

South Dakota Benefits Specialist Network



SOUTH DAKOTA
BENEFITS SPECIALIST
— NETWORK —

Tarra Bame
Black Hills Special Services
221 S. Central Ave., Ste 33
Pierre, SD 57501
(605) 494-3601
tbame@bhssc.org

What is a Benefits Specialist?

- Assist people to understand their SSI and SSDI benefits
- Assist beneficiaries to understand how work affects benefits
- Assist with benefit issues that arise or were caused by employment income
- Assist beneficiaries to understand Medicare and Medicaid coverage
- Assist people to understand how employment affects other public benefits (housing, SNAP, Medicaid waiver programs)
- Give people basic information about other programs that a beneficiary may be eligible for in South Dakota (MAWD, Medicaid waiver programs, Medicare Savings programs, work incentives with the housing voucher program and ABLE accounts)

What is a Benefits Specialist?

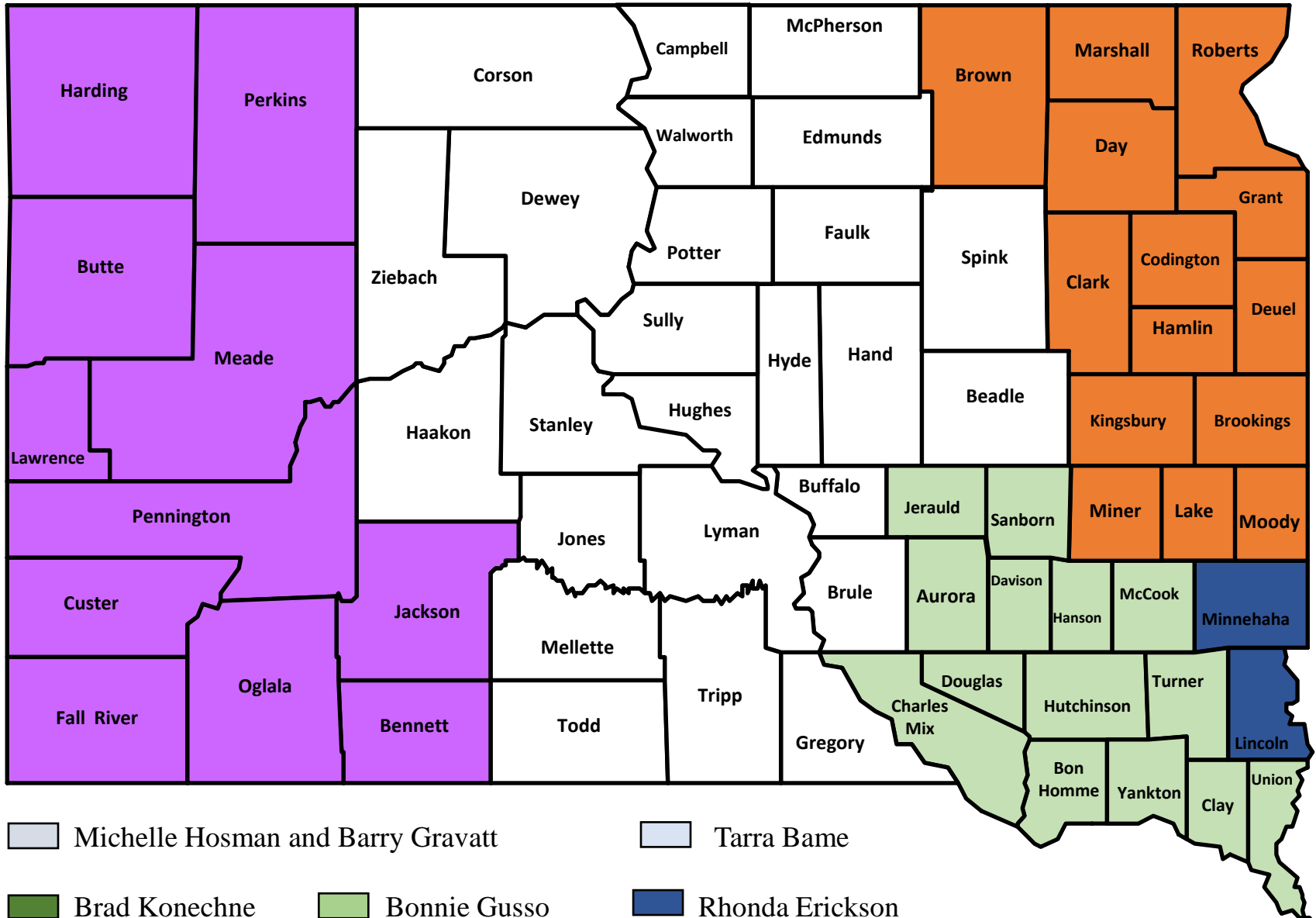


Why is meeting with a Benefits Specialist so important for transition age youth?

