



California's Protection & Advocacy System
Toll-Free (800) 776-5746

A Desktop Guide to Social Security & SSI Work Incentives 2016

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Special rules make it possible for people with disabilities receiving Social Security or Supplemental Security Income (SSI) to work and still receive monthly payments and Medicare or Medicaid. Social Security calls these employment supports “work incentives.” Following are the rules that apply under each program. For more copies or additional materials on work incentives, contact any Social Security office and request a copy of 2016 RED BOOK: A SUMMARY GUIDE TO EMPLOYMENT SUPPORTS FOR PERSONS WITH DISABILITIES UNDER THE SOCIAL SECURITY DISABILITY INSURANCE AND SUPPLEMENTAL SECURITY INCOME PROGRAMS or contact Disability Rights California at 1-800-776-5746.

Social Security Disability Insurance (SSDI) TWP = \$810 SGA = \$1,130 Blind SGA = \$1,820	Supplemental Security Income (SSI) CA SSI Rate: \$889.40 Single, \$1,496.20 Couple Blind: \$944.4 Single, \$1,566.20 Couple FBR=\$733 Single, \$1,100 Couple,
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	Threshold \$37,805-Continued Medicaid Eligibility 1619(b)
<p>Trial Work Period (TWP)—A period of nine months (not necessarily consecutive) during which the earnings of a Social Security beneficiary who is blind or disabled will not affect his or her benefit. (The nine months of work above TWP earnings limit must occur within a 60-month period.) Averaging does not apply during the TWP. During the TWP, the SGA rule will not apply.</p> <p>Extended Period of Eligibility (EPE)—For at least three years (36 months) after a successful trial work period, a Social Security beneficiary who is blind or disabled may receive their disability benefit for any month that his/her earnings are below the substantial gainful activity level (in 2016, \$1,130 for people who are disabled, \$1,820 for people who are blind). EPE is also referred to as a re-entitlement period. Averaging can be used during the EPE when it will provide a better outcome. Averaging does not apply after the EPE.</p> <p>Cessation-The first month during the EPE that countable earnings are above the SGA level will be considered a “cessation month”. An individual will be paid for that month and the following two months. This is also referred to as a “grace period”.</p>	<p>Earned income Exclusion-SSA does not count the first \$65 of the earnings received in a month, plus one-half of the remaining earnings. This means that less than one-half of earnings are counted when figuring the SSI payment amount. This exclusion is in addition to the \$20 general income exclusion. The general income exclusion of \$20 is applied first to any unearned income received.</p> <p>Continuation Of SSI—Working SSI recipients who are blind or disabled may continue to receive payments until countable income exceeds SSI limits. SSI benefits are terminated after 12 consecutive months of ineligibility.</p> <p>Continued Medicaid Eligibility 1619(b)—Medicaid may continue for SSI recipients who are blind or disabled and earn over the SSI limits if they cannot afford similar medical care and depend on Medicaid in order to work. To qualify, an individual meet all of the following qualifications:</p> <ul style="list-style-type: none"> - The individual was eligible for an SSI cash payment for at least 1 month; - Would be eligible for cash payment except for earnings; - Must still be disabled;

Unsuccessful Work Attempt (UWA)-An UWA is an effort to do substantial work, in employment or self-employment, which an individual stopped or reduced to below the SGA level after a short time (6 months or less) because of the impairment; or removal of special conditions related to an impairment that were needed to help the individual work. Earnings are not counted during a UWA.

Impairment-Related Work Expenses (IRWE)— Certain expenses for things a person with a disability needs because of his/her impairment in order to work may be deducted when counting earnings to determine if the person is performing substantial gainful activity. The individual must 1) need the item or service because of an impairment, 2) need the item or service to work and 3) pay for the item or service.

Expedited Reinstatement (EXR)—If a beneficiary's benefits have ended because of earnings from work and he/she becomes unable to work again for any reason, within 60 months, benefits may be re-instated without a new application. While the EXR application is pending an individual may receive up to six months of provisional EXR benefits. After 24 months of reinstated benefits, which do not have to be

- Must still meet all other SSI eligibility rules, including the resources test;
- Need Medicaid in order to work; and
- Have gross earned income below the **threshold amount of \$37,805**.

Earnings can be above the threshold amount if expenses for publicly funded attendant care and medical care exceed the average state Medicaid costs.

