2011 RED BOOK

A SUMMARY GUIDE TO EMPLOYMENT SUPPORTS FOR PERSONS WITH DISABILITIES UNDER THE SOCIAL SECURITY DISABILITY INSURANCE AND SUPPLEMENTAL SECURITY INCOME PROGRAMS

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INTRODUCING THE 2011 RED BOOK

Purpose of the Red Book

One of the Social Security Administration's (SSA) highest priorities is to support the efforts of disabled beneficiaries who want to work by developing policies and services to help them reach their employment goal. The Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) programs include a number of employment support provisions commonly referred to as work incentives.

The Red Book is a general reference tool designed to provide a working knowledge of these provisions. We write the Red Book primarily for educators, advocates, rehabilitation professionals, and counselors who serve persons with disabilities. We also expect that applicants and beneficiaries will use it as a self-help guide.

The Red Book contains a general description of our disability-related policies. For information specific to your situation regarding eligibility or benefits, you may need to contact us. You will find contact information on ***page 4***.

The Red Book, including the Spanish language version, is available online at: ***www.socialsecurity.gov/redbook***.

Purpose of Employment Supports

Congress intended the employment support provisions to provide you with the assistance you need to move from benefit dependency to independence. Employment supports help you to enter, re-enter, or stay in the workforce by protecting your eligibility for cash payments and/or health care until you achieve this goal.

Disclaimer

Different rules apply to benefits based on retirement or age. We cover those rules in other publications. Most SSA publications and other public information materials are available at our Internet site, *Social Security Online*, located at ***www.socialsecurity.gov***.

"Plain Language"

We tried to keep the Red Book clear and brief. We followed "Plain Language" guidelines. We generally use "we," "us," and "our" to refer collectively to the Social Security Administration (SSA), the Social Security Act, our regulations, and operating instructions. We use "you" and "your" to refer to the person who is claiming benefits based on disability.

Previous Editions

This 2011 edition replaces all previous editions.

WHAT'S NEW IN 2011?

Automatic Adjustments Effective January 1, 2011

Substantial Gainful Activity (SGA)
The Substantial Gainful Activity (SGA) amount for persons with disabilities other than blindness, is **$1,000 per month in 2011**. The amount is unchanged from 2010.

For persons who are blind**,** the amount of earnings that indicate SGA remains at **$1,640 per month in 2011**. The amount is unchanged from 2010. Details on SGA are on ***page 13***.

Trial Work Period (TWP) Months
The monthly earnings amount that we use to determine if a month counts as a TWP is **$720 per month in 2011**. The amount is unchanged from 2010. Details on the TWP are on ***page 28***.

Federal Benefit Rate (FBR)
For 2011, the SSI Federal Benefit Rates remains **$674 per month for an eligible individual** and **$1,011 per month for an eligible couple**.

Student Earned-Income Exclusion (SEIE)
For 2011, the amount of earnings that will have no effect on eligibility or benefits for SSI beneficiaries who are students remains **$6,600 a year**. The amount of earnings that we can exclude each month, until we have excluded the maximum for the year, remains **$1,640 a month**. Details on the SEIE are on ***page 35***.

Medicare Part A Hospital Insurance
For 2011, the monthly Medicare Part A Hospital Insurance base premium is **$450.00**, and the 45% reduced premium is **$248.00**.

Medicare Part B Supplemental Medical Insurance
For 2011, the Part B Supplemental Medical Insurance monthly base premium is **$115.40.** Details on Medicare for Persons with Disabilities Who Work are on ***page 32***.

Medicaid While Working
For 2011, we increased the Medicaid While Working State Threshold Amounts for persons with disabilities. We use yearly state threshold amounts to decide if earnings are high enough to replace SSI and Medicaid benefits. We listed the 2011 amounts for each state on ***page 43.***

Demonstration Projects Update

SSA conducts numerous research and demonstration projects to study ways to improve services to our current and future beneficiaries. These projects can lead to ways to better serve persons with disabilities, as well as potentially changing program rules to allow for better coordination among other federal and state programs.

