

Transformation 2.0:

STRATEGY

1

EFFICIENCY: TAKING CARE OF

Creating the Narrative for Employment Success

PERSON-CENTERED, SYSTEM-WIDE



Navigating the Benefits Terrain Successfully

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#Transformation2.0



SSA Disability Benefits Advisement: Offer Your Client Choices by Providing Incentives

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Agenda

- A little bit about benefits advisement
- SSA Disability Benefits Overview
- Work Incentives/ Ticket to Work
- Case Study
- Additional Resources
- Questions/Comments

The Early Years

- Get the most out of those benefits
- Protect the beneficiary
- Manage those benefits
- No real guidance/training for providers

Change Begins to Happen

- Focus on individual potential
- Take advantage of SSA Work Incentives
- NYS Disability Employment Initiative's DRC's Credentialed
- SSA's WIPA projects

What we know...

- SSA Disability benefits and Work Incentives are complex
- People take the easy way out...work under the limit
- Service providers uneducated/uninformed on benefits and work incentives
- Beneficiaries and providers fear termination of benefits



SSA Disability Benefit Programs

Social Security Disability Insurance (AKA... SSDI)

- Medicare (after 24 months)
- Recent Work
- Must have accrued credits of coverage
- Benefit amount based on contributions/work history
- Resources Do Not Count
- Earnings impact in the month they are **earned**

Supplemental Security Income (AKA... SSI)

- Medicaid
- Needs based
- Aged, Blind, Disabled
- No work history
- Benefit amount is based on the Federal Benefit Rate (FBR)
- Some states offer a supplement
- Resources Limits apply
- Earnings impact in the month they are **paid**

SSDI Work Incentives

Designed to allow a person to attempt work, continue to work and eventually become independent from benefits by providing support over a long period of time....

What are they?

How do they work?

The Trial Work Period
(TWP)

→ 9 months within 5 years, no limit on earnings, counts when earnings exceed \$810 (2016 TWL)

Extended Period of
Eligibility
(EPE)

→ 36 consecutive months, begins month after TWP ends, countable earnings over SGA

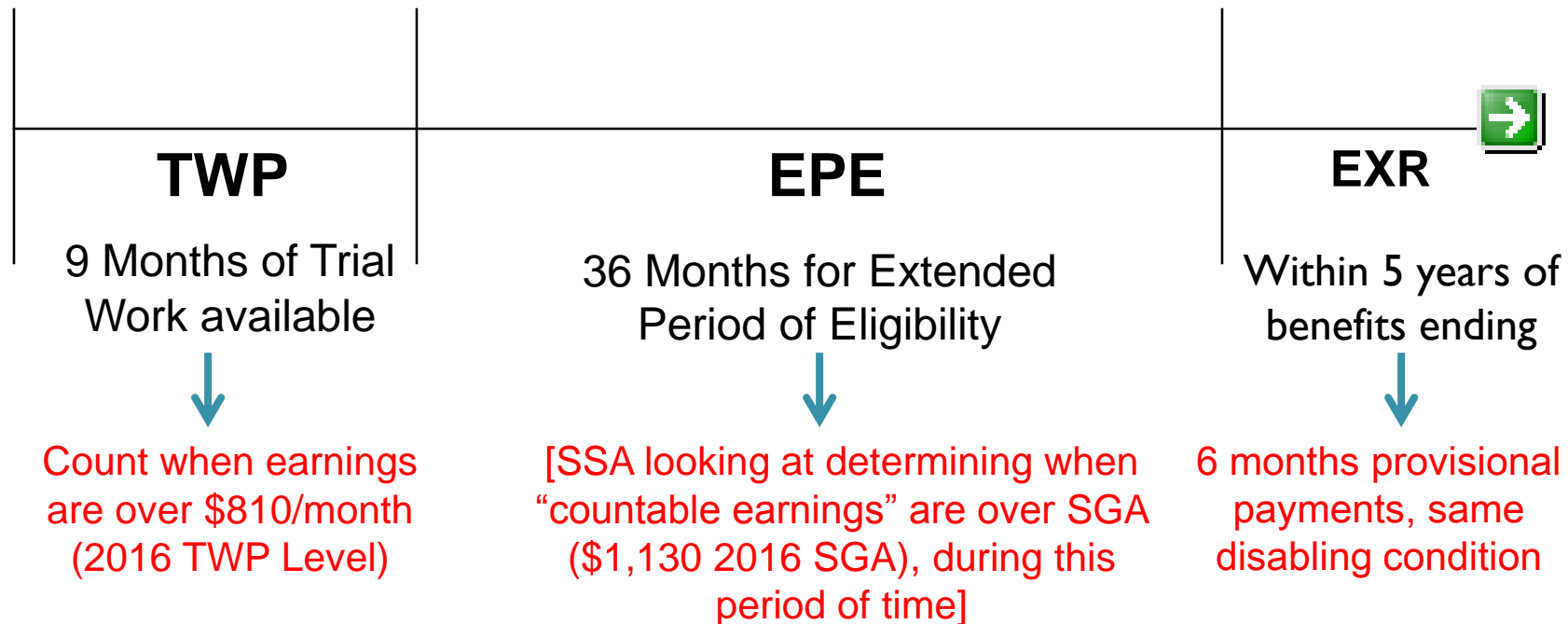
Expedited Reinstatement
(EXR)

