



Improving lives THROUGH
supports and services
THAT FOSTER self-determination.

Champions of Employment

Taking a Closer Look at SSDI



Promoting Employment First

Who's in the Audience?



Poll Question #1

What is your role?

- Support Coordinator
- Service Provider
- Regional Office Employee (UR, PR, CLC, SDS, AD, etc.)
- Other State Employee (VR, DHEWD, DBH, RSB, etc.)
- Individual/Family Member
- Other

Today's Topic



Taking a closer look at how income impacts SSDI & the work incentives available:

- Recap of SSDI Basics
- Work Incentives
 - “Automatic” Work Incentives (Phases)
 - “Specialized” Work Incentives
- Resources for learning more

Basic Terms



SSA = Social Security Administration

SSDI = Social Security Disability Insurance

CDB = Childhood Disability Benefit

DAC = Disabled Adult Child Benefit

DWB = Disabled Widower's Benefit

SGA = Substantial Gainful Activity

TWP = Trial Work Period

EPE = Extended Period of Eligibility

IRWE = Impairment Related Work Expenses

EXR = Expedited Reinstatement of Benefits

What Benefits Are We Talking About?



Title II Benefits

Social Security Disability Insurance (SSDI)
Based on one's own work history

Childhood Disability Benefit (CDB)/ Disabled Adult Child (DAC)

Based on a parent's work history

Disabled Widower's Benefit (DWB)
Based on a spouse's work history

Social Security Disability Insurance (SSDI) Cheat Sheet



SSDI Basics

What is it? Cash benefit based on Social Security work record

Who can get this?

- 1) Disabled according to Social Security definition
- 2) Paid enough taxes to reach “disability-insured status”

How much is the benefit?

- Average is \$1,358/month (2022)
- Based on amount of taxes paid

When is benefit paid? 3rd of the month for most people (never on the 1st of the month)

What health insurance comes with this benefit? Medicare (after 24-month waiting period)

Other info:

- No asset limit



Social Security Disability Insurance (SSDI) Cheat Sheet



SSDI – What Happens When Working?

General Rule: SSDI is all or nothing; receive entire SSDI payment or receive none

Fact 1: Create a plan to work and get ahead!

- Earnings  SGA = SSDI + earnings
- Earnings  SGA = no SSDI, earnings only
**Substantial Gainful Activity (SGA) is \$1,350 or \$2,260 if blind (2022)*
- Example: Earnings \$720, SSDI \$925
 - Earnings are below SGA
 - Total income = \$1645

Fact 2: Keep, keep, or restart!

- Keep Medicare (and possibly Medicaid (MO HealthNet)) even if SSDI stops
- Keep SSDI cash benefit when earnings are above SGA in some situations
- Quickly restart SSDI if work stops
**See “SSDI Work Incentives” video (mo.db101.org)*

Myths to Watch Out For:

- I’ll lose SSDI or have less money if I work
- I’ll lose Medicare if I work

Effect of Income on SSDI

- Only earned income will affect SSDI
 - Unearned income does not impact benefit
 - Assets do not impact benefit
- All or Nothing
 - If earned income is above the SGA, then there is a chance that the cash benefit will stop
 - Work Incentives may allow the person to be receiving more than the SGA & still receive his/her cash benefit
 - If earned income is below the SGA, then the cash benefit will most likely continue

Earned v Unearned Income



Earned Income

Income that is from work (wages, net earnings from self-employment, certain royalties, and sheltered workshop payments)

Unearned Income

Income that does not come from work (Social Security benefits, pensions, unemployment benefits, interest income, dividends, and cash from friends/relatives).