- Cash benefits and associated medical insurance are valuable resources as students with disabilities transition to adult life.
- Work incentives are designed to increase employment and earnings capacity over time.
- Early intervention and education about benefits and work incentives helps prevent future problems.
- Failure to educate on benefits is a “missed opportunity” which may cause harm.



SD Benefits Specialist Network Coverage



The Basics

- Social Security benefits are very confusing
- Misconceptions
- Incorrectly compare themselves to another person's situation
- Beneficiaries receive incorrect information
- Benefit Specialist can help individuals understand the basic information that THEY need to know

**Important for the
individual to know what
benefit he/she is getting!**

Types of Cash Benefits from the Social Security Administration

Social Security (SSDI)

- Insurance policy that someone paid into.
- Child Benefit (under age 18)
- Childhood Disability Benefit, SSDI
- Does not care about unearned income, assets, money in the bank

SSI

(Supplemental Security Income)

- People that can not draw the insurance benefit and “need money to live”.
- Adult and Child benefit
- Based on need
- Looks at many different things to decide if you “need” it and how much you “need”
 - Money in the bank, assets, where you live, earnings from a job, gifts, if you are married, spouses income etc.

Types of Cash Benefits from the Social Security Administration

Social Security (SSDI)

- Amount that a person gets depends on how much they have worked or how much their relative has worked
- Medicare Coverage
- Receive benefit on the 3rd of each month or later

SSI

(Supplemental Security Income)

- The most that someone gets each month is \$783
- Medicaid Coverage
- Receive benefit on the 1st of every month

If someone gets a social security check that is less than \$783 per month, they can get both benefits!

Students and Transition

- Transition age is viewed as ages 14 through 25 by SSA
- Many students on IEP are also receiving SSI or Title II Benefits
- Transition to adult services also comes with navigating the complicated Social Security system
- Age 18 redetermination & Medical CDR
- Parent to Child deeming stops and In-kind Support & Maintenance begins
- Section 301
- Student Earned Income Exclusion
- Great time to discuss other work incentives

Age 18 Redetermination (SSI)

- When you turn 18, Social Security will review your eligibility for continued SSI benefits based on disability rules for adults.
- Social Security generally conducts the age-18 redetermination at some point during the individual's 18th year. Social Security may not initiate the redetermination any earlier than the month before an individual turns 18.
- Social security sends a written notice to all individuals.

Age 18 Redetermination (SSI)

- If the determination is favorable, the individual continues to receive SSI cash payments and Medicaid with no interruption.
- An individual who is determined ineligible for SSI benefits as an adult will get a written notice stating that he or she is no longer qualified to receive benefits. These individuals are entitled to receive 2 more months of payments after the date of this notice.
- The good news is that individuals found ineligible under the adult rules are not required to pay back all of the SSI payments received after the birthday month. Social Security will seek to recover only those payments received after the determination is made and the 2 grace months are over.

Section 301

- If a youth is determined ineligible for adult SSI or determined medically improved when on SSDI/Title II
- Not going to appeal or agree with the denial
- Eligibility:
 - Participating in a program with VR, employment services (DLR), or on an IEP
 - Start employment program the month before medical improvement or 18th birthday
 - Completion of the program will increase the likelihood that the individual will not be dependent or less will be less dependent on benefits
- Extremely unknown and not used, especially for SSA
- Working with a Benefits Specialist will increase the chances this work incentive is applied

Transitioning from Deeming to In-Kind Support and Maintenance (ISM)

- Deeming is when SSA determines eligibility/payment for an SSI recipient, using the the income and resources of people responsible for the recipient's welfare. Based on the idea that those who have a responsibility for one another share their income and resources.
- Deeming can cause an individual to be ineligible for SSI (parents over resources)
- PtC deeming stops the month after the 18th birthday. Make sure Social Security is contacted the month prior so that an ISM evaluation can be made.
- ISM is unearned income in the form of food or shelter that is given to or received by the individual because someone else pays for it.
- Have individual pay all or part of his/her fair share of the household expenses. Consider rental agreement.

Why Encourage Beneficiaries to Work?

- More income = More Choices.
- Employment provides wider social network, greater opportunities, increased self-worth and much more.



**“I have been told that
working will cause a
loss of benefits!”**



What is a Work Incentive?