→ Safety net for people who lose benefits because of work and earnings, within 5 years of when benefits end

SSDI Timeline

3 Month Grace Period – Can occur anytime AFTER the TWP is completed

(first month with earnings over Substantial Gainful Activity {SGA} Level)





Work Incentives that Reduce Wages

Impairment Related Work Expenses (IRWE)

- Expense is directly related to enabling person to work
- Expense is related to existing disability
- Paid for out of pocket
- Typically, expense has to be paid for in the month working
- Must be reasonable

**NOTE: CAN BE USED
WITH SSDI AND SSI**

How do IRWE's help SSDI Beneficiaries?

Can be used to reduce gross wages to
bring earnings below SGA

Example:

**Jim is earning \$1200 gross per month
He has \$75 each month in approved IRWE's**

$\$1200 - \$75 = \$1125$ in countable wages

**Jim's earnings would fall below SGA (2016
\$1130), so he would continue to receives a cash
benefit!**

How do IRWE's help SSI beneficiaries?

Can be used to reduce gross wages counted when determining monthly cash benefit amount

We will see an example of this when we look at a sample SSI calculation

Subsidies and Special Conditions

- Employer pays more in wages than the value performed (employer subsidy)
- Employer receives full value because an agency provides extra services to employee



Can be used to reduce gross wages when SSA is making SGA determinations

Examples:

- Sheltered employment
- Fewer or easier duties than non-disabled peers
- Receives help from others to perform work
- Gov't sponsored job training/job coaching

Note: SSDI only

Extended Medicare

- Continued coverage during TWP, and for at least 93 months following 9th Trial Work month
- Part A (hospital coverage) cost-free during this period
- Part B (outpatient/regular coverage) continues but is subject to premium payment



SSI Work Incentives

General Income Exclusion
(GIE)



\$20 of unearned and earned income excluded

Earned Income Exclusion
(EIE)



\$65 of earned income excluded

Impair't-Related Work Expense
(IRWE)



**Reduces countable income before
½ earnings excl.**

The ½ Earnings Exclusion



Only ½ of remaining earned income is counted

Blind Work Expenses (BWE)



Counted after ½ earnings to further reduce countable earnings if disabled due to blindness

Plan to Achieve Self Support
(PASS)



Also counted after ½ earnings to further reduce countable earnings

Student Earned Income Exclusion (SEIE)

- Under the age of 22
- Regularly attending school (high school, GED regular classes, college, etc.)
- \$1780 per month (2016)
- \$7180 max for year

Federal Benefit Rate (FBR)

- Established rate of pay/maximum SSI check allowed
- Current FBR is \$733/mo. (individuals)
\$1,100/mo. (couple)
- Almost all states offer a State Supplement and NY is one of them
- Current NYS rate is \$87/mo. (individuals)
\$104/mo. (couples)