Work Incentives

Trial Work
Period

Extended
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of Benefits

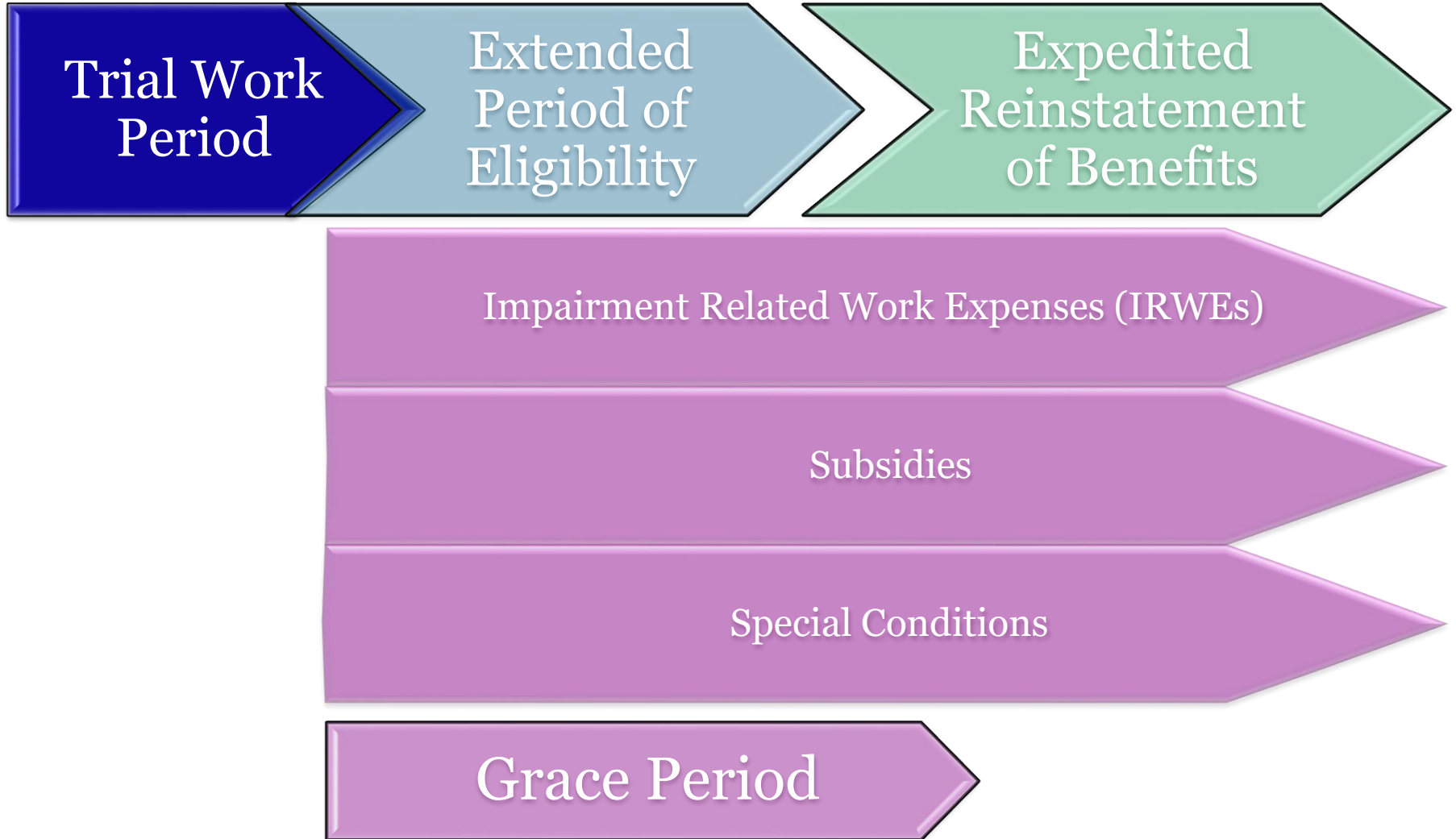
Impairment Related Work Expenses (IRWEs)

Subsidies

Special Conditions

Grace Period

Phase I



Trial Work Period (TWP)



- The first phase in returning back to work
- During this phase, beneficiaries will continue to receive all of the cash benefit regardless of how much they earn from work
- No other work incentives apply during this period
- Beneficiaries get a total of 9 trial work months that align within a 5 year period
- A trial work month is defined as any month the beneficiary earns at least the Trial Work Amount
 - \$970/month (2022)
 - \$940/month (2021)
 - \$910/month (2020)

TWP Example

Bra'tac recently obtained a full-time job, where he is earning \$18/hr. He started working June 1st. This is his first job since becoming entitled to his SSDI benefit.

- Making \$18/hr & working 40 hours/week, Bra'tac is expecting to earn \$3,132/month (40 hrs/wk x \$18/hr x 4.35 weeks)
- Since this exceeds the TWP amount of \$970/month, we expect that Bra'tac will use his 9 months from June 2022 – February 2023
- Bra'tac will continue to receive his full SSDI benefit in addition to his work income through at least February 2023.

