

# **Title II: Social Security Disability Insurance – Concurrent 2021**

*Includes Childhood Disability Benefits (CDB) and Disabled Widow(er) Benefits (DWB)*

## **Social Security Administration Work Incentives Guide**

### **Trial Work Period (TWP)**

This incentive allows a person to attempt work without jeopardizing receipt of their cash benefit or ongoing eligibility.

- Any month in which gross earnings exceed **\$940 (or 80 hours for self-employment)** is considered a Trial Work Period month in 2021 for a non-blind person.
- **9 months** are available to a person, and do not have to be used consecutively.
- The monthly cash benefit **remains the same** during the Trial Work Period.
- There is **no limit on earnings** during this time.
- A Continuing Disability Review (CDR) will be completed after the Trial Work Period is exhausted, unless the Ticket to Work is assigned. SSA will determine whether a person is engaging in **Substantial Gainful Activity (SGA)**.

### **Extended Period of Eligibility (EPE)**

This is a consecutive 36-month period of time, which begins the month following the last month of the Trial Work Period. During this time, earnings impact the cash benefit as follows:

- If monthly earnings **over SGA (\$1,310 for 2021)**, no benefit check.
- If monthly earnings **under SGA (\$1,310 for 2021)**, benefit check is received for that month.
- At the end of the EPE, a beneficiary will be terminated from the disability rolls if earning at/above SGA. If work continues below SGA, the cash benefit will continue (until SGA is achieved).

### **Subsidy**

A subsidy allows a portion of the person's earnings to be excluded when determining if earnings represent **SGA (\$1,310/month)**. Examples include: receipt of extra training, support or supervision, or documented proof of a lower productivity level than that of other employees in like work.

### **Impairment Related Work Expenses (IRWE)**

Certain items or services, which a person may need in order to work, can be deducted from the earnings that are counted toward **SGA (\$1,310/month for 2021)**. Some examples include:

- Routine drugs and medical services related to the disability
- Attendant care services
- Transportation costs
- Work-related equipment and assistance, i.e. job coach

The expense can be deducted when it enables the person to work, the cost is paid for by the person and not reimbursed by any other source, the expense is reasonable and the person needs the item in order to work.

### **Expedited Reinstatement of Benefits (ExR)**

- Effective January 1, 2001, when SSDI benefits have ended due to earnings from work, a person's benefits can be reinstated (including Medicare/Medicaid, if appropriate) if they become unable to work because of their medical condition.
- For up to 60 months after benefits have ended, a person can request their benefits to be reinstated without having to reapply.
- A person may receive up to 6 months of provisional payments while SSA is making a new disability determination, and these payments will not have to be repaid if they are not determined to be disabled.

### **Continued Payment Under a Vocational Rehabilitation Program (Section 301)**

Persons who are receiving SSDI benefits and who medically improve while participating in an approved vocational rehabilitation program can continue receiving benefits if the services are likely to enable the person to work permanently. The benefits will continue until the rehabilitation services are completed or discontinued by the person.

### **Continuation of Medicare/Medicare For People With Disabilities Who Work (ExM)**

Medicare coverage will continue throughout the return-to-work process for a period of at least 8 1/2 years, including TWP. Coverage can be purchased after this time at a monthly premium.

### **Medical Coverage**

Medicare with a 24-month waiting period from date of disability entitlement. Medicare consists of Part A (Hospital), B (Medical) and D (Prescription) coverage. Individuals are advised to carefully consider available plans, applicable enrollment dates and total out of pocket costs.

### **Critical Touchpoints:**

- ✓ Completion of the Trial Work Period
- ✓ Nearing the end of the Extended Period of Eligibility
- ✓ Implementation of Subsidy and/or IRWE
- ✓ When SSA has made an SGA decision
- ✓ Approval of a PASS plan
- ✓ Change in employment status
- ✓ Age 18 re-determination
- ✓ Cessation of Benefits
- ✓ Overpayments/Underpayments
- ✓ Receipt of an unexpected letter from SSA
- ✓ CDB beneficiaries who experience a change in marital status

**If you experience any of the above, please contact:**

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VR Benefits Specialist (Name and Phone Number)

**Social Security Administration Work Incentives Guide**

**General Income Exclusion (GIE)**

The first \$20 of income is excluded. This is first applied to unearned income (i.e. SSDI).

