

Supported Employment Core Training Series

Overcoming Misconceptions and Mythology Regarding Employment, “The Check”, and Medicaid

Session 2 – Zoom Day

HDI SETP Core Training

carolynb.wheeler@uky.edu

Helpful Websites

<https://ky.db101.org/>

<https://www.ssa.gov/>

<https://www.ablenrc.org/>

<https://www.stablekentucky.com/>

<https://lifeplanofky.org/>

<https://hdi.uky.edu/setp/>

Acknowledgements

- The WIPA National Training Curriculum, WIPA National Training Center at Virginia Commonwealth University
- Editors
 - Lucy Miller
 - Susan O'Mara
 - John Kernel
- Rebecca Banks
 - Developed Indiana Benefits Information Network, Indiana University, Institute on Disability and Community, Center on Community Living and Careers
 - Retired Trainer with the National WIPA Training Center, Virginia Commonwealth University

Linda Enjoying the Good Life

Power of Attorney and Representative Payee since 2003

- Born in 1952 – no schooling
- Grew up with parents and brother, all of whom also had an intellectual disability
- Parents were tenant farmers in Oldham County
- Worked all of her adult life in sheltered workshops, day training and integrated employment



Worked and Received a Cash Benefit

- ❖ Linda received SSI, Supplemental Security Income, until 2000, when her benefit changed to SSDI, Social Security Disability Insurance on HER OWN WORK RECORD
- ❖ Her SSDI payment was MORE THAN whatever SSI was at the time so SSI cash payment was terminated
- ❖ Since 2003, Linda maintained her SSDI cash payment, Medicare and worked part time averaging 25 hours/week



Retirement!

Benefit IS WAY MORE THAN SSI!!

Full retirement age was 66

- Because of Linda's birth year, her full retirement age was 66
- At a person's full retirement age, SSDI benefit changes to Retirement benefit
- I applied for Michelle P waiver in 2008 and Medicaid - she was approved
- Now has Supports for Community Living Waiver – has both Medicaid and Medicare



What If.....

- ☺ You could help a job seeker understand could work, earn \$1,600/month gross, and still receive an SSI or SSDI cash payment?
- ☺ AND still maintain eligibility for Medicaid if receiving SSI or one of Kentucky's Home and Community Based waivers as long as did not have more than \$2,000 of countable resources?
- ☺ AND still maintain eligibility for Medicare if receiving SSDI benefit?

Social Security Website

www.socialsecurity.gov

- My Social Security
- Retirement
- Disability (SSDI)
- Survivors
- Supplemental Security Income (SSI)

My Social Security

- My Social Security

Social Security Statement



Social Security

Easier to read than ever.

We have redesigned the *Social Security Statement* to provide you the most useful information up front and at a glance.

Check your *Statement* every year



Review Your
Earnings Record



Get
Personalized
Benefit
Estimates



More Info Based
on Age/Earnings

[Access Your Statement Now](#)

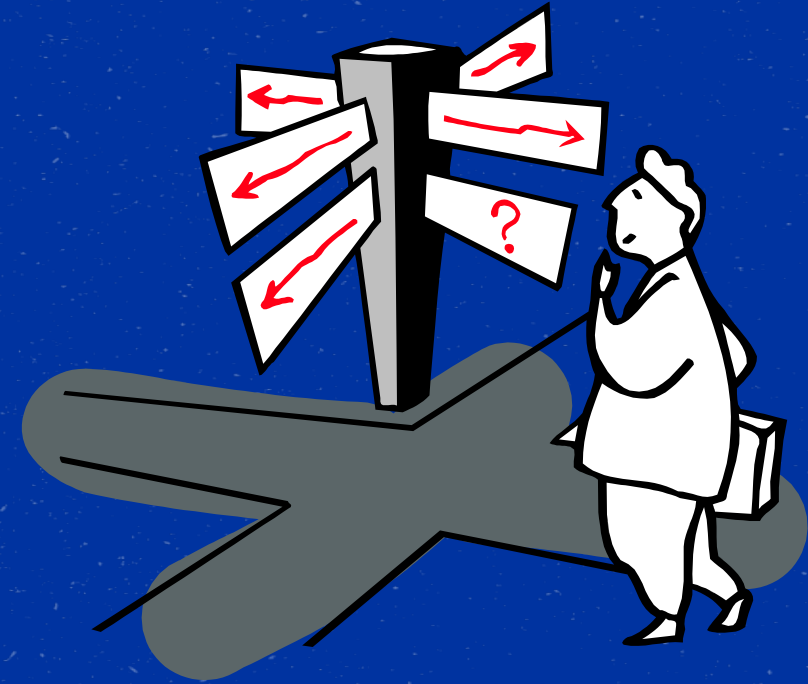
Now that you can access your Statement instantly and from any device, we will not automatically send one by mail.

