

Developmental Disabilities Board Area 10

Protecting and Advocating for persons
with developmental disabilities
throughout Los Angeles

**What Happens to My
Benefits If I Work?**

Area Board 10
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Attempts were made to provide you with the most current and accurate information to date. However, since the publication of this handbook, policy changes may have already occurred. Please, verify all information with the Social Security Administration.

PURPOSE

This handbook is intended to provide you some basic information about your benefits while you work. It is not meant to be comprehensive.



Acknowledgements

Area Board 10 wishes to credit the following resources from which most of the factual information in this publication was derived:

"The Red Book" On Work Incentives

"Working While Disabled...How We Can Help" and

"Work For All! The Sky's The Limit! A Guide to Employment Services for Consumers of Regional Center Services"

Understanding the public benefits work incentives, mostly with Social Security, is confusing, and can become frightening, for people with disabilities and those that care about them. This is in part because many consumers are benefiting from other income based programs, like Section 8 housing, Medi-Cal health insurance, In-Home Supportive Services, food programs, etc. Making money affects these programs, and could cause them to end. Losing valued public benefits knowing that work is not always stable is a valid concern for people with disabilities. Good planning will help consumers and their families make good choices about going to work, to decide how much money they need to make, and to start saving money to make sure they can live well without public benefits or with less public benefits.

In general, there are three public benefits helpful to know about for regional center consumers wanting to work:

- **Social Security Work Incentives**
- **California 250% Medicaid Program**
- **Workplace Personal Assistance (AB925)**

The general information on these work incentives is taken from the Disability Benefits 101 website:

www.disabilitybenefits101.com and
the Social Security Red Book,
www.socialsecurity.gov/work. (2005)

These resources offer more detail on the work incentives.

Social Security Work Incentives

When a recipient receives income from another source (a job, or an SSDI benefit, for example), the monthly benefit rate is reduced, but not by the entire amount of income. In addition, the first \$85.00 plus one-half of the rest of a recipient's wages are not counted when determining how much benefits you get. To determine the monthly SSI benefit amount, subtract the total countable income from the SSI benefit. SSI benefits will not be received if countable income is over the SSI monthly benefit amount. For example:

Jane Smith was getting \$484.00 per month in SSI. Now, she has started working and earns \$173.00 per month, before taxes are taken out (that is her gross monthly earnings). The table below shows how Jane's new SSI payments are determined and what her total income will be when her earnings from work are added to her payments from SSI:

LINE	Example of how to find out Jane's total income from work and SSI	
1	Gross Monthly Earnings	173.00
2	Earnings Deduction	85.00
3	Subtract Line 2 from Line 1	= 88.00
4	Divide Line 3 by 2= 44.00	
5	Current SSI Payment	484.00
6	Subtract Line 4 from Line 5 = Your new SSI Payment	= 440.00
7	Your new SSI Payment (Line 6)	440.00
8	Gross Monthly Earnings (Line 1)	173.00
9	Add Line 7 and Line 8 to obtain your total income.	= 613.00

- **Medi-Cal Continued Coverage**

If an individual has earnings that reduce a monthly SSI cash benefit to zero, he or she may be eligible to continue Medi-Cal at no cost if he or she received Supplemental Security Income in the past twelve months, continues to meet medical disability requirements, continues to meet non-disability requirements (assets), needs Medicaid health coverage to continue to work; and has income (wages) below the 1619(b) threshold amount \$32,499 annually (as of 2006 in California).

- **Impairment Related Work Expense (IRWE)**

IRWEs are documented expenses for services or items related to one's impairment which the beneficiary paid for in order to support work activity. Some examples of IRWE expenses are wheelchair repairs, out of pocket payments for prescription drugs or medical expenses, or a computer screen reader.



Before Jane was working, she was getting \$484.00 from SSI. Now that she is working, her SSI was reduced to \$440.00 per month, but she also gets \$173.00 per month from her work. As a result, she now makes more money for a total of 613.00 per month (her SSI and wages combined).

Use this table if you make more than \$85.00 per month from your work.



LINE	This will help you find out how much your SSI has been reduced and your total income from work and SSI combined.	
1	Gross Monthly Earnings	
2	Earnings Deduction	= 85.00
3	Subtract Line 2 from Line 1	
4	Divide Line 3 by 2	
5	Current SSI Payment	
6	Subtract Line 4 from Line 5 = Your new SSI Payment	
7	Your new SSI Payment (Line 6)	
8	Gross Monthly Earnings (Line 1)	
9	Add Line 7 and Line 8 to obtain your total income.	