Accelerated Benefits

The Accelerated Benefits Demonstration project provides immediate health benefits and employment supports to certain newly-entitled Social Security Disability (SSDI) beneficiaries. Under current law, most SSDI beneficiaries must wait 24 months after cash benefits begin before they become eligible for Medicare. So, many beneficiaries have no health insurance and limited access to medical care during a period of time when access to those resources might help improve their medical condition. By accelerating benefits and receiving treatment earlier, beneficiaries may improve their ability to remain at work or the probability of returning to work. We have completed enrollment of participants, and we expect a final report in early 2011.

Benefit Offset National Demonstration (BOND)

The BOND project (also known as the $1 for $2 Benefit Offset) will test the effects of allowing SSDI beneficiaries to work without total loss of benefits. Participants in this project will have their monthly benefits reduced one dollar for every two dollars of earnings above a specified level. In August 2005, SSA initiated a pilot in Connecticut, Utah, Wisconsin and Vermont. Information gained from the four-state project emphasizes the importance of automating benefit payments and will help guide the national demonstration project. We expect to begin participant enrollment in 2011.

Mental Health Treatment Study

The Mental Health Treatment Study tests the impact of increasing access to medical treatment and employment supports for SSDI beneficiaries with a primary diagnosis of schizophrenia or affective disorder. The primary outcomes for the study focused on medical recovery, functioning, and, ultimately, a return to employment. The project provided outpatient treatment and/or employment services to study participants. We started enrollment of participants in October 2006 and completed all treatments in August 2010. We expect a final report in 2011.

Youth Transition Demonstration (YTD)

We designed the Youth Transition Demonstration project to further the goal of increasing employment of persons with disabilities. The YTD focuses on youths ages 14-25 who receive SSI, SSDI, or childhood disability benefits, or who are at heightened risk of becoming eligible for such benefits. YTD sites develop service delivery systems and partnerships with Federal, State, and local entities to assist youth with disabilities to successfully transition from school, which may include post-secondary education, to employment and economic self-sufficiency. Currently SSA funds three project sites in Maryland, Florida, and West Virginia. Three projects from the first phase of the YTD have completed their YTD services. We expect completion of final reports for these sites in early 2011.

Current Events

To keep up with the latest developments and get information about local contacts, visit our Internet website at: ***www.socialsecurity.gov/disabilityresearch***. This site provides information on major activities such as our demonstration projects work incentive policies, and other relevant resources. You can also sign up to get e-mail notices when we post updates.

HOW TO REACH SOCIAL SECURITY

Internet Access

Our Internet site, *Social Security Online,* is located at ***www.socialsecurity.gov***. Most SSA publications and other public information materials are available at this site.

Links that may be of interest to the community serving persons with disabilities:

www.socialsecurity.gov/disability—This site provides comprehensive information on our disability benefits programs.

www.socialsecurity.gov/work —This site provides information on our Ticket to Work program. It also lists the Work Incentive Planning and Assistance and Protection and Advocacy groups (see ***page 9***).

By Telephone

Call our toll-free number, **1-800-772-1213**, between 7 a.m. and 7 p.m., Monday through Friday. If you have a touch-tone telephone, recorded information and services are available 24 hours a day, including weekends and holidays.

If you are hearing impaired, call our toll-free TTY/TDD number **1-800-325-0778** between 7 a.m. and 7 p.m., Monday through Friday.

Find Your Local Office

If you have a problem or question, try our toll-free telephone number first. Our telephone representatives will either help you or put you in contact with your local office, if needed. Many local telephone directories list local offices under "Social Security".

If you have Internet access, you can find your local office by going to the Social Security Office Locator on our website, *Social Security Online*, at ***www.socialsecurity.gov/locator***. Enter your postal ZIP code to get the address, telephone number, and directions to your local office.

By Mail

If you have been unable to resolve a problem *after* calling our toll-free telephone number or *after* contacting your local office, you may write to the Office of Public Inquiries:

Social Security Administration
Office of Public Inquiries
6401 Security Blvd.
Baltimore, MD 21235-6401

Request copies of the Red Book or other SSA Publications

If you want copies of our public information materials (including the Red Book), you may fax 410-965-2037, or mail your request to:

Office of Supply & Warehouse Management
Social Security Administration
239 Supply Building
6301 Security Boulevard.
Baltimore, MD 21235-6301

We will not ship to Post Office boxes.

