



Michigan Coalition: Social Security Work Incentives Planning & Assistance WIPA



What is the difference between SSDI and SSI?



Social Security Disability Insurance (SSDI) Supplemental Security Income (SSI)

SSDI → (FICA)

- Insurance Program based on the individual's work history or on a family member's work history or even as a Disabled Widow Benefit (DWB)
- No resource limits
- Comes with **Medicare** after 24 months (Parts A, B, C & D)
- Must apply for Medicaid through Michigan's Department Health & Human Services

SSI → No Work History

- Needs based program
- Federal Benefit Rate for 2018
- \$ 750.00 for Individual
 - \$1,125.00 for Couple
- Resource limits
- \$2,000 Individual
 - \$3,000 Couple
- Comes with Medicaid automatically in Michigan through Michigan's Department Health & Human Services

➤ *Some individuals may receive benefits from both programs at the same time.*

Social Security Disability Insurance (SSDI)

- Insurance Program based on the individual's Work History – **FICA**

- Disabled Widow Benefit

- Childhood Disability Benefits (CDB or DAC)
 1. Child becomes disabled before age 22
 2. Parent is collecting SSDI or Retirement Benefits or is Deceased

SSDI → Medicare

➤ Begins after 24 months of being entitled to SSDI Benefits

➤ **Part A** - In Hospital Care

➤ **Part B** - Outpatient Services and Equipment

\$134.90 / month – Part B (May be paid by [Medicare Saving Plan](#))

➤ **Part C** - Medicare Advantage Plan - Private

➤ **Part D** - Prescription Drug Coverage - Private

➤ Subsidies

➤ Different plans through private health care insurance companies

Social Security Disability Income (SSDI)

Work Incentives

Phase 1 - Trial Work Period (TWP)

\$850.00 Gross Wages or Above = 1 month

9 months = Trial Work Period

Used within a “rolling window” 60 month period

Extended Medicare (at least 93 months) after completing the Trial Work Period

Phase 2 - Extended Period of Eligibility (EPE) 36 months after TWP

SGA (\$1,180.00)

SGA (\$1,970.00 for people w/ blindness)

** Grace Period – (First time achieving SGA after TWP)

- Unincurred Business Expenses – Self Employment Only
- Impairment Related Work Expense
- Subsidies & Special Conditions
- Unsuccessful Work Attempt

Reporting to Social Security Regarding Social Security Disability Insurance

- Based on wages EARNED within a calendar month.

***Multiply hours worked within a calendar month by the individual's hourly rate

Caution

Social Security must pre-approve any work incentives before they can be applied!!

Social Security Disability Insurance (SSDI)

QUESTIONS???

Supplemental Security Income (SSI) & Medicaid

- **1619b** – Not receiving SSI payment due to earned income over \$35,688 for 2017

- **Freedom To Work (BEM 174)**
 - Your assets need to be under the Medicare Savings Program limit which in 2017 is \$7,280 of countable assets. The asset limit may adjust annually effective January 1 of each year if there's an adjustment with Cost of Living Allowance (COLA).
 - There will be no premium for individuals with a Modified Adjusted Gross Income (MAGI) less than 138% (\$1,353.55 for 2017) of the Federal Poverty Level for a group of one.
 - A monthly premium of 2.5% of MAGI income will be assessed for individuals who have a total MAGI between 138% of the Federal Poverty Level and \$75,000 annual MAGI income. ***Which means, if your MAGI is calculated to \$1,500 then your monthly premium for your Medicaid would be \$37.00 per month.
 - A premium of 100% of the average Freedom to Work Program participant cost will be assessed for an enrolled individual with a MAGI over \$75,000 annually.

Working & Receiving SSI

➤ Basic formula when working:

Gross Wages

- \$20.00(General Income Exclusion (GIE))
- \$65.00(Earned Income Exclusion (EIE))/ 2 =
Countable Earned Income

\$750.00 - Countable Earned Income = Adjusted SSI Payment

Based on Gross Wages **Received within a Calendar Month**

Supplemental Security Income (SSI) & Using Work Incentives

- Impairment Related Work Expense (IRWE)
- Blind Work Expense (BWE)
- Plan for Achieving Self Sufficiency (PASS)
- Property Essential to Self-Support (PESS) - Self Employed
- Student Earned Income Exclusion (SEIE)
 - \$1,820.00 / Month - \$7,350.00 / Year

