Work and Benefits: An Overview

Brian Forsythe, CWIC
What is BenePLAN?

A team of Community Work Incentives Coordinators (CWICs) who are trained and certified by Virginia Commonwealth University and the US Social Security Administration (SSA).

- Possess extensive experience in both employment and public benefits
- A part of Work Without Limits at the Disability, Health and Employment Policy unit at UMass Medical School

**Goal:** Increase awareness and understanding of how working and earning wages impacts SSI, SSDI, healthcare & other public benefits.
# Social Security Benefit Programs

<table>
<thead>
<tr>
<th>Social Security Disability Insurance (SSDI)</th>
<th>Supplemental Security Income (SSI)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A beneficiary receives SSDI based on:</strong></td>
<td><strong>Provides assistance to elderly, blind and disabled people who have limited income and resources</strong></td>
</tr>
<tr>
<td>• Their own work record</td>
<td>• A low income program</td>
</tr>
<tr>
<td>• Being a minor dependant or the widow/er of a worker</td>
<td>• Must have less than $2,000 in the bank</td>
</tr>
<tr>
<td>• Being a disabled adult child of a worker</td>
<td>• No work history is needed</td>
</tr>
<tr>
<td>• Medicare eligibility after 2 years on SSDI</td>
<td>• Automatically eligible for MassHealth Standard</td>
</tr>
<tr>
<td>• Can apply for MassHealth while waiting for Medicare</td>
<td></td>
</tr>
</tbody>
</table>
Please Note:

Earnings affect SSI and SSDI benefits differently!
SUPPLEMENTAL SECURITY INCOME (SSI)
The amount of SSI received is based upon the living situation and marital status of the beneficiary in Massachusetts, the five amounts for 2016 are:

1. Living Alone: $847.39 ($733 FBR + $114.39 SSP)
2. Shared Living: $763.40 ($733 FBR + $30.40 SSP) (including group homes)
3. Household of Another: $576.25 ($488.67 FBR + $87.58 SSP)
4. Blind Individual: $882.74 ($733 FBR + $149.74 SSP) regardless of living situation
5. Couples Rate: $640.03 ($550 FBR + $90.03 SSP) each for married and both collecting SSI

FBR = Federal Benefit Rate
SSP = State Supplemental Payment*

*SSP is paid separately from the SSI check, but comes on the same day.
SSI and Working

• You will have more money each month in your pocket when you work, even though your SSI check goes down.

• You keep all your money from work and you will still receive a (reduced) SSI check.

• There are Work Incentives that can help you keep even more money!
SSI Employment Calculation

• When you work your SSI check will be reduced in proportion to the amount of money you earn.

• Basically, your SSI check will be reduced $1 for every $2 you earn over $85.00 each month.

• SSA does this calculation each month so it is very important that you report your earnings before the 6th of the month to SSA.

• You can now report your work income to SSA by using either the Phone in Wage Reporting System or the new Web Phone App.
The SSI Calculation:

An individual living alone receiving $847.39 in SSI and earning $800 gross per month:

<table>
<thead>
<tr>
<th>Gross Work Income</th>
<th>Disregarded Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 800.00</td>
<td></td>
</tr>
<tr>
<td>- $ 85.00</td>
<td></td>
</tr>
<tr>
<td>$ 715.00</td>
<td></td>
</tr>
<tr>
<td>/2</td>
<td></td>
</tr>
<tr>
<td>$ 357.50</td>
<td>Countable Income</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Old SSI Amount</th>
<th>Countable Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 847.39</td>
<td></td>
</tr>
<tr>
<td>- $ 357.50</td>
<td></td>
</tr>
<tr>
<td>$ 489.89</td>
<td>New SSI Amount</td>
</tr>
</tbody>
</table>
An SSI and Working Example

An individual living alone receiving $847.39 in SSI and earning $800 gross per month:

Income before working: $847.39 SSI

Income after working:
$ 489.89 Reduced SSI
+ $ 800.00 Earnings
= $1,289.89 SSI & Earnings

This is an increase of $442.50 a month as a result of working!
SSI and Impairment Related Work Expenses (IRWEs)

• An IRWE is something you pay for out of pocket, because of your disability, that you need in order to work.