Phase II

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Extended Period of Eligibility (EPE)



- The second phase in returning back to work
- 3 year period that immediately follows one's Trial Work Period
- During this 3 year period, one can continue to be entitled to his/her cash benefit for any month work income is considered below the SGA (\$1350/month for 2022).
- Other work incentives will come into play when determining whether or not someone is truly earning SGA or more
 - Impairment Related Work Expenses (IRWEs)
 - Subsidies
 - Special Conditions

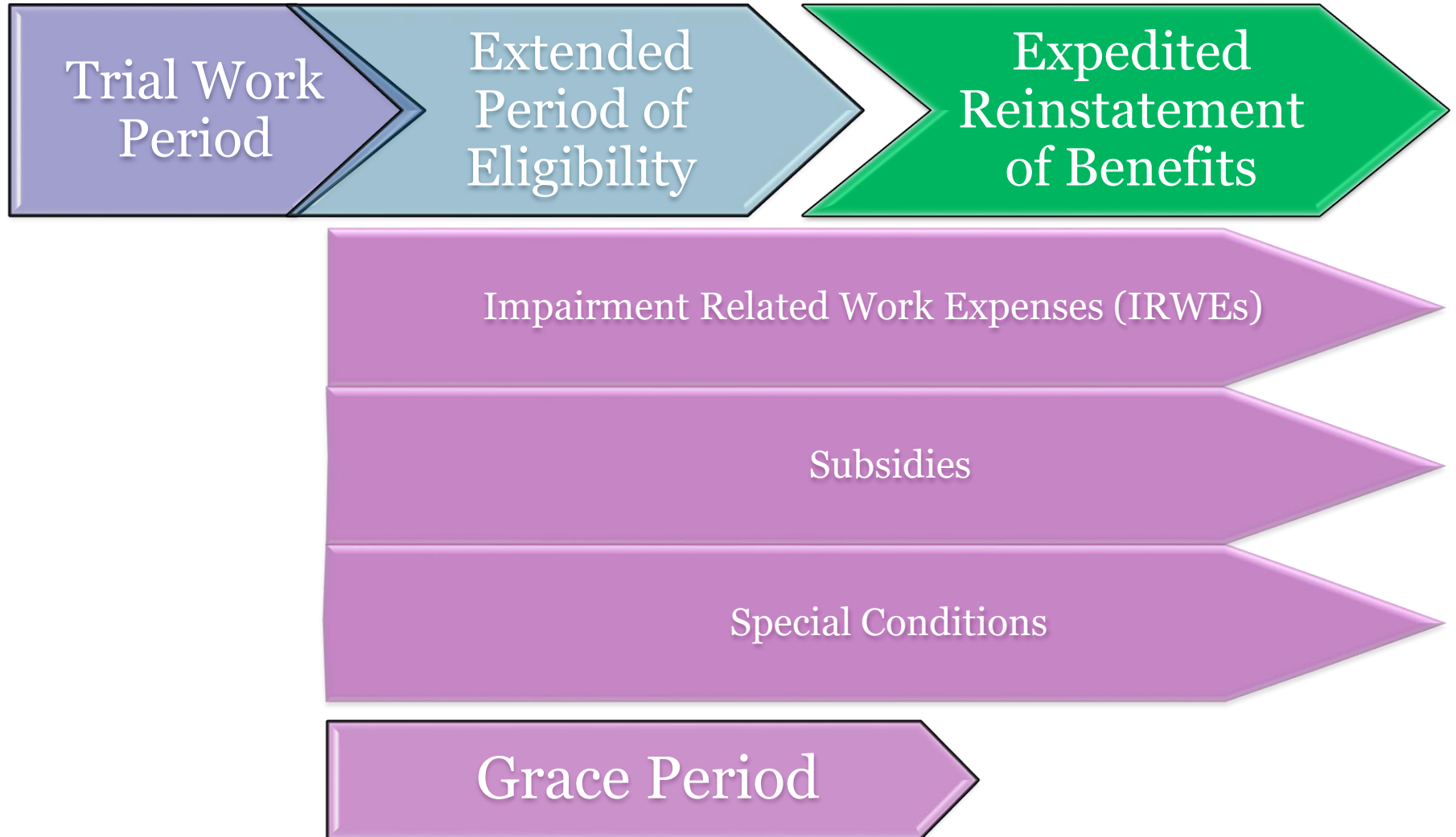
EPE Example



Selmak was working part-time, when he became entitled to SSDI based on his own work history in February 2019. At that time, Selmak was working 30 hours/week, making \$8.60/hour. In October 2019, Selmak had used up his last Trial Work Month. He then entered his Extended Period of Eligibility in November 2019. At that time the SGA was \$1220/month.