- Rules which make it possible for people with disabilities receiving SSDI and SSI to work and still receive monthly payments and Medicare or Medicaid.
- Social Security calls these rules “work incentives”.
- Support beneficiaries in exploring and trying employment!
- Encourage beneficiaries to work!
- Reward employment activity!

Student Earned Income Exclusion

- Under 22 and regularly attending school
 - 7th-12th grade: 12 hours per week
 - College: 8 hours per week
 - Transition programs
 - May be required to submit extra proof
- 2020 Student Earned Income Exclusion Amounts
 - \$1900/month, \$7,670/year
- Social Security applies the SEIE to a student's gross wages or net earnings from self-employment before any other allowable deductions.

Supplementary Security Income/SSI

Part Time Job – Applying SEIE

Gross income		\$800
General exclusion	\$20	
Income exclusion	\$65	
Total		\$715
Subtract SEIE	\$800	
Total	\$0	
Divide by 2 (countable income)		\$0
SSI base rate		\$783
Subtract countable	\$0	
SSI check		\$783
Total Gross		\$1593

Supplementary Security Income/SSI

Part Time Job – No SEIE

Gross income	\$800
General exclusion	\$20
Income exclusion	\$65
Total	\$715
Divide by 2 (countable income)	\$357.50

SSI base rate	\$783
Subtract countable	\$357.50
<i>SSI check</i>	<i>\$357.50</i>

Total Gross	\$1140
--------------------	---------------

Tips for Facilitating Approval of SEIE

- Report student status with the initial report of work. Don't assume Social Security knows the beneficiary is enrolled and regularly attending school.
- Provide verification of school enrollment with a school record such as an ID card, tuition receipt, or other comparable evidence.
- Be sure to document that the program involves training to prepare the beneficiary for a paying job.
- Ask SSA what they need for eligibility. Communicate!

Impairment Related Work Expenses (IRWE)

- These are expenses one must pay for out-of-pocket in order to work
- They must be related to the primary disability or an established secondary disability
- The individual must have an IRWE approved by SSA first and must show receipts



Examples of Possible IRWEs

- Medical appointment co-payments
- Prescription co-payments
- Prosthetic devices
- Certain transportation costs
- Costs of adaptive devices for automobiles

Plan for Achieving Self-Support (PASS)

- A written plan which allows a beneficiary to put income, other than SSI, into an account to save for an employment goal.
- Money in the PASS account is then excluded as income when deciding eligibility for SSI.
- The money in the PASS account is then spent on items needed to achieve the employment goal.
- Most common reasons a PASS is needed are: to pay for education costs, to start a business, long term job coaching, or transportation.
- Most common income put into a PASS are: wages, SSDI, savings, or ISM.

Elements of a PASS

- Must be in writing using form SSA-545.
- Must have an employment goal.
- Contain a reasonable start and end date (typically 18-24 months).
- List expenses that are necessary to achieve the employment goal.
- Must be able to prove that costs of food and shelter can still be met by setting money aside in PASS.
- Must show that their work goal will result in being self sufficient or will no longer rely on benefits.

How Does a PASS Work?

- Once the PASS is approved by the SSA PASS Cadre:
 - Beneficiary opens a separate bank account for PASS funds.
 - Beneficiary keeps an accounting of all money received and spent.
 - Beneficiary will be required to show this report to the PASS Cadre every 6 months.
- A student with deemed parental income actually has an advantage when it comes to writing a PASS since he or she has income and/or resources to set aside in the PASS without even going to work.
- For students under age 22 without any unearned income (such as deemed income from the parents), a PASS can be difficult to use since most if not all earned income will be already be excluded by the Student Earned Income Exclusion (SEIE).

SSI/Medicaid Connection

- SSI and Medicaid eligibility are similar. Disability/low income
- In South Dakota, Medicaid eligibility is automatic when a person receives SSI benefits.
- Continued Medicaid eligibility is often a key consideration in return to work decision!
- If someone is receiving an SSI check, they will be eligible for Medicaid.
- If employment income reduces the SSI check to \$0, they could also keep their Medicaid!
- SSI recipients can use a work incentive called 1619(b).

How Does 1619(b) Work?

- When an SSI beneficiary's earnings from a job are high enough that they no longer receive an SSI check, 1619(b) would start.
- An individual in South Dakota can earn up to \$37,055 and keep their Medicaid through 1619(b).
- In addition, individuals can request an individualized threshold to get an even higher amount if they have extensive medical costs.
- SSA makes these determinations.