Send Comments or Suggestions about the Red Book

Mail your comments to:

Social Security Administration
Office of Program Development and Research
Attention: Red Book Editor
P.O. Box 17778
Baltimore, MD 21235-7778

or fax your comments to: 410-597-0825, Attention: Red Book Editor

or email: ***red.book.editor@ssa.gov***

Addresses of SSA Regional Offices

Boston (Region 1)

SSA Regional Office
Attn: Center for Disability
John F. Kennedy Federal Office Bldg.
Room 1900
Boston, MA 02203

New York (Region 2)

SSA Regional Office
Attn: Center for Disability
Jacob Javits Federal Office Bldg.
26 Federal Plaza, Room 40-120
New York, NY 10278-0035

Philadelphia (Region 3)

SSA Regional Office
Attn: Center for Disability
P.O. Box 8788
Philadelphia, PA 19101

Physical Location:
300 Spring Garden Street, 7th Floor
Philadelphia, PA 19123

Atlanta (Region 4)

SSA Regional Office
Attn: Center for Disability
61 Forsyth St., SW
Suite 22T64
Atlanta, GA 30303-8907

Chicago (Region 5)

SSA Regional Office
Attn: Center for Disability
P.O. Box 8280
Chicago, Illinois 60680-8280

Physical Location:
600 W Madison, 10th Floor
Chicago, IL 60661

Dallas (Region 6)

SSA Regional Office
Attn: Center for Disability
1301 Young St.
Suite 670
Dallas, TX 75202-5433

Kansas City (Region 7)

SSA Regional Office
Attn: Center for Disability
Room N 1046, Federal Office Bldg.
601 East 12th Street
Kansas City, MO 64106

Denver (Region 8)

SSA Regional Office
Attn: Center for Disability
Federal Office Bldg.
1961 Stout Street
Room 1054
Denver, CO 80294-3538

San Francisco (Region 9)

SSA Regional Office
Attn: Center for Disability
P.O. Box 4207
Richmond, California 94804

Physical Location:
Frank Hagel Federal Bldg. 6th Floor
1221 Nevin Ave.
Richmond, CA 94801

Seattle (Region 10)

SSA Regional Office
Attn: Center for Disability
M/S 351A – Suite 2900
701 Fifth Avenue
Seattle, WA 98104-7075

RESOURCES FOR EMPLOYMENT SUPPORTS

You can get information about SSA's employment support provisions at any of our SSA field offices around the country. You may also call us toll free at **1-800-772-1213**, from 7 a.m. to 7 p.m., Monday through Friday.

Area Work Incentives Coordinator (AWIC)

AWICs are experienced employment support experts who:

- Coordinate and/or conduct public outreach on work incentives in their local areas;
- Provide and/or coordinate and oversee training on SSA's employment support programs for all personnel at local Social Security offices;
- Handle sensitive or high profile disability work-issue cases, if necessary; and
- Monitor the disability work-issue workloads in their areas.

Information on how to contact your local AWIC is available at the following Internet sites:

Atlanta Region (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)
www.socialsecurity.gov/atlanta/southeast/awic/index.htm

Boston Region (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont)
www.socialsecurity.gov/boston/Awic.htm

Chicago Region (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
www.socialsecurity.gov/chicago/awic.htm

Dallas Region (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)
www.socialsecurity.gov/dallas/dalawic.htm

Denver Region (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)
www.socialsecurity.gov/denver/work.htm

Kansas City Region (Iowa, Kansas, Nebraska, Missouri)
www.socialsecurity.gov/kc/work_incentives.htm

New York Region (New Jersey, New York, Puerto Rico, Virgin Islands)
www.socialsecurity.gov/ny/win-coordinators.htm

Philadelphia Region (Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia)
www.socialsecurity.gov/phila/awics.htm

San Francisco Region (Arizona, California, Hawaii, Nevada, American Samoa, Guam, Saipan)
www.socialsecurity.gov/sf/awic.htm

Seattle Region (Alaska, Idaho, Oregon, Washington)
www.socialsecurity.gov/seattle/awic.htm

Plan to Achieve Self-Support (PASS) Cadre

SSA has specially-trained employees that work with the PASS program. PASS is an SSI work incentive that allows a person with a disability to set aside otherwise countable income and/or resources for a specific period in order to achieve a work goal. Persons who receive SSDI benefits and can qualify for SSI may also have a PASS. When you submit a written PASS proposal to a PASS Specialist, they will review it to:

- Make sure the work goal is reasonable;
- Make sure that you need the items and services listed on the PASS application to reach the work goal;
- Make sure the expenses are reasonably priced; and
- Work with the applicant to make needed changes.

