



SOCIAL SECURITY AND MEDICAID BENEFITS FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

BY KIM BERNARDI

DIFFERENT SOCIAL SECURITY BENEFITS

Social Security Supplemental Income- **Does not require work credits into Social Security. Maximum amount is \$750 for 2018 \$771 for 2019.**

Social Security Disabled Adult Child- **Based off of parents work credits into Social Security. Parent must be retired, disabled or deceased.**

Social Security Disabled Individual- **Based off of an individuals own work credits into Social Security**



SOCIAL SECURITY SUPPLEMENTAL INCOME SSI BENEFITS

Individual must have a qualifying disability

Individual is not required to have a work history

There is no waiting period once eligibility is established

Earned and Unearned income will effect this benefit

Resources must be below \$2,000 for an individual and \$3,000 for a couple

Individual can have concurrent benefits

Individual will automatically receive Medicaid benefits

The individual is working or is working but not performing Substantial Gainful Activity at the time of application.



EARNED INCOME

Money earned from work, salaries, commissions, bonuses, severance package and in kind value of food or shelter

SSI counts the gross wages received in a month.

Earnings and wages from Self Employment

Funds withheld from earned income due to garnishing wages to pay an obligation or a debt.



EARNED INCOME EXCLUSIONS

Money from an income tax refund (but can be counted as a resource)

Impairment Related Work Expenses (IRWE's)

Earned income tax credits

Money that has been set a side for a Plan to Achieve Self Support
(PASS)

\$20.00 general exclusion, \$65 earned income exclusion

Student Earned Income Exclusion. \$1,820 monthly but yearly limit of
\$7,350 in 2018. \$1,870 monthly and no more than \$7,550 yearly in
2019.

Blind work expenses



UNEARNED INCOME

Social Security Benefits (SSI, SSA, SSDI)

Unemployment benefits

Workers compensation benefits

Alimony and/or Child Support received

Rental Income, royalties, pensions

In kind support such as food and shelter



UNEARNED INCOME EXCLUSIONS

Home Energy Assistance (Heap/Pip)

Grants, scholarships for education

\$20.00 of unearned income

Income set aside for a PASS

Any kind of assistance from a non profit organization
such as a food pantry, rental subsidy etc.

Interest on excluded burial resources



SSI AND MEDICAID COUNTABLE RESOURCES

Any cash or liquid assets (property that can be converted to cash). Cash would be any cash on hand, savings and/or checking accounts. Liquid assets would be stocks, bonds, term life insurance policies with a face value over \$2,000 that can be cashed in.

Can't have more than \$2,000 in assets for an individual and \$3,000 per couple.

An item received is considered income during that month and then if not spent will be considered an asset (resource) the next month. Ex. A Social Security check is not considered a resource the month received, however, if not all is spent and carries to the next month it could increase the resources over \$2,000.

Prepaid burials are not considered an asset- It is not cashable

The individual's home and one care are excluded as a asset (resource).
However, the car has to have a limited value.



RESOURCES CONTINUED

If an individual receives a lump sum payment because of a Social Security back payment they have 9 months to dispose of the money or else it is considered a resource.

Suggestions for Resources (assets):

Purchase a prepaid burial

Exempt Trust Funds

Stable Accounts (ABLE ACT)

Spend money down



SOCIAL SECURITY DISABLED ADULT CHILD

To receive this benefit the individual was deemed disabled before the age of 22

The individual will receive benefits off of a parent work record

Parents must have paid into Social Security and is now either retired, deceased or disabled themselves.

The individual must have been eligible for SSI benefits

No resource limit for this benefit, however, if the individual also has Medicaid they cannot have more than \$2,000 in resources or will lose the Medicaid, can receive concurrent benefits

Medicare eligibility after 24 months of being eligible for this benefit at any age of adulthood

Medicaid Grandfather Clause: If the individual started receiving off of a parents benefit after July 1, 1987, then the benefit off of the parent is not counted as income.



SOCIAL SECURITY DISABLED INDIVIDUAL

Individual was deemed disabled through Social Security

Receives this benefit off of own work record (paying into social security to earn credits)

Can receive concurrent benefits

No resource limit, but if the individual has Medicaid must follow Medicaid resource standards of no more than \$2,000 in resources

Medicare eligibility after 24 months of receiving SSDI

The individual is either not working at the time or is working but not performing SGA

Work Credits: for ages 31 and older need 40 credits which 20 credits were earned in the ten years before application for benefits

Under age 31 the formula is $\{ \text{age} - 20 = y \}$ $\{ y \text{ times } 2 = \text{credits} \}$ minimum of 6 credits are required.

\$1,300 of earned income = 1 credit, can only receive 4 credits in a year

SSDI amount will continue to increase as the individual is working and still earning credits



SUBSTANTIAL GAINFUL ACTIVITY (SGA)

This effects individuals on SSDI and SSA who are working and receiving income

SGA for 2018 is \$1,180 per month and \$1,970 for an individual who meets the definition of blind.