Answer to the question of “what happens to my”..... DEPENDS ON

- ✓ On what kind of benefit the person is receiving from Social Security and other sources
- ✓ How much the person earns (gross earnings except if self-employed and then net earnings)
- ✓ Countable resources if person is on SSI
- ✓ *A bunch of other factors.....*

It Can Be Complicated.....

- **Contact WIPA (Work Incentives Planning Assistance) Office**
 - Goodwill Industries – Warren County and East as well as northern KY
 - **Center for Accessible Living – far western KY and southern IN**



Request a Benefits Analysis - OVR Counselor has to pay for this Service

- ▶ Office of Vocational Rehabilitation and Office for the Blind have developed a Service Fee Memorandum to purchase this service
- ▶ Requires OVR/OFB referral to a Benefits Analyst on approved vendor list
- ▶ Counselor will pay for the Benefits Analysis from their caseload dollars

Office of Vocational Rehabilitation (OVR)

OVR has two staff who are certified Community Partner Work Incentives Counselors who can provide assistance – referred to as KWIC's

Referral has to come from the OVR Counselor who would have obtained the Benefits Planning Query (BPQY) verifying the person's SSI or SSDI benefit

Talk with the OVR Counselor about this process



Supported Employment Works for Marcus In Owensboro



Marcus began as a Sales Associate in October 2021. He works behind the counter, greets customers and takes their orders. When beginning his shift, Marcus performs many different tasks to get the store ready for customers, including stocking and displaying fresh cookies, filling topping containers, placing fresh cones and waffle bowls on display, stocking ice cream, sanitizing tables, decorating cookie cake slices, and stocking cookies on display.

Marcus loves the variety of job tasks that he is given each shift. Whether it's decorating cookie cake slices, taking orders from customers, or scooping cookie dough onto trays, Marcus loves that each job shift looks different and that he is able to use a variety of skills each day. Marcus also loves the people he works with and has been able to form natural support within all of his co-workers.



When starting his job, Marcus struggled with confidence and often struggled to effectively advocate for his needs. However, with experience, Marcus has grown in confidence and has become fully independent with his job tasks. Marcus' goal for the future is to continue working with Great American Cookie and hopes to eventually work up to having more hours on his schedule.

Stay Tuned!



<https://ky.db101.org/>

See how work and benefits go together

You can make work a part of your life.

See how benefits support work



Discover ways to save up money while working



Find out how benefits support young people who work



ALL WORK & LIFE →



What You REALLY NEED TO KNOW: What is the Person Receiving?

- **Cash benefit administered by the Social Security Administration (SSA)**
 - Social Security Disability Insurance (SSDI) **and on whose work record**
 - Supplemental Security Income (SSI)
 - Both SSDI & SSI
- Health Insurance
 - Medicaid
 - Medicare
 - Part A
 - Part B
 - Part C
 - Part D
 - Both Medicaid & Medicare
 - Private Health Insurance

Other Federal & State Programs (not an exhaustive list)

- Home & Community-Based Waiver
- Michelle P Waiver
- Supports for Community Living Waiver (SCL)
- Acquired Brain Injury Waiver
 - Rehabilitative
 - Long-Term Care
- Personal Care Attendant Program*
- Hart Supported Living*
- Traumatic Brain Injury Trust Fund
- TANF (Temporary Assistance to Needy Families)*
- SNAP (Supplemental Nutrition Assistance Program)*



Funded by Medicaid

***are Means-Tested**

How Can I Know Which Benefit A Beneficiary is Receiving (some people do receive both)?