SSI Calculation While Working

Working 20 hours a week at \$9.25 per hour (2018 MI New Wage)
 (9.25hrs * 20hr/wk * 4.33wk/month)

Example:

\$801.00 Gross Wages

\$20.00 General Income Exclusion

- \$65.00 Earned Income Exclusion

\$716.50 / 2 = \$358.25  **Countable Earned Income**

\$750.00 – \$358.25 = \$392.00 Adjusted SSI Check

****Not taking any Work Incentives into account**

**Work in Nov. → Report Pay Stubs in Dec. → Adjusted SSI Check received in January from Nov.'s wages

	Not Working	Month 1	Month 2	Month 3
Work	\$0.00	\$801.00	\$801.00	\$801.00
SSI	\$750.00	\$750.00	\$750.00	\$392.00
Total	\$750.00	\$1,551.00	\$1,551.00	\$1,193.00

SSI Reporting When Working

- Based on income **RECEIVED** within a calendar month
- **KEEP ALL PAYSTUBS**
- Submit the pay stubs at the beginning of the next month
- Most people can report SSI wages by phone or through an application on a smartphone or computer. Check with the local office for more information on this method.

Using Work Incentives

Caution

Social Security must pre-approve any work Incentives before they can be applied!!

Without individualized or specific information, we cannot accurately provide a complete benefit analysis of what incentives would work best for each individual.

Supplemental Security Income (SSI)

QUESTIONS ?????

What if the individual receives both.... SSDI & SSI

- Wages / Income are looked at in both ways:

➤ SSDI → Trial Work Period or
Extended Period Eligibility (SGA)

AND

➤ SSI → Calculation

Unearned Income (SSDI) - \$20.00 = **Countable Unearned Income**

(Gross Wages - \$65.00) / 2 = **Countable Earned Income**

\$750.00 – **Total Countable Income** = Adjusted SSI Payment

Expedited Reinstatement of Benefits (EXR)

Applies to SSDI & SSI

- If Social Security closes the SSDI/SSI case, due to earned income and the individual stops working or reduces Countable Earned Income to less than SGA (\$1,180.00) and it is within 60 months after the case closed,
 1. They can request reinstatement of benefits without filing a new disability application.
 2. They will be given temporary benefits for up to six months while Social Security conducts a review.
 3. If it is decided that they are no longer medically disabled by Social Security rules, they will not have to pay the temporary benefits back, unless they knew that they did not qualify for reinstatement.

Medicaid



Medicaid has several categories.

(30+, depending on how you count them)

\$1,005.00 = Federal Poverty Level (FPL) starting April 1, 2017 – March 31, 2018 in Michigan

SSDI benefit less than FPL + \$20 general income disregard (\$1,005.00 + 20= \$1,025.00) per month
Medicaid – with NO Deductible

SSDI benefit more than \$1,005 per month

Medicaid Deductible
(Spend-Down)

For SSDI beneficiaries who are WORKING:

SSDI benefit - \$20 + Earned Income Calculation = Countable Income if LESS than \$1,005.00 then Ad-Care or Freedom to Work Medicaid

Medicaid for SSDI Individual's

- SSDI Beneficiaries:
 - Do not have automatic Medicaid
 - Must apply to Michigan Department of Human Services for Medicaid
- Eligibility is based on
 - Non-financial eligibility factors and
 - Financial Eligibility Factors

Medicaid AD–Care Eligibility

- If the individual's Countable Income is below the \$1,005.00 April 1,2017 – March 31, 2018
- And Asset limits below
 - Individual \$2,000
 - Couple \$3,000

Medicaid Deductible (Spend Down)

- Apply to individuals who are receiving SSDI and who are above the Countable Income of \$1,005.00 as of April 1, 2017

*Not Working

Medicaid Deductible (Spend Down)

Unearned Income - SSDI	\$1,100.00
General Income Disregard	\$20.00
Total Countable Unearned Income	\$1,080.00
Earned Income from Gross Wages	
Earned Income Disregard	
Remainder	
Divide By 2	
Total Countable Earned Income	
Total Countable Unearned Income	\$1,080.00
Total Countable Earned Income	
Total Countable Income	\$1,080.00

Medicaid Deductible (Spend Down)

To figure the Deductible:

- Total countable income \$ 1080.00 (from previous page)
- Protected Shelter amount for the area -\$ 408.00 (note area V)
- **Spend Down/Deductible for this month \$ 674.00**
When NOT Working

Freedom to Work (Medicaid Buy In)



To qualify for Freedom to Work:

The consumer is a group of one and is employed.

