Returning to Work: Disability Benefits & Health Coverage

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PRC
GOALS:

• Learn the Different Rules for SSI & SSDI recipients
• Identify how to stay on Medi-Cal when returning to work
• Identify how to stay on Medicare when returning to work
Returning to Work

- Supplemental Security Income (SSI or Title XVI)
- Social Security Disability Insurance (SSDI or Title II)
SSI Return to Work Rules

SSI benefit amount is reduced by:
  Countable Earned and
  Countable Unearned income

• Countable Unearned Income =
  Unearned Income – $20 General Income Exclusion
  The reduction is dollar for dollar

• Countable Earned Income =
  (Earned Income – $65 Earned Income Exclusion)/2
SSI Example

Ms. Bonet receives $930/mo from SSI. This month she started a new part time job and earns $485/mo. She has no other income.

How will her new earned income affect her SSI?

— Calculation:
  • Countable Unearned Income: $0
  • Countable Earned Income: ($485 - $20 - $65)/2 = $200

— Answer: $200 will be deducted.
  Ms. Bonet will receive $730/mo from SSI.
Impairment-Related Work Expenses (IRWE) Exclusions

- Applies to both SSI and SSDI
- IRWE reduces *earned income* dollar for dollar for the cost of items or services needed to perform work *due to disability*
- Countable Earned Income = 
  \[(\text{Earned income} - \text{Exclusion} - \text{IRWE})/2.\]
What happens to SSI linked Medi-Cal?

- Even if earned income reduces SSI to $0, SSI recipient can still receive Medi-Cal as long as income is under state threshold or individualized threshold.
  
  (See section 1619 (B)

- 2019: California state threshold is $37,706
Other Disability-Related Medi-Cal Programs

If the worker is not eligible for 1619(b) or is on SSDI only, there are other options for Medi-Cal eligibility:

1. Aged and Disabled Medi-Cal
   - Countable income must be under $1271 to receive Medi-Cal without share of cost.
   - Resource limits

2. Working While Disabled -- AKA 250% Medi-Cal
   - Uses SSI rules for calculating earned income
   - Disability income not counted
   - Monthly sliding scale premium ($20-$250)
   - Ways to save income
Other Disability-Related Medi-Cal Programs

1. MAGI-Medi-Cal
   • Age 19-64
   • Income at or below $1436/mo
   • Resources not counted
   • Not an option for workers on Medicare or over 65

2. Medically Needy MC with Share of Cost (SOC)
   • Countable income determines SOC
   • Must meet SOC every month
     • Incur SOC amount in health care expenses before MC begins to offer assistance for that month
What if the person stops working again?

- If the person had any SSI payment and SSI linked Medi-Cal, SSI payments will simply increase.
- If the person had no SSI payment, but retained Medi-Cal via 1619(b) SSI payments will be reinstated.
- If the person had no SSI payment or 1619(b) Medi-Cal **AND** it is within 60 months of cessation, the person may apply for **SSI Expedited Reinstatement**
  - Can provide 6 months provisional payment
  - SSA must find *no medical improvement*
Continuing Disability Reviews

• Sometimes SSA can cut off SSI benefits regardless of work activity if they conduct a continuing disability review (CDR).

• Remind client’s to stay in treatment AND

• Report their symptoms/limitations
SSI Return to Work Rules

• Reporting
  – *Keep track of & report income.*
  – Four ways
    • In-person
    • **Certified** mail to your local Social Security office
    • Automated reporting
    • Mobile Wage Reporting with smartphone app
      (June 2019 – on line through my Social Security)
SSDI Return to Work Rules

• Supplemental Security Income (SSI or Title XVI)
• Social Security Disability Insurance (SSDI or Title II)
SSDI Return to Work Rules

• SSDI Recipients get:
  – 9 nonconsecutive months of Trial Work Period (TWP)
  – 36 consecutive months of re-entitlement period (Extended Period of Eligibility (EPE))
SSDI Return to Work Rules

TWP (Trial Work Period)

– Allows you to test your ability to work for at least 9 months.

– The months are not necessarily consecutive.

– During this period, regardless of earnings, worker continues to receive SSDI check.

SSDI Return to Work Rules

EPE (Extended Period of Eligibility)

• Begins after TWP ends and lasts for 36 consecutive months

• Not entitled to SSDI check if earned income goes over Substantial Gainful Activity (SGA).

• Exception: Grace period. SSDI is payable on the first month over SGA and the following 2 consecutive months.
SSDI Return to Work Rules

Grace Period

- First time worker works above SGA in EPE, they are entitled to a 3mo grace period.

- If earn over SGA (2019: $1,220) still entitled to check for that month and the next two consecutive months.
SSDI Return to Work Rules

The first month that you earn over Substantial Gainful Activity, your SSDI will be cut off. You will have to re-apply or ask for expedited reinstatement.
SSDI: Keeping your Medicare

• SSDI linked Medicare
  • Continues for 7 years and 9 months after the TWP
  • Must continue to have a finding of disability
SSDI Return to Work Rules

Reporting

— *keep track of and report earnings.*

— Four ways

- In-person
- Certified mail to your local Social Security office
- Automated reporting: online through your My Social Security account
- Phone
PRC Integrated Service Center - (415) 777-0333
  o Working While Receiving Disability Benefits workshop
    The last Thursday every month 10:00 am–12:00 pm (except Nov & Dec)

AIDS Legal Referral Panel - (415) 701-1100
  o Assists clients with HIV on some overpayment issues

API Legal Outreach – (415) 567-6255
  o Don’t need to be an SF resident

Homeless Advocacy Project – (415) 575-3131
  o Prioritizes people with mental health impairments
  o Closed Mondays

People with Disabilities Foundation - (415) 931-3070
  o Assists clients with mental illnesses on some overpayment issues