

How Wage Affects A Person's Benefits

Written and Presented by Michael Walling, M.Ed.

**Michael Walling
Benefits Training and Consulting
P.O. Box 1483
Chadds Ford, PA 19317**

**Contact Information:
Email: wallinginc@aol.com
Phone: 610-696-1551
Website: www.benefits-training.com**

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Slide #1

Order of Benefit Entitlement or Eligibility

TITLE II and **MEDICARE** (Title XVIII)

FULL RETIREMENT BENEFITS

To go further down this list the person must be found disabled by Social Security.

DISABILITY BENEFITS

1. SSDI
2. CDB (RSDI)
3. DWB

TITLE XVI and **MEDICAL** (Title XIX) **SSI**

A person who receives both is a “concurrent beneficiary”
and is eligible for a maximum \$791 per month in federal benefits.

Slide #2

A very important point to always remember.

Two different benefit programs;

To different sets of rules;

Two different staff administering the benefits.

Slide #3

SSI Recipients

If I Work Will SSA Terminate My Benefit?

How Much Can I Earn?

Slide #4

SSI Payment Amount

1. Payment amount is based on monthly financial need
2. The Federal Benefit Rate (FBR) for 2019:
Individual: \$771 /month maximum
Eligible couple: \$1,157 /month maximum

Slide #5

SSI Eligibility & Working.

1. Resources remain under \$2,000 (couple= \$3,000);
2. Medical improvement does not occur;
3. Unearned income does not exceed \$790 per month;
4. Gross annual earned income does not exceed the state MediCal threshold amount (**\$38,431**), or individual threshold amount; and
5. Remain a resident of the U.S, or one territory.

Slide #6

SSI

How much can I earn?

Slide #7

SSI formula

1. _____ UNEARNED INCOME UNEARNED INCOME
- \$ 20.00 GENERAL INCOME EXCLUSION
2. _____ COUNTABLE UNEARNED INCOME
3. _____ 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. _____ AMOUNT
- + _____ 2 DIVIDE AMOUNT BY 2
7. _____ AMOUNT
8. -- _____ DEDUCT *BLIND WORK EXPENSE*
9. _____ COUNTABLE EARNED INCOME
10. _____ COUNTABLE UNEARNED INCOME [line #2] COMBINE THE TWO INCOMES
11. + _____ COUNTABLE EARNED INCOME [line #9]
12. _____ TOTAL COUNTABLE INCOME
13. -- _____ DEDUCT *PLAN FOR ACHIEVING SELF-SUPPORT*
14. _____ ADJUSTED TOTAL COUNTABLE INCOME DETERMINE THE AMOUNT OF SSI
15. _____ FEDERAL BENEFIT RATE (add SSA administered State supplement)
16. -- _____ ADJUSTED TOTAL COUNTABLE INCOME [line #14]
17. _____ ADJUSTED SSI PAYMENT

Slide #8

How SSI Works - Only Earned Income

(* adjust with appropriate OSP)

	SSIAMOUNT	GROSS WAGE
SECTION 1611	\$771.00*	\$ 0.00
	\$771.00*	\$85.00

Slide #9

How SSI Works - Only Earned Income













(* adjust with appropriate OSP)

BENEFIT STATUS	SSIAMOUNT	GROSS WAGE
SECTION 1611	\$771.00*	\$ 0.00
Begin dividing by 2	\$771.00*	\$85.00
	-	+
SECTION 1619(a) <i>SGA level of Income</i>	\$203.50*	\$1,220.00

Slide #10

How SSI Works - Only Earned Income

(* adjust with appropriate OSP)

BENEFIT STATUS	SSI AMOUNT	GROSS WAGE
SECTION 1611	\$771.00* 	\$ 0.00 
Begin dividing by 2	\$771.00* 	\$ 85.00 
	-- 	+ 
SECTION 1619(a)	\$203.50* 	\$1,220.00 
Continue dividing by 2	— 	+ 
Break Even Point	\$ 0.00 	\$1,627.00 

Slide #11













Continued Medicaid Coverage Section 1619(b)

Protects Medicaid eligibility when earnings are too high for SSI cash payments or a Federally-administered State supplement payment, but the income is not high enough to replace the loss of Medicaid.

Slide #12

How SSI Works - Only Earned Income

(* adjust with appropriate OSP)

BENEFIT STATUS	SSI AMOUNT	GROSS WAGE
SECTION 1611	\$771.00* 	\$ 0.00 
Begin dividing by 2	\$771.00* 	\$ 85.00 
	-- 	+ 
SECTION 1619(a)	\$203.50 	\$1,220.00 
Continue dividing by 2	— 	+ 
Break Even Point	\$ 0.00 	\$1,627.00 
SECTION 1619(b)	\$ 0.00	
THRESHOLD	\$ 0.00	\$38,431 (PA)

Slides #13-16

The Problem – Retrospective Payment Process

A two month delay in adjusting benefit –

1. No income in April – due \$771.00 in June.
2. No income in May – due \$771.00 in July.
3. Received \$771.00 (SSI) on June 1st
plus \$1,220 of wage in June = total gross income \$1,991.00
Due \$203.50 (SSI) in August.
4. Received \$771.00 (SSI) on July 1st
plus \$1,220 of wage in July = total gross income \$1,991.00
Due \$203.50 (SSI) in September.