The consumer has unearned income under 250% of the Federal Poverty Level (\$2,512.00 for 2017)

The consumer's assets are under the Medicare Savings Program limit which in 2017 is \$7,390 + \$1,500 burial expenses of countable assets. The asset limit may adjust annually effective January 1 of each year if there's an adjustment with Cost of Living Allowance (COLA).

**Countable Income/Assets refers to a calculation that is computed by looking at both unearned and earned income to a lesser amount.



Paying the “Buy In” Premium:

There will be no premium for individuals with a Modified Adjusted Gross Income (MAGI) less than 138% of the Federal Poverty Level for a group of one. (\$1,386.00 for 2017)

A monthly premium of 2.5% of MAGI income will be assessed for individuals who have a total MAGI between 138% of the Federal Poverty Level and \$75,000 annual MAGI income.

***Which means, if your MAGI is calculated to \$1,500 then your monthly premium would be \$37.00 per month.

A premium of 100% of the average Freedom to Work Program participant cost will be assessed for an enrolled individual with a MAGI over \$75,000 annually.

***Failure to pay premiums will result in loss of Medicaid coverage under the Freedom to Work Program.



Without losing eligibility for Medicaid, an individual who qualifies for and is enrolled under this program is permitted to do all of the following:

- (a) Accumulate personal savings and assets not to exceed \$75,000.00.
- (b) Accumulate unlimited retirement and individual retirement accounts with income from employment while enrolled in the freedom to work for individuals with disabilities program. Assets described in this subdivision shall remain excluded from eligibility consideration for other Medicaid programs for the individual even if he or she loses eligibility under this section.
- (c) Have temporary breaks in employment that do not exceed 24 months if the temporary breaks are the result of an involuntary layoff or are determined to be medically necessary or for relocation necessary due to employment in this state.

Medicare Savings Program through Medicaid

- **QMB** – NET INCOME can't exceed 100% of FPL.
 - Pays for Medicare Part B premium
 - Pays for Medicare Deductibles
- **SLMB** – Net INCOME between 100%-120% of FPL
 - Pays for Medicare Part B premium
- **ALMB** – Net INCOME between 120% - 135% of FPL
 - Pays for Medicare Part B premium ONLY IF funding is available

What is WIPA?

- ❑ WIPA is a step by step process that enables Social Security Administration (Social Security) disability beneficiaries to gain an understanding of the effects of employment on all their benefits.
- ❑ Offers support to Social Security Administration disability beneficiaries who are currently working and need assistance in establishing use of work incentives.

Who is Eligible???