FBR is Determined Using Many Factors

- Living situation

(Ex. Living in the household of another-means in a household you do not own and you are NOT paying fair share of expenses, can reduce your SSI FBR by 1/3)


- Marital Status

(Ex. Married couples that both receive SSI have a reduced FBR)

- To learn more details and/or varying factors, see <http://www.ssa.gov/ssi/text-living-ussi.htm>

What Counts as Income? (SSI)

- Anything received in cash or in-kind used to meet basic needs of food, clothing and/or shelter
- Reminder: counts in the month check is dated
- Earned income: gross wages, tips, bonuses, etc.
- Unearned income: Any/all income that is not “earned” which is counted when it is actually received



**The SSI Formula:
How does SSA get to
adjusted cash benefit
amount?**

SSI Calculation Worksheet

Step ONE	Calculations
Unearned Income	
General Income Exclusion (GIE)	
Countable Unearned Income	=
STEP TWO	
Gross Earned Income	
Student Earned Income Exclusion	
Remainder	
IDA Contribution	
Remainder	
GIE (if not used above)	
Remainder	
Earned Income Exclusion (EIE)	
Remainder	
Impairment Related Work Expense (IRWE)	
Remainder	
Divide by 2	
Remainder	
Blind Work Expenses (BWE)	
Total Countable Earned Income	
STEP THREE	
Total Countable Unearned Income	
Total Countable Earned Income	
PASS Deduction	
Total Countable Income	
STEP FOUR	
Base SSI Rate (FBR or VTR)	
Total Countable Income	
Adjusted SSI Payment	
STEP FIVE	
Adjusted SSI Payment	
Gross earned income received	
Gross unearned income received	
PASS, BWE or IRWE Expenses, IDA Contributions	
Total Financial Outcome	

Example 1

The beneficiary has/is:

- No unearned income
- Working 25 hours per week
- Earning \$10 per hour
- No IRWE's, PASS, etc.
- Benefit rate of \$733, plus State Supplement Program (SSP)

Calculation Details:

- \$1075 monthly gross earnings
- \$495 Total Countable Earnings
- \$238 Adjusted payment
- \$1313 Total Financial Outcome
- \$580 diff

Example 2

The beneficiary has/is:

- No unearned income
- Working 20 hours per week
- Earning \$9.50 per hour
- \$40 in IRWE's
- No PASS, etc.
- Benefit rate of \$733, plus State Supplement Program (SSP)

Calculation Details:

- \$817 monthly gross earnings
- \$346 Total Countable Earnings
- \$387 Adjusted payment
- \$1244 Total Financial Outcome
- \$511 diff

Example 3

The beneficiary has/is:

- No unearned income
- Working 35 hours per week
- Earning \$11 per hour
- No IRWE's, PASS, etc.
- Benefit rate of \$733, plus State Supplement Program (SSP)

Calculation Details:

- \$1655.50 monthly gross earnings
- \$785.25 Total Countable Earnings
- \$0 Adjusted payment
- \$1655.50 Total Financial Outcome
- \$835.50 diff

Medicaid While Working-1619(b)

- SSI for at least 1 month
- Ineligible for cash payment due to earnings
- Still disabled
- Meet all other rules (including resources test)
- Need Medicaid to work
- Gross earnings insufficient to replace SSI, Medicaid, etc. (Threshold/\$43,583)

<https://www.ssa.gov/disabilityresearch/wi/1619b.htm>



Other Work Incentives

Medicaid Buy-In for Working People With Disabilities

For people with disabilities working and earning too much for regular Medicaid

- At least 16
- Have a disability defined by SSA
- Engaged in Work
- Loss of SSDI/SSI due to earnings from work
- Gross income can be as high as \$60,420

http://www.health.ny.gov/health_care/medicaid/program/buy_in/docs/working_people_with_disabilities.pdf

Disallowance of Increase in Annual Income (Earned Income Disregard)