SOCIAL SECURITY DISABILITY INSURANCE (TITLE II BENEFITS)

- Insurance system
- Individual must have relevant work history or be related to somebody who is disabled, retired, or deceased with work history (child, spouse, former spouse, parent).
- Benefit will vary depending on when relevant work income was earned and how much was earned.
- For SSDI on own account, first check begins on 6th month after entitlement, and SSA can award benefits retroactively for up to 12 months prior to application

Types of Social Security (Title II) Disability Benefits

- SSDI on own work record
- Disabled Adult Child/Childhood Disability Beneficiary
(collecting on parent's work record)
- Disabled Widow/Widower Benefit



Trial Work Period

- An individual is eligible to receive a total of 9 Trial Work Period (TWP) months.
- Over a rolling 60-month (five-year) period
- The Trial Work Period amount for 2018 is \$850.00 gross earnings or 80 hours of work in self-employment.
- An individual is not required to use these nine TWP months consecutively.
- During the Trial Work Period phase, a beneficiary is entitled to keep their SSDI cash benefit regardless of how much is earned.

Substantial Gainful Activity (SGA)

- SSA determines the amount each year
- 2020 SGA: \$1,260 in countable earnings
- 2020 SGA for people whose primary disability is statutory blindness: \$2,110
- Important to remember deductions such as IRWE and Subsidy!

Extended Period of Eligibility

- The Extended Period of Eligibility (EPE) is a 36-month continuous period following the Trial Work Period.
- When in the EPE, an individual can receive a SSDI cash benefit when countable earnings are less than SGA. However, any month in which countable earnings are above SGA, an individual will not receive a SSDI cash benefit.



Extended Period of Eligibility

- 36 Consecutive Months. (3 years)
- Any month with countable earnings over \$1,260 for 2020, you will not receive your SSDI Cash Benefit.
- Any month with countable earnings under \$1,260 for 2020, you will receive your full SSDI Cash Benefit.

End of Trial Work Period



Begin Extended Period of Eligibility

Grace Period – 3 months of SSDI cash benefit No matter what your earnings.

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Year 1												
Year 2												
Year 3												

**End of EPE
36 Months**

If not earning SGA, SSDI continues until earn SGA.

If earning SGA or over, SSDI discontinues.

Expedited Reinstatement (EXR)

- Must apply within 5 years of the last time eligible to receive a SSDI cash benefit or last month of the EPE, whichever is later.
- Stopped receiving benefits because of work.
- Must continue to meet the medical definition of disability and not be earning over SGA.
- Use medical improvement standard.
- Decision is made quickly.
- Eligible for 6 months provisional benefits while a decision is pending.

Summary Timelines

- 9 months Trial Work Period
- 36 month Extended Period of Eligibility
- 3 month Cessation and Grace Period (can be during or after EPE)
- Expedited Reinstatement within 5 years of benefits terminating due to earning SGA.

Impairment Related Work Expenses (IRWE)

- Enables SSDI beneficiaries to recover some of their out-of-pocket expenses incurred as a result of their disability to support their work.
- IRWE's expenses are subtracted from a person's earnings.
- By reducing countable income, IRWEs result in a decrease in the amount counted towards SGA; a beneficiary can use an IRWE to remain eligible for SSDI cash benefits



Subsidy & Special Conditions

- Support received on the job that may result in you receiving more pay than the actual value of the services performed.
- “Subsidy” is support provided by the employer (extra breaks, more time to finish work)
- “Special conditions” are something provided by someone other than the employer (VR pays for a job coach)

SSDI Beneficiaries are eligible for Medicare

- After 24 month waiting period.
- Waiting period begins with the first month in which person is eligible for check.
- Many have passed waiting period when they receive first check because of determination process.
- Some SSDI beneficiaries are eligible for Medicaid assistance in paying for Medicare premiums.
- Run by the federal government.

Continued Medicare Coverage

- Medicare continues as long as you get a disability check.
- Even if the disability check stops beneficiaries can keep Medicare through Extended Period of Medicare Coverage (EPMC).



Employment Impacts Everything

- The programs we cover are federal. But, there are many others that are impacted.
- Complex web of benefits disappearing, appearing, and changing form when you introduce employment income.
- It is important a beneficiary understands his/her benefits and how employment will impact them. Beneficiaries should be aware of other benefits that could help them.
- Other benefit programs:

Other Benefit Programs

- Supplemental Nutritional Assistance Program (SNAP or food stamps)
- Housing
- Waiver services
- Energy Assistance
- Temporary Assistance for Needy Families (TANF)
- Unemployment or Reemployment Assistance
- Medicare Savings Programs
- Medicare Part D prescription plan

**Medical Assistance for Workers
with Disabilities –
MAWD!**

What is Medical Assistance for Workers with Disabilities (MAWD)

- MAWD was implemented in 2006.
- Provides Medicaid to individuals with disabilities who are working!
- Available to South Dakota Residents
- Black Hills Special Services and DSS partner to implement the program.