- Supplemental Security Income (SSI) only

- Deposit will be received the first of the month
- No more than Federal Benefit Rate (FBR) which is \$943/mo in 2024 & increases to \$967/month in 2025 for an individual
- Will have Medicaid

- Social Security Disability Insurance (SSDI)

- Usually deposited on a Wednesday depending on DOB
- Payment will be more than SSI amount for that calendar year
- Medicare coverage after 24 months

Social Security Can Verify Which Benefit(s) the Person Receives

Benefits Planning Query (BPQY)
from SSA

- **Individual (Beneficiary), Authorized Representative or Representative Payee can request one**
- You can request one with a signed release



Social Security Disability Insurance (SSDI) – Disabled Worker

Disabled Worker

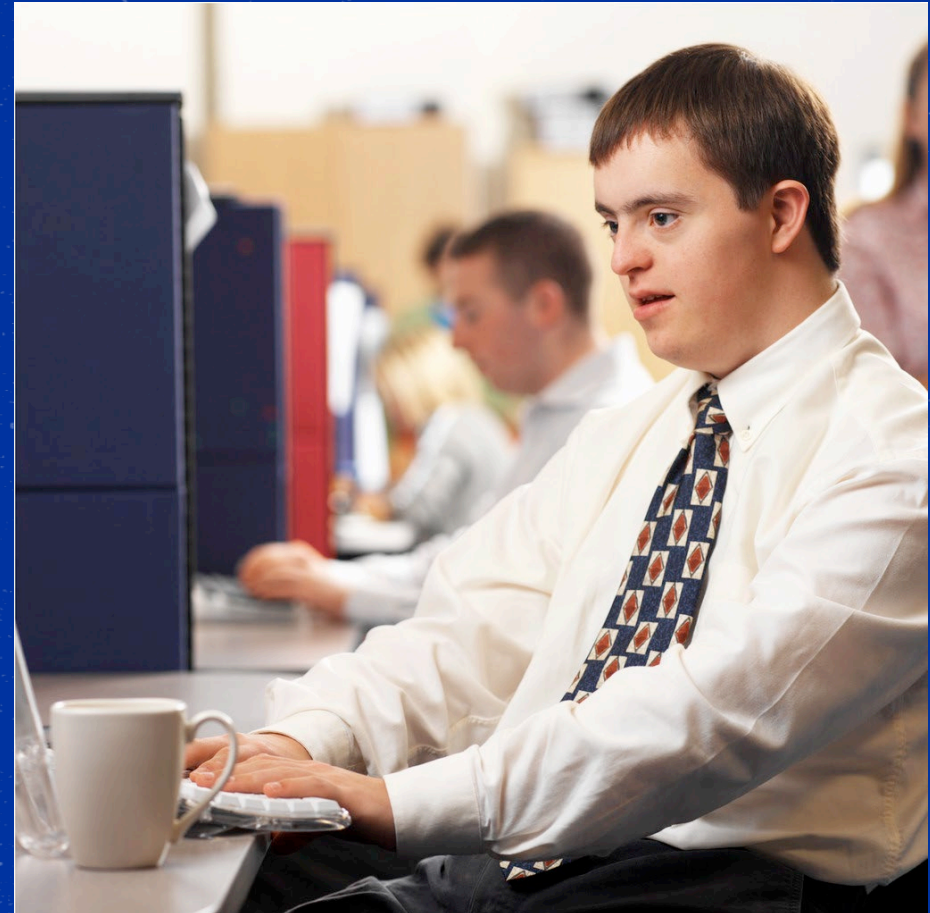
- Insured status with Social Security – worked long enough and have contributed enough money through FICA contributions
- Meets SSA's definition of disability
- “Drawing” a benefit from their own work record

Monthly Amount will Be Based on Person's FICA Contributions



Social Security Disability Insurance (SSDI) – Disabled Adult Child (DAC)

- **Disabled Adult Child (DAC) or Childhood Disability Beneficiary (CDB)**
 - Beneficiary has to be 18 years of age
 - Disabled by SSA's definition by age 22
 - Parent is either
 - Receiving SSDI
 - Receiving Social Security retirement benefits
 - Or is deceased