You can find more information about PASS is provided on ***page 36***. The following Internet site provides a map that you can use to locate the PASS Cadre for your area.
www.socialsecurity.gov/disabilityresearch/wi/passcadre.htm

Benefits Planning Query (BPQY)

Analysis of a person's disability and work status is the first step in planning a successful return to work. A BPQY provides information about a beneficiary's disability cash benefits, health insurance, scheduled continuing disability reviews, representative payee, and work history, as stored in SSA's electronic records. The BPQY is an important planning tool for an AWIC, PASS Specialist, benefits counselor, or other person who may be developing customized services for a disability beneficiary who wants to start working or stay on the job.

We provide BPQYs to beneficiaries, their representative payees and their authorized representatives of record upon request. Beneficiaries can request a BPQY by contacting their local SSA office or by calling SSA's toll free number, **1-800-772-1213** between 7 a.m. and 7 p.m., Monday through Friday. People who are deaf or hard-of-hearing may call our toll-free TTY/TDD number, **1-800-325-0778**, between 7 a.m. and 7 p.m. Monday through Friday.

If someone other than the beneficiary, representative payee, or authorized representative (a benefits counselor, for example) wishes to receive a BPQY, they must submit two ***SSA-3288*** forms (Consent for Release of Information) that have been signed by the beneficiary. One is to authorize the release of Social Security records and the other to authorize the release of Internal Revenue Service earnings records. Both releases must contain the beneficiary's Social Security number or the claim number.

RETURN TO WORK PLANNING & ASSISTANCE

Work Incentives Planning and Assistance (WIPA) Projects

WIPA projects are community-based organizations that receive grants from SSA to provide all Social Security and SSI disability beneficiaries (including transition-to-work aged youth) with free access to work incentives planning and assistance. Each WIPA project has counselors called Community Work Incentives Coordinators (CWIC) who:

- Provide work incentives planning and assistance to our beneficiaries with disabilities;
- Conduct outreach efforts to those beneficiaries (and their families) who are potentially eligible to participate in Federal or state employment support programs; and
- Work in cooperation with Federal, state, private agencies and nonprofit organizations that serve beneficiaries with disabilities.
- If you are one of the many SSDI or SSI disability beneficiaries who want to work, a WIPA project can help you understand the employment supports that are available to you and enable you to make informed choices about work.

WIPA services are available in every state, the District of Columbia, and the US Territories of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the Virgin Islands. If you want to locate the WIPA organization nearest you, please call **1-866-968-7842** or **1-866-833-2967** (TTY/TDD) for the hearing-impaired. You can also find contact information in our service provider directory on our website at: ***www.socialsecurity.gov/work***.

Work Incentives Seminar (WISE)

During the year, Social Security sponsored W SE events will take place throughout the country to provide you with the knowledge necessary to either assign your Ticket to Work (see ***page 25***) or pursue other work incentives. These seminars will give you the opportunity to meet representatives of organizations who can assist you by providing free information and assistance to help you go to work for the first time, return to work, or reach other employment goals. You can learn more about WISE events on our website at ***www.socialsecurity.gov/work***.

State Vocational Rehabilitation Providers

State Vocational Rehabilitation agencies furnish a wide variety of services to help people with disabilities return to work. These services are designed to provide you with the training or other services that you need to return to work, to enter a new line of work, or to enter the workforce for the first time. You can also find a list of state Vocational Rehabilitation agencies in our service provider directory on our website at ***www.socialsecurity.gov/work/receivingbenefits.html***.

Protection and Advocacy for Beneficiaries of Social Security (PABSS)

In every state and U.S. Territory, there is an agency that protects the rights of persons with disabilities. This Protection and Advocacy System also administers the SSA-funded Protection and Advocacy for Beneficiaries of Social Security (PABSS) program. Each PABSS agency can:

- Investigate any complaint you have against an employment network or other service provider that is helping you return to work;
- Give you information and advice about vocational rehabilitation and employment services;

- Tell you about SSA's work incentives that will help you return to work;
- Provide consultation and legal representation to protect your rights in the effort to secure or regain employment; and
- Help you with problems concerning your individual work plan under the Ticket to Work program.