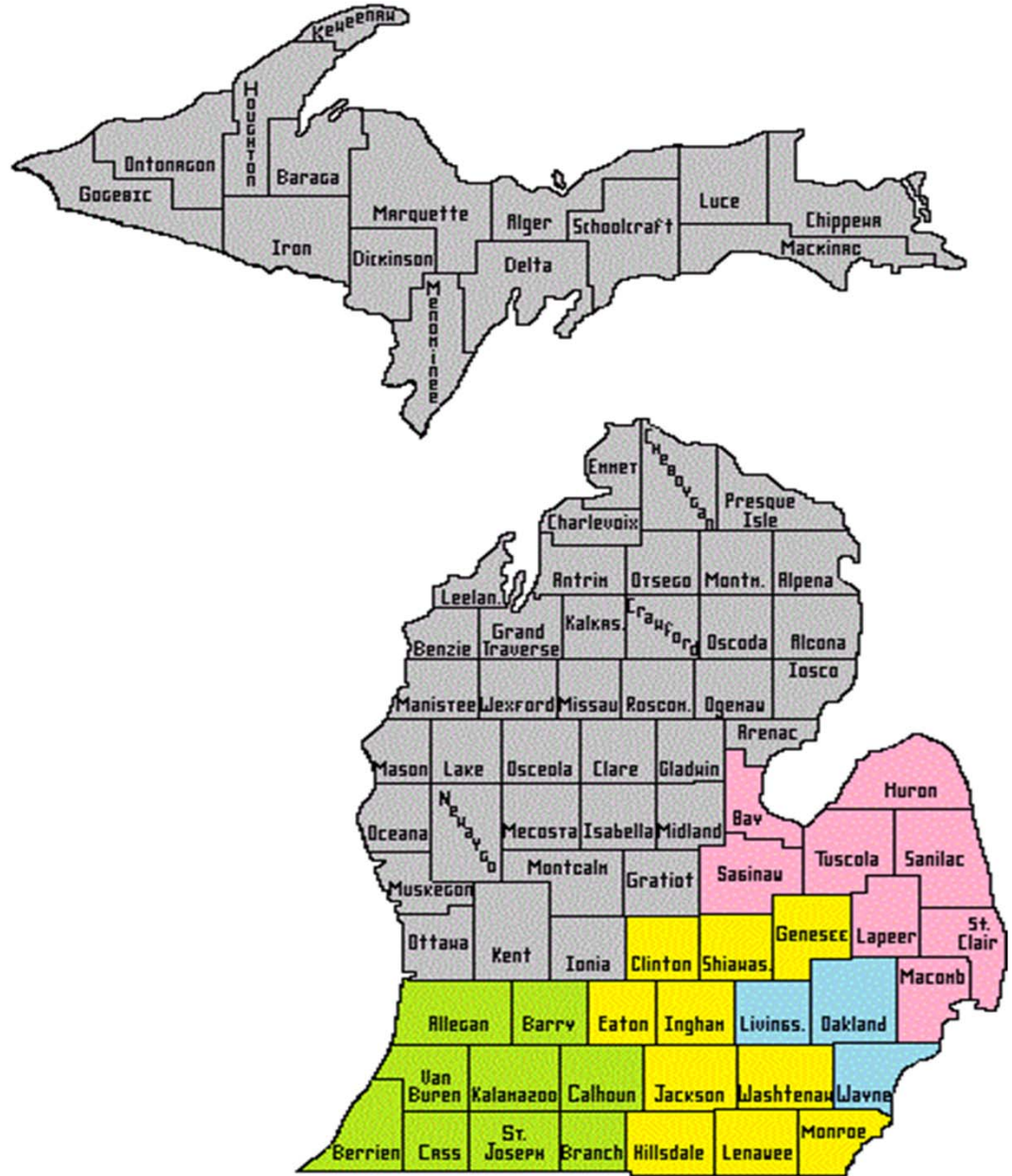
- Any individual who is already receiving disability benefits from Social Security.
 - Considering Employment
 - Currently Employed
 - Wants to Transition from receiving Social Security's disability benefits

What WIPA can do for you?

Assist in understanding how your benefits are affected by being employed.

Areas include:

- Supplemental Security Income (SSI) cash benefits
- Social Security Disability Insurance (SSDI) cash benefits
- Medicare, Part A, B, C, and D
- Medicaid
- Private Health Insurance
- Short/Long Term Disability Insurance
- Worker's Compensation
- Unemployment Benefits
- Veteran's Benefits
- Housing Subsidies
- Food Assistance



WIPA Michigan 2017

WIPA Project Coordinators

- *CATHY McRAE 517-487-5426
THE Arc MICHIGAN*
- *PAUL LANDRY - 248-557-5070 Ext. 113
UCP OF METRO. DETROIT*
- *UCP of MICHIGAN - 844-633-2413*

How Can PABSS Help?

- Check out complaints against an Employment Network (ENs) or other service provider that is helping in return to work.
- Give information and advice about what ENs do, and what supports they offer that will help in returning to work.
- Give information about Social Security's work incentives, and how they can help in return to work.
- Give assistance with work-related overpayment.



Brian Sabourin
CAP, PABSS Director

4095 Legacy Parkway Suite 500

Lansing, MI. 48911

1-800-288-5923

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What is the Ticket to Work?

Ticket to Work & Work Incentives Improvement Act of 1999 does 2 things:

- The Act increases the consumers' choices about who they choose to help them get back to work.
- Stops Continuous Disability Reviews (Medical) while the person is successfully using their Ticket.

Resources

- www.ssa.gov
- www.ssa.gov/work
- 2018 Redbook on Employment Support: A summary guide to employment support available to people with Social Security Disability Insurance and Supplemental Security Income Programs. Social Security Pub. no. 64-030
- choosework.ssa.gov

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