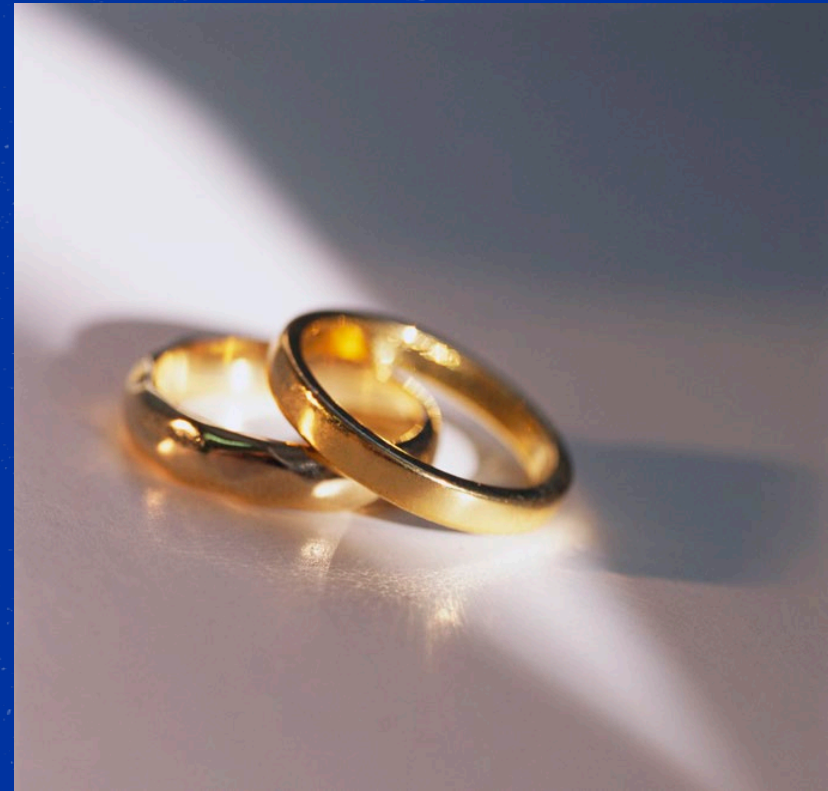


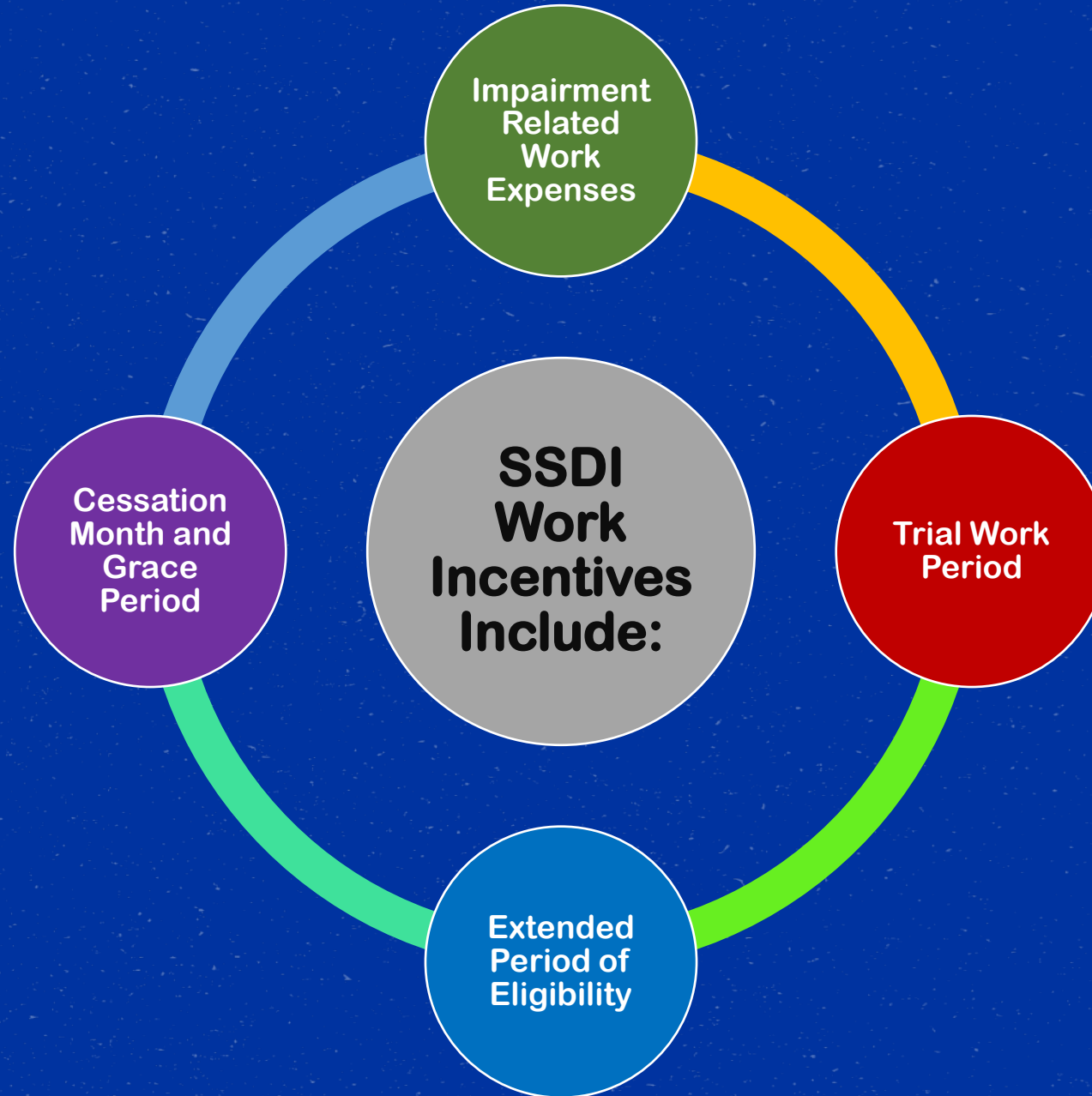
Disabled Adult Child (DAC) or Childhood Disability Beneficiary (CDB) continued.....