- Selmak continued to receive his SSDI benefit as his total gross income remained below the SGA amount (30 hrs/wk x \$8.60/hr x 4.35 weeks = \$1122.30/month)
- In 2020, Selmak continued to receive his SSDI benefit, even though his hourly wage increased to \$9.45/hr. His monthly earnings were \$1233.23/month (30 hrs/wk x \$9.45/hr x 4.35 weeks) & remained below the SGA (\$1260/month in 2020)
- In 2021, Selmak was earning \$1344.15 month (30 hrs/wk x \$10.30 x 4.35), which was above the SGA (\$1310/month). If Selmak is not using any other work incentives, then he would not be entitled to his SSDI benefit.
- In 2022, Selmak began earning \$1455.08 (30 hrs/wk x \$11.15 x 4.35), which is above the SGA (\$1350/month). If Selmak is not using any other work incentives, then he would not be entitled to his SSDI benefit.
- **During the EPE, Selmak will be entitled to his SSDI benefit any months that his countable earned income is below the SGA amount.**

Phase III



Expedited Reinstatement of Benefits (EXR)



- This is the 3rd & final phase of the back to work process.
- For someone to enter into this phase, 2 things must have happened:
 - The EPE must have been exhausted
 - Cash SSDI benefit must have stopped due to work income exceeding SGA amount
- Note that not everyone will enter this final phase.
- This phase lasts 5 years.
- If within 5 years of entering this phase, the persons ability to engage in SGA changes, the EXR can be used to resume receiving the person's cash SSDI benefit
 - Reason for no longer being able to engage in SGA must be due to same disability receiving benefit for – cannot be due to new disabling condition
 - Inability to engage in SGA must be long term – cannot be something temporary that will only last a month or two
 - SSA has 6 months to make a decision & the individual can receive his/her cash SSDI benefit while awaiting that decision

EXR Example



Vala had been working at the same job for 5 years, when she was offered a promotion. She had already exhausted her Trial Work Period (TWP) and Extended Period of Eligibility (EPE), but continued to receive her SSDI benefit as her work income has remained below the SGA amount. The promotion would cause her work income to exceed the SGA amount, but Vala wanted to try to see if she could succeed in this new role.

