



Promoting Employment Among Youth Who Receive SSA Benefits

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Facilitator Disclaimer

- Disclaimer
 - *Information in this presentation is the sole responsibility of AHEDD and does not represent official views of any federal or state agency including SSA and PA DHS.*
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About the Agency

- Mission to serve the community as a catalyst in the employment and development of persons with disabilities. PA based statewide network with exclusive focus on employment since inception in 1977
- During the fiscal year (14-15), AHEDD served a total of 1,080 people with disabilities who were working. These individuals had combined annual earnings of \$9.8 million. Among these individuals 752 were receiving SSA benefits and based on earnings, benefits should have been reduced by \$1.08 million. When compared to the taxpayer/government costs for AHEDD's services, there was a \$3.44 return on every \$1 invested.
- Work Incentive Counseling Cooperative Agreement with the Social Security Administration since 2001, expanded through other sponsors.
- Coordinate PA Business Leadership Network

Agenda

- Scope of Problem
- Government Benefit Programs
- Work Incentives
- Ticket to Work
- Work Incentive Counseling

Challenge the Assumptions -Change the Goal

“I don’t want to work (or only want to work part time) because I don’t want to lose my benefits”

TO

“I want to work and be better off..... financially”



Young Adults & Social Security Administration (SSA)

- Currently 1.3 million children receiving Supplemental Security Income (SSI).
- Congressional hearing October 2011 about SSI benefits & children which featured data on the outcomes of young adults ages 19-23, who receive SSI, including:
 - **39% of the youth dropped out of high school;**
 - **13% engaged with the state vocational rehabilitation program;**
 - **57% were inactive: not working, nor participating in education or training.**

David Wittenburg, Mathematica Policy Research



Issues for Young Adults with Disabilities

- Economics for all youth
- Experience
- Transportation
- Health Issues
- Social Skills
- Family Instability
- Family History of Benefits
- Education

Social Security Disability Benefits as a Barrier to employment

- Fear
- Eligibility criteria - difficulty qualifying and extensive resources to support this
- Prevalence of wrong, partial information
- Complexity within administration of other benefit programs
- Overpayments
- No early intervention

Overpayment Study – Office of Inspector General

Tracked 1,532 beneficiaries from 2003 -2014.
SSA assessed overpayments for 44.5% of the sample

Reasons	% Sample
Work	37.9%
Medical Improvement	23.8%
Multiple Reason	8.6%
Prison/Fugitive	7.5%
Issued after Death	7.2%
Reason not specified	3.5%
Improperly entitled	3.4%

Source: Overpayments in the SSA Disability Program – 10 Year Study

Source:

SSA Program Concepts

- Eligibility:
 - **FIRST STEP:** Demonstrate an inability to earn Substantial Gainful Activity (SGA)
 - Severe Impairment (Disability Determination Service)
 - If accrue enough Work History Credits (SSDI), otherwise Asset Test (SSI)
- Representative Payee
- Re-determination @ Age 18

SSA Income Support Programs

Social Security Disability Insurance (SSDI)

- Social Security Childhood Disability Beneficiary (SSCDB)

Supplemental Security Income (SSI)

Social Security Disability Insurance (Title II)

- Public Long Term Disability
- Work history and age
- Monthly payments based on personal work history – “quarters of credit”
- 6 month wait for cash, 2 year wait for Medicare



Childhood Disability Benefit (CDB)

- An adult son or daughter, age 18 or over, is eligible to receive CDB on the record of a parent who is disabled/deceased/retired if this child:
 - Meets the definition of disability;
 - Became disabled before age 22;
 - Is not imprisoned within the U.S. for conviction of a felony.

Work & SSDI/CDB

- There are specific time horizons!
 - Trial Work Period (TWP)
 - Full cash benefits regardless of earnings
 - Extended Period of Eligibility (EPE)
 - Benefits suspended contingent upon earnings @ substantial gainful activity (SGA) --not including specific work incentives
 - Termination
 - Earnings at or above SGA – not including specific work incentives, after the EPE

SSDI/CDB Work Incentives: Trial Work Period (TWP)

- Full cash benefits, regardless of earnings
- In 2016, SSA only counts a TWP month, when gross earnings are over \$810 in a given month
- Must accrue 9 TWP months to move into the next stage