Slide #18

SSI & Medical Benefits.

Medicaid

Slide #19

SSI & Medical Benefits.

Medicaid

1. Resources remain under \$2,000 (couple= \$3,000);
2. Medical improvement does not occur;
3. Unearned income does not exceed \$770 per month;
4. Gross annual earned income does not exceed the state Medicaid threshold amount (**\$38,431**), or individual threshold amount; and
5. Remain a resident of the U.S, or one territory.

Slide #20

SSI & Medical Benefits.

Medicaid

Medical Assistance for the Working Disabled (MAWD)

Countable monthly income below 250 percent of the Federal Poverty Income
Countable resources of \$10,000 or less.

Note: A wage of \$18.46/hr, working full time would not inhibit eligibility for any of the above. (\$38,431/year)

How Much Do You Want To Earn?

On SSI?

**Keep your resources under \$2,000,
earn up to \$38,431 a year
and still have free Medicaid!**

Slide #22

Order of Benefit Entitlement or Eligibility

TITLE II and MEDICARE (Title XVIII)

FULL RETIREMENT BENEFITS

DISABILITY BENEFITS

1. Social Security Disability Insurance (SSDI)
2. Childhood Disability Benefit (CDB)
3. Disabled Widow(er)s Benefits (DWB)

RSDI – family members, primarily children, no disability required.

TITLE XVI and MEDICAID (Title XIX)

SSI

A person who receives both is a “concurrent beneficiary”
and is eligible for a maximum \$791* per month in federal benefits.

Slide #23

A very important point to always remember.

Two different benefit programs;
To different sets of rules;
Two different staff administering the benefits.

Slide #24

Title II Beneficiaries

If I Work Will SSA Terminate My Benefit?

How Much Can I Earn?

Slide #25

**Title II - How Much Can I Earn?
Substantial Gainful Activity (SGA)**

1. The performance of significant physical or mental activities in work for pay or profit.
2. Usually determined to be countable earned income of \$1,220 or more per month (in 2019).
3. Self-employed: three-part test.
4. Statutory blind, SGA is \$2,040.

Slide #26

If I Work Will SSA Terminate My Benefit?

(Assuming medical improvement does not occur.)

Four events must occur:

1. **Trial Work Period** must be completed.
2. **Extended Period of Eligibility** 36 months of the Extended Period of Eligibility are completed.
3. **SGA Cessation month** has occurred after the Trial Work Period.
4. **Termination** the first month of SGA after all of the above conditions are met.

Slide #27

Working while on SSDI, CDB, or DWB

(Assuming medical improvement does not occur.)

1. **Trial Work Period**
\$880 or more is a Trial Work month (in 2019)
2. **Extended Period of Eligibility**
\$1,220.00 or more – benefit not payable.
\$1,219.99 or less – benefit is payable.
3. **SGA Cessation month**
Demonstrate ability to perform SGA.
4. **Termination** The first month of SGA after all of the above conditions are met.

Slide #28

Working while on SSDI, CDB, or DWB

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019												
2020												
2021												
2022												
2023												
2024												
2025												
2026												
2027												
2028												

Slide #29

Working while on SSDI, CDB, or DWB

Event #1 - Trial Work Period (TWP).

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019						TWP	TWP	TWP	TWP	TWP	TWP	TWP
2020	TWP	TWP										
2021												
2022												
2023												
2024												
2025												
2026												
2027												
2028												

Slide #30

Working while on SSDI, CDB, or DWB

Event #2 - Extended Period of Eligibility (EPE)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019						TWP	TWP	TWP	TWP	TWP	TWP	TWP
2020	TWP	TWP	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2021	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2022	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2023	EPE	EPE										
2024												
2025												
2026												
2027												
2028												

Slide #31

Working while on SSDI, CDB, or DWB

Event #3 - SGA Cessation Month (C) & Grace Period (G)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019						TWP	TWP	TWP	TWP	TWP	TWP	TWP
2020	TWP	TWP	EPE C	EPE G	EPE G	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2021	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2022	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2023	EPE	EPE										
2024												
2025												
2026												
2027												
2028												

Slide #32

Working while on SSDI, CDB, or DWB
Event #3 – SGA Cessation Month (C) & Grace Period (G)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019						TWP	TWP	TWP	TWP	TWP	TWP	TWP
2020	TWP	TWP	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2021	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2022	EPE	EPE	EPE	EPE	EPE C	EPE G	EPE G	EPE	EPE	EPE	EPE	EPE
2023	EPE	EPE										
2024												
2025												
2026												
2027												
2028												

