

Social Security Disability Benefits, their Work Incentives and Case Studies

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November 2023

Today's Objectives

- Understand what is SSA disability Benefits Counseling and how it can help you and your clients.
- Understand the SSI and SSDI programs, their work incentives and how they differ.
- Understand the Medicaid and Medicare program, their work incentives and how they differ.
- How to report changes of work status and monthly income to the Social Security Administration.
- How to best prevent an overpayment on a beneficiary's record.

What is SSA Benefits Advisement?

- One on one individualized counseling on SSA disability benefits and work incentives planning.
- Goals:
 - Enable SSA beneficiaries on SSDI/SSI to make informed choices about work, and to support working beneficiaries to make a successful transition to employment and to self-sufficiency
 - Report their work activity and income to SSA correctly to prevent an overpayment
 - Understand what work incentives are available to them
- Types: Work Incentives Planning and Assistance (WIPA) Project & Fee for Service Benefits Advisement

Types of SSA Benefits

Social Security
Disability Insurance
(SSDI)
& Medicare

Supplemental
Security Income (SSI)
& Medicaid

Supplemental Security Income: SSI

- Cash benefits for individuals who are age 65 or older, or who are blind, or have a disability who have little income and few resources.
- Not really an “SSA Disability Benefit.” Administered by the Social Security Administration and paid out of federal tax dollars.
- Federal monthly SSI payments are capped at \$914/mo. (2023), \$943/mo. (2024). New York provides supplemental payments.
- SSI benefits are based on need, meaning any other income an SSI recipient has will affect the cash payment amount. (i.e., unearned income, earned income, deemed income, or in-kind income.)

Who receives SSI?

- People with disabilities based on need, regardless of whether they have paid into the Social Security Trust Fund.
- Most Youth will be on SSI until they work or qualify for CDB via a parent.

SSI Work Incentives

- General Income Exclusion (GIE)
- Earned Income Exclusion (EIE)
- Student Earned Income Exclusion (SEIE)
 - Monthly & Annual Caps
 - Educational & Age conditions
- Impairment Related Work Expenses (IRWEs)
- Blind Work Expenses (BWEs)
- Plan for Achieving Self Support (PASS)

These are built into the SSI calculation sheet.

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
Remainder	
Impairment Related Work Expenses (IRWE)	-
Remainder	
Divide by 2	
Blind Work Expenses (BWE)	-
Total Countable Earned Income	=
Total Countable Unearned Income	
Total Countable Earned Income	+
PASS Deduction	-
Total Countable Income	=
Base SSI Rate (\$841 individual, \$560.67 VTR, \$1,261 eligible couple)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

Medicaid

SSI beneficiaries receive Medicaid automatically with their SSI benefit entitlement.

- There is no waiting period.
- No monthly premiums.

Work Incentives

- Continuation of Medicaid - Provision 1619(b)
 - *Not only to help maintain Medicaid*
- Medicaid Spenddown/Excess Income/Surplus

<https://www.ssa.gov/redbook/>

SSI Case Study: Prometheus

- Receives SSI as an adult (20 yrs old) = \$914
- Receives Medicaid *based on SSI entitlement*
- Does not have a work history because they have been in school
- Is not currently working **but** wants to find a part time job, working 20 hrs./week earning \$15/hour = \$1,290.00/month

[20 hrs./wk x \$15/hour x 4.3]

SSI Case Study: Prometheus

Let's calculate the adjusted SSI benefit!

1. $\$1290 - \$20 = \$1270$
2. $\$1270 - \$65 = \$1205$
3. $\$1205 / 2 = \602.50

The \$602.50 is the countable earned income.

The **SSI Adjusted payment:** $\$914 - \$602.50 =$

\$311.50

Since the SSI will continue, Medicaid will continue.

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
Remainder	
Impairment Related Work Expenses (IRWE)	-
Remainder	
Divide by 2	
Blind Work Expenses (BWE)	-
Total Countable Earned Income	=
Total Countable Unearned Income	
Total Countable Earned Income	+
PASS Deduction	-
Total Countable Income	=
Base SSI Rate (\$841 individual, \$560.67 VTR, \$1,261 eligible couple)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

SSI Case Study: Prometheus

What if the hours increase to 30 per week?

1. $\$1935 - \$20 = \$1915$
2. $\$1915 - \$65 = \$1850$
3. $\$1850 / 2 = \925

The \$925 is the countable earned income.

The **SSI Adjusted payment**: $\$914 - \$925 = \mathbf{\$0}$

Since the SSI will stop, Medicaid will continue thru 1619b.

This will continue for annual income up to \$50,534.

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
Remainder	
Impairment Related Work Expenses (IRWE)	-
Remainder	
Divide by 2	
Blind Work Expenses (BWE)	-
Total Countable Earned Income	=
Total Countable Unearned Income	
Total Countable Earned Income	+
PASS Deduction	-
Total Countable Income	=
Base SSI Rate (<i>\$841 individual, \$560.67 VTR, \$1,261 eligible couple</i>)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

SSI Case Study: Prometheus

What if the hours increase to 30 per week and they are a student?

