

## NAVIGATING THE SOCIAL SECURITY SYSTEM

### AGENDA

- I. THE SOCIAL SECURITY ADMINISTRATION (SSA)  
Disability Programs: SSI and SSDI
- II. ELIGIBILITY REQUIREMENTS
- III. THE APPLICATION PROCESS
- IV. THE APPEALS PROCESS
- V. THE TICKET TO WORK AND OTHER  
SSA WORK INCENTIVE PROGRAMS
- VI. Q & A

**I. Title XVI: Supplemental Security Income – SSD**  
**Title II: Social Security Disability Insurance – SSDI**

**SSI**

- *A needs-based program*
  - *Must be aged, disabled or blind*
- *Must have limited income and limited resources*
  - *Subject to parent or spouse deeming*
  - *Subject to in-kind support and maintenance*
    - *Subject to living arrangements\**
    - *SSI-linked Medi-Cal coverage*
- *Funded by general trust fund of Federal and state government\*\**
- *Federal Benefit Rate- FBR = \$579.00(2005) \$603.00(2006)*
  - *State Supplement Program – SSP*
  - *2005 - \$233.00 Disabled \$298.00 Blind*

*\* Not applicable to all states*

*\*\* Not all states supplement the FBR amount*

**SSDI**

- *Entitlement program*
- *Established as an insurance program (not a retirement program)*
  - *Must have paid into the system via FICA taxes*
- *Have accumulated enough credits (usually 20 in past 10 years)*
  - *Can receive benefits on someone else's record*
    - *Medicare coverage after 24 months*
- *Benefit amount depends on how much you paid into system*
  - *Funded from Social Security trust fund*

## **II. Eligibility - Must meet the SSA medical and non-medical requirements.**

**Definition of Disability** – The law defines disability as the inability to do any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months (20 CFR §404.1505).

**Statutory Blindness** – Defined in the law as central visual acuity of 20/200 or less in the better eye with the use of correcting lenses. An eye which has an limitation in the field of vision so that the widest diameter of the visual field subtends an angle no greater than 20 degrees is considered to have a central visual acuity of 20/200 or less (20 CFR §404.1581).

**Substantial Gainful Activity (SGA)** – SGA is work that (a) involves doing significant and productive physical or mental duties and (b) is done (or intended) for pay or profit (20 CFR §404.1510).

The SGA for a non-blind individual is \$830.00/mth (2005); \$860.00/mth (2006) and \$1380.00/mth (2005); \$1450.00/mth(2006) for a blind person. These amounts are gross earnings (before taxes) and change each year.

## **III. The Application Process**

- To establish your “protective filing date” call SSA at 800-772-1213 and tell the service representative you want to apply for your disability benefits.
- An appointment will be set up with the local SSA field office for you to complete and file the *Disability Report*.
- An appointment letter will be mailed to you informing you of your appointment date and time as well as any other documents you will need to bring to the interview.
- You can request that the *Disability Report* be sent to you prior to your appointment and have it filled out before you go to the SSA office.

**Evaluation** – The completed application is forwarded to the Disability Determining Service (DDS) which uses SSA regulations to determine the applicants medical eligibility.

In SSI cases, the DDS will also use the Sequential Evaluation Process to determine disability. The Sequential Evaluation Process is not used in determining SSDI eligibility.

## The Sequential Evaluation Process

- Is the individual working at a substantial level?
- Is the individual's medically determinable or combination of impairments "*severe*?"
- If the impairment is determined to be severe, does it meet or medically equal the severity of a listing in SSA's Listing of Impairments?
- If the impairment is severe, but does not meet or equal the severity of the listings, does the individual retain the capacity to do his/her past relevant work, considering his or her residual functional capacity?
- If past relevant work is precluded, does the individual retain the capacity to do any other kind of work (which exists in significant numbers in the national economy) considering the individual's residual functional capacity and the vocational factors of age, education and work Experience?

## **IV. The Appeals Process – You have the right to appeal any decision made by the Social Security Administration**

### Steps in the Appeals Process

- Request for Reconsideration of Decision
- Request for a Hearing before an Administrative Law Judge (ALJ)
- Request for an Appeals Council Review
- Federal District Court

## V. The Ticket to Work and Work Incentives program

**The Ticket to Work Program** - The ticket to work (TTW) program is the cornerstone of the ticket to work and work incentive improvement act of 1999. The goal of the TTW program is to expand the universe of service providers available to individuals entitled to SSI and SSDI in obtaining the services necessary to find, enter and maintain employment.

