

## **Slide 1**

### **The 250% Working Disabled Program and Options to Maintain Medi-Cal While Working**

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### **California Health Incentives Improvement 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 to use personal assistance services at work

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### **Overview**

- **Options for continued Medi-Cal eligibility while working**
- **Medi-Cal Working Disabled Program**
  - History
  - Eligibility
  - Income and Premiums

- Benefits and Enrollment
- Future Changes
- Resources

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##### **Continued Medi-Cal Eligibility**

Three Options:

1. SSI's 1619(b) program
2. Aged & Disabled Federal Poverty Level Medi-Cal Program
3. 250% Working Disabled Program

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##### **1619(b) Program**

- A provision to Supplemental Security Income (SSI) linked Medi-Cal
- Allows working SSI recipients to keep full-scope Medi-Cal
- Medi-Cal retained when SSI payment is reduced to \$0.00 per month due to wages
- CA Earned income threshold for 1619(b):
  - Disabled Individual: \$34,346 (2009), \$34,324 (2010)
  - Blind Individual: \$36,348 (2009), \$37,252 (2010)

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##### **1619(b) Program**

- Individualized Earnings Threshold: threshold can be adjusted on a case-by-case basis

- Higher Individualized Earnings Threshold if:
  - Blind Work Expenses (BWE)
  - Impairment Related Work Expenses (IRWE)
  - Plan to Achieve Self-Support (PASS Plan)
  - Publicly Funded Personal Attendant
  - (i.e. In-Home Supportive Services)
- Medical Expenses above State Average

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### 1619(b) Program

- All Blind and Impairment Related Work Expenses must be verified by your local Social Security field office
- Provide them with original receipts or canceled checks of the expenses

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### Aged & Disabled FPL Medi-Cal

- Aged & Disabled Federal Poverty Level Medi-Cal provides free, full scope Medi-Cal services for disabled or aged individuals who meet the income and asset requirements of the program
- Blind people are also eligible, but must be determined disabled
- Typical income threshold is \$1133/month for a single individual or \$1525 for a married couple

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### Aged & Disabled FPL Medi-Cal

- Assets may not exceed \$2,000 in value (\$3,000 for a couple)
- Assets, like the home you live in and one car, are not counted for this program

- Assets may include:
  - checking and savings accounts
  - the value of stocks, bonds, and trust deeds
  - additional cars or recreational vehicles
  - promissory notes and loans that are payable to you

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### **Medi-Cal 250% Working Disabled Program**

- Provides choice and opportunity to Californians with disabilities who would otherwise be ineligible for No-Share-of-Cost, full scope Medi-Cal coverage due to earned income and work activity

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### **History**

- Assembly Bill 155 (Migden 1999):
- California legislation that implemented the 250% Working Disabled Program in April 2000
  - Allowed under the Balanced Budget Act of 1997 – “Medicaid Buy-In program”
  - States given the option set resource and income limits and exclusions
- Assembly Bill 1183: 2008 Health trailer budget bill, eliminates the sunset date provision and allows the 250% Working Disabled Program to run indefinitely

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### Medi-Cal 250% Working Disabled Program

Unique Features:

- **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)

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### Medi-Cal 250% Working Disabled Program

Unique Features, cont.:

- Any IRS approved retirement products, Individual Retirement Accounts (IRAs), 401K, 403B, etc are allowed and not counted towards the typical \$2000 (or \$3000) asset/resource limits for Medi-Cal
- Disability income (Social Security Disability Insurance-SSDI, State Disability Insurance, Workers Comp., Childhood Disability Benefits, private disability insurance, Veterans' Benefits, etc.) not included in countable income when determining eligibility and premium amount

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### Medi-Cal 250% Working Disabled Program – Eligibility

To qualify for the WD program, individuals must:

- Be a United States resident and living in California
- Meet Social Security's definition of disability (medical definition only, does not count the ability to earn income)

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### Medi-Cal 250% Working Disabled Program – Eligibility

#### To qualify, individuals must:

- Be employed full-time or part-time, including self employment, with countable earnings below 250% of the Federal Poverty Level
  - An applicant may be employed by another person, business, corporation
  - An applicant may be self employed or be an independent contractor
  - Work is undefined – no set amount of hours required

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### Proof of Employment

- **Pay Stubs**
- **Written verification of employment from an employer/business**
- **If self-employed:**
  - A contract may be used
  - W-2's can be used or:
  - If an applicant is an independent contractor, the 1099 IRS form can be used

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### Medi-Cal 250% Working Disabled Program – Eligibility

#### 3 Eligibility Tests:

- Assets
- Unearned Income
- Earned Income

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### Medi-Cal 250% Working Disabled Program – Eligibility

#### Asset Test

- Assets must be less than:
  - \$2000 for an individual
  - \$3000 for a couple
- Assets, like the home you live in and one car, are not counted for this program
- All IRS approved retirement accounts are exempt

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### Medi-Cal 250% Working Disabled Program – Eligibility

#### Unearned Income Test

- Unearned Income must be less than current SSI/SSP amount
- Disability income is excluded (SSDI, CDB, disability pension, SDI, etc.)
- \$20 general income exclusion is applied to any unearned income
- Examples of unearned income: retirement, survivor's Social Security, net income from property, Unemployment Insurance

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### Medi-Cal 250% Working Disabled Program – Eligibility

#### Earned Income Test

- Countable income must be below 250% of the Federal Poverty Level
- Countable income limits = 250% FPL
  - For individuals: **\$2257/month**

- For couples: **\$3036/month**
- Gross earned income limits
  - For individuals: approx. **\$4599/month**
  - For eligible couples: approx **\$6157/month**

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### Medi-Cal 250% Working Disabled Program – Income