- ▶ No 5-month waiting period required **but SGA APPLIES!!!**
- ▶ If adult child was receiving SSI, will either be reduced or terminated as SSDI payment counts as “unearned income”
- ▶ Marriage penalty – need to understand and contact Social Security to understand impact
- ▶ If previously receiving SSI/Medicaid, can continue Medicaid with “Pass Through”, a Federal requirement

Social Security Disability Insurance (SSDI) – Disabled Widow/er's Benefit

- **Disabled Widow/er's Benefit (DWB)**
 - Widow/er has to be 50 years of age
 - Does not have sufficient work record to qualify on own SS #
 - Draws off a deceased spouse's work record





Two Major Concepts for SSDI

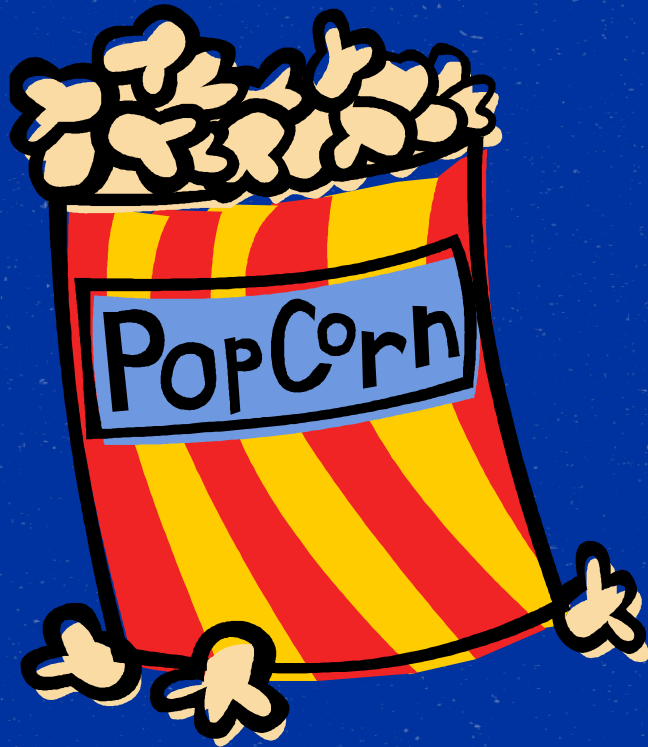
- ✓ Trial Work Period

- ✓ Substantial Gainful Activity

Started in 2005 and still going strong!!!!

- <http://poppinjoes.org/>
- Poppin Joe's Gourmet Kettle Korn – FaceBook page

Poppin' Joe's Popcorn Business



- Receives \$1000/month of SSDI as a Childhood Disability Beneficiary as Father is receiving Social Security Retirement Benefits
- *Has not used any Trial Work Period months*

Joe's Net Earnings – How Many Trial Work Months Has He Used?

Net Earnings – 2024

TWP Month +\$1,110/mo

- September - \$1,200
- October - \$1,500
- November - \$1,400
- December - \$1,500

Net Earnings – 2025

TWP Month +\$1,160/mo

- January – 0
- February – 0
- March - \$850
- April - \$1,200

“Extra Help” for Low-Income Medicare Beneficiaries

- Limited income and resources – four different programs based on income
- “Extra Help” pays for monthly premiums, annual deductibles and prescription co-payments related to a Medicare prescription drug plan



“Extra Help” for Medicare....