The legislation also removes barriers that previously influenced people's choices between healthcare coverage and work.

### Ticket Eligibility

To be eligible for a "ticket" you must BE:

- (1) Age 18 and have not reached your 65<sup>th</sup> birthday
- (2) Currently receiving SSI, SSDI or concurrent (receiving SSI & SSDI) eligible
- (3) SSA records show that your case is not designated as a "medical improvement expected" (MIE) diary review case
- (4) Your case is designated a "medical improvement expected" (MIE) diary review case and SSA has conducted at least one continuing disability review (CDR) and has determined that your disability continues
- (5) You will only be entitled to receive one ticket while you are entitled to SSI or SSDI
- (6) If your SSI or SSDI is terminated and you are reinstated, you will be entitled to another ticket

### How the TTW Program Works

SSA has contracted with national, state and local service providers, known as employment networks (EN), that work with beneficiaries to provide support and employment-related assistance. Tickets can be used to obtain rehabilitation or employment services or a job from any EN the beneficiary chooses.

The beneficiary and the En design and agree upon an employment plan outlining the services to be provided to assist the beneficiary in obtaining employment. The ticket is then considered "assigned" to the EN. When services are being provided and the beneficiary is working toward his/her work goal, the ticket is "in Use".

## Other Facts about the TTW Program

- The Ticket program is **voluntary!!!**
- Beneficiaries receiving Tickets are not required to participate in the program or go to work.
- The Ticket program is for those who want to get off of their SSI or SSDI benefits.
- No continuing disability review (CDR) while Ticket is in use.
- Created new employment and support systems (EN, PABSS, BPAO)
- Rewards work outcomes.

## Work Incentive Programs

SSA has work incentive programs which encourage SSI and SSDI beneficiaries to enter, return to or advance in the work place. These work incentives can allow the beneficiary to keep some or all of his/her cash benefits and medical coverage while they work.

The goal of the SSA work incentive programs are to “significantly reduce or eliminate” the individual’s dependency on public benefits. The work incentive programs under SSI and SSDI are different because each program has its own work rules.

### **SSDI Work Incentives:**

#### **Trial Work Period**

As per the Social Security Act (The Act), when an individual who receives SSDI works, she/he is entitled to a 9 month Trial Work Period (TWP), unless medical recovery is an issue. The TWP is a 9 month period in which the individual is allowed to test her/his ability to work. These 9 months do not have to be consecutive, but must occur in a 60 month “rolling” period. During the TWP, income does not count against the SSDI check (20 CFR § 404.1592)...

#### **Trial Work Month**

In 2005, a trial work month (TWM) is any month the individual receiving SSDI earns \$590.00. As of January 1, 2006, a trial work month will be any month the SSDI beneficiary earns \$620.00. For self-employment, a TWM is any month the SSDI beneficiary’s net earnings from self-employment (NDSE) is \$590.00(2005); \$620.00(2006) or any month the individual puts 80 hours per month into the business. SSA makes the determination as to whether the individual’s efforts meet the level of self-employment as per SSA law

### **Substantial Gainful Activity**

Substantial Gainful Activity (SGA) is work that involves doing significant mental or physical activity for pay or profit (20 CFR § 404.1572). As of January 1, 2005, the SGA level, for an individual who is not blind, is \$830.00 per month. This amount will increase to \$860.00 as of January 1, 2006. The SGA level, for a blind person is \$1380.00 per month, in 2005, and will be \$1450.00 per month beginning January 1, 2006.

### **Extended Period of Eligibility**

After the TWP has ended, the individual enters into an Extended Period of Eligibility (EPE). This is a period of 36 consecutive months in which earnings are compared to the SGA level to determine eligibility, for SSDI.

Any month, during the EPE, gross earnings are at or below SGA; the individual is entitled to continue receiving his/her SSDI cash benefits. If gross earnings exceed SGA, the individual is not eligible to receive SSDI cash benefits (20 CFR § 404.1592a). SGA for self-employment is based on NESE. This period is also called the “*re-determination*” period.

### **Cessation Period**

The first month, after the TWP has ended, that gross earnings exceed SGA the individual enters into her/his “cessation” month where benefits can be terminated (20 CFR § 404.316 & § 404.325). Benefits are paid during the cessation month and the next two months following the cessation month. This three month period is called the “grace period” after which benefits can be terminated.