SSDI/CDB Work Incentives: Extended Period of Eligibility (EPE)

- 36-month, consecutive period that occurs immediately after the TWP
- Earnings over SGA (\$1130, with applicable work incentives) in a given month will result in suspension of a beneficiary's cash benefit
- Any month where earnings are under SGA level will result in a cash payment

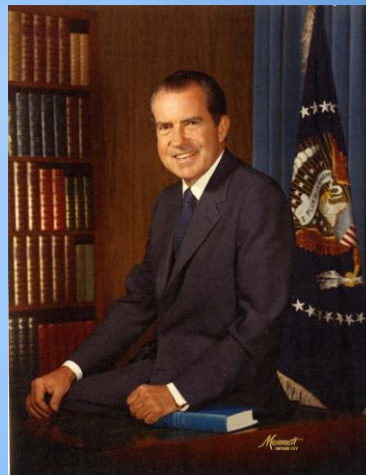
Extended Medical Coverage for Beneficiaries who Work

Extended Period of Medicare Coverage (EPMC)

- Medicare can continue for at least 57 months after the Extended Period of Eligibility. After that, a person can buy Medicare Coverage by paying a monthly premium

Supplemental Security Income

- **Supplemental Security Income (SSI):** low income, low resources program for elderly (no disability status), adults and children with disabilities .



SSI Features

- Means Tested-Limited Assets (@ application, continuous)
- Earnings below SGA for eligibility, irrelevant post eligibility
- Federal benefit rate: \$733 (CY 2016)
- Most states provide an SSI supplement. In PA, DHS provides a basic \$22.10.
- Monthly SSI cash payment adjustment based on countable unearned and earned income

SSI Reductions – Unearned, In-Kind

- “Unearned Income” Reductions for children < 18
 - Deeming: Parent to Child
 - Child support
- Many SSI beneficiaries (approximately 11% in PA) also qualify for SSDI – this would cause a reduction as unearned income
- In Kind Support & Maintenance (ISM) for adults living with or receiving support from parents or others.

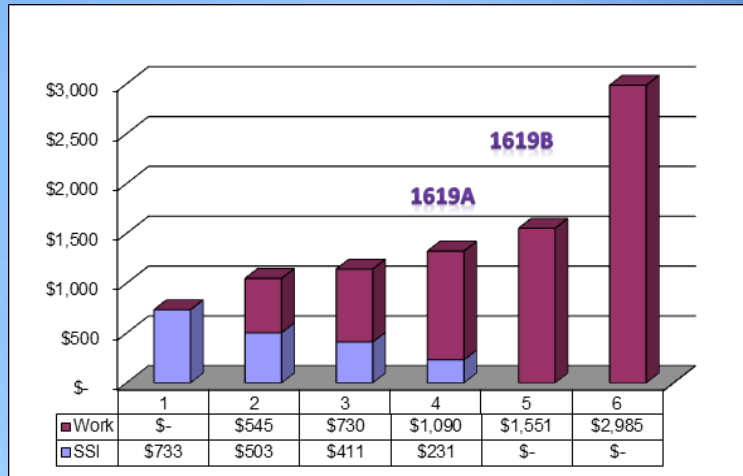
SSI Age 18 Redetermination

- Following the 18th birthday, an SSI beneficiary will be re-determined for adult status:
 - **ADVANCE NOTICE OF TERMINATION OF CHILD'S BENEFITS – Form 1372**
- Work, including at level of substantial gainful activity, is not a reason for denial (POMS DI 23570.020)
- Section 301 (or continuation of IEP) can potentially allow for continuation of benefits despite being determined no longer eligible.

Work & SSI

- Each month, SSA needs to know:
 - Unearned income
 - Earned income
 - Changes in other variables (e.g. spousal income, change in residence)

SSI Cash Payment Reduction from Earned Income



SSI Work Incentives Student Earned Income Exclusion (SEIE):

Instant Increase to Monthly Income

- Criteria:
 - <22
 - Enrolled in school
 - SSI
 - Earning a paycheck
- Monthly exclusion of \$1,780 (CY 2016), up to a yearly maximum of \$7180 countable earnings
- Proof of being in school
- Need to request!