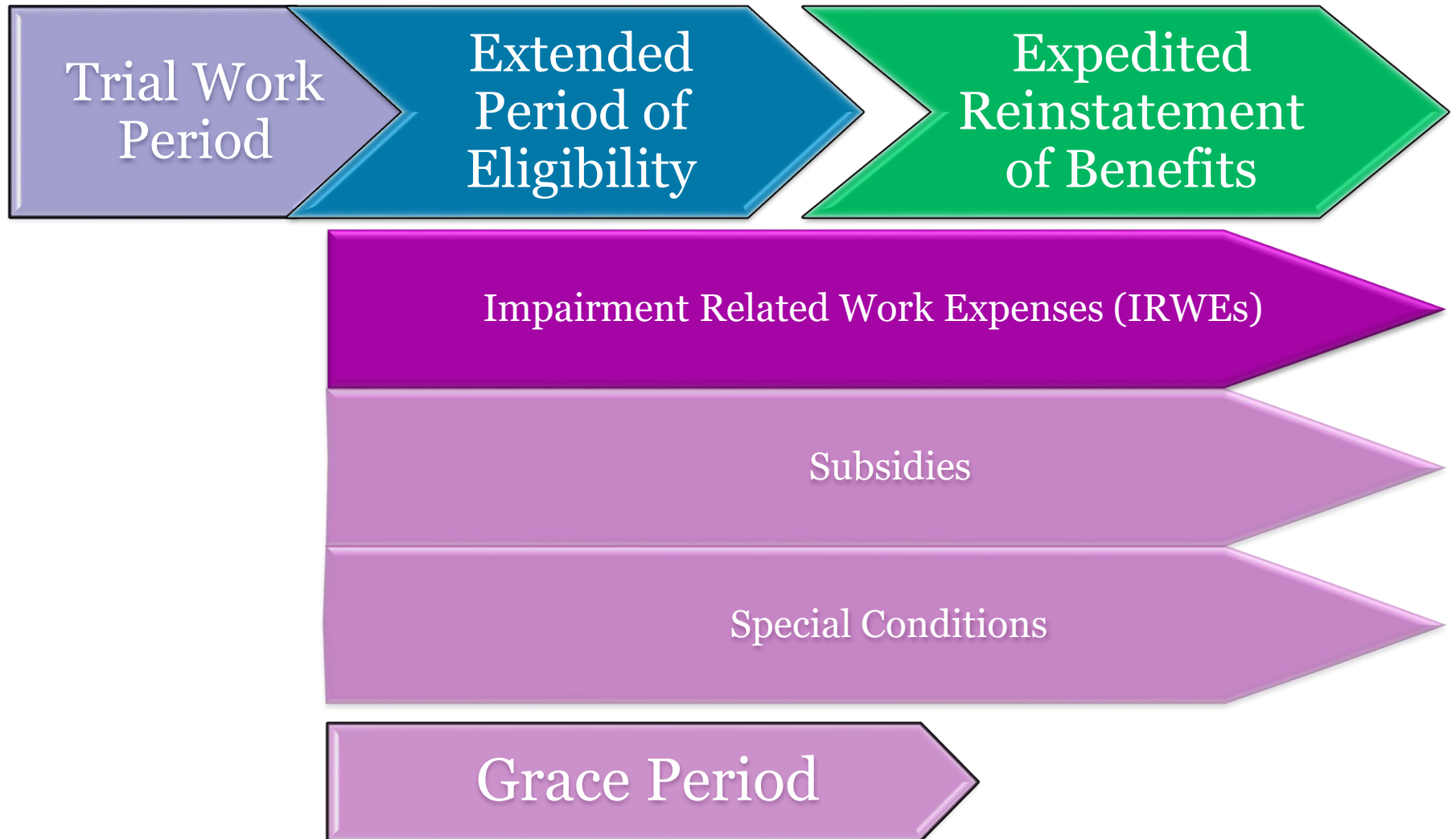
Vala successfully transitioned into this new role & her SSDI stopped. After approximately one year, Vala experienced some major life changes (change in parent's health & move into residential supports).

Vala had a very hard time dealing with these changes, which then affected her work & led to her being dismissed from her job.

She was able to find a new job that was not as demanding, but everyone agreed that she should not work over 20-25 hours/week.

Through EXR, Vala was able to get her SSDI back as she was no longer able to engage in SGA. She also received her SSDI during the 6 months SSA had to make decision about her eligibility for SSDI.

Work Incentives – IRWEs



Impairment Related Work Expense (IRWE)



What is it?

IRWEs are “out-of-pocket” costs for items or services needed to work because of one’s disability

Who could potentially be eligible for this?

Anyone who is paying for an item or a service that is:

- Needed for him/her to work
- Due to his/her disability

What to do if you think someone potentially has an IRWE?

Encourage that person to speak with SSA, especially if his/her month gross earnings are near the SGA or expected to exceed the SGA amount.

