CENTER FOR EVIDENCE-BASED PRACTICES

A partnership between the Mandel School of Applied Social Sciences & Department of Psychiatry at the School of Medicine

www.centerforeb.bp.case.edu
A Technical-Assistance Center

Providing consultation, training, and evaluation for the implementation of integrated behavioral healthcare services
Service innovations for people with mental illness, substance use disorders

- **SAMI**: Substance Abuse & Mental Illness strategies for co-occurring disorders
  - IDDT: Integrated Dual Disorder Treatment, the evidence-based practice
  - DDCAT: Dual Diagnosis Capability in Addiction Treatment, an organizational assessment & planning tool
  - DDCMHT: Dual Diagnosis Capability in Mental-Health Treatment, an organizational assessment & planning tool

- **IPBH**: Integrated Primary & Behavioral Healthcare

- **SE/IPS**: Supported Employment/Individual Placement & Support, the evidence-based practice

- **MI**: Motivational Interviewing, the evidence-based treatment

- **TRAC**: Tobacco Recovery Across the Continuum, a stage-based motivational model

- **BENEFITS PLANNING**: Relationships supporting recovery
NAVIGATING THE BENEFITS MAZE

Steve Shober, BS, LSW, Consultant and Trainer, The Center for Evidence Based Practices
Introductions

- Why are you attending a benefits planning workshop?
The Importance of Benefits Advocacy

• Benefits information is often needed before an individual will consider looking for employment

• Individuals who have questions about their benefits are more likely to talk with someone close to them than a professional benefits planner

• Inaccurate benefits information may keep individuals from considering employment

• A basic understanding of benefits and work incentives may help avoid misunderstandings with benefits providers once the individual is working.
# SSI vs. SSDI

<table>
<thead>
<tr>
<th>SSI (Supplemental Security Income)</th>
<th>SSDI (Social Security Disability Insurance)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Needs based program</td>
<td>Insurance Program</td>
</tr>
<tr>
<td>Fixed Maximum Benefit</td>
<td>Benefit Amount based on payment into system</td>
</tr>
<tr>
<td>Reduced by earnings</td>
<td>Not reduced by earnings – “all or nothing”</td>
</tr>
<tr>
<td>Limit on resources</td>
<td>No resource limit</td>
</tr>
<tr>
<td>Impacted by other income in the household</td>
<td>Not impacted by other income in the household</td>
</tr>
<tr>
<td>Income counted when paid</td>
<td>Income counted when earned</td>
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SSI – Supplemental Security Information

• Key Information:
  • Eligibility is based on financial need - eligible only after all other sources of income are considered
  • Designed to provide cash benefit to meet most basic needs
  • Federal benefit rate – currently $698 (2012)
  • Direct reduction in benefit amount once the beneficiary earns money from work
  • Resource limit of $2000 for single adults, $3000 for married couples when both receive SSI
Total income for SSI recipient with Earned Income

- Before work
- $500 earnings
- $1000 earnings
- $1500 earnings
- $2000 earnings

Legend:
- SSI
- Earnings
- Total Income
SSI Benefits Calculation

• Determine total monthly income

• SSI counts gross income as it is paid

• Example: Barry goes to work and receives two paychecks during his first month of work. The gross amount of each paycheck was $400. Total income for the month would be the total of the two paychecks

  • $400 + $400 = $800
SSI Benefits Calculation

- Once the total monthly income is calculated, Social Security allows for two small exclusions:
  - The first exclusion is called the General Income Exclusion (GIE)
    - $20 of any income is excluded
  - The second exclusion is called the Earned Income Exclusion (EIE)
    - $65 of any earned income is excluded

- When there is only income from work, the calculation looks like this (using the $800 Barry earned on the previous slide):
  - $800 - $20 = $780
  - $780 - $65 = $715
SSI Benefits Calculation

- After the General and Earned income exclusions are subtracted, Social Security allows half of any remaining earned income be subtracted.