Plan to Achieve Self Support (PASS) Program

The Plan to Achieve Self Support (PASS) program allows certain individuals with disabilities to set aside earned or unearned income. Social Security will exempt this income when placed into an approved PASS plan and used towards a vocational goal, such a college or a training school. PASS is a Supplemental Security Income (SSI) program. A recipient must meet SSI financial rules to use the program. A detailed application is required. PASS can be a valuable tool for competitive and self-employment.

Why should I start a PASS?

You should start a PASS if you want to use your money to help pay for school an related expenses. If you do, the money you put aside may not be counted when determining the amount of your SSI benefits.

You should start a PASS if you are making a large amount of money and have a particular work related goal in mind. You may be able to put some money aside and not have it be counted when determining the amount of your SSI benefits.

You should start a PASS if you are making too much money or have too many assets to get SSI. A PASS may help you qualify. You may put aside the necessary income and assets to ccomplish a work goal and these funds will not count when it is decided if you are eligible for SSI, or how much SSI you receive.



How do I get started on a PASS?

Anyone can help you with a PASS, including your vocational rehabilitation worker, employer, or the Social Security Administration office. In general, the following rules apply:

- 1 The Pass must state a clear and realistic work goal.
- 2 The PASS must state the amount and sources of income or resources that will be set aside.
- 3 The Pass must state how you will spend the money.
- 4 You must be able to achieve the goal of the PASS within a specified period of time.
- 5 The Pass must be approved by Social Security.



What kind of expenses can a PASS pay for?

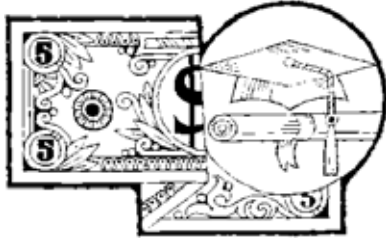
A Plan may be used to pay for a variety of expenses that are necessary to help you reach your work goal.

For example, your plan may help you save for:

- ◆ supplies to start a business
- ◆ Tuition, fees, books, and supplies that are needed for school or training;
- ◆ supported employment services, including payments for a job coach;
- ◆ Attendant care or child care expenses;
- ◆ Equipment and tools to do the job;
- ◆ Transportation to and from work; and
- ◆ Uniforms, special clothing, and safety equipment.

Student Earned Income Exclusion

If an SSI recipient is under age 22, not considered head of the household, not married, and attending school regularly, he or she is allowed to exclude up to \$1,460 of earned income per month. The maximum annual student earned income exclusion is \$5,910 (2006).



Medi-Cal 250% California Working Disabled Program

250% California Working Disabled Medi-Cal provides full scope Medi-Cal to workers with disabilities, who earn up to 250% of the Federal Poverty Level. For example, to qualify for Medi-Cal's 250% program an individual's (family size of one) monthly income at 250% of the federal poverty level is \$1,995 and \$2,675 for a couple (family size of two). Enrollees pay a monthly premium for this health coverage. The 2005 Premium Table below shows the range of monthly premiums from \$20 to \$175 for an individual, and from \$30 to \$375 for a couple.

AB925 Workplace Personal Assistance

California provides In-Home Supportive Service (IHSS) to eligible aged, blind, and disabled individuals to allow them to live in their own homes. These services are now allowed in the individual's place of employment also, under specific conditions.

AB925 authorizes workplace personal assistance that is "relevant and necessary in supporting and maintaining employment." This includes any activity that helps an individual land a job such as interviewing or training. IHSS hours **cannot** be used for assistance with college courses or vocational training. Some of the services that can be used in the workplace include preparation of meals, personal care services, and paramedical services. IHSS service hours that **cannot** be transferred include yard clean-up, laundry and cleaning. Travel accompaniment to work is **not** allowed. Hours already approved for these services will **not** be allowed to be transferred to the workplace.

To transfer IHSS hours to the workplace, an individual must first contact their IHSS eligibility worker. At this time, the individual must specify the number of hours that will be used in the workplace and what services those hours will be used for. The county must then authorize the use of IHSS hours in the workplace before individual use. The IHSS eligibility worker will notify the individual of approval or denial of the request for transferring hours.

Ticket to Work

Most persons between 18 and 65 who receive Supplemental Security Income (SSI) or Social Security Disability Income (SSDI) are eligible to use a "Ticket to Work". The "Ticket to Work" is in reality a program, not an actual ticket. In effect, the program enables persons receiving benefits to directly "hire" an agency of their choice to provide employment services. The agencies approved by the Social Security Administration for this program are called Employment Networks, or "EN"s.