How Does MAWD Help?

- MAWD allows working people with disabilities to receive Medicaid.
- MAWD allows costs of Medicare Part D to become or remain low.
- MAWD allows higher earnings and resource limits than regular Medicaid.



How can a Person be Found Eligible for MAWD?

- Meet modified definition of disability that allows for work income (SSI/SSDI beneficiaries do).
- Be Working (paying FICA taxes).
- Unearned income is less than \$803 per month (2020).
- Earned Income limit is \$5,402 monthly gross income (2020).
- Resources are less than \$8,000.

How Does a Person Apply for MAWD?

- Contact any local:
 - Department of Social Services staff
 - Division of Rehabilitation Services staff
 - Division of Service to the Blind and Visually Impaired staff
 - Benefits Specialist
 - Online at: <https://dss.sd.gov/formsandpubs/>
- Complete an enrollment form and submit to Department of Social Services

ACHIEVING A BETTER LIFE EXPERIENCE (ABLE)

- ABLE Accounts are tax-advantaged savings accounts for individuals with disabilities and their families.
- ABLE Accounts were created as a result of the passage of the Stephen Beck Jr. Achieving A Better Life Experience Act of 2014 (better known as the ABLE Act).



Basic Characteristics of all ABLE accounts

- The individual has to have acquired their disability before the age of 26.
- Individuals can enroll in any state ABLE program (if the program is accepting out of state residents).
- Individuals can put up to \$15,000 into an ABLE account (yearly limit).
- Anyone can contribute to an individual's ABLE account.

Basic Characteristics of all ABLE accounts

- The individual (designated beneficiary) is the account owner. A guardian or power of attorney can be an authorized signature authority over the account.
- Assets in and distributions from the account are disregarded when determining eligibility for means tested benefits (SSI, Medicaid etc.).
- An individual can have up to \$500,000 in an ABLE account! (depending on the state)
- ABLE account funds can be used for qualified disability related expenses.

What is a “Qualified Disability Related Expense”?

A "qualified disability expense" is any expense related to the designated beneficiary (account holder) as a result of living a life with a disability.

These may include education, housing, transportation, employment training and support, assistive technology, personal support services, health care expenses, financial management and administrative services and other expenses which help improve health, independence, and/or quality of life.

ABLE account limit

- The total amount an individual can have in an ABLE account can vary by state (up to \$500,000).
- If an SSI beneficiary has more than \$100,000 in a ABLE, the SSI check will be suspended (not terminated) BUT, Medicaid will continue!



Some people ask, “isn't this a way for people to take advantage of the “system”?”

- NO!
- The purpose of the ABLE act is to help the beneficiary “Achieve a better life Experience” during their lifetime.
- Allows individuals to save more money than the traditional \$2000 resource limit
- ***Medicaid Payback Provision: Any assets remaining in the ABLE account when a beneficiary dies, subject to outstanding qualified disability expenses, can be used to reimburse a state for Medicaid payments made on behalf of the beneficiary after the creation of the ABLE account (the state would have to file a claim for those funds)

Difference between An ABLE Account and A Special Needs Trust?

A special needs trust:

- designed for beneficiaries with disabilities so the beneficiary can enjoy the use of property that is held in the trust for his or her benefit.
- Must be managed by a family member or trustee
- Must be drafted by a lawyer, cost approximately \$2000
- Restrictions on uses and specifics about what money can be placed in trust
- Large deposits (inheritances, assets)

ABLE accounts

- Inexpensive to set up
- Can be managed by the beneficiary
- More flexibility on use of money/access to money
- More flexibility on who can contribute/type of money deposited into the account
- Some ABLE accounts have additional exciting features

Can I Have an ABLE Account even though SD doesn't offer them?

- Yes!
- Many states now offer ABLE Accounts to people nationwide.
- To learn more go to: www.ablenrc.org

Who is the expert on ABLE accounts?

ABLE National Resource Center

1667 K Street, NW Suite 640

Washington, DC 20006

(202) 296-2040

info@ablenrc.org

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

Find us on Facebook!



S O U T H D A K O T A
BENEFITS SPECIALIST
— NETWORK —

Tarra Bame
Black Hills Special Services
221 S. Central Ave., Ste 33
Pierre, SD 57501
(605) 494-3601
tbame@bhssc.org