- Using Barry’s example, the calculation looks like this:
  
  - $715 \div 2 = \$357.50

  - This amount ($357.50) is the portion of the original $800 that Barry earned that will impact his benefits.
SSI Benefits Calculation

• To determine the final amount of Barry’s SSI benefit, we subtract the countable income from Barry’s original benefit amount
  • This is almost always the federal benefit rate ($698 in 2012)

• The calculation looks like this:

  • $698 - $357.50 = $340.50

  • John’s new SSI benefit (rounded down) is $340
SSI Benefits Calculation

• It is important that individuals also see their total income
  • Without this explanation, many will focus only on the reduction in the SSI check

• For Barry, total income is his earning from work plus his adjusted SSI benefit:
  • $800 (earnings) + $240 (SSI) = $1040 (minus tax on the earnings)

• Compare this to the federal benefit rate of $698 before Barry worked
SSI Benefits Calculation

• When you put the calculation together it looks like this:

  • Total earnings: $400 + $400 = $800
  
  • Subtract the GIE: $800 - $20 = $780
  
  • Subtract the EIE: $780 - $65 = $715
  
  • Subtract half the remainder: $715 divided by 2 = $357.50
  
  • Determine new SSI Check: $698 - $357.50 = $340.50
  
  • Determine new total income: $800 (earnings) + $240 (SSI) = $1040 (minus tax on the earnings)
Other Critical SSI Information

• Income that is earned during a given month impacts the SSI check two months later

• Three paycheck months have significant impact since income is counted when it is paid to the beneficiary

• If a person works and begins saving money, the money they save is counted as a resource and can, eventually, lead to the beneficiary becoming ineligible
SSDI – Social Security Disability Insurance

• Key Information:
  • Eligibility based on having “insured status” – gained by paying into Social Security over time
    • In 2012, one credit is earned for every $1130 earned up to a maximum of four credits each year
    • “Insured status” gained with enough credits earned in the years immediately prior to the onset of disability
  • Benefit amount is set based on the amount paid into the system
    • Large variation in the amount of benefit
  • No resource limit
  • Over time, Income in excess of the Substantial Gainful Activity (SGA) level will lead to benefits being stopped
SSDI – Countable Income

- Income is counted based on when it is earned not when it is paid

- A reasonable estimate can be obtained by multiplying weekly pay by 4.3 weeks or bi-weekly pay by 2.15 weeks

  - Estimates based on only four weeks of pay will be inaccurate
SSDI – Trial Work Period

• Available once an individual becomes eligible for SSDI benefits

  • A trial work month is used during any month during which a beneficiary earns $720 or more

  • As long as at least one trial work month is remaining, a beneficiary may earn any amount from work without losing their benefits

  • Once nine trial work months are used within a 60 month rolling period, the trial work period is completed
# SSDI – Trial Work Period

<table>
<thead>
<tr>
<th>Month</th>
<th>Amount</th>
<th>Work Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 2012</td>
<td>$500</td>
<td>Trial work 1</td>
</tr>
<tr>
<td>Feb 2012</td>
<td>$800</td>
<td>Trial Work 2</td>
</tr>
<tr>
<td>March 2012</td>
<td>$800</td>
<td>Trial Work 3</td>
</tr>
<tr>
<td>April 2012</td>
<td>$800</td>
<td>Trial work 4</td>
</tr>
<tr>
<td>May 2012</td>
<td>$1400</td>
<td>Trial work 5</td>
</tr>
<tr>
<td>June 2012</td>
<td>$1400</td>
<td>Trial work 6</td>
</tr>
<tr>
<td>July 2012</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Aug 2012</td>
<td>$1400</td>
<td>Trial work 7</td>
</tr>
<tr>
<td>Sept 2012</td>
<td>$1400</td>
<td>Trial work 8</td>
</tr>
<tr>
<td>Oct 2012</td>
<td>$1400</td>
<td>Trial work 9</td>
</tr>
<tr>
<td>Nov 2012</td>
<td>$1400</td>
<td></td>
</tr>
<tr>
<td>Dec 2012</td>
<td>$1400</td>
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</tbody>
</table>
SSDI – Extended Period of Eligibility (EPE)

• Begins the month after the ninth trial work month is used

• Lasts 36 consecutive months

• Social Security compares earnings each month to Substantial Gainful Activity level (SGA, $1010 for 2012)
  • Monthly earnings above SGA mean SSDI check stops for that month
  • Earnings below SGA means SSDI check continues
SSDI – Grace Period and Cessation Month

- Cessation month – First month following trial work period when earnings exceed SGA
  - Can take place during or after the EPE
- Grace Period Months – Two months immediately following cessation month
  - Benefits check is received during cessation and grace period months
### SSDI – EPE, Cessation, and Grace Period

Barbara’s trial work period ended in December 2012. Her Extended Period of Eligibility began the next month, January 2013. She continued her job and earned $1400 from January 2013 to July 2013. In August 2013, Barbara became ill and had to leave her job. She only worked part of the month and earned $1150. She did not work the rest of the year.

