



Title II Benefits and Work Incentives

Ashlea Lantz
ESFLMP Subject Matter Expert

MO EFSLMP BENEFIT PLANNING SERIES

JULY 16TH, 2018 1:30-2:30

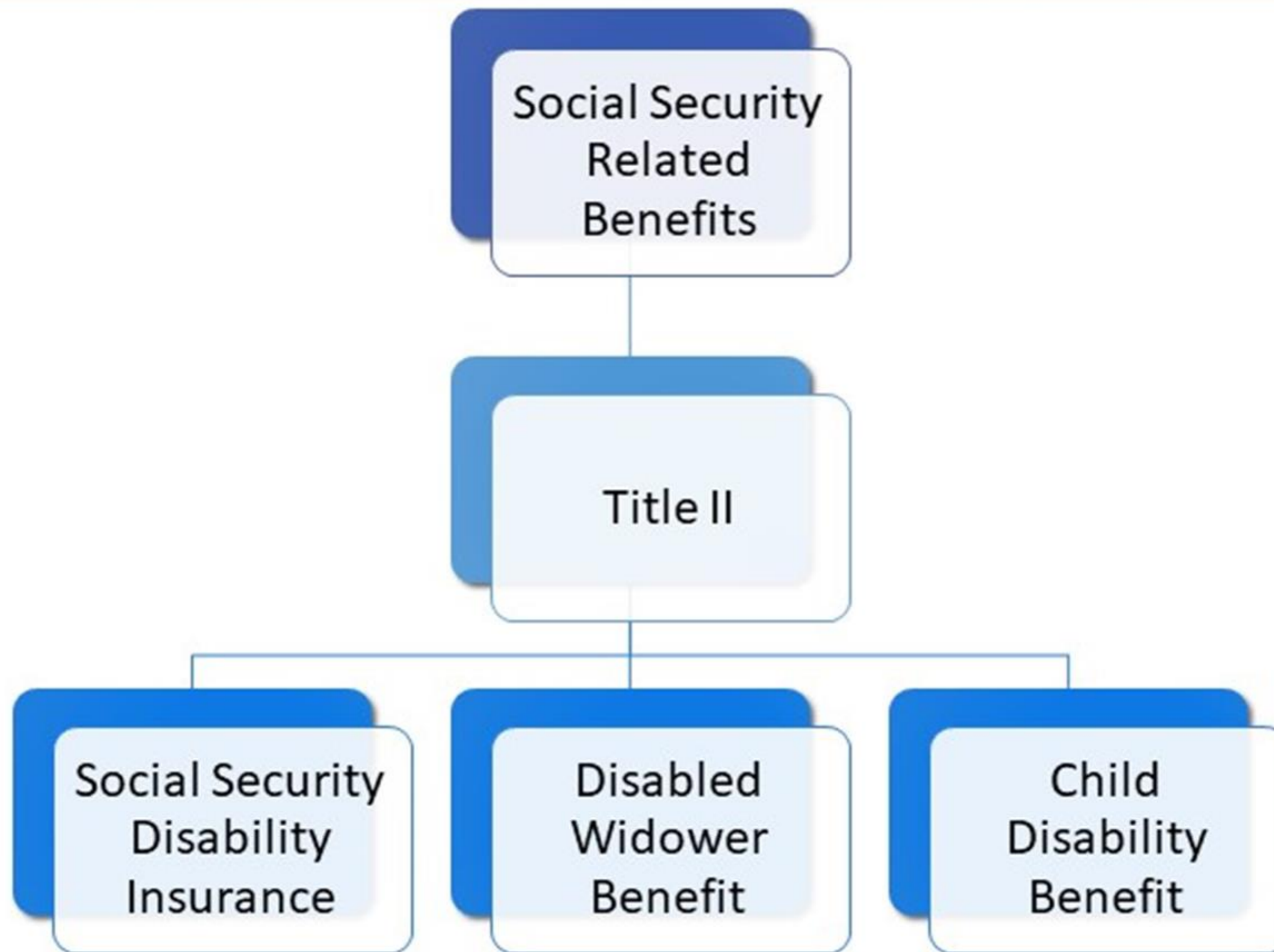
Today's Objectives

- **Review Title II Basics**
- **Title II Benefits and Work Incentives**
- **What do I do with the information?**

Review

- **What is Title II Disability Benefits?**
- **What insurance is paired with Title II?**
- **How long does it take for the insurance to kick in?**

