### **Making Work Incentives Work for You**

**NOTE TO FACILITATORS**

For this session, we strongly recommend inviting a **Certified Work Incentive Counselor** to speak to the group. TO find your local CWIC, see [www.socialsecurity.gov/regions](http://www.socialsecurity.gov/regions)

If you cannot invite a CWIC, we have included handouts that you can review with participants. Prior to doing so, we recommend you educate yourself by referencing the Social Security Administration Red Book at <https://www.ssa.gov/redbook/>and familiarizing yourself with Workforce Incentives Planning and Assistance (WIPA) <http://www.ssa.gov/work/WIPA.html>

This session will have little relevance/utility for students not receiving SSI or SSDI. It is critical, however, for those who are.

### **My Benefits and Work: The Real Deal**

Social Security Work Incentives

**Differences between Disability Programs**

|  |  |  |
| --- | --- | --- |
|  | **SSDI** | **SSI** |
| **Name of Program** | Social Security Disability  **Insurance** | **Supplemental** Security Income |
| **Type of Program** | Insurance program: if paid in through FICA, and person becomes disabled and unable to work, can get insurance  benefit | Security Income: Financial Need-based program/ Public Assistance for folks with little work history and little money  or assets. |
| **Disability Eligibility** | **Social Security’s Definition** – Inability to do any significant work due to documented physical or mental impairment, which can be expected to last for at least 12 months or result in death. | |
| **Work History Eligibility** | Significant work history required, plus payments into FICA through work | Little to no work history needed. |
| **Asset Eligibility** | Doesn’t matter how much money or assets one has, no impact on eligibility, as  insurance program. | Person has set asset limits that vary depending on situation (i.e. $2000/individual in 2015). |
| **Effects of Earnings** | Either receive full check or no check, depending on timelines and other factors | Checks decrease as work income increases. |
| **Health Care Associated** | Generally Medicare after 24 months of eligibility | Generally Medicaid |

### **Some Important Factoids…**

**SGA: Substantial Gainful Activity**

**Eligibility for benefits is often determined** by looking at work income: above or below SGA?

**Work income over SGA: Not eligible**

SGA

**Work income below SGA: Eligible**

**In 2015**, **the SGA level** is $1,090 for people with disabilities other than blindness. The figure changes each year in accordance with federal cost of living increases.

Find annual SGA levels on the Social Security website, [www.ssa.gov](http://www.ssa.gov/)

**Some quick Myths and Facts:**

*Myth: If I go to work, I’ll lose my check right away.*

**Fact:** Work impacts SSI and SSDI in different ways, but in both programs, the work incentives allow people to start working without losing their check right away.

*Myth: If I work, I’ll lose my health insurance.*

**Fact:** The Social Security work incentives also protect people from losing their health insurance when they return to work. The rules cover ongoing Medicare and Medicaid, often for years despite increased income from work.

*Myth: Social Security is out to get me – there doesn’t seem to be any rhyme or reason to their decisions!*

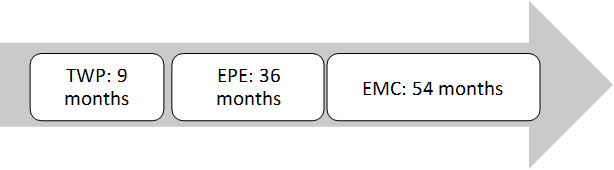
**Fact:** When people understand the SSI and SSDI program basics, changes can be anticipated so that decisions by Social Security feel less random.

### **SSDI Basics: Timelines to Know**

Trial Work Period (TWP)

**What is it?** **People can try out work without** any impact on cash or medical benefits.

**How do you know you’re in it?** SSA considers the TWP to be any 9 months (not necessarily in a row) within a 5-year period in which the person has earned over the Trial Work Level. Your 9 Trial Work months may occur one right after the other or irregularly. The Trial Work Level changes year to year, and in 2015 was $780.00.



Extended Period of Eligibility (EPE)

**What is it?** The EPE is an extended safety net, with which one can 1) get a check when work income is low, and 2) have immediate access to benefits if work income decreases or stops.

**How do you know you’re in it?** The EPE starts, whether working or not, immediately after the 9th Trial Work Month. The EPE is a 3-year period, consecutive, calendar years.

**Why is it important?** Receive your full SSDI check and medical benefits during months in which before-tax, countable earnings are under SGA. You do not lose eligibility for SSDI, due to work, during the EPE.

Extended Medicare Coverage (EMC)

**What is it?** Medicare coverage can continue for years. If not working, or working under SGA, you will be covered until no longer disabled or working above SGA. If working ABOVE SGA, you still will be eligible for 54 months beyond the EPE.

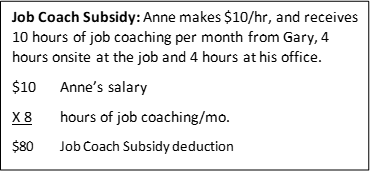
### **SSDI Basics: What you can do if you’re over SGA**

Impairment-Related Work Expenses

**What is it?** Costs you pay for *out-of-pocket*, that are related to your disability, without which you could not work. You can report these expenses and SSA will not count that portion of your wages for that month.