• You get half of what you spent for the IRWE back.
Examples of IRWEs

• Co-Payments for Medication
• Cost of Specialized Transportation if needed to get to and from work
• Specialized Equipment needed as a reasonable accommodation at work, if the individual purchases or leases them
The SSI Calculation with an IRWE

An individual living alone receiving $847.39 in SSI and earning $800 gross per month with a $50 per month IRWE:

<table>
<thead>
<tr>
<th>Work Income</th>
<th>Disregarded Income</th>
<th>IRWE</th>
<th>Countable Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 800.00</td>
<td>- $ 85.00</td>
<td>$ 50.00</td>
<td>$ 332.50</td>
</tr>
<tr>
<td></td>
<td>$ 715.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 665.00</td>
<td>$ 50.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>/2</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 332.50</td>
<td></td>
<td>$ 514.89</td>
</tr>
</tbody>
</table>

Old SSI Amount: $ 847.39

Countable Income: $ 332.50

New SSI Amount: $ 514.89
An SSI, Working and IRWE Example

This person living alone and is earning $720.00 gross/month, plus they have an IRWE of $50:

<table>
<thead>
<tr>
<th>Income before working:</th>
<th>Income after working:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$847.39 SSI</td>
<td>$ 514.89 Reduced SSI</td>
</tr>
<tr>
<td></td>
<td>+ $ 800.00 Earnings</td>
</tr>
<tr>
<td></td>
<td>= $1,314.89 SSI &amp; Earnings</td>
</tr>
</tbody>
</table>

This is an increase of $467.50 a month as a result of working and using an IRWE!
Student Earned Income Exclusion (SEIE)

- Must be a student under the age of 22, expires on 22\textsuperscript{nd} birthday
- SSA’s definition of a student:
  - Must be regularly attending school (grades 7-12 at least 12 hours a week)
  - College or university (8 hours a week)
  - Other training designed to prepare for a paying job including vocational or technical training (12 hours a week)
  - Fewer hours acceptable if due to disabling condition
  - Job Corps
  - May be used during the summer if planning to return to school in the fall

SSA will exclude the first $1,780 earned each month up to an annual maximum of $7,180.
SSI Example - SEIE

Jim, who is 20 years old and in college, collects SSI in the amount of $847.39 per month.

He starts working a part-time job 20 hours per week at $10.00 per hour.

In a four week month, how will his SSI payment be affected?
$847.39 a month in SSI working and earning $800.00 a month with Student Earned Income Exclusion

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Earned Income</td>
<td>$ 800.00</td>
</tr>
<tr>
<td>Student-Earned Income</td>
<td>- $ 800.00</td>
</tr>
<tr>
<td>Countable Income</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Base SSI Payment</td>
<td>$ 847.39</td>
</tr>
<tr>
<td>Total Countable Income</td>
<td>- $ 0.00</td>
</tr>
<tr>
<td>New SSI Payment</td>
<td>$ 847.39</td>
</tr>
</tbody>
</table>

Gross Earned Income $ 800.00  
New SSI Payment + $ 847.39  
Total Gross Monthly Income $ 1,647.39
REMEMBER!

When you receive SSI you will *always* have **more** money to spend each month by working!
Social Security Disability Insurance (SSDI)
SSDI and Working

• When you work with SSDI, either you receive your whole check or no check depending on how much you are earning.

• There are Work Incentives that you can use to help keep your check and/or your eligibility for SSDI.

• We will look at the most common ways your check could stop today.
Trial Work Period (TWP)

- Allows you to work for 9 months without losing your check.
- Any month you earn $810.00 gross or more, will be counted as one of your TWP months.
- They do not have to be used in a row or even in a single job! You have 60 months to use them!
- Remember no matter how much you make during TWP, you keep your entire benefit check!
Definition: Substantial Gainful Activity (SGA)

• SGA is how Social Security measures your ability to work.

• In 2016 SGA is $1,130.00 in gross monthly earnings ($1,820.00 for blind individuals).
Extended Period of Eligibility (EPE)

• EPE begins immediately after the Trial Work Period ends.

• It continues for 3 years even if your check has stopped due to work income.

• Any month you earn SGA or more you will not get a check; if you earn less, you will get a check.

• EPE is a safety net that allows you to get your check back even after it has been stopped if you have to cut back your hours or stop working.
SSDI and Impairment Related Work Expenses (IRWEs)

• An IRWE is something you pay for out of pocket, because of your disability, that you need in order to work.

• They can only be used after you complete the TWP.

• They will be subtracted from your gross monthly earnings.

• If using the IRWE brings your gross earnings below SGA, you keep your benefit check!
SSDI IRWE Example

An individual receiving $950 in SSDI. Working, earning $1,200 per month. They have an IRWE of $75 a month for medication.

\[
\begin{align*}
\textdollar{}1,200.00 \\
- \textdollar{}75.00 \\
\hline
\textdollar{}1,125.00
\end{align*}
\]

Since the subtraction of the IRWE brings the countable income below SGA, the individual will keep their SSDI check.
Summary of SSDI and Working

• There are work incentives to allow you to try work out without fear of losing your check right away!

• Even if your check stops due to earnings there are ‘safety nets’ to get it back again!

• There are work incentives that you can use to support you along the way!
Expedited Reinstatement (EXR)

If your claim has been closed due to earnings for either SSI or SSDI, you may be able to reinstate your benefits if:

• Your earnings are below SGA because of your disability
• You are still medically eligible
• You apply within 5 years of termination

EXR can be used for both SSI and SSDI
Questions?

• SSI?
• SSDI?
THANK YOU!