SSI Work Incentives: Plan for Achieving Self Support (PASS) A Fixed Savings Program

- A vocational goal that requires the beneficiary to save money over a specific time period
- SSI or potentially eligible for SSI & another source of income: earned, unearned, in-kind (e.g. deemed income)
- PASS Application submitted to local SSA Office, approved by Regional PASS Cadre
- Form: <http://www.ssa.gov/online/ssa-545.pdf>

Extended Medical Coverage for Beneficiaries who Work

- **Extended Medicaid Coverage**
 - Medicaid can continue indefinitely if a beneficiary has earnings over the SSI limits and needs Medicaid in order to work.
 - The Medicaid Threshold for 2016 is \$36,567
 - *Must continue to have resources < \$2,000

ABLE

- PA Achieving a Better Life Experience Act (ABLE) administered by PA Treasury Department
- Save up to \$14,000 per year – investment grows tax free
- Purchase of wide range of disability related expenses
- Total pool of \$100,000 exempt from means test for SSI, Medicaid, other state means tested benefits

SSA Work Incentives

- | | |
|---|---|
| <ul style="list-style-type: none"> ■ SSDI/CDB-eligible work incentives <ul style="list-style-type: none"> ■ Trial Work Period (TWP) ■ Extended Period of Eligibility (EPE) ■ Extended Period of Medicare Coverage (EPMC) | <ul style="list-style-type: none"> ■ SSI-eligible work incentives <ul style="list-style-type: none"> ■ Student Earned Income Exclusion (SEIE) ■ Plan to Achieve Self Support (PASS) ■ 1619(b) status – Extended Medicaid ■ ABLE |
|---|---|

Work Incentives for all beneficiaries:

- Impairment Related Work Expenses (IRWEs)
- Expedited Reinstatement (EXR)
- Ticket to Work (TTW)

Impairment Related Work Expenses (IRWEs)

- Social Security deducts the cost of certain impairment-related items and services that you need to work from your gross earnings when they figure out how much of your earnings to count. This means you can actually earn more than SGA and still keep your benefits! An expense may qualify as an IRWE when:
 - The item(s) or service(s) enables you to work;
 - You need the item(s) or service(s) because of a physical or mental impairment;
 - You paid the cost and are not reimbursed by another source such as Medicare, Medicaid or a private insurance carrier;
 - The cost is "reasonable", that is, it represents the standard charge for the item or service in your community; and
 - You paid for the expense in a month you are or were working.

Expedited Reinstatement

- For beneficiaries that terminate due to work:
 - Not be performing SGA in the month he or she applies for EXR;
 - Be unable to work at SGA due to his/her medical condition;
 - Have the medical impairment which allowed the beneficiary to originally qualify;
 - Requests EXR within the consecutive 60 month period beginning with the month of entitlement termination
- On October 31, 2005, regulations permit a beneficiary to leave or reduce employment below SGA for any reason
- Forms
 - SSA-371, Request for Reinstatement - Title II - SSDI
 - SSA-372, Request for Reinstatement - Title XVI- SSI

Ticket to Work

- Good for the individual, the state infrastructure, the overall economy including those who are working
- Fee based incentive program for qualified providers to promote long term employment among SSA beneficiaries
- Positive proactive message promoting employment and increased financial independence
- Implies that beneficiary understands the impact of earned income prior to becoming employed
- No waiting list or extensive authorization process



Work Incentive Counseling

- Confirm current status with SSA via Benefits Planning Query (BPQY)
- Work history and/or current strategy, education, relevant personal facts (e.g. marriage, dependent children, age);
- Scenario Analysis of Income;
- Applicable Work Incentives;
- Address unusual circumstances (e.g. overpayments);
- Recommended form letters & benefit management tools;
- Delivered via individualized report!
- Follow up

WIPA

- Work Incentives Planning Assistance Program
- Cooperative Agreements between Social Security and local WIPA contractors: in PA – AHEDD, Disability Rights of PA, Goodwill Keystone: Community Work Incentive Coordinators – national certification
- Work Incentive Counseling for Social Security beneficiaries, ages 14 and up who are working, actively pursuing, or planning for employment.

Transition Priorities

- Engage young beneficiaries & parents, ideally while still in school, providing work incentive counseling as a component of the IEP;
- Facilitate employment and use of work incentives
- Coordinate financial counseling in order to develop financial skills, increase savings
- Train the Trainer: increase the awareness among Transition Professionals