Title II Disability Benefits



Title II Disability Benefits

SSDI is all or nothing, based on *countable* earning below or above monthly level-

- Substantial Gainful Activity (SGA)
- \$1,180/month (2018), \$1,970/month if blind (2018)
- SSDI's Transition to Work provides **safety nets**

**During TWP SGA is irrelevant!

**If IRWE and Subsidy apply, gross earnings can be over SGA

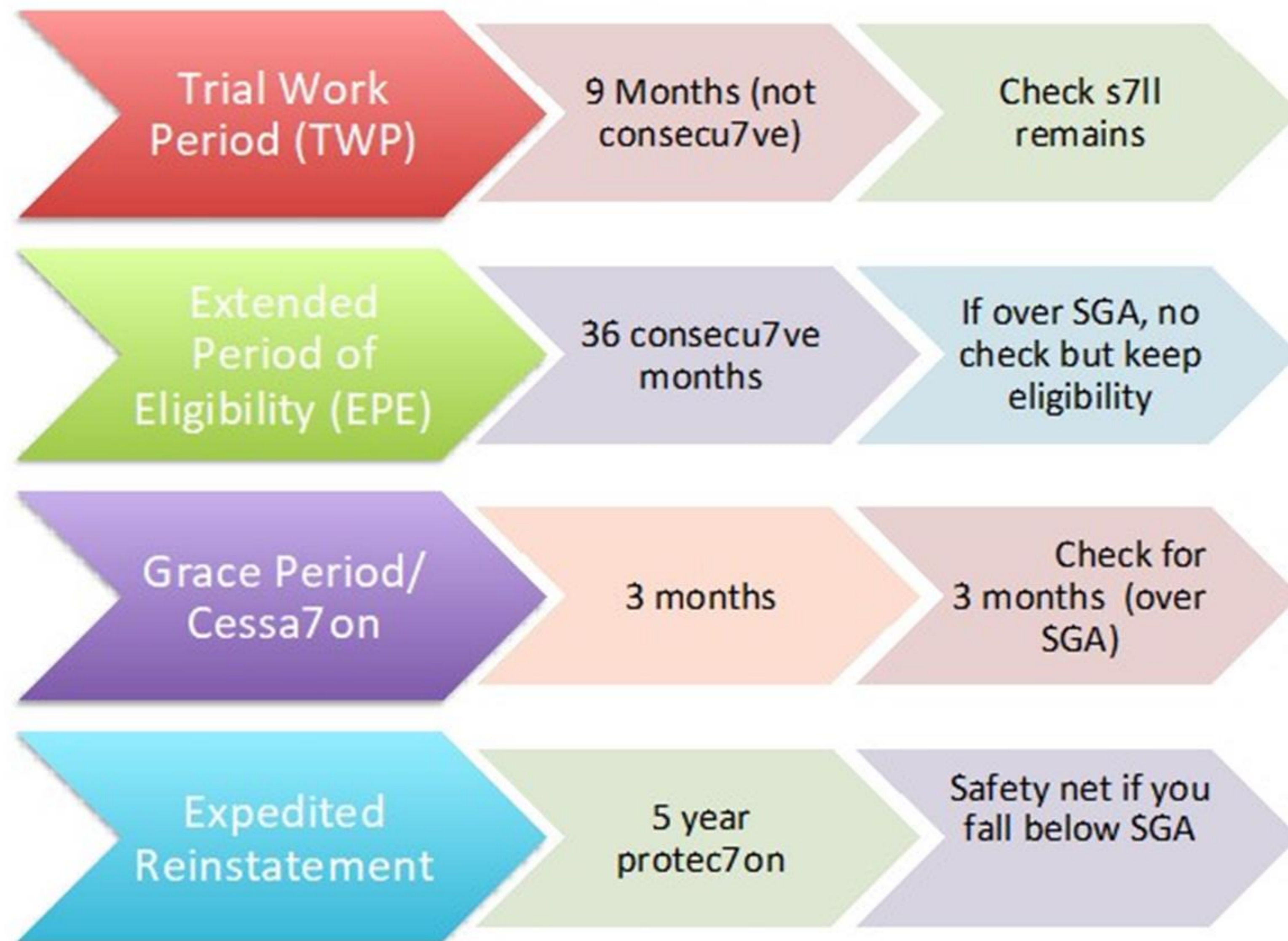
Webinar Poll Question

What amount is associated with Substantial Gainful Activity in 2018? (Non-Blind)