- Earned income not counted dollar for dollar
- Unearned income is counted dollar for dollar
- SHIP – State Health Insurance Assistance Program
- Benefits Analysis

Megan's Vision to Be Employed - <https://independenceplaceky.org/>



- Receives “Extra Help” paying for Medicare Part B, Part D, co-pays and deductibles through Medicare Savings Plan as a Qualified Medicare Beneficiary
- Job with Sweet LiLu’s pays \$12/hr
- Will she maintain her “Extra Help” benefit by working full time or part time?

Why Getting and Understanding a Benefits Analysis is SO Important

Working Full Time

- Megan will have more money - \$2,078 gross/month
- Megan will maintain her eligibility as a Qualified Medicare Beneficiary
- Maintaining her eligibility as a Qualified Medicare Beneficiary means she has NO out of pocket medical expenses

Working Part Time

- Megan will have slightly less income - SSDI payment of \$861 plus gross earned income of \$1039 = \$1,900/month
- More importantly, she will no longer qualify as a QMB
- Megan will have to pay out of pocket for co-pays and co-insurance which could mean less money depending on her medical needs

Impact of Earned Income on SSDI Beneficiaries

SSDI benefits are a form of disability income insurance provided to individuals as a WAGE replacement

Individuals who can perform SGA level work (**EARNED INCOME**) AFTER the Trial Work Period are NOT eligible for benefits UNLESS can utilize work incentives to reduce countable earned income

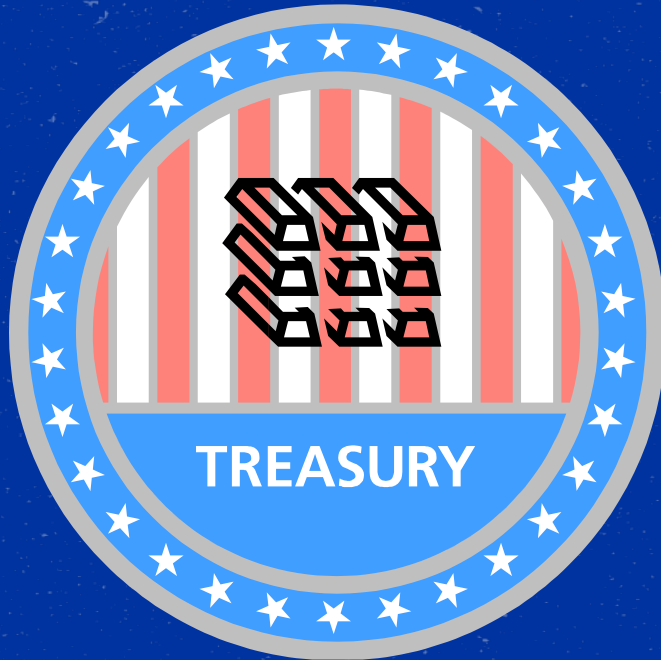
SGA Is a Determination

- SSA establishes a dollar figure as a benchmark of what constitutes SGA
- The benchmark is \$1,550/month of gross countable monthly income and \$2,590/month if statutorily blind and increases to \$1,620/month and \$2,700 if statutorily blind in 2025
- **Work Incentives can be used to REDUCE Countable earnings below SGA and person will still receive cash benefit**

Real Kentucky Examples - SSDI

- 1) Linda – worked part time, maintained her SSDI cash payment from her own work record, never earned at Substantial Gainful Activity level, contributed more payroll taxes to her Social Security account, and she now has a substantial Social Security RETIREMENT payment that will continue until she dies
- 2) Clinton – worked full-time, maintained his SSDI cash payment by using Impairment Related Work Expenses, or IRWE's, to reduce what Social Security “counted”, so his countable income was below Substantial Gainful Activity or SGA; able to buy his own home
- 3) Danny – worked full-time used Trial Work Period and then earned above Substantial Gainful Activity; his SSDI payment was suspended and then terminated; he has benefits through Best Buy and has been able to buy his own home

Supplemental Security Income (SSI) Program (NOT Social Security)



- In 1972, federalization of state welfare programs for “aged, blind and disabled”
- Needs-based
- Paid out of general Federal tax dollars
- Intended to SUPPLEMENT any income a person may already have to meet minimum needs for food and shelter

Supplemental Security Income (SSI)

Means tested

- Earned and Unearned Income will reduce amount person receives
- Resource limit of \$2,000 of COUNTABLE resources
- Childhood definition of disability is different from adult definition of disability – will require an “age 18 redetermination” after reaching the age of 18

Comes with Medicaid coverage

Federal Benefit Rate (FBR)

- Rate is set each year – Cost of Living Adjustment (COLA) on SSA's website usually in mid to late October
- 2024 - \$943/month for individual and \$1,415/month for an eligible couple
- 2025 - \$967/month for individual and \$1,450 for an eligible couple
- Person receives “Full” FBR when responsible for food and shelter; If receive “in-kind support and maintenance” from others, will reduce benefit amount
- *Unearned and earned income impact benefit*

Earned Income (SSA's definition)

► Earned Income

- Wages from a job, whether in cash or another form.
- Net earnings from a business, if a person is self-employed.
- Payments for services performed in a sheltered workshop or work activities center.
- Royalties earned in connection with publication of the individual's work or honoraria received for services rendered.