IRWE Example



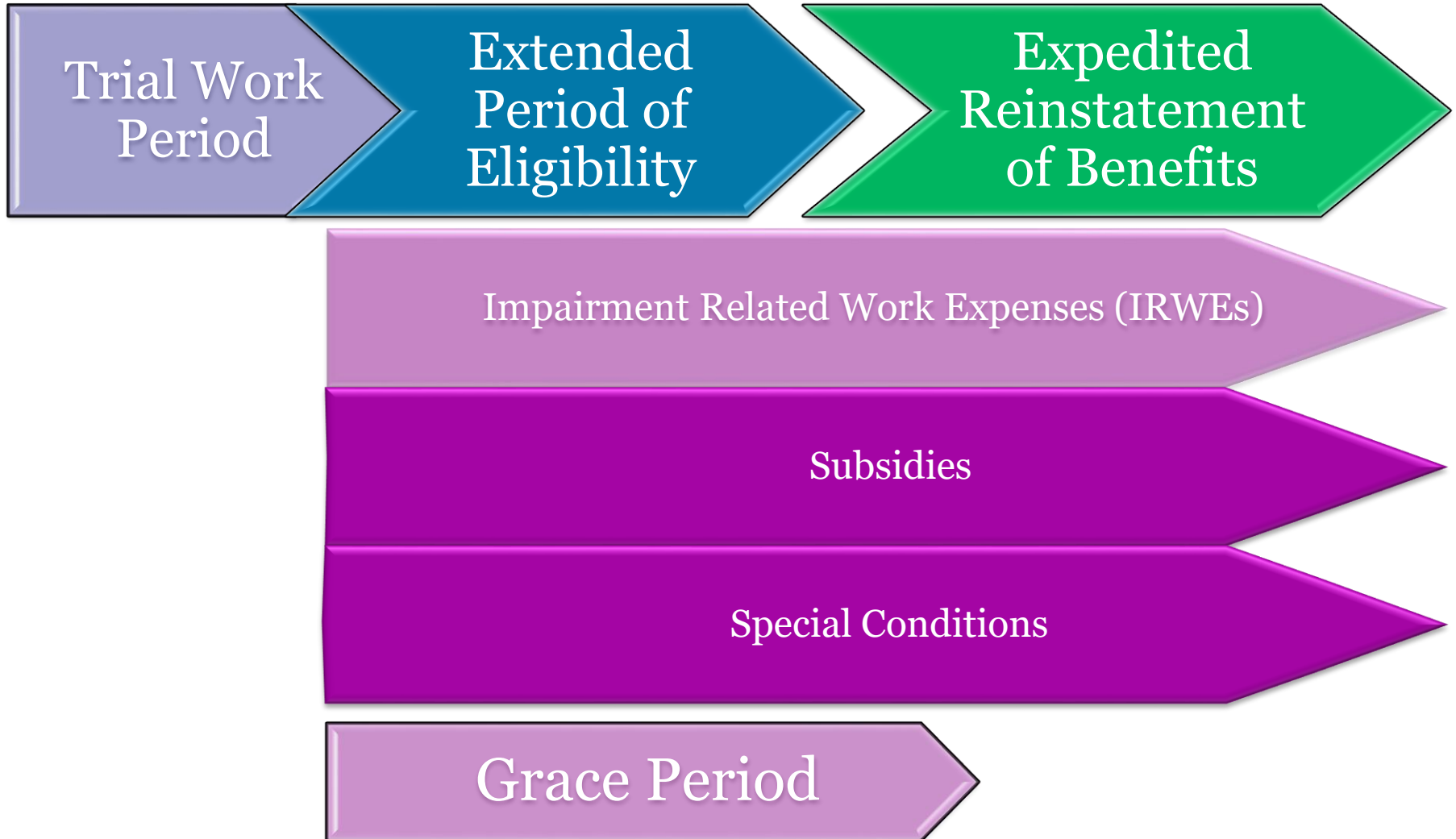
In June of 2021, Lantash obtained a job working 30 hours/week and making \$12/hr. This caused his earnings to exceed the SGA amount, but he continued to receive his SSDI cash benefit due to having some Trial Work Months available to him.

Once Lantash exhausted his TWP, he was able to use his IRWEs to reduce his countable earnings below the SGA amount. Lantash had the following expenses he was able to claim a IRWEs:

- \$6/month in prescription co-pays for medications to help manage his anxiety. Without these medications, Lantash would not be able to work.
- \$400/month in transportation to & from work. Lantash is unable to drive due to his anxiety.

These expenses were subtracted from Lantash's gross monthly income bringing his countable earnings below the SGA amount & allowing him to continue to receive his cash SSDI benefit.

Work Incentives – Special Conditions & Subsidies



Special Conditions & Subsidies



What is it?

When an employer pays a person more than the value of their work

Who could potentially be eligible for this?

Anyone who is requiring extra assistance on the job or may have accommodations resulting in less work having to be performed

What to do if you think someone potentially has a subsidy?

Encourage that person to speak with SSA, especially if that person's gross wages are near or exceeding SGA amount.

