



YOUTH IN TRANSITION

BENEFITS AND SERVICES TRAINING

Outline

1. Basic explanation of the various types of SSA benefits paid to transition age youth with disabilities
2. Basic explanation of how employment affects disability benefits
3. Federal and State Work Incentives available to individuals who receive SSA benefits
4. Special Assistance, CAP/Innovations and work

COMPARISON OF SSI AND TITLE II DISABILITY BENEFITS

SSI:

- Welfare program funded by federal tax dollars, not SSA trust fund
- Limits on earned income, unearned income & resources
- Comes with Medicaid

Title II Disability:

- Entitlement program based upon insured status funded by SSA trust fund
- No limits on unearned income or resources – just earned income
- Comes with Medicare

SSI ELIGIBILITY

Be medically disabled as defined by the SSA
Not be working or earnings under SGA limit
(\$1260/2110 for 2020) at time of application
ONLY! Parental income counts **ONLY** for
children under 18.

Resources under \$2,000 or \$3,000 for an
eligible couple



TITLE II ELIGIBILITY

- Be medically disabled as defined by the SSA.
- Not be working or earnings are under SGA limit (\$1,260/2110 GROSS per month for 2020).
- Have earned sufficient “credits” by paying into the system yourself, have a deceased, retired or disabled parent who paid in on your behalf (CDB), or be eligible for Disabled Widow(er)s Benefits (DWB).

CHILDHOOD DISABILITY BENEFITS (CDB) ELIGIBILITY

- 18 years of age or older
- Disabled by SSA's definition before age 22; and,
- Child of an insured worker who is either disabled, retired or deceased.
- If child marries, benefits end unless marriage is to another Title II beneficiary

Concurrent Beneficiary: Eligibility for title II disability is established, but the amount of monthly benefit check is below the current FBR (\$783 in 2020, \$1175 for couples).

AGE 18 REDETERMINATION

- Eligibility for Child's SSI benefits stops at age 18 or 19 yrs and 2 months if still in high school
- The re-determination may be conducted at anytime after 18th birthday. Usually it is done before the person turns 19. We recommend beginning the application process when your child turns 17 ½
- Adult definition of disability different than child's definition for SSI – more stringent
- Approx 40% of SSI recipients are initially found ineligible to continue SSI benefits after age 18. Certain disabilities are heavily impacted.



SPECIAL WORK INCENTIVES IN TRANSITION

- **Section 301**
- **Student Earned Income Exclusion (SEIE)**
- **1619(b)**
- **Impairment Related Work Expenses**
- **ABLE Accounts**

SECTION 301

The phrase “section 301” refers to the continued payment of disability or blind benefits (both SSI and Title II disability benefits) to individuals who have been medically ceased but continue to receive benefit payments because of their participation in an approved program of VR services, employment services, or other support services (ex: IEP).

Students who do not meet the adult disability standard at the age 18 re-determination may be able to retain benefits until age 22 while they complete their education program by using section 301 provisions

STUDENT EARNED INCOME EXCLUSION

This work incentive allows an SSI recipient who is under age 22 and regularly attending school to exclude up to \$1,900 of earned income per month up to a maximum ANNUAL exclusion of \$7670 in 2020.

Definition of Regularly Attending School:

- in a college or university for at least 8 hours per week; or
- in grades 7 through 12 for at least 12 hours per week; or
- in a training course to prepare for employment for at least 12 hours per week (15 hours a week if the course involves shop practice); or for less time than indicated above for reasons beyond the student's control (such as illness).
- Home schooling may also count.

1619(B), EXTENDED MEDICAID

- **Even after earnings cause the loss of SSI cash payments, Medicaid can be continued indefinitely -**
 - **Must still be disabled**
 - **Must meet the Medicaid “need” or “use” test**
 - **Must have annual earnings under the current threshold amount (\$34,571 in NC in 2019)**
 - **Must meet ALL other SSI requirements including limits on unearned income and resources**

IMPAIRMENT RELATED WORK EXPENSE

- Expenses must be directly related to enabling the individuals to work;
- Individuals, because of a severe physical or mental impairments, must need the items or services to work;
- Costs must be paid by the individuals and not be reimbursable from other sources;
- Expenses must be paid in a month in which the individuals are or were working;
- Expenses must be reasonable.

ABLE ACCOUNTS

- A law and program in North Carolina
- Allows individuals on SSI/SSDI and those who who meet similar criteria to save up to \$15,000 a year
- A maximum of \$100,000 will not be counted against a person's income in eligibility for SSI. An individual can maintain Medicaid up to \$450,000
- Disability onset must begin before age 26
- Can take money out without penalty for housing, transportation, education, health and wellness, and employment support

HEALTHCARE INCENTIVES FOR TITLE II RECIPIENTS

Healthcare for Workers with Disabilities

- For those who are working
- Raises Medicaid income limit to \$1595 (2020)
- Above this, there is a premium
- Unearned income (SSDI or CDB check) must be below \$1595
- Earned income is calculated using the SSI 2 for 1 rule
- Can help with exemption from deductible for group living

Medicare Assistance

- Medicare Aid-will pay your Medicare premium for Part A and B, and, dependent on income will cover deductibles and a % of copays
- Low-Income Subsidy: Will cover most of the cost of prescription drugs if near or below federal poverty level (tiered)

WHAT ABOUT INNOVATIONS?!



INNOVATIONS AND INCOME

- Like Special Assistance, Innovations has an income limit, \$1228 or less in 2020. (\$1561 for dementia care)
- Medicaid uses the SSI calculation of 2 for 1 for earned income.
- If countable income is above \$1064 (Categorically Needy Medicaid limit in 2020), then a deductible is applied
- This deductible is high, leaving an individual with just \$242 in their pocket per month.

EXEMPTIONS FROM DEDUCTIBLE INCLUDE:

- **DAC Passalong clients.** CDB recipients used to be called DAC recipients. If an individual once received SSI and, upon adult redetermination, begins receiving CDB and it causes them to go over the \$1064 income limit, the amount that is over the limit should be disregarded by Medicaid.
- **Pickle Amendment clients.** If a person receives CDB or SSDI and a COLA (Cost of Living) increase causes them to go over the \$1064 limit, this should be disregarded by Medicaid.
- **Healthcare for Workers with Disabilities**
- **Advocacy for these three exemptions is OFTEN needed.**

DON'T PANIC!

WORK IS POSSIBLE AND WORTH IT!

**YOU CAN ALWAYS CALL YOUR
BENEFITS COUNSELOR! In Western NC:**

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