- Disabled family
- Receiving housing assistance through:
Section 8, Supportive Housing Program,
HOME, Housing Opp. For People with AIDs
- Increase in income from employment after
being unemployed for a period of time
- 1st year 100% of income disregarded
- 2nd year 50% of income disregarded


<https://www.hudexchange.info/resources/documents/DisallowanceIncreaseIncome.pdf>



Ticket to Work (TTW)

Ticket to Work History


- Established in 1999 through TTW and Work Incentives Improvement Act
- To expand employment support services and medical insurance
- Allowed States to establish Medicaid Buy In programs
- Created opportunity for qualified entities to become Employment Networks



The Social Security Administration's Ticket to Work program supports career development for Social Security Disability Beneficiaries. The program is free and voluntary. It is designed to assist beneficiaries to move in the direction of financial independence.....

Key Provisions

- Must be in receipt of SSDI/SSI
- Beneficiaries ages 18 through 64
- Protects beneficiaries from Continuing Disability Review while Ticket is assigned and person is making Timely Progress
- Services provided through Employment Networks such as, career counseling, job search assistance, on going supports after employment, etc.



**Every SSA Beneficiary should
receive benefits advisement
when returning to work or
attempting work for the first
time!**



Why?????

I will tell you...

- Knowledge is power
- Most SSA beneficiaries are unaware of how work impacts their benefits, health insurance, etc.
- Most beneficiaries are either advised improperly, and/or believe earnings over SGA will cause them to lose benefits
- Education on Work incentives, impact of earnings, etc. allows them to make sound decisions regarding employment goals



Case Study

Mark

Mark is working with ACCES-VR seeking part-time work. He is looking at food service occupations. Mark has been receiving SSDI benefits for the past few years. He receives \$902 each month in benefits. Mark worked in restaurants doing food prep, and other kitchen duties for many years. He would love to work as a cook eventually.

No Advisement

Mark secures a part-time job with the help of VR services. He will work 20 hours a week @ \$10.00 an hour. The employer originally offered him a position working 29 hours. Upon advice from his service provider he declined that position to secure his SSDI benefits. The employer told Mark in order to take advantage of promotional opportunities he would need to work more hours.

He will receive \$860 in gross monthly earnings, therefore his income will total \$1762 a month.

With Advisement

Consider the same scenario, however in this case Mark is working with someone certified in benefits advisement throughout the entire process. Mark is aware of many work incentives available to him, and discusses the option of working more hours with his Work Incentive Advisor. He has been paying out of pocket for some of his medical expenses, and it is determined that he has \$125 per month in IRWE's. Mark accepts the position with more hours.

How can he do this?

Mark will have approximately \$1,247 in gross monthly earnings. This puts him over SGA (\$1,130/2016).

However, the \$125 in monthly IRWE's reduces his countable earnings to \$1,122.

Mark will continue to receive his benefits along with his earnings from work.

Total monthly income-\$2,149

Mark takes the job with more hours

Mark continues to work in this same scenario for 6 months. He is managing well working these hours.

He is offered a position that is 40 hours a week @ \$16.00 per hour. Mark knows he can work the hours, but what about his benefits and health insurance? What if he is unsuccessful, and loses employment?

Let's take a look...

Mark will have about \$2,752 in gross monthly earnings.

For 3 more months, plus his 3 month grace period, he will continue to receive his SSDI benefits.

EPE=3 years (Can continue to receive benefits if unsuccessful)

Mark can apply for the Medicaid Buy-In Program (takes care of health insurance)

Did Mark make a good decision?

Expect more...

- Raising expectations of clients, service providers and employers results in real change
- Along with knowledge of SSA Work Incentives, providers are the catalyst for change
- Ask yourself...Could they achieve more with the right information??

Additional Resources

- <https://www.chooseworkttw.net/>
- https://dei.workforcegps.org/resources/2016/04/06/16/25/DEI_State_Lead_and_DR_C_Contact_Charts
- <https://www.ssa.gov/redbook/>
- <https://www.ssa.gov/>



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