SSI Calculation- SSA's Formula

- Not ALL earned income counts when determining SSI eligibility and payment amount
 - General Income Exclusion (\$20.00)
 - Earned Income Exclusion (\$65.00)
 - Divide remainder by two
 - Applicable work incentives (taken in proper order)

Your Turn – Job Seeker Receives \$967/month in SSI - Try It Now

- Works 25 hours/week
 - Earns \$15.00/hour
 - Has \$75/month in IRWE's
- Works 40 hours/week
 - Earns \$12/hour
 - \$100/month in IRWE's

SSI Work Incentives

- ▶ Student Earned Income Exclusion (SEIE)
- ▶ Impairment Related Work Expense (IRWE)
- ▶ Blind Work Expenses (BWE)
- ▶ Plan for Achieving Self Support (PASS)
- ▶ Section 1619 (b): SSI & Medicaid Coverage



Student Earned Income Exclusion (SEIE)



- ▶ Only SSI beneficiaries who are under the age of 22, regularly attend high school, college or training to prepare for a paying job are eligible
- ▶ In calendar year 2025
 - Maximum monthly exclusion = \$2,350
 - Annual calendar year exclusion = \$9,460

Impairment Related Work Expense (IRWE)

- Only work incentive that is applicable to both SSDI and SSI beneficiaries
- Difference is the impact on the benefit
 - SSDI – Reduces countable income so may keep person under Substantial Gainful Activity benchmark
 - SSI – Reduces *countable* earned income so cash benefit is reduced less

Blind Work Expenses (BWE) & SSI

- For SSI beneficiaries who meet SSA's definition of statutory blindness
- Allows exclusion of **ANY** other work related items that are paid out of pocket and not reimbursed
- Blind Work Expenses **DO NOT** need to be related to any impairment
- Look where it is deducted on calculation sheet (as opposed to IRWE)

Examples of BWE

- State and Federal taxes
- Union dues
- Mandatory Pension contributions
- Uniforms
- Reader services
- Driver services
- Cost of service animal's care
- Childcare
- Transportation
- Meals consumed at work
- Adaptive equipment purchased by the beneficiary

Evan's Job Offer – Video on Employment Files

- Use Excel Spreadsheet on SETP website



- Evan is statutorily blind by Social Security's definition
- He receives the full Federal Benefit Rate of \$967.00/month in SSI in 2025 as he pays his fair share of room and board as he lives with a friend in an apartment
- Evan will be working 25 hours/week and earning \$18/hour
- Gross estimate of Evan's earnings – 25 hrs. x \$18/hr. x 4.3 weeks in a month = \$?
- Blind Work Expenses = \$250/month

SSI and PASS – Plan to Achieve Self-Support



- ▶ Allows SSI beneficiary to set aside **INCOME** and/or **RESOURCES** for a specified period of time in order to pay for items or services needed to achieve a **WORK** goal
- ▶ Have to have earnings, unearned income, deemed income, in-kind support or resources to place in the PASS

Section 1619b: SSI & Medicaid Coverage

- Eligible for SSI, have Medicaid, and are EMPLOYED with EARNED income
- Continue to be eligible for Medicaid coverage until your GROSS annual income reaches a certain amount which is over \$38,000
- Need Medicaid, i.e., are using the coverage
- Countable resources are still limited to \$2,000
- Determined by SSA; communicated to DCBS

Resource Limits



Individual's COUNTABLE resources must not exceed \$2,000 as of the first day of a given month



Eligible couple's COUNTABLE resources must not exceed \$3,000 as of the first day of a given month

Common Resource Exclusions

- Household goods and personal effects
- Medical devices and adaptive equipment
- Term life insurance policy or cash value policy if OWNED by someone else
- Home in which beneficiary lives
- ABLE Account
- One automobile per household
- Some burial funds, burial spaces and life insurance assigned to funeral home provider
- Property essential to self-support (PESS)
- Resources held by a Supplemental or Special Needs Trust

True or False

- ▶ SSI stands for Social Security Income
- ▶ SSDI stands for Social Security Disability Insurance
- ▶ ABLE accounts are not counted as a resource for people on SSI
- ▶ SSI & SSDI treat earned and unearned income the same
- ▶ I can own a home if I receive SSI and live in that home
- ▶ I can only have \$2,000 in resources if I am on SSDI

Life Plan of Kentucky, Inc.