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</tr>
</thead>
<tbody>
<tr>
<td>$1400 Cess. Month full benefit</td>
<td>$1400 GP month – full benefit</td>
<td>$1400 GP month – full benefit</td>
<td>$1400 Over SGA SSDI benefit stops</td>
<td>$1400 Over SGA No SSDI check</td>
<td>$1400 Over SGA No SSDI check</td>
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SSDI – After the EPE

• Following the 36 month EPE, earnings in excess of the SGA amount lead to benefits termination
  • If the Cessation month and grace period months have not been used, they could occur following the EPE
  • If cessation happens after the EPE, benefits would continue through the cessation month and two grace period months, then benefits would terminate

• Termination means that SSA has determined the beneficiary can work and earn in excess of SGA and therefore is no longer disabled to work.
  • Benefits do not return if earnings go below SGA
  • Exception is if individual becomes eligible for Expedited Reinstatement
SSDI – After the EPE

- Barbara returns to work in January 2014 and begins earning $1400 per month. Her benefits stop since she is in the EPE. Her EPE ends in December 2015 (36 months after her last trial work month in December 2012). Her earnings remain over SGA.

- Because she has used her cessation month and grace period months, Barbara’s benefits terminate in January 2016.
  - Her SSDI will not return if her income decreases to less than SGA unless she is eligible for Expedited Reinstatement.
Medical Benefits

Medicaid
- Needs based program – financial component to eligibility
- Associated with spend down at times
- Pays for the majority of medical costs
- Administered by ODJFS
- Variety of programs

Medicare
- Not needs based – eligibility through SSA
- No spend down
- Pays for about 80% of many medical expenses
- Administered through SSA
- One program
Impact of Earnings on Medicare

• Person becomes eligible for Medicare 24 months after eligible for Social Security benefits

• Continue to be eligible as long as beneficiary is eligible for a cash benefit

• Regardless of status of cash benefit, a beneficiary retains eligibility for Medicare for at least 93 months past the last trial work month
  • May have to pay a premium for some benefits
ABD Medicaid vs. MBIWD

Medicaid Buy-In (MBIWD)

ABD (spend down) Medicaid

- Resource limit - $1500 for a single adult
- May incur a spend down at higher income levels
- Very heavily impacted by unearned income
- Does not have to be working

Medicaid Buy-In (MBIWD)

- Resource limit - $10580
- May have a premium at higher income levels
- Much less impact from unearned income
- Must be working and paying taxes
### SSI Work Incentives that Impact Medicaid

<table>
<thead>
<tr>
<th>1619a</th>
<th>1619b</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Available to individuals who receive SSI and Medicaid</td>
<td>- Available to individuals who receive SSI and Medicaid</td>
</tr>
<tr>
<td>- Eligible when beneficiary earns more than SGA ($1010) and can show a need for Medicaid</td>
<td>- Eligible when earnings from work cancel out full amount of SSI benefit</td>
</tr>
<tr>
<td>- Eliminates spend down</td>
<td>- Protects SSI cash benefit – benefit will restart if income decreases</td>
</tr>
<tr>
<td>- No change to resource limit</td>
<td>- Eliminates spend down</td>
</tr>
</tbody>
</table>
MBIWD and Employment

• Developed as a program for individuals who go to work and continue to need Medicaid benefits
• Increases resource and income limits for individuals who work
• Family income of over 150% (currently $16,755 annual for family of 1) of Federal Poverty Level (after some exclusions) will lead to premium
• Eligibility for MBIWD with income of up to 250% ($27,925 annual) of the federal poverty level (with some significant income exclusions)
• Resource limit increased to $10,580
MBIWD - Benefits

• Increased resource limit: $10,580 instead of normal standard of $1500

• No spend down – Spend down does not apply for individuals on MBIWD
Summary

• Benefits such as SSI, SSDI, Medicaid, and Medicare can be impacted by employment

• Benefits information can free individuals to feel comfortable exploring employment possibilities

• Multiple options exist to allow individuals to keep medical coverage once they are employed
Contact Us

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