The person who assigns his or her ticket to an EN then works with the chosen EN to prepare an Individual Work Plan (IWP) and receives the services outlined in the plan. Using a ticket is voluntary, and the ticket is meant only to aid those persons who want to earn over Substantial Gainful Activity (\$830 per month in 2005). The chosen agency receives reimbursement for services when the person achieves SGA. All SSI recipients in California have been sent a Ticket, or can request one.

The person who chooses to use his or her Ticket receives several advantages including expedited reinstatement to benefits if the job is lost due to the disability, continued medical benefits for a time, and exclusion from Medical Continuing Disability Review during the period of service under the Ticket To Work. The limitations to the Ticket program are that payment to ENs are low, thus covering only limited service, and are delayed until after SGA is reached and/or benefits drop to \$0. In California, the Department of Rehabilitation tend to request that any clients they serve assign their tickets to the Department.

The contact for Ticket to Work is 1-866-968-7842

Toll-Free TDD Line: 1-866-833-2967.

A listing of Employment Networks can be found at www.yourtickettowork.org.

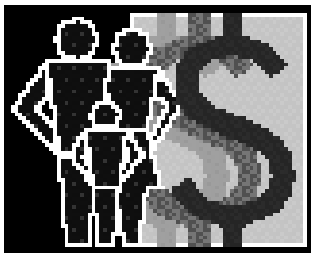
Benefit Planning, Assistance and Outreach program

Social Security has a Benefits Planning, Assistance and Outreach (BPAO) program that will help answer questions about Social Security's work incentives and help you make a decision about working.

Community-based organizations provide outreach, information and work incentives planning and assistance to people who are receiving Social Security or SSI disability benefits and who are working or considering work. Their benefit specialists can help you understand how work affects your payments and explain what other federal, state and local supports there are for people with disabilities who want to work.

To locate the BPAO project nearest you, please call 1-866-968-7842 (TTY 1-866-833-2967). You can also find a list with contact information on our website at www.socialsecurity.gov/work/ServiceProviders/BPAODirectory.html.

An excellent website was created a few years ago to help Californians with disabilities go to work: www.disabilitybenefits101.com. This website will keep updated information about all the national and state work service programs and public benefits referenced in this Guide.





For More Information Read...

Social Security - Understanding Benefits
(Publication No. 05-10024): A comprehensive
explanation of all the social security programs.

SSI Benefits (Publication No. 05-11000):
Explains the SSI Program.

Working While Disabled...How We Can Help
(Publication No. 05-10095):
Explains the work incentives available
to people with disabilities who work.

"The Red Book" On Work Incentives
(Publication No. 64-030)

Medicare (Publication No. 05-10043)

Understanding Social Security
(Publication No. 05-11024)

Contact Social Security to get a free copy of
any of the above publications and more. All
are also available in Spanish.

For more information Contact...

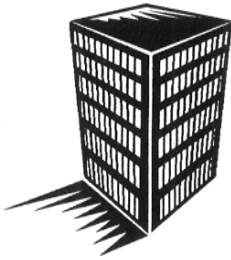
Social Security Administration
1-800-772-1213
1-800-325-0778 (TTY/TTD)

Recorded information is available 24 hours a day, including weekends and holidays. You can speak to a service representative between 7 am and 7 pm on business days. The lines are busiest the first few days of each month, the days after holidays, and between 10 am and 3pm. When you call, have your Social Security number in hand.

Website Information
Social Security Administration
<http://www.ssa.gov>

You can also call us at Area Board 10
(818) 543-4631
or check our website:
areaboard10.org





IF YOU NEED TO VISIT A LOCAL SSA
OFFICE, HERE IS A PARTIAL LISTING:

Alhambra
200 S. Garfield Ave. Suite 102
9 - 4:30 (M-F)

Burbank
2025 N. Glenoaks

Pomona
436 W. 4th Street
9-4:30 (M-F)

Canyon Country
27225 Camp Plenty Rd.

San Fernando
120 N. Maclay Avenue

Chatsworth
9168 De Soto Avenue

Studio City
11239 Ventura Blvd.

Culver City
3750 S. Robertson
(310) 204-3329

Torrance
1321 Post Avenue
9-4:30 (M-F)

Glendale
710 S. Central Ave.
Suite 320
(818) 549-0275
9-4 (M-F)

Van Nuys
6501 Van Nuys Blvd.
(818) 904-6123
9-4 (M-F)

Los Angeles
3836 Wilshire Blvd.
(213) 739-0765

3840 Crenshaw Blvd.
9-4 (M-F)

If you need to find an office closer to you,
call (800) 772-1213

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