Plan For Achieving Self-Support—An SSI recipient who is blind or disabled may set aside income and resources toward an approved plan for achieving self-support (PASS).

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Blind Work Expenses (BWE)- Earned income that a blind individual uses to meet the expenses of working does not count when the Social Security

consecutive, an individual gets a new TWP, EPE and 60 months to request EXR.

Subsidies and Special Conditions--- refer to support you receive on the job that could result in your receiving more pay than the actual value of the services you performed. We deduct the value of subsidies and special conditions from your earnings when we decide whether you are working at the SGA level.

Exception to Medical Improvement Rule During Vocational Rehabilitation (Section 301)—If Social Security finds an individual to no longer be disabled due to medical improvement, benefit payments usually stop. However, if an individual is participating in a vocational rehabilitation program or similar program, benefits may continue until participation in the program ends. To qualify for continued payments under Section 301 an individual must: 1) Be participating in a vocational rehabilitation program or program that began before the disability ended under Social Security rules; and 2) Social Security must review the program and decide that continued participation in the program will increase the likelihood of permanent removal from the disability benefit rolls.

Administration determines SSI eligibility and payment amount. The expenses do not need to be related to blindness and include earned income used to pay income taxes, meals consumed during work hours, transportation costs or guide dog expenses. In many cases a BWE may also be available as an IRWE. If this happens it is always better to use the BWE deduction. The individual must qualify for SSI based on blindness to take this deduction. Blindness is defined as a central visual acuity of 20/200 or less in the better eye with best correction, or a limitation in the field of vision in the better eye so that the widest diameter of the visual field subtends an angle of 20 degrees or less.

Examples of BWE's include:

- Service animal expenses
- Transportation to and from work
- Federal, state, and local income taxes
- Social Security taxes
- Attendant care services
- Visual and sensory aids
- Translation of materials into Braille
- Professional association fees, and
- Union dues.

Students With Disabilities—Tuition, books and other expenses related to getting an education may not be counted as income for recipients who go to

Continuation of Medicare—If Social Security disability payments stop because a person has earnings at or above the substantial gainful activity level, but the person is still disabled, **Medicare can continue for at least 93 months after the trial work period.** Part A will continue to be automatic. Part B and D may be purchased by paying a monthly premium. After that, the person can buy Medicare coverage by paying a monthly premium.

250% Working Disabled Medi-Cal Program- This program provides full-scope Medi-Cal to working disabled individuals with countable income below 250% of the federal poverty level (FPL). Eligible persons must pay a premium based upon their income.

The Ticket To Work And Self-Sufficiency Program—Ticket to Work Program is essentially a reimbursement system for providers of vocational rehabilitation and employment services. The Social Security Administration will not conduct a Continuing Disability Review (CDR) while the ticket is assigned to a vocational rehabilitation provider or similar program and the individual is making “timely progress” towards self supporting employment. However, this will not stop Social Security from conducting a review based on earnings. For more information about how to

school or are in a training program. Student may exclude up to \$1,780 of earnings a month (\$7,180 a year).

Sheltered Workshop Payments—Pay received in a sheltered workshop is treated as earned income, regardless of whether it is considered wages for other purposes. This enables Social Security to exclude more of the sheltered workshop employee’s earnings when computing his/her SSI payment.

Recovery During Vocational Rehabilitation—If a person recovers while participating in a vocational rehabilitation program that is likely to lead to becoming self-supporting, benefits may continue until the program ends.

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SAMPLE SSI Calculation with Earnings and IRWE’s

\$ 300 Wages/Earned income

obtain a ticket you may call Program Manager, Maximus, Inc., at its toll-free number, 1-866-968-7842 (TTY 1-866-833-2967) or visit the website www.ssa.gov/work.

- 85	Earned income & General income exclusion
\$ 215	
<u>-\$ 50.00</u>	IRWE
\$165.00	
÷ 2	1/2 Remaining earnings
\$ 82.50	Countable earned income
\$ 889.40	2016 SSI amount
<u>- 82.50</u>	Countable income
\$ 806.90	SSI payment
<u>Available income:</u>	
\$ 300.00	Earned income
<u>+ 806.90</u>	SSI payment
\$1,106.90	Total monthly income

For more information about work incentives contact Disability Rights California at 1-800-776-5746

Disability Rights California is funded by a variety of sources, for a complete list of funders, go to <http://www.disabilityrightsca.org/Documents/ListofGrantsAndContracts.html>.