- A. \$750
- B. \$1170
- C. \$1180
- D. \$1970

Title II Automatic Work Incentives



Title II Automatic Work Incentive: TWP

Phase 1: Trial Work Period (TWP):

- 9 months to work and earn as much as you want and keep benefit check.
- Use up a Trial Work month each time gross wages over \$850/month (2018)
- If use all 9 within 5 year period, move onto next step

Title II Automatic Work Incentive: EPE

Phase 2: Extended Period of Eligibility

- **Begins the month after 9th
Trial Work month**
- **EPE lasts 36 consecutive
months (3 years)**

Title II Automatic Work Incentive: EPE

- Countable earnings BELOW SGA = YES, benefit check
- Countable earnings ABOVE SGA = NO benefit check

Title II Automatic Work Incentive: EPE

- Grace Period: The first period sustained COUNTABLE earnings are ABOVE SGA, keep the benefit check that month and the following 2 months, no matter what earnings are

Title II Specialized Work Incentive: EXR

Phase 3: Post EPE

After EPE

- Countable wages BELOW SGA = Yes, benefit check
- 1st month Countable wages ABOVE SGA = termination

Title II Specialized Work Incentive: EXR

**If COUNTABLE wages drop BELOW SGA
within 60 months of termination...**

- Can request reinstatement of
benefits (EXR)**
- Receive 6 months of provisional
benefits while SSA makes
reinstatement decision**

Webinar Poll Question

What amount is associated with Trial Work Period (TWP) in 2018?



- A. \$750
- B. \$800
- C. \$840
- D. \$850

Title II and SGA

- **SGA is a decision**
- **SGA is looking for the value of a person's earnings**
- **Starts with looking at GROSS wages earned per month**
- **If gross wages exceed SGA then SSA will explore applicable work incentives**

SGA and Countable Income

Gross Wages (amount earned in a month)

(-) Sick/Vacation/Holiday pay

(-) Impairment Related Work Expenses

(-) Subsidy

(=) Countable Earnings

** Work incentives not applied in TWP*

Impairment Related Work Expenses (IRWE)

Impairment Related Work Expenses are:

- Expenses paid out of pocket by beneficiary
- Expenses that are related to an impairment, and
- Expenses that are necessary to work

Impairment Related Work Expenses (IRWE)

- No Exhaustive list...
- Examples can include:
medications, doctor co-pays,
job coaching, glasses (if
related to disability) etc.

IRWE Details

- Amount must be reasonable
- May need documentation
 - (Doesn't need to be disability on record, just impairment receiving treatment for)*
- Must have receipts for approval
- Submit during the work continuing disability review process

IRWE Example

- Ally used up her TWP 2 years ago
- She got a job earning \$1,200/month
- She pays \$100/month in prescription and diabetes supplies, plus \$150 in mileage for her modified vehicle
- $\$1,200 \text{ (Wages)} - \$250 \text{ (IRWEs)} = \$950 \text{ (countable)}$

Subsidy and Special Conditions

Subsidy:

- Person produces less than co-workers without disabilities
- Receives extra support from other employees
- Gets extra supervision from boss

Subsidy and Special Conditions

Special Conditions

- Job coach provides support during work hours in completing job tasks
- Value of extra support and/or reduced productivity deducted from gross wages

Subsidy Example

- Bill used his TWP 4 years ago
- He got a job at a bank earning \$1,200/month
- He sees 7 customers in the time his co-worker sees 10
- 7 divided by 10 is 70% production rate
- Employer pays Bill the same as co-workers
- 30% subsidy
- \$1,200 (wages) \$360 (subsidy) = \$840 (countable wages – below SGA)

Subsidy Details

- **Employer generally needs to sign statement documenting reduced productivity or extra support provided by other employees**
- **Job coaching agency needs to provide record of hours of on-the-job coaching**
- **Submit during the work continuing disability review process**

Application

- **Understand what Title II benefits are and insurance**
- **Understand that Work Incentives exist (IRWE/Subsidy)**
- **Basic myth busting**

Additional Resources

- [Employment First Lead Center](#)
- [ODEP EFSLMP Initiative](#)

EFSLMP Community of Practice

If you are not a current subscriber to ODEP's EFSLMP mailing list, you can register [here](#).

Contact



ASHLEA LANTZ

EFSLMP SME

Ashlea.Lantz@griffinhammis.com

Cell: 319-361-0214

Questions?