Slide #33

Working while on SSDI, CDB, or DWB
Event #4 – Benefit Termination Month (BTM)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019						TWP	TWP	TWP	TWP	TWP	TWP	TWP
2020	TWP	TWP #1	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2021	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2022	EPE	EPE	EPE	EPE	EPE C-#3	EPE G	EPE G	EPE	EPE	EPE	EPE	EPE
2023	EPE	EPE #2	BTM #4									
2024												
2025												
2026												
2027												
2028												

Slide #34

Working while on SSDI, CDB, or DWB
After the 4 events, then Expedited Reinstatement of Benefits (EXR)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019						TWP	TWP	TWP	TWP	TWP	TWP	TWP
2020	TWP	TWP #1	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2021	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2022	EPE	EPE	EPE	EPE	EPE C-#3	EPE G	EPE G	EPE	EPE	EPE	EPE	EPE
2023	EPE	EPE #2	BTM #4 EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR
2024	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR
2025	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR
2026	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR
2027	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR	EXR
2028	EXR	EXR										

Slide #35

Title II - How Much Can I Earn? Substantial Gainful Activity (SGA)

1. The performance of significant physical or mental activities in work for pay or profit.
2. Usually determined to be countable earned income of \$1,220 or more per month (in 2019).
3. Self-employed: three-part test.
4. Statutory blind, SGA is \$2,040.

Slide #36

How Does Social Security Determine SGA ?

$$\frac{\text{GROSS MONTHLY WAGE} \\ - \text{WORK RELATED EXPENSES}}{\text{COUNTABLE EARNED INCOME}}$$

Countable earned income determines whether SGA is being performed.

Work Incentives used to reduce countable earned income below SGA:

- 1) Impairment-related work expenses; and/or
- 2) Subsidy and/or special work conditions.

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How To Reduce Countable Earned Income

Using Impairment-related Work Expenses

An item or service the impairment requires to enable the beneficiary to work.

$$\begin{array}{r} \$1,300 \text{ GROSS MONTHLY WAGE} \\ - \quad 21 \text{ Medication} \\ - \quad 200 \text{ Special Transportation} \\ \hline \$1,079 \text{ COUNTABLE EARNED INCOME} \end{array}$$

Slide #38

How To Reduce Countable Earned Income

Using Subsidies and Special Work Deductions

A subsidy is the dollar value of the additional support a person receives to perform work.

\$1, 300	GROSS MONTHLY WAGE
---	325 <u>The value of extra supervision</u>
\$ 975	COUNTABLE EARNED INCOME

Slide #39

How To Reduce Countable Earned Income

Using Impairment-related Work Expenses (IRWE) and Subsidy in the same month

\$1, 700	GROSS MONTHLY WAGE
--	200 Special Transportation
--	400 <u>The value of extra supervision</u>
\$1,100	COUNTABLE EARNED INCOME

Slide #40

Working while on SSDI, CDB, or DWB

Using Subsidies and Impairment-Related Work Expenses

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019			TWP	TWP	TWP	TWP	TWP	TWP	TWP	TWP	TWP	EPE
2020	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2021	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2022	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2023	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2024	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2025	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2026	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2027	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE
2028	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE	EPE

Slide #41

Title II & Medical Benefits.

Medicare - most people must wait two years before Medicare begins.

Medicare Extension – provides extended Medicare coverage of 54 months after SSDI termination due to wage.

Slide #42

Title II & Medicare.

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019												
2020												
2021												
2022												
2023												

Slide #43

Title II & Medicare + Medicare Extension.

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2019												
2020												
2021												
2022												
2023												
2024												
2025												
2026												
2027												
2028												

Slide #44

Title II & Medical Benefits.

Medicare - most people must wait two years before Medicare begins.

Medicare Extension – provides extended Medicare coverage of 54 months after SSDI termination due to wage.

Medicaid

Concurrent Beneficiaries and some Childhood Disability Beneficiaries

QMB, SLMB, QDWI, QI-1

Waiver Programs (HCBS)

Medical Assistance for the Working Disabled

Countable monthly income below 250 percent of the Federal Poverty Income

Countable resources of \$10,000 or less.

On SSDI?

Keep your countable earned income under \$1,220 per month and continue to receive SSDI payments and Medicare!

Slide #46

Resources Available to a Person

- Authorized representative
- WIPA (Work Incentives Planning & Assistance)
- Certified Work Incentives Coordinator (CWIC)
- AWIC (Area Work Incentives Coordinator)
<https://www.ssa.gov/phila/awics.htm>
- The Red Book - A Guide To Employment Supports (Work Incentives)
<https://www.ssa.gov/redbook/>
- Ticket to Work Program
<https://choosework.ssa.gov/> or <https://www.ssa.gov/work/>
- Program Operations Manual System (POMS) (SSA procedures manual)
<https://secure.ssa.gov/apps10/poms.nsf/partlist!OpenView>
- Soar Works (how to apply for benefits)
<https://soarworks.prainc.com/>

