at 916-654-8194 or by e-mail at: Nicholas.Moore@edd.ca.gov**