1. $\$1935 - \$20 = \$1915$
2. SEIE = subtract $\$1915$
3. $\$0 - \$65 = \$0$
4. $\$0/2 = \0

The \$0 is the countable earned income.

The **SSI Adjusted payment**: $\$914 - \$0 = \mathbf{\$914!!}$

Medicaid will continue because SSI is still being paid.

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
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Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
Remainder	
Impairment Related Work Expenses (IRWE)	-
Remainder	
Divide by 2	
Blind Work Expenses (BWE)	-
Total Countable Earned Income	=
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Total Countable Unearned Income	
Total Countable Earned Income	+
PASS Deduction	-
Total Countable Income	=
<hr/>	
Base SSI Rate (<i>\$841 individual, \$560.67 VTR, \$1,261 eligible couple</i>)	
Total Countable Income	-
Adjusted SSI Payment	=
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Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

Social Security Disability Insurance: SSDI

- An insurance program that provides benefits to workers who become unable to work because of a long-term disability. NOT means-tested. Resources and most forms of unearned income have no effect on these benefits.
- Three different types - SSDI, CDB, DWB
- The amount of disability benefits payable under SSDI is determined by the number holder's work record.

Who are eligible for SSDI?

- Workers who have paid into the Social Security Trust Fund through the FICA.
- If the benefit amount is small, the person may qualify for an SSI check.

SSDI Work Incentives

SSDI Work Incentives allow the beneficiary to test their ability to work.

Trial Work Period

SSDI beneficiary can work and experience no impact to their SSDI benefit until 9 TWP months are accumulated.

\$1050 (2023)

\$1110 (2023)

Extended Period of Eligibility

Three-year period where a SSA will evaluate a person's work activity to determine the impact it may have on their SSDI benefit.

\$1470 (NB) \$2460 (B) [2023]

\$1550 (NB) \$2590 (B) [2024]

There are additional work incentives that can reduce countable earned income to bring a person's income under the SGA level:

- IRWEs
- Subsidy/Special Work Condition

<https://www.ssa.gov/redbook/> - User friendly manual where this info is available to the public

Medicare

SSDI beneficiaries receive Medicare after the 24-month waiting period from the date on entitlement.

- Medicare Part A is free.
- Medicare Part B and D are paid by the beneficiary or the state (MSP).

Work Incentives

- Extended Period of Medicare Coverage (EPMC)
 - Con't Medicare for at least 93 months if Part B & D premiums are paid
- Medicaid Buy In Program

SSDI Case Study: Enceladus

- Receives SSDI = \$1,000 (Not Blind) – He has volunteer "work" history
- Receives Medicare and has Medicare Savings Program (MSP)
- SSA confirmed he has not used any Trial Work Period Months
- Is currently working with a job coach (20% of the time)
- Wants to find a part time job, working 25 hrs./week earning \$15/hr.
 - Projected income = \$1,612.50/month

SSDI Case Study: Enceladus

Phase 1: Trial Work Period (TWP) = March 2023 – November 2023

- Earned income (\$1615.20/mo.) > 2023 TWP Level (\$1050/mo.)
- No impact on the SSDI check during this time.

Phase 2: Extended Period of Eligibility (EPE) = November 2023 – October 2026

- Earned Income (\$1612.50/mo.) > 2023 SGA Level (\$1470/mo.)
- Grace Period is triggered (3 months – will receive Grace Period checks): **Nov. 23 - Jan.24**
- After Grace Period – if income is above SGA – no SSDI check.
- **Medicare** will continue through **Extended Period of Medicare Coverage (EPMC)**
- MSP coverage will end, and Enceladus will have to pay for the Part B & D premiums

SSDI Case Study: Enceladus

But...What happened with the job coaching?

Phase 1: Trial Work Period = March 2023 – November 2023

No impact on the SSDI check during this time. *No change here.*

Phase 2: Extended Period of Eligibility = November 2023 – October 2026

- Earned Income of \$1612.50 > 2023 SGA Level of \$1470
 - Job Coaching at 20% counts toward the earned income: $\$1612.50 - \$322.50 = \$1290$
- **Countable income of \$1290 < 2023 SGA Level of \$1470**
- Grace Period **is not** triggered and the SSDI check will continue
- Medicare will continue and beneficiary can apply for Medicaid Buy In

Concurrent Case Study: Tethys

- Receives CDB = \$400 – Parent passed away
- Qualifies for an SSI check (*we shall calculate next*)
- Receives Medicare and Medicaid
- SSA confirmed:
 - Full Trial Work Period Months available
 - Full SSI base rate (\$914)
- She is a blind individual who just completed BA Degree and wants to go to law school
- Wants to find a part time job as a researcher working 25 hrs./week @ \$24.50/hr.
 - **Projected monthly income = \$2,633.75**

CC Case Study: Tethys

Let's calculate the adjusted SSI benefit first!