- Only KY residents
- One-time enrollment fee to open
- Trustee & Management fees
- www.lifeplanofky.org



Show Me The Money

First Party Special Needs Trust

- Money to fund belongs to the person with a disability
 - Excess income over expenses due to employment or other source
 - Inheritance
 - Personal injury lawsuit
 - Lottery winning
- **MEDICAID PAYBACK OR ESTATE RECOVERY**

Third Party Supplemental Needs Trust

- Money to fund belongs to someone other than the person with a disability
 - Parents
 - Grandparents
 - Other family members
 - Friends of the person
- **NO MEDICAID PAYBACK OR ESTATE RECOVERY**

What is STABLE Kentucky?

- STABLE Kentucky is Kentucky's ABLE Plan
 - Offered to Kentuckians through a partnership with the Ohio STABLE Account program
- Administered by Treasurer of Kentucky, Allison Ball
- Launched December 13, 2016

STABLE»
ACCOUNT

Who Can Have a Kentucky STABLE Account?

- Eligibility Quiz at stablekentucky.com
- Individuals with disabilities that occurred prior to age 26
- Must be a Kentucky resident
- Limit of 1 Account per person
- Three paths to eligibility:
 - Eligible to receive SSI or SSDI due to disability
 - Have a condition listed on SSA's "*List of Compassionate Allowances Conditions*"
- Self-certification

STABLE 
ACCOUNT

STABLE Funds Must be Used for Qualified Disability Expenses

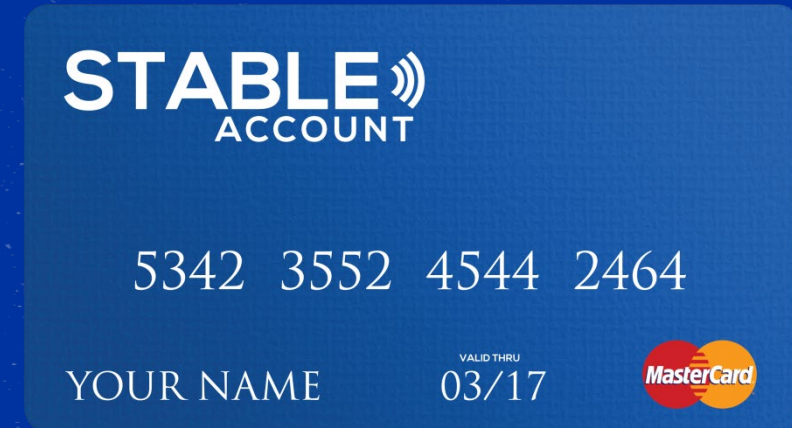
- Education
- Housing
- Transportation
- Employment Training & Support
- Assistive Technology
- Personal Support Services
- Funeral and burial expenses
- Health, prevention and wellness
- Financial management and administrative services
- Legal fees
- Expenses for oversight and monitoring
- Basic Living Expenses

What Happens if STABLE Funds are Misused

- If an expense is deemed during an IRS audit to not be a Qualified Disability Expense, then these funds are subject to a 10% tax penalty and may affect eligibility for Federally means-tested benefits such as Supplemental Security Income (SSI) and Medicaid.

STABLE Card

- Loadable debit card
- Does not pull from account
- Online spending records + notate expenses
- No commingling of funds with other accounts
- Protection – limiting of merchants, no cash access, no overdraft



STABLE ACCOUNT

Supported Employment Core Training Series – Completion

After completing today's Zoom day of training

- ✓ Go into www.hdilearning.org
- ✓ Click on “My Courses”
- ✓ Find SETP 103 – this is the final quiz
 - ✓ You must receive at least 80% to pass
 - ✓ You may take it as often as needed
 - ✓ You are encouraged to use the Supported Employment Core Training Materials page!
 - ✓ There are no open response questions, it will be scored immediately
- ✓ Once you pass, you can print/download your certificate for your records!