SGA for 2019 is \$1,220 per month and \$2,040 for an individual who meets the definition of blind.

Trial Work Period- helps an individual who is receiving benefits test whether he or she can go to work. There are 9 months of Trial Work Period, but doesn't have to be consecutive and can be over a 5 year period. The individual must earn more that \$850 to be considered a Trial Work Period month in 2018 and \$880 for 2019. The individuals gross income is counted and one cannot use IRWE to lower the income during the Trial Work Period.

The individual will continue receiving cash benefits during the Trial Work Period.

Then there is the Extended Period of Eligibility which can take up to or longer than 36 months. The first month during this period one exceeds the SGA amount is called the cessation month.

The cessation month and 2 months following if SGA is met the individual will receive a benefit check for all 3 months. After 3 months of SGA being met the next month SGA is met there will not be a benefit check that month. If SGA is not made during any months of the Extended Period of Eligibility the individual will receive the benefit check for those months. At the 37th month if the individual meets SGA their benefit check will be terminated.

IRWE and Subsidies can be used during the Extended Period of Eligibility to keep below SGA



IMPAIRMENT RELATED WORK EXPENSES (IRWE)

These are items and/or services that enable an individual to work

The items and/or services are paid for by the individual and is not reimbursable from Medicare, Medicaid, or private insurance. The items are not purchased through waiver funds.

Attendant care only if the attendant is assisting the individual with getting ready for work and coming home from work. 1 hour in the am and 1 hour in the pm is countable for an IRWE.

Medical devices that are needed to be able to work again that is paid out of individuals pocket.

Medications and medical services.

Vehicle modifications (the cost can be split up for 12 months)

Transportation costs-mileage allowance when using own vehicle.

Transportation costs paid for using other transportation than your own vehicle.



IRWE CONTINUED

Any equipment or assistance needed at work, job coach, special seating, typing aids, interpreters etc.

IRWE assist individuals who are reaching SGA. The cost of the IRWE would be deducted off of gross earnings which will then bring the individual below SGA. Where without the IRWE the individual would be over SGA and at risk of losing SSA or SSDI.

IRWE can be used by SSI recipients to lower their earned income when considering SSI payment.



PLAN TO ACHIEVE SELF SUPPORT (PASS)

PASS is a plan to achieve self support

This allows an individual who has a disability set money aside to help pay for a goal

Have a specific goal that you are capable of performing and a specific time frame for reaching your goal

This money set aside is not counted as income nor a resource

The PASS has to be approved by the Social Security Administration

Examples:

Billy has earned income and is receiving \$445 of SSI per month. He put \$290 of his countable income into a pass on his education and was approved by Social Security. His SSI now increases by \$290 and he receives \$735 in SSI benefits per month.

Maria receives \$800 month SSDI. Maria does a pass and puts \$780 of SSDI benefits into the pass for tuition, books etc. because of the SSI \$20 general exclusion she now receives \$771 per month in SSI to pay her living expenses while her SSDI check goes into the PASS.



BLIND WORK EXPENSES (BWE)

Can use these for calculating SSI benefits and to stay below SGA

SGA for an individual who is blind is \$1,950 per month in 2018 and \$2,040 per month 2019.

BWE- Transportation to and from work, Federal, State and local income taxes, Social Security taxes, visual and sensory aids, union dues, attendant care services, translation of materials into braille, service animal expenses, etc.

The individual pays for the BWE out of their own pocket

Under SSDI, this condition has to have lasted or be expected to last at least 12 months

There is no duration requirement for blindness under SSI

Social Security's definition of blind: central visual acuity of 20/200 or less in the better eye with best correction, or a limitation in the field of vision in the better eye so that the widest diameter of the visual field subtends an angle of 20 degrees or less (Social Security Red Book).



SUBSIDIES

Subsidy- support provided by your employer that may result in your receiving more pay than the actual value of the services you perform.

An individual receives more supervision than the other workers doing the same or similar job for the same pay

The individual has fewer or simpler tasks to complete than the other workers who are doing the same job for the same pay

The individual has a job coach who assists you with your duties

The individual is given longer and/or additional breaks

The employer determines the amount of the subsidy by deciding what is the reasonable value of the employee's services

The value of the subsidy Social Security would subtract from the gross monthly earnings

Subsidies can help an individual stay below SGA, but is not used when calculating SSI payments.



MEDICAID

Not allowed more than \$2,000 in resources (assets)

Eligible for SSI is automatic eligible for Medicaid

Receiving off of a parents benefit you may qualify for the Grandfather Clause and receive Medicaid

Eligible for a Waiver- receive Medicaid. Need allowance \$1,434 any thing about this amount is considered a patient liability. If income is more than \$2,199 per month money will need to be put into a Qualified Income Trust (Miller's trust) If one has a waiver or in long term care

Medicaid Buy In for workers with disabilities receive Medicaid but could pay a premium

If an individual: doesn't have a waiver, doesn't receive SSI benefits, isn't eligible for the grandfather clause , and is not in the Medicaid Buy in program - they can't have more than \$750 per month total income for 2018 and \$771 for 2019. With the new Medicaid Redesign they will not be eligible for Medicaid at all.