No Earned Income & SSDI (Unearned Income) = \$400

Step 1: Determine Countable Unearned Income

1. $\$400 - \$20 = \$380$

Step 2: Determine Countable Earned Income

1. $\$10 - \$65 = \$0$

2. $\$0/2 = \0

Step 3: Calculated Adjusted SSI amount

1. $\$380 + \$0 = \$380$

2. $\$914 - \$380 = \mathbf{\$534}$

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
Remainder	
Impairment Related Work Expenses (IRWE)	-
Remainder	
Divide by 2	
Blind Work Expenses (BWE)	-
Total Countable Earned Income	=
Total Countable Unearned Income	
Total Countable Earned Income	+
PASS Deduction	-
Total Countable Income	=
Base SSI Rate (\$841 individual, \$560.67 VTR, \$1,261 eligible couple)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

CC Case Study: Tethys

Let's determine what will happen to the SSDI once work begins.

Phase 1: Trial Work Period = June 2023 – February 2024

- Earned income (\$2,633.75/mo.) > 2023 TWP Level (\$1,050/mo.) & 2024 TWP Level (\$1,110/mo.)
- No impact on the SSDI check during this time.

Phase 2: EPE = March 2024 – February 2027

- Earned Income of \$2,633.75 > 2024 **Blind** SGA Level of \$2,590.00

She could qualify for IRWEs due to her impairments. She would need at least \$44 in IRWE expenses.

CC Case Study: Tethys

What will happen to the SSDI **with IRWEs** once work begins.

Phase 1: Trial Work Period = June 2023 – February 2024

- No impact on the SSDI check during this time.

Phase 2: Extended Period of Eligibility = March 2023 – February 2026

- Earned Income of \$2,633.75 > 2024 **Blind** SGA Level of \$2,590.00
- IRWEs = \$100/month
 - Adjusted income = \$2,533.75 - under SGA.

If IRWEs are approved by SSA, she would continue with her SSDI!

CC Case Study: Tethys

Now, let's calculate the adjusted SSI benefit!

Monthly Income = \$2,633.75

SSDI = \$400

Step 1: Determine Countable Unearned Income

1. $\$400 - \$20 = \$380$

Countable Unearned Income = \$380

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
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PASS Deduction	-
Total Countable Income	=
Base SSI Rate (\$841 individual, \$560.67 VTR, \$1,261 eligible couple)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

CC Case Study: Tethys

Now, let's calculate the adjusted SSI benefit!

Monthly Income = \$2,633.75

SSDI = \$400

Step 2: Determine Countable Earned Income

1. $\$2633.75 - \$65 = \$2568.75$
2. $\$2568.75 / 2 = \1284.38

The adjusted SSI check will be \$0.

But now what happens with the work incentives?!

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
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PASS Deduction	-
Total Countable Income	=
Base SSI Rate (\$841 individual, \$560.67 VTR, \$1,261 eligible couple)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

CC Case Study: Tethys

Now, let's recalculate the adjusted SSI benefit!

Monthly Income = \$2472.50

SSDI = \$400

Step 2: Determine Countable Earned Income

1. $\$2633.75 - \$65 = \$2568.75$
2. $\$2568.75 / 2 = \1284.38
3. Apply BWEs
 - $\$1284.38 - \$800 = \$484.38$

Countable Earned Income = \$484.38

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
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Total Countable Earned Income	+
PASS Deduction	-
Total Countable Income	=
Base SSI Rate (\$841 individual, \$560.67 VTR, \$1,261 eligible couple)	
Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

CC Case Study: Tethys

Now, let's recalculate the adjusted SSI benefit!

Monthly Income = \$2472.50

SSDI = \$400

Step 3: Determine Adjusted SSI Amount

- Total Countable Income: $\$380 + \$484.38 = \$864.38$
- 2023:
 - $\$914 - \$864.38 = \$49.62/\text{month}$
- 2024:
 - $\$943 - \$864.38 = \$78.62/\text{month}$

Medicaid will continue because she would still get an SSI check.

Step	Calculations
Unearned Income	
General Income Exclusion (GIE) \$20	-
Countable Unearned Income	=
Gross Earned Income	
Student Earned Income Exclusion (SEIE)	-
Remainder	
GIE (if not used above) \$20	-
Remainder	
Earned Income Exclusion (EIE) \$65	-
Remainder	
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Total Countable Income	-
Adjusted SSI Payment	=
Adjusted SSI Payment	
Gross Unearned Income Received	+
Gross Earned Income Received	+
PASS, BWE and/or IRWE Expenses	-
Total Financial Outcome	=

CC Case Study: Tethys

Overall Summary:

- **SSDI**

- SSDI may continue if IRWEs are applied on the side of the SSDI, bringing income under SGA Blind Level for 2024

- **SSI**

- SSI may continue if BWEs are applied on the side of SSI in both years.

- **Medicare**

- Medicare will continue regularly if SSDI is paid

- **Medicaid**

- Medicaid will continue regularly if at least \$1 of SSI is paid.

How to Refer for benefits advisement

Refer to WIPA

All SSI and/or SSDI beneficiaries looking to be connected to their local WIPA to begin services can call the Ticket to Work Helpline:

1-866-968-7842

Refer to DVRS Benefits Advisement

If you are already working with a client that was referred by VR and you identified that the person is on SSI and/or SSDI benefits, speak with the VRC to recommend this person is referred for benefits advisement services.