Some examples include:

* + - * payments or co-payments for medications or medical appointments,
      * special transportation to work,
      * support-related portion of halfway house rent, personal care attendants, etc.

**Job Coach Subsidy:** When a person receives job coaching, a monthly deduction is calculated by multiplying the number of hours he/she meets with the job coach by the PERSON’s hourly wage. This total is then subtracted from a person’s gross earnings.

**Employer Subsidy:** Deduct the value of any support or adjustment the employer makes because of the disability, including doing less than peers in a similar position or changing the structure, hours, or way in which the job is done. Many “reasonable accommodations” may fall under employer subsidy. The employer must describe the

**Employer Subsidy:** Due to his psychiatric impairment, Sam is allowed to go to the doctor during work hours, has flexibility in his schedule and gets extra supervision.

His employer wrote about this in a letter: Approximately 10% of Sam’s work time is

impacted by these accommodations.

Sam earns $1150, but after deducting 10% of his earnings ($115), his *countable* earnings are

$1035. This is *under* SGA in 2015.

### **SSI Basics**

Income Exclusions (1619 a): SSA does not count a certain amount of income when calculating how much the SSI check should be for that month.

SSA does not count:

**General Income Exclusion:** The first **$20** of *any* income

**Earned Income Exclusion:** The next **$65** of *work* earnings.

**Impairment Related Work Expenses (IRWE's):** The total amount of costs you pay out-of-pocket for, that are related to your disability, and without which you could not work.

**½ Remainder Exclusion:** After discounting the above exclusions, SSA divides the person’s remaining income by 2 (in half) to determine the portion of work income that will actually count as income when calculating the SSI check.

**Example:**

Phil’s Gross Work Income: $700.00

General Deduction - 20.00

Earnings Deduction - 65.00 IRWE’s (copays, group home) - 100.00

Subtotal $515.00

½ Remainder exclusion: Subtotal/2 **$257.50 Countable Income**

Subtract PASS expenses (if relevant) 0.00

**Impact on Income:**

If the person’s SSI check is usually $733.00 Subtract Countable Income -257.50

**New SSI:** **$478.50**

**Total Income:** **Add new SSI + Work** **478.00 + $700 = $1178**

Continued Medicaid Eligibility (1619b)

**What is it?** Eligibility for Medicaid is automatic as long as someone gets at least $1.00 in SSI, even if the person is working. If the cash benefit stops as a result of high earnings, the person is still eligible for continued coverage if earnings remain under the “threshold amount” for your state. Some states may provide a waiver for a Medicaid buy-in program to those who qualify.

The state **threshold** amounts vary widely from state to state, and are listed under the 1619b section of the SSA website, <http://www.ssa.gov/disabilityresearch/wi/1619b.htm>

### **Other Help and Work Incentive Resources**

PASS: Plan to Achieve Self-Support

**What is it?** A PASS is a written agreement between the person and SSA to use earnings and/or other income (i.e., SSDI benefits) to purchase items and services needed for work in an entry level job, such as:

* + - * training, equipment, uniforms, job coaching, licenses, certifications

**Who is eligible?** The person must have a form of income besides SSI to help fund the PASS. PASS plans allow the person to save up for or pay for PASS expenses.

SSA increases or maintains SSI payments during that time

**Why do it?** PASS can help you to fund what is needed to start a job, gain credentials for a job, or even start a small business. PASS can, for some people, make it financially feasible to get into a job or field through which it is possible to become self-supporting.

Resources to help you along the way:

**Social Security Administration:** [www.ssa.gov](http://www.ssa.gov/) or <https://www.socialsecurity.gov/disabilityresearch/wi/generalinfo.htm>

**Social Security “Red Book” on Work Incentives:** <http://ssa.gov/redbook/>

**Ticket to Work:** <http://www.chooseworkttw.net/about/work-incentives/index.html>

**Work Incentive Planning and Assistance: find information about local experts/ Community Work Incentive Coordinators (CWIC’s), or Benefits Specialists:**

<http://www.ssa.gov/work/WIPA.html>

**Area Work Incentive Coordinators (AWIC’s)** – to find one in your area: [www.socialsecurity.gov/regions](http://www.socialsecurity.gov/regions)

**Work Incentive Liaisons** at Social Security Offices (ask to talk to one!)

### **Questionnaire: Knowing about the Work Incentives**

1. What benefit(s) do you receive? (*check one*)
   * SSI,
   * SSDI,
   * neither
   * don’t know
2. After learning about the Work Incentives, how confident do you feel about working?

*(check one)*

* + Extremely confident
  + Very confident
  + Somewhat confident
  + Not at all confident

1. After learning a bit about the Work Incentives do you think you would be willing to: (*check any that apply*)
   * Do some research
   * Use Work Incentives resources
   * Consider working
   * Try out working
2. What are you most happy to know after learning about the Work

Incentives?

ShapeShape

1. What are you most worried about when it comes to working and your

benefits?

ShapeShape