MEDICAID BUY IN FOR WORKERS WITH DISABILITIES

To qualify, you must:

Be a US citizen or qualified alien

Resident of Ohio

16 to 64 years old

Be determined disabled by the Social Security Administration or Ohio Medicaid

Be employed and working (taxed work) at least 40 hours per month

Meet certain financial criteria

Can have resources up to \$11,654 after one first qualifies



CALCULATE PATIENT LIABILITY AND MEDICAID BUY IN PREMIUMS

Patient Liability Budget

| | |
|-------------------------|----------|
| Total Gross Income | \$2,000 |
| Needs Allowance | -\$1,434 |
| Minus Earned Income | |
| Disregard | - 65 |
| | <hr/> |
| Subtotal | \$ 501 |
| Other Medical insurance | |
| Premium | 0 |
| Patient Liability | \$ 501 |

Medicaid Buy In Premium

| | |
|-------------------------|---------|
| Total Gross Income | \$2,000 |
| Minus 150% FPL | \$1,517 |
| | <hr/> |
| | \$ 492 |
| Other Insurance Premium | 0 |
| | \$ 492 |
| Multiply by 10% | x .10 |
| | <hr/> |
| Monthly Premium | \$ 49 |



MEDICARE

Medicare Part A is hospital insurance (inpatient care, skilled nursing facility, home health care) usually no premium

Medicare Part B is Supplemental Medical Insurance (out patient care, doctors, durable medical equipment). There is a monthly premium (2018 \$134 per month). Individuals can be eligible for Medicaid to cover the premium under the QMB program- monthly income less than \$1,061 for an individual and \$1,430 for a couple

SLMB program-Monthly income limit to qualify is less than \$1,269 for an individual and \$1,711 for a couple

QI program Monthly income limit to qualify is less than \$1,426 for an individual and \$1,923 for a couple

Medicare Part C is A and B combined, managed by private insurance companies (HMO plans)

Medicare Part D is prescription drug coverage.



MEDICARE SAVINGS PROGRAMS THROUGH MEDICAID

There are 4 kinds of Medicare Savings Programs:

Qualified Medicare Beneficiary (QMB) Program—Helps pay for Part A and/or Part B premiums, deductibles, coinsurance, and copayments.

Specified Low-Income Medicare Beneficiary (SLMB) Program—Helps pay Part B premiums only.

Qualifying Individual (QI) Program—Helps pay Part B premiums only. You must apply every year for QI benefits and the applications are granted on a first-come first-served basis.

Qualified Disabled and Working Individuals (QDWI) Program—Helps pay Part A premiums only. The QDWI program helps pay the Part A premium. You may qualify if any of these apply to you:

You're a working disabled person under 65

You lost your premium-free Part A when you went back to work

You aren't getting medical assistance from your state

You meet the income and resource limits required by your state

Income limit: single \$4249, Couple \$5,722



SSI Formula

| | | | | |
|------------------------------|---------------|--|--|-----------------------------|
| 1 | <u>200.00</u> | Unearned income | <i>other Social Security check</i> | Unearned Income |
| | - | \$20.00 | General Income Exclusion | |
| 2 | <u>180.00</u> | Countable Unearned Income | | |
| 3 | <u>500.00</u> | Gross Earned Income | | Earned Income |
| 4 | - | — | Deduct Student Earned income Exclusion | |
| | - | \$65.00 | Earned Income Exclusion* (*Add remaining General income exclusion) | |
| 5 | - | | Deduct Impairment-Related Work Expenses | |
| 6 | <u>435.00</u> | Amount | | |
| | ÷ | 2 | divide amount by 2 | |
| 7 | <u>217.50</u> | Amount | | |
| 8 | - | | Deduct Blind Work Expense | |
| 9 | <u>217.50</u> | Countable Earned income | | |
| 10 | <u>180.00</u> | Countable Unearned Income (Line # 2) | | Combine the two incomes |
| 11 | + | | Countable Earned Income (Line # 9) | |
| 12 | <u>217.50</u> | Total Countable Income | | |
| 13 | - | | Deduct Plan for Achieving Self-Support | |
| 14 | <u>397.50</u> | Adjusted Total Countable Income | | Determine the Amount of SSI |
| 15 | <u>771.00</u> | Federal Benefit Rate (add SSA administered State supplement) | | |
| 16 | - | <u>397.50</u> | Adjusted Total Countable Income (Line # 14) | |
| 17 | <u>373.50</u> | Adjusted SSI Payment | | |
| Total Income | | <u>1073.50</u> | | |
| (line 2 + line 12 + line 17) | | | | |



Contact Information: Kimberly Bernardi Quality Support Specialist

Medina County Board of DD

234-802-0144

kimb@mcbdd.org