

## **Slide 1**

### **Supplemental Security Income (SSI) Work Incentives: You CAN Work!**

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### **California Health Incentives Improvement Project LOGE**

- **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**
- **Collaborative effort**

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### **Overview**

- Reasons to Work & Tips
- Differences between SSI and SSDI
- How earned income affects SSI
- IRWE, BWE, SEIE
- SSI Calculation Examples

- 1619(b)
- More SSI work incentives
- Ticket to Work & WISE events
- Wage Reporting
- Resources

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##### **Reasons to Work**

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

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##### **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

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### **Disability Benefit Programs**

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

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### **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)

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### **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

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### Supplemental Security Income (SSI)

#### 2010 California SSI payment rates:

- \$845.00 (Individual-own household)
- \$639.66 (Individual-household of another)
- \$929.00 (Individual-no cooking facilities)
- \$908.00 (Blind individual)
- \$1407.00 (Couple)
- \$1554.20 (Blind Couple)

#### SSI Resource Limit:

- \$2000 (individual)
- \$3000 (couple)

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### SSI and Work

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

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### 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

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### **SSI Calculation Steps**

- Not all income counts when determining SSI payment amount:

#### **Gross monthly earned income**

- \$20 General Income Exclusion (1st applied to any unearned income)
- \$65 Earned Income Exclusion
- $\div 2$
- = **Countable Income**
- Subtract any applicable work incentives (in correct order)

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### **Impairment Related Work Expenses (IRWE)**

Social Security deducts IRWE when they figure SSI payment amounts when:

- Item or service enables you to work
- Need item/service because of disabling impairment
- You paid the cost and are not reimbursed
- The cost is reasonable
- You paid the expense in a month that you received earned income or performed work while you used the impairment related item or service
- The cost may be pro-rated over a 12-month period for nonrecurring expenses

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### Impairment Related Work Expenses (IRWE) Examples

- Medications
- Attendant Care Services
- Medical devices
- Medical services
- Prosthesis
- Expendable medical supplies
- Appliances/devices prescribed by physician
- Diagnostic procedures
- Costs related to a service animal
- Modifications to home or vehicle
- Transportation costs
- Assistive Technology
- Training to use work-related equipment

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### SSI Calculation Example-IRWE

- \$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
- \$845.00 Maximum SSI Rate
- -\$350.00 Total Countable Income
- \$495.00 Adjusted SSI Payment
- \$885.00 Gross Wages
- +\$495.00 SSI
- -\$100 IRWE
- \$1280.00 Spendable Income

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### Blind Work Expenses (BWE)

- For SSI beneficiaries whose primary diagnosis is blindness
- Allows the exclusion of any work related items that are paid out of pocket and not reimbursed

- BWEs do not need to be related to blindness or any impairment
- Examples: Service animal expenses, fees, State, Federal & local taxes, visual & sensory aids, driver services, transportation to and from work, childcare, meals consumed at work, union dues, uniforms, reader services, vehicle modification, mandatory pension contributions, training to use an impairment-related item, translation of materials into Braille

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### SSI Calculation Example-BWE

- \$885 Gross Wages
- -\$20 General Income Exclusion
- \$865 Remainder
- -\$65 Earned Income Exclusion
- \$800 Remainder
- ÷ 2
- \$400 Remainder
- -\$100 Blind Work Expense
- \$300.00 Total Countable Income
- \$908.00 Maximum SSI Rate
- -\$300.00 Total Countable Income
- \$608.00 Adjusted SSI Payment
- \$885.00 Gross Wages
- +\$608.00 SSI
- -\$100 BWE
- \$1393.00 Spendable Income



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### IRWE & BWE

- 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
- SSA will determine if the expense may be deducted
- Request in writing in order to use appeal rights (if necessary)

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### Student Earned Income Exclusion (SEIE)

- Under age 22 and regularly attending school, college or training to prepare for a paying job
- Do not count up to \$1640 of earned income per month when figure SSI payment
- Maximum yearly exclusion is \$6600 in 2010

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### SSI Calculation Example-SEIE