#### How Countable Income is determined:

- **Net countable income** = SSI Methodology  
 (unearned income\* - \$20) +  
 (earned income - \$65 ÷ 2)  
 \*All disability income exempt
- Impairment Related Work Expenses (IRWE) can also be used as deductions
  - Out of pocket expenses related to one's disability and needed to work
  - Examples: medications, medical equipment, attendant care services

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### Countable Income Example

- Mary
  - \$1,500/month in gross earned income
  - \$900/month in SSDI (exempt)
  - \$100/month in Impairment-Related Work Expenses (IRWEs)



- Mary's Countable Income:

\$1,500 (earned income)

- 20 (general income exclusion)

- 65 (earned income exclusion)

-100 (IRWE)

$\$1,315 \div 2 = \$657.50$  (countable income)

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#### **250% Medi-Cal Working Disabled Program – Premium Chart**

##### **Countable Earned Income and Premiums:**

- **\$1-\$600 Countable Income**
  - o **Individual \$20**
  - o **Couple \$30**
- **\$601-\$700 Countable Income**
  - o **Individual \$25**
  - o **Couple \$40**
- **\$701-\$900 Countable Income**
  - o **Individual \$50**
  - o **Couple \$75**
- **\$901-\$1100 Countable Income**
  - o **Individual \$75**
  - o **Couple \$100**

- **\$1101-\$1300 Countable Income**
  - o **Individual \$100**
  - o **Couple \$150**
- **\$1301-\$1500 Countable Income**
  - o **Individual \$125**
  - o **Couple \$200**
- **\$1501-\$1700 Countable Income**
  - o **Individual \$150**
  - o **Couple \$225**
  
- **\$1701-\$1900 Countable Income**
  - o **Individual \$175**
  - o **Couple \$275**
- **\$1901-\$2100 Countable Income**
  - o **Individual \$200**
  - o **Couple \$300**
- **\$2101-\$2257 Countable Income**
  - o **Individual \$250**
  - o **Couple \$375**
- **\$2258-\$3036 Countable Income**
  - o **Individual \$N/A**
  - o **Couple \$375**

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### Medically Needy Share of Cost vs. 250% Working Disabled Program

- Mary's Total Income = \$2400
- Mary's Working Disabled Program Premium = \$25/month
- If in Medically Needy Share of Cost Program, share of cost = \$950

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### 250% Working Disabled Program Benefits

- The ability to work and maintain affordable health coverage through Medi-Cal
- No large shares of cost (Medi-Cal or IHSS)
- Liberal definition of employment
- Disability-related income/Worker's Compensation is exempt in determining eligibility and premium
  - However, earning income may impact cash benefits

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### 250% Working Disabled Program Benefits

- Can build retirement accounts
- Maintain In-Home Supportive Services at home and in the workplace
- Medi-Cal's Health Insurance Premium Payment program (Medi-Cal/HIPP)

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### 250% Working Disabled Program Benefits

#### If also on Medicare – are fully “dually-eligible”:

- Automatically qualify for Medicare Part D Low Income Subsidy (LIS)
- Medi-Cal pays Medicare Part B premium
- Medi-Cal’s co-pay and premium payment programs for Qualified Medicare Beneficiaries (QMB)
- Access IHSS services (not covered by Medicare)

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### How to Enroll

#### You must be receiving Medi-Cal benefits to qualify for this program

##### If you are already receiving Medi-Cal:

- Contact your Medi-Cal Eligibility Worker and ask them to enroll you
  - If you do not know who your Eligibility Worker is, contact your local Medi-Cal County office

##### If you’re not currently receiving Medi-Cal:

- Apply for Medi-Cal at your local Medi-Cal county office. Once approved by Medi-Cal, you can apply for the Working Disabled Program

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### **How to Enroll**

#### **Completed application should be submitted with:**

- Latest SSA award letter confirming medical disability determination is still active
- Copies of two most recent payroll checks or stubs (or letter from employer)
- Copies of two most recent bank statements

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### **Future Changes to the program**

- Assembly Bill 1269 was signed into law by our Governor on 10/11/09
- Anticipate new rules will go into effect sometime next year

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### **AB 1269**

AB 1269 improves the 250% WDP by:

- Eliminating the asset limit when money is placed in a separate account
- For individuals previously on SSDI and reach full retirement age, their Social Security retirement income will be exempt for ELIGIBILITY, but not premiums
  - This eliminates Age 65 restriction for many

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### **AB 1269**

- Each individual will pay a monthly premium that is equal to 5% of his or her individual or spousal countable income (premium will keep the same minimum and maximum range of \$20-\$250 for individuals and \$30-\$375 for couples)
- Disability Income will be exempt for ELIGIBILITY, but not premiums
- Same three eligibility tests will apply

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### **Resources**

**For more information on the 250% WDP:**

#### **Disability Benefits 101**

<http://www.disabilitybenefits101.org>

**List of 250% WDP County Coordinators (for assistance with enrollment)**

[http://www.chiip.org/wdp\\_county\\_coordinators.html](http://www.chiip.org/wdp_county_coordinators.html)

#### **Benefits Planning Assistance (WIPA)**

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

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**Resources**

**Health Consumer Alliance: brochures, fact sheets, advocacy**

**<http://healthconsumer.org/>**

**Disability Rights California**

**<http://www.disabilityrightsca.org/>**

**SSA Red Book-Guide to Work Incentives**

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

**Talent Knows No Limits**

**<http://www.talentknowsnolimits.info>**

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**Resources**

**For more information, or if you have any questions, contact Karla Bell at 619-594-5381 or by e-mail at:**

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**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](mailto:Nicholas.Moore@edd.ca.gov)**