



## **A Delicate Balance – How Working Affects Public Benefits**

**By Jefferey Yussman, Esq.**

Employment is an important road to independence and self-esteem. But some individuals with disabilities worry that accepting a job offer will disqualify them for means-tested benefits, such as SSI (Supplemental Security Income) and SSDI (Social Security Disability Income). Since such programs may be the bedrock of their financial security, what happens if the job doesn't pan out? Will they be left without any source of income? Will their Medicaid or Medicare coverage disappear?

The federal government has designed incentives for individuals with disabilities to explore career options, but the rules are complicated. Mistakes can mean that precious dollars are left on the table.

### **Ticket to Work**

Ticket to Work is a program created to help SSDI and SSI recipients between the ages of 18 and 64 get jobs and protect their benefits during the transition. The Social Security Administration maintains a list of authorized programs in each state that offer vocational training, career counseling, job referrals and other employment services. This includes school programs for students whose IEPs (Individualized Education Plans) include vocational programs.

While an individual is receiving such assistance, Social Security suspends disability reviews, so all cash payments and Medicaid/Medicare coverage continue unchanged. Once an individual completes a Ticket to Work program, Social Security begins an assessment process to determine if continued cash benefits are appropriate.

### **SSDI**

After Ticket to Work is completed, individuals can continue receiving SSDI until the Social Security Administration determines that they have achieved "[substantial gainful activity \(SGA\)](#)." SGA is generally defined as gross monthly wages, minus work-related expenses and subsidies, totaling at least \$1,090. For employees who are blind, the number is \$1,820 per month. For self-employed individuals, SGA is achieved by working over 80 hours in a given month or earning at least \$1,090. Valid expense deductions include the unreimbursed, out-of-pocket cost of goods and services necessary to perform the job and purchased by the employee after the start of work. Public transportation does not qualify. Work subsidies

include special supports or work conditions paid for by the employer, the government or a social service agency. Job coach expenses are an example.

### **Trial Period**

Each month during which the individual's remuneration equals or exceeds SGA is considered a "service month" and counts toward a "trial work period (TWP)." For SSDI, wages must be reported within the first 10 days of the month following the one in which they were earned. If a family member [acts as representative payee](#), receiving and handling Social Security benefits on behalf of their loved one, it's wise to develop a working relationship with their employer so that all information needed for reporting flows seamlessly. Earnings may be reported in person, by phone, letter or electronically, although standard mail seems to work the best for me.

- It's important to understand that wages are counted for the month during which work was performed, not when the individual was paid.
- The Trial Work Period equals nine service months, which need not be consecutive but must take place within a five-year period.
- During the Trial Work Period, there is no limit to the amount that an individual may earn while retaining SSDI.

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

A 36-month "Extended Period of Eligibility (EPE)" kicks off at the end of the Trial Work Period. If SGA is attained for three consecutive months, SSDI will be suspended. If wages fall below SGA during any subsequent month during the Extended Period of Eligibility, SSDI starts up again.

Strict attention should be paid to both the monthly reporting of wages and subsequent SSDI payments. Wages frequently fluctuate due to health, changes in work expenses/subsidies and available work hours. Even when earnings are accurately reported, errors in Social Security payments are not unusual and advocates should monitor them closely. If the individual is edging towards earnings maximums, watch out for months with more than four weeks. Each situation is unique, and if the continuation of SSDI is important to the person's financial security, advocates should request that earnings be cut in order to preserve public benefits.

### **SSI (Supplemental Security Income)**

The SSI process is more straightforward than SSDI's. Once Ticket to Work is completed, and depending upon the individual's other sources of income, Social Security will disregard

\$65 of their monthly wages. After that, benefits drop by \$1 for each \$2 of income. For SSI, the report must be filed within the first six days of the month following the one in which they were earned.

### **What about Medicaid and Medicare?**

Continuing health insurance coverage is another concern when individuals with disabilities enter the workforce. Those receiving SSI will have been using Medicaid. Those receiving SSDI for two or more years will have been covered by Medicare. Some may have been using both, and are thus considered to be receiving concurrent benefits (sometimes called “dual-eligible”).

- **If an individual loses SSI due to their earnings**, but lives in a state that expanded Medicaid eligibility under the Affordable Care Act, they may still be eligible for Medicaid coverage. If their income is still too high, their state may have a “Medicaid buy-in program,” through which they can purchase Medicaid coverage, based on a small percentage of their countable income.
- **If an individual loses SSDI due to earnings**, they retain Medicare for another 93 months. After that, they are given the option of paying for Medicare coverage. Certain states maintain means-tested “Medicare savings plans” which will cover premium costs for eligible applicants.

### **Expedited Reinstatement of Benefits**

If an individual is unable to earn SGA due to a flare-up of their condition during a five-period following the end of the Extended Period of Eligibility, SSDI can be provisionally reinstated, pending a medical evaluation.

If a former **SSI** recipient becomes unemployed, benefits can usually be resumed without the filing of a new application.

Clearly, there are many details to bear in mind when someone is balancing wages and public programs. Special needs attorneys are well-versed in benefits law and can help self-advocates and families make the most of job opportunities without jeopardizing their health benefits and important sources of income. Information may also be found online at <https://www.ssa.gov/work/>; <https://choosework.ssa.gov/findhelp/>; or at the Ticket to Work helpline: 1-866-968-7842 (V) or 1-866-833-2967 (TTY).

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