\$500 Gross Wages

-\$500 Student Earned Income Exclusion

**\$0.00 Total Countable Income**

\$845.00 Maximum SSI Rate

-\$ 0.00 Total Countable Income

**\$845.00 SSI Payment**

\$500.00 Gross Wages

+\$845.00 SSI

**\$1345.00 Spendable Income**

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

- 1619(b) is a work incentive that allows working SSI recipients to keep **FREE** Medi-Cal (No Share-of-Cost)
- Medi-Cal retained when SSI payment is reduced to \$0.00 per month due to earned income
- Medi-Cal continues until you earn above a Threshold
- 2010 California 1619(b) Threshold Amounts:
  - **Disabled = \$34,324.00**
  - **Blind = \$37,252.00**
- People with high medical costs can earn even more (Individualized Threshold)
- Benefits can start again if you stop working or you earnings decrease (Reinstatement)

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### 1619(b)

#### To qualify:

- Have been eligible for an SSI cash payment for at least 1 month;
- Would be eligible for cash payment except for earnings;
- Still be disabled or blind;
- Still meet all other eligibility rules, including the resources test;
- Need Medi-Cal in order to work;
- Have gross earned income that is insufficient to replace SSI, Medi-Cal, and any publicly funded attendant care.

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### 1619(b)

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

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- **Higher Individualized 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)**

- 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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#### **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

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### 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 & resources:

- PASS Cadres
- WIPA Community Work Incentives Coordinator
- Vocational Counselor
- Disability Benefits 101 PASS Calculator

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### Property Essential to Self-Support (PESS)

- Does not count certain resources or property that an individual or couple needs for self-support
- May include:
  - Property used in trade or business
  - Non-business income-producing property, and
  - Property used to produce goods or services essential to an individual's daily activities
- Excluded resources must be in current use
- Money in a self-employed person's business account can be excluded under PESS

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### Section 301

- SSI benefits may continue in spite of determination that medical improvement has occurred if enrolled in an appropriate program that increases likelihood of not returning to disability benefit rolls:
  - Department of Rehabilitation (using an IPE)
  - Individualized Education Plan (IEP) if under age 22
  - PASS Plan
  - Ticket to Work
  - Support Services using an individualized written employment plan
- Benefits continue until you complete the program, stop participation in the program or if your continued participation in the program no longer increases likelihood that you remain off the rolls

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### Ticket to Work

A ticket all SSI and SSDI recipients, ages 18-64, can use to get free employment services

866-968-7842 (voice), 866-833-2967 (TTY)

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

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### Work Incentives Seminar Events (WISE)

- Community Events and Online Webinars
- 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/>

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### Wage Reporting

- All wages & net earnings from self-employment (including any in-kind items received in lieu of wages)
- Report new employment in person or with a letter
- Take or mail copies of all pay stubs each month
- Provide pay stubs as soon as receive last stub each month-no later than the 10th of the next month
- Earnings count in month received
- Self-employment: copies of tax return
- Keep a binder with: all of your pay stubs, letters sent to SSA, receipts from work incentives you are claiming, letters from SSA

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### Resources

- **Talent Knows No Limits**
- <http://www.talentknowsnolimits.info/>
- **Disability Benefits 101**
- <http://www.disabilitybenefits101.org/>

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### Resources

- **WISE Events**
  - <http://www.cessi.net/WISE/>
  
- **Ticket to Work**
  - <http://www.yourtickettowork.org/>
  
- **Ticket to Work FAQs**
  - <http://www.cessi.net/ttw/faqs/beneficiaries.html>
  
- **Work Incentives Planning and Assistance (WIPA) Projects**
  - <https://secure.ssa.gov/apps10/oesp/providers.nsf/bystate>

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### Resources

- **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/>

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**Resources**

**For more information or questions, contact Karla Bell at 619-594-5381, [kbell@interwork.sdsu.edu](mailto:kbell@interwork.sdsu.edu)**

**To order brochures or promotional materials, contact Nicholas Moore at 916-654-8194, [Nicholas.Moore@edd.ca.gov](mailto:Nicholas.Moore@edd.ca.gov)**

- The Medi-Cal Working Disabled Program Brochure
- I Can Work Brochure