**Earned Income Exclusion (EIE)**

This incentive allows a portion of a person’s earnings to be excluded when determining the SSI benefit each month. The first \$65 in earnings is excluded, plus one-half of the remaining earnings.

**EXAMPLE:**

Step 1:	\$320.00	(Example)	(Unearned Income ie. SSDI)
	<u>- 20.00</u>		(General Income Exclusion)
	\$300.00		(Countable Unearned Income)
Step 2:	\$465.00		(Earned Income)
	<u>- 65.00</u>		(Earned Income Exclusion)
	\$400.00		
	<u>/ 2</u>		(Divide by 2)
	\$200.00		(Countable Income)
Step 3:	<b>\$794.00</b>		<b>(Federal Benefit Rate)</b>
	<u>-300.00</u>		(Countable Unearned Income)
	<u>-200.00</u>		(Countable Earned Income)
	\$294.00		(New SSI Benefit)
Step 4:	\$465.00		(Earned Income)
	\$320.00		(Unearned Income)
	<u>+294.00</u>		(SSI Benefit)
	\$1079.00		(TOTAL INCOME)

**Extended Medicaid (1619b)**

This incentive allows a person to remain eligible for Medicaid, even if earnings are too high to qualify for a cash benefit. A person can remain eligible with earnings up to **\$44,627 (2021)** annually, as long they remain medically disabled and continue to meet the resource limit of \$2,000 (Individual) or \$3,000 (Couple).

**Student Earned Income Exclusion (SEIE)**

This incentive allows a student age 22 or younger attending school on a regular basis to exclude up to **\$1,930** of earned income each month, up to an annual limit of **\$7,770 per year in 2021**.

*This incentive is applied before the \$85.00 exclusion(s).*

- School Requirements:
  - College: 8 hours weekly
  - Grades 7-12: min. of 12 hours weekly
  - Training courses: 12 hours weekly

**Impairment Related Work Expenses (IRWE)**

Certain items or services, which a person may need in order to work, can be deducted from the earnings that are counted toward an SSI payment. Some examples include:

- Routine drugs and medical services related to the disability
- Attendant care services
- Transportation costs
- Work-related equipment and assistance, i.e. job coach

The expense can be deductible when it enables the person to work, the cost is paid for by the person and not reimbursed by any other source, the expense is reasonable and the person needs the item in order to work.

**Plan to Achieve Self- Support (PASS)**

This incentive allows a person with a disability to set aside income and/or resources to meet an employment goal. Funds can be set aside to pay for a variety of employment expenditures, such as education, vocational training or work-related equipment.

**Blind Work Expenses (BWE)**

Any expense that a blind person incurs in order to earn income is deducted from their earnings.

**Expedited Reinstatement of Benefits (ExR)** – See previous page.

**Medical Coverage**

Medicaid with no waiting period. An application is required for Medicaid coverage in the State of Nebraska.

[www.accessnebraska.ne.gov](http://www.accessnebraska.ne.gov)

**Continued Payment Under a Vocational Rehabilitation Program (Section 301)** – See previous page.

**Critical Touchpoints:**

- ✓ Start or end of job
- ✓ Changes in earned income
- ✓ Reaching the break-even point
- ✓ Movement into 1619b status
- ✓ Implementation of IRWE, BWE or SEIE
- ✓ Approval of a PASS plan
- ✓ Age 18 re-determination
- ✓ Eligibility for Title II benefits
- ✓ Changes in living arrangements or marital status
- ✓ Overpayments/Underpayments

**If you experience any of the above, please contact:**

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VR Benefits Specialist (Name & Phone Number)