Subsidy Example



Jolinar works 22.5 hours/week. The company recently increased everyone's wages to \$15/hr causing Jolinar's income to exceed the SGA amount (\$1350/month). Since Jolinar has already exhausted her TWP, SSA will allow other factors in determining whether or not Jolinar is truly earning at or above SGA. While Jolinar performs most of her duties quite well, there is one task she struggles with. Through conversations with Jolinar's supervisor, it is determined that Jolinar is able to perform 90% of her job well. As Jolinar is getting paid the same wage as others in her position, but is only performing 90% of her job well, SSA is willing to only count 90% of her wages in determining the true value of her work activity.

Special Condition Example



Martouf currently works 30 hours/week, making \$12/hr, which has his earnings exceeding the SGA. Martouf receives 5 hours/week of job coaching. During this time, the job coach will provide hands-on-assistance helping Martouf to organize his work tasks & supplies for his work shift.

SSA is able to subtract Martouf's earnings when his job coach is providing active assistance, thus causing his countable earnings to be below the SGA amount.

Gross earnings from work (30 hrs/week x \$12/hr x 4.35) =
\$1566/month

Earnings received from job coaching assistance (5 hrs/week x \$12/hr x
4.35) = \$261

Countable Earned Income (\$1566 - \$261) = \$1305/month

Work Incentives – Grace Period



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Grace Period



The first month, outside of the Trial Work Period, that one earns at least the SGA amount, is considered one's cessation month. SSA will pay that person his/her cash SSDI benefit for that cessation month + 2 more months – giving that person a grace period to adjust for the change in income (i.e. SSDI cash benefit stopping)

Grace Period Example



Ishta obtained a job working 25 hours/week making minimum wage in August 2020. Her monthly income that year was \$1027.67/month. This exceeded the TWP amount, but was less than the SGA amount. She used up her TWP in June 2021. Minimum wage increased to \$10.30 in 2021. Her monthly income increased to \$1,120.13/month. As this was below the SGA amount, she continued to receive her SSDI benefit. In 2022, the company raised everyone's wages to \$15/hr. This caused her monthly earnings to be \$1631.25/month, which then exceeded the SGA amount

Continued Medical Coverage

Individuals who stop receiving their SSDI cash benefit due to work income, can continue to receive Medicare coverage for up to 93 more months.

- Individuals will not have to pay for Part A coverage (hospitalization)
- But they will have to pay for Part B coverage (doctors)
- After that 93 month period, individuals can opt to continue Medicare coverage by paying the Part A premiums in addition to Part B premiums

Medicaid coverage can continue through Ticket to Work Health Assurance (TWHHA) if the person's total income is below 300% of the Federal Poverty Level (\$3,398/month in 2022)

Links to topics covered



- Trial Work Period: <https://www.ssa.gov/oact/cola/twp.html>
- Extended Period of Eligibility: <https://choosework.ssa.gov/blog/2018-05-23-extended-period-of-eligibility>
- Expedited Reinstatement of Benefits: <https://www.ssa.gov/disabilityresearch/wi/exr.htm>
- IRWE: <https://choosework.ssa.gov/library/2018-11-28-faq-impairment-related-work-expenses>
- Subsidies & Special Conditions: <https://www.ssa.gov/disabilityresearch/wi/subsidies.htm#:~:text=A%20%22subsidy%22%20is%20the%20extra,we%20make%20an%20SGA%20decision>

Where to Learn More...



- 5-part Benefits Planning series hosted by the Division of DD in the summer of 2018 (July 10th – August 6th):
<https://dmh.mo.gov/developmental-disabilities/webinar/previous/2018>
- VCU's Introductory Web course:
<https://vcu-ntdc.org/training/introductory/introindex.cfm>
- <https://mo.db101.org>

Where to Learn More...



- Tip Sheets available on DMH's website:
 - <https://dmh.mo.gov/media/pdf/easy-guide-managing-employment-and-benefits-tip-sheet>
 - <https://dmh.mo.gov/media/pdf/social-security-benefits-employment-tip-sheet>
 - <https://dmh.mo.gov/media/pdf/changing-culture-and-message-about-benefits>

Save the Dates



Champions of Employment Webinars
2nd Wednesday of each month

1:30 – 2:30

July 13th

August 10th

September 14th

Don't Forget



- Please answer the survey questions at the end of this webinar.
- You're feedback will be very useful in making these webinars worthy of your time.

Reach Out Anytime



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THANK YOU!