These services are free to persons receiving SSDI or SSI benefits based on disability or blindness. If you want to locate the PABSS agency nearest you, please call **1-866-968-7842** or **1-866-833-2967** (TTY/TDD) for the deaf and hearing impaired. You can also find contact information in our service provider directory at: ***www.socialsecurity.gov/work.***

EARN Job Seeker Network

The Employer Assistance & Recruiting Network (EARN) is an initiative funded by the U.S. Department of Labor's Office of Disability Employment Policy. It is the nation's premier provider of cost-free services to help employers recruit and hire qualified workers to meet their workforce needs.

EARN also offers assistance to employment service providers and jobseekers with disabilities. This includes providing jobseekers and service providers with job leads from employers specifically interested in including jobseekers with disabilities in their recruiting efforts. Whether a person is working with a service provider or is on a self-directed job search, EARN can help with online and offline support.

Learn more about how EARN can benefit both organizations and job seekers with disabilities by contacting EARN at:

Toll Free: Monday through Friday, 9:00 a.m. to 5:00 p.m. (Eastern Time)

1-866-EARN-NOW (**1-866-327-6669**) (Voice/TTY)

Website: ***www.earnworks.com***

Individual Development Accounts (IDA)

If you are working and have limited income, you may be eligible for an Individual Development Account (IDA) through the Temporary Assistance to Needy Families (TANF) program or an Assets for Independence Act (AFIA) grant. An IDA is a trust-like bank account that helps you save your earnings to go to school, buy a home, or start a business. When you make a deposit to the account, a participating non-profit organization matches your deposit. The typical match is one dollar for each dollar that you deposit. The Federal government adds an additional match, limited to $2,000 for an individual or $4,000 for a household over the life of the program (usually five years).

If you have an IDA through TANF or an AFIA grant, we do not count any earnings you deposit into your account, any matching deposits, or any interest earned as SSI income or resources. As a result, your SSI benefits may increase. ***Note:*** *IDAs that are not federally funded are not exempt from SSI and will be counted under the income and resource rules of SSI.*

We do not determine whether you are eligible to have an IDA. For more information about IDAs and to locate a program in your area, visit: ***www.acf.hhs.gov/programs/ocs/afi/index.html***.

OVERVIEW OF OUR DISABILITY PROGRAMS

SSA manages two programs that provide benefits based on disability or blindness, the Social Security Disability Insurance (SSDI) program and the Supplemental Security Income (SSI) program.

Social Security Disability Insurance Program (SSDI)

SSDI provides benefits to disabled or blind persons who are "insured" by workers' contributions to the Social Security trust fund. These contributions are based on your earnings (or those of your spouse or parents) as required by the Federal Insurance Contributions Act (FICA). Title II of the Social Security Act authorizes SSDI benefits. Your dependants may also be eligible for benefits from your earnings record.

Supplemental Security Income Program (SSI)

The SSI program makes cash assistance payments to aged, blind, and disabled persons (including children) who have limited income and resources. The Federal Government funds SSI from general tax revenues. Many states pay a supplemental benefit to persons in addition to their Federal benefits. Some of these states have made arrangements with us to combine their supplemental payment with our Federal SSI payment into one monthly check to you. Other states manage their own programs and make their payments separately. Title XVI of the Social Security Act authorizes SSI benefits.

Concurrent Entitlement

We use the term "concurrent" to describe persons who are eligible for disability benefits under both the SSDI and SSI programs. To show how a person's concurrent benefits would be affected by returning to work, we have provided an example of a "concurrent" beneficiary situation on ***page 51***.

Comparison of the SSDI and SSI Disability Programs

The SSDI and SSI programs share many concepts and terms, however, there are also many very important differences in the rules affecting eligibility and benefit payments. The following table summarizes differences between the SSDI and SSI programs. These differences are important as many persons may apply or be eligible for benefits under both programs.