### **Impairment Related Work Expense**

The Impairment Related Work Expense (IRWE) is an expense the worker incurs because of her/his disability for goods or services which allow her/him to work. These expenses must be paid for by the individual and can not be reimbursed by any one else (Redbook on Employment Supports)

### **Subsidy**

A subsidy is an expense, for goods or services, paid for by the employer which allows the individual to work and/or perform her/his job duties (Redbook on Employment Supports).

### **Special Condition**

A special condition is an expense that goods or services, paid for by a third party which allow the individual with a disability to work and/or perform her/his job duties (Redbook on Employment Supports).

### **Unincurred Business Expense**

An unincurred business expense is self-employed business support given at no cost. The cost of the support given to business owner is deducted to determine whether earnings exceed SGA (Making Self-Employment Work for People with Disabilities).

### **Unpaid Help**

Unpaid help is assistance given at no cost to a business owner receiving SSDI which any other business would be expected to purchase as a business/labor expense. The fair labor cost of the assistance given to the business owner is deducted from net earnings to determine SGA (Making Employment Work for People with Disabilities).

Under Social Security regulations, the IRWE, subsidy and special condition expense should be disregarded when calculating the individual's monthly gross countable income (CI). These expenses are disregarded from the **net** income to obtain the CI for self-employment. The CI is then compared to the SGA to determine if the individual is eligible to receive SSDI cash benefits.

### **Continued Medicare Coverage**

With passage of the Ticket to Work and Work Incentive Improvement Act of 1999 ("Ticket"), Medicare coverage was extended from 39 months to 93 months. During this period, the individual will continue to retain her/his Medicare Part A (hospitalization) and Medicare Part B (office visit) coverage. Medicare Part A will continue to be free to the individual. Medicare Part B, however, is optional and a premium must be paid to retain it.

### **Medicaid Buy-in Program**

The "Ticket" legislation also encouraged states to establish "Medicaid Buy-in" programs for SSDI beneficiaries who worked. These "buy-in" programs allow SSDI beneficiaries to purchase Medicaid coverage through the state. California implemented its Medi-Cal "buy-in" program, 250% California Working Disabled (250% CWD) in April of 2001.

### **Expedited Reinstatement**

The expedited reinstatement or "easy back on" provision, of the "Ticket" makes it easier for an individual to get their benefits reinstated. If earnings fall below SGA, after completion of the EPE, the individual can have their benefits reinstated without having to re-apply to the system.

The expedited reinstatement provision allows the individual to notify the SSA that she/he is no longer working at SGA level and needs her/his benefits reinstated. The benefits can be reinstated in a number of weeks.

### **SSI Work Incentives:**

When a Supplemental Security Income (SSI) recipient works, SSI work incentives must be applied to monthly gross income to determine countable income (CI). The countable income is the portion of the earned income which will count against the SSI cash payment (20 CFR §416.1110-1124). The SSI check will be reduced by this amount.

Social Security Law allow for certain exclusions and expenses to be deducted in the countable income calculation. These exclusions are presented below:

#### **General Income Exclusion**

The general income exclusion (GIE) is an exclusion of the first \$20.00 of any income (earned or unearned), per month. SSA does not count the first \$20.00 in the countable income calculation. SSA does not count the first \$20.00 against the SSI check amount.

#### **Earned Income Exclusion**

The earned income exclusion (EIE) is an exclusion of the first \$65.00 of income earned per month. SSA does not count the first \$65.00 earned in the countable income calculation against the SSI check.

#### **50% Earnings Exclusion**

SSA allows for 50% of the remaining income, after the GIE and EIE have been subtracted, to be excluded in the countable income calculation. This amount is the final CI which reduces the SSI check amount.

#### **Student Earned Income Exclusion**

The student earned income exclusion (SDIE) is an exclusion of earned income by an individual under age 22, not married or head of household who regularly attends school. As of January 1, 2005 SSA will not count up to \$1410.00 of earned income per month when figuring the SSI payment amount.

The maximum SEIE Social Security can exclude is \$5670.00, in calendar year 2005. Beginning January 1, 2006 an individual who qualifies, for the SEIE, will be able to exclude up to \$1460.00 per month but cannot exceed a maximum of \$5910.00 for the year. The SEIE is applied before the GIE and EIE are excluded.

### **Property Essential for Self-Support**

Property essential for self-support (PESS) is resource exclusion for SSI recipients who are self employed. PESS allows the exclusion of resources such as business equipment, property and unintended business cash resources, in a small business account, that are used in a small business not to be counted in the CI calculation.

