



# Overview of the Work Incentives for Social Security Disability Benefits

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Presented by:

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# Reasons to Work

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



# Common Questions:

- Will I lose my benefits?
  - Cash payments
  - Health care
- How do I get the skills and experience I need?
- What if I have to stop working?





# Work Incentive Advantages

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- Provide the safety net so you can:
  - Try different jobs
  - Be trained
  - Build skills
  - Gain confidence
  - Start a new career



# Disability Benefit Programs

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



## Social Security Disability Insurance (SSDI)

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- AKA: DI, SSA, Social Security or Title II
- 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



# Supplemental Security Income (SSI)

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- 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

# SSDI Work Incentives

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





# 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
- 2009: \$700 gross earnings or 80 hours in self-employment = TWP month



## TRIAL WORK PERIOD (TWP)

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- 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



# EXTENDED PERIOD OF ELIGIBILITY (EPE)

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- Starts month after TWP ends
- Key concept:
  - Substantial Gainful Activity (SGA)
- 2009: SGA is \$980 in countable earnings
- First 36 months are Reinstatement Period
  - If monthly countable earnings are **over** \$980 not entitled to cash benefits
  - If monthly countable earnings are **less** than \$980 then entitled to cash benefits
  - Benefits automatically reinstated without need for new application or disability determination



# EXPEDITED REINSTATEMENT (EXR)

- Previous entitlement to benefits terminated due to SGA
- Unable to work or perform SGA due to a disabling impairment
- Eligible within 60 months of benefit termination date
- Up to 6 months provisional benefits payable during EXR decision making process
- Medical decision needed



# 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

MEDICARE  HEALTH INSURANCE	
SOCIAL SECURITY ACT	
NAME OF BENEFICIARY	<b>JOHN D. DOE</b>
MEDICARE CLAIM NUMBER	<b>123-45-6789A</b>
SEX	<b>MALE</b>
IS ENTITLED TO	EFFECTIVE DATE
<b>HOSPITAL INSURANCE (PART A)</b>	<b>1/1/95</b>
<b>MEDICAL INSURANCE (PART B)</b>	<b>1/1/95</b>
SIGN HERE 	<i>John D. Doe</i>

# Quick Review of SSDI Work Incentives

- 9 Trial work months
- 3 Grace months (during EPE)
- Extended Period of Eligibility
- Extended Medicare Coverage
- Expedited Reinstatement





# SSI and Work

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





## How earnings affect SSI payments

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- SSA counts less than half of your earned income

For example:

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





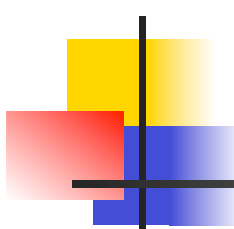
# SSI Calculation Example

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\$885 Gross Wages  
-\$20 General Income Exclusion  
\$865 Remainder  
-\$65 Earned Income Exclusion  
\$800 Remainder  
÷ 2  
**\$400.00 Total Countable Income**

\$850.00 Maximum SSI Rate  
-\$400.00 Total Countable Income  
**\$450.00 Adjusted SSI Payment**

\$885.00 Gross Wages  
+\$450.00 SSI  
**\$1335.00 Spendable Income**



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

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- 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)



# Medi-Cal Working Disabled Program

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- Individual with a disability who is working
- Earn up to \$55,188 a year or more
- Monthly premium between \$20-\$250 for individuals, \$30-\$375 for couples
- Asset Limit
- Retirement Plans allowed
- All disability income is exempt
- In-Home Supportive Services



## You may be eligible to do a Plan to Achieve Self-Support (PASS)

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- **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 maintain SSI eligibility and can increase your SSI payment amount
  - San Diego PASS Specialists: 1-888-674-6250
  - Examples: Educational costs, business start-up costs for self-employment, vehicle modifications



# Ticket to Work


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

Social Security Administration	
<b>Ticket to Work and Self-Sufficiency</b>	
Ticket Number	123-45-6789TW
Claim Account Number	987-65-4321 W
Issue Date:	



This ticket is issued to you by the Social Security Administration under the Ticket to Work and Self-Sufficiency Program. If you want help in returning to work or going to work for the first time, you may offer this ticket to an Employment Network of your choosing or take it to your State vocational rehabilitation agency for services. If you choose an Employment Network and it agrees to take your ticket, or if you choose your State agency and you qualify for services, these providers can offer you services to help you go to work.

An Employment Network provides the services at no cost to you. The Social Security Administration will pay the Employment Network if you assign your ticket to it, and the Employment Network helps you go to work and complies with other requirements of the Program. An Employment Network serving under the Program has agreed to abide by the rules and regulations of the Program under the terms of its agreement with the Social Security Administration for providing services under the Program. Your State agency can tell you about its rules for getting services.

  
Commissioner of Social Security



# Resources

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Talent Knows No Limits

[www.tknl.info](http://www.tknl.info)

Disability Benefits 101

[www.DB101.org](http://www.DB101.org)

Ticket to Work

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



Questions about Work Incentives?  
Contact your local work incentives  
specialist!

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# QUESTIONS

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