SSI regulations also allow for some expenses the SSI recipient incurs to be excluded in the calculation of his/her countable income. These expenses include:

### **Impairment Related Work Expense**

The Impairment Related Work Expense (IRWE) is an expense the worker incurs because of her/his disability for goods or services which allow her/him to work. These expenses must be paid for by the individual and can not be reimbursed by any one else (Redbook on Employment Supports)

### **Blind Work Expense**

A Blind Work Expense (BWE) is an expense a blind person incurred that enable the person to work. A blind person is allowed to exclude these expenses from earned income when calculating CI and the SSI payment amount.

The SSI program also offers medical work incentives to assist the SSI recipient in his/her work efforts. Medical work incentives include:

### **Section 1619B**

Section 1619B of the Social Security Act (the Act) is a provision of the law which states that if an individual who receives SSI benefits loses their cash payments solely because of earnings, they are entitled to keep their Medi-Cal coverage up to a certain state “threshold” level.

The threshold level in California is \$29200.00. This threshold level changes each year. If an individual has “unusually high” medical cost, he/she can negotiate an “individual threshold” level with the state Medi-Cal unit.

### **Medicaid Buy-in Program**

With the passage of the Ticket to Work and Work Incentive Improvement Act of 1999, states were encouraged to establish “Medicaid buy-in” programs which provide a mechanism for a person who has lost their Medicaid coverage because of their earnings to purchase Medicaid at a reduced rate.

The 250% California Working Disabled (250% CWD) program is the Medicaid buy-in program for the state of California. You can contact your Medi-Cal office for more information on the 250% CWD program.

There are other work incentive programs, under the SSI program, that can assist SSI recipients in their return to work efforts. These include:

### **Expedited Reinstatement**

This provision of the Ticket to Work and Work Incentive Improvement Act provides an easier way for a person who has lost his/her benefits because of work to have their benefits reinstated if their earnings fall below substantial gainful activity level (SGA).

### **The Plan for Achieving Self-Support (The PASS plan)**

The PASS plan is another SSI work incentive program which allows an individual who is SSI eligible to set aside a portion of their income into a separate bank account to achieve a specific vocational goal. Instead of the individual's countable income (CI) reducing his/her SSI check, upon approval of the PASS plan by SSA, the individual will be allowed to set this money aside to reach their vocational goal. You must have income other than SSI to qualify for a PASS plan.

To learn more about the PASS plan you can contact your local Protection & Advocacy for Beneficiaries of Social Security (PABSS) program, the Benefits Planning Assistance and Outreach (BPAO) project in your area, the Social Security Administration or you can go online to \_\_\_\_\_ or

# Protection and Advocacy for Beneficiaries of Social Security (PABSS)

## Purpose of the PABSS Program.

The purpose of the PABSS program is to provide SSI and SSDI beneficiaries information and advice about obtaining vocational rehabilitation and other employment services.

The PABSS program is also obligated to provide advocacy and other services that a beneficiary needs to secure or regain gainful employment.

## PABSS Program Priorities

1. Investigate and review any complaint of improper or inadequate services provided to a beneficiary with a disability by a service provider, employer or other entity involved in the Beneficiary's return to work effort.
2. Provide information and referrals to Social Security beneficiaries with disabilities about work incentives and employment, including information on the types of services and assistance that may be available to assist them in securing or regaining gainful employment, particularly services and assistance available through employment networks (EN) under the Ticket to Work program.
3. Provide information and technical assistance on work incentives to beneficiaries with disabilities.
4. Provide consultation to and Legal representation on behalf of beneficiaries with disabilities when such services become necessary to protect the rights of such beneficiaries.
5. Assist beneficiaries with disabilities in disputes before SSA involving work-related program decisions and benefits overpayments that are clearly a barrier to employment.
6. Provide information and technical assistance to governmental agencies, employment networks (EN) and other service providers and advocacy organizations.

7. Advocate to identify and correct deficiencies in entities providing vocational rehabilitation service, employment services and other support services to beneficiaries with disabilities.

## PABSS Eligibility

To be PABSS eligible you must be:

1. A current recipient of Social Security (SI, SSDI or concurrent) cash payments due to a disability.
2. Previously received Social Security (SSI, SSDI, or concurrent) cash payments due to a disability.
3. Now receives Medi-Cal under 1619(b) or Medicare Part D.
4. The issue must be employment/work related.