Comparison of the SSDI and SSI Disability Programs

	SSDI	SSI
Source of payments	Disability trust fund.	General tax revenues.
Minimum Initial Qualification Requirements	Must meet SSA's disability criteria. Must be "insured" due to contributions made to FICA based on your own payroll earnings, or those of your spouse or your parents.	Must meet SSA's disability criteria. Must have limited income and resources.
Health Insurance Coverage Provided	Medicare. Consists of hospital insurance (Part A), supplementary medical insurance (Part B), and Medicare Advantage (Part C). Voluntary prescription drug benefits (Part D) are also included. Title XVIII of the Social Security Act authorizes Medicare.	Medicaid. A jointly-funded, Federal-State health insurance program for low-income and needy persons. It covers certain children, some or all of the aged, blind, and/or disabled in a state who are eligible to receive federally-assisted income maintenance payments. Title XIX of the Social Security Act authorizes Medicaid. The law gives the states options regarding eligibility under Medicaid.
How do we figure your monthly payment amount?	We base your SSDI monthly payment amount on the worker's lifetime average earnings covered by Social Security. We may reduce the amount if you receive Workers' Compensation payments (including Black Lung payments) and/or public disability benefits, for example, certain state and civil service disability benefits. Other income or resources do not affect the payment amount. We usually adjust the monthly payment amount each year to account for cost-of-living changes. We can also pay SSDI monthly benefits to dependents on your record, such as minor children.	To figure your payment amount, we start with the Federal Benefit Rate (FBR). In 2011, the FBR is $674 for a qualified individual and $1,011 for a qualified couple. We subtract your countable income from the FBR and then add your state supplement, if any. We do not count all of the income that you have. The income amount left after we make all the allowable deductions is "countable income". The sections on SSI employment supports explain some of the ways that we can exclude income. We usually adjust the FBR each year to account for cost-of-living changes.
Is a State Supplemental Payment provided?	There is no state supplemental payment with the SSDI program.	Many states pay some persons who receive SSI an additional amount called a "state supplement". The amounts and qualifications for these state supplements vary from state to state.

How Do We Define Disability?

The inability to engage in any substantial gainful work activity (SGA) because of a medically- determinable physical or mental impairment(s):

- That is expected to result in death, or
- That has lasted or is expected to last for a continuous period of not less than 12 months.

Note: *There is a separate definition of disability for children (under age 18) who are applying for the SSI program. A disabled child also qualifies for the SSI employment supports described later in the Red Book.*

What is Substantial Gainful Activity (SGA)?

We use the term "substantial gainful activity" to describe a level of work activity and earnings.

Work is "substantial" if it involves doing significant physical or mental activities or a combination of both. For work activity to be substantial, it does not need to be performed on a full-time basis. Work activity performed on a part-time basis may also be substantial gainful activity.

"Gainful" work activity is:

- Work performed for pay or profit; or
- Work of a nature generally performed for pay or profit; or
- Work intended for profit, whether or not a profit is realized.

We use SGA as one of the factors to decide if you are eligible for disability benefits. If you receive SSDI benefits, we use SGA to decide if your eligibility for benefits continues after you return to work and complete your Trial Work Period (TWP, see ***page 28***). If you receive SSI benefits based on disability, we apply different standards to determine if your eligibility for benefits should continue. For details on how we calculate SSI benefits, see ***page 34***.

We do not use SGA as a factor to determine initial eligibility for SSI benefits if you are blind.

How Do We Evaluate Your Work Activity for SGA Purposes?

We generally use *earnings guidelines* to evaluate whether your work activity is SGA.

The amount of monthly earnings considered as SGA depends on the nature of a person's disability. The Social Security Act specifies a higher SGA amount for statutorily blind persons. If your impairment is anything other than blindness, earnings averaging over $1,000 a month (for the year 2011) generally demonstrate SGA. If you are blind, earnings averaging over $1,640 a month (for the year 2011) generally demonstrate SGA for SSDI.

What If You Are Self-employed?

If you are self-employed and your disability is not blindness, the way we evaluate your work activity for SGA purposes will depend on whether we evaluate your work activity before or after you have received SSDI benefits for 24 months and the purpose of the evaluation. We will apply either the Three Tests or the Countable Income Test to determine if your work activity is SGA, depending on when you work.

The Three Tests:

We apply three tests to evaluate your work activity when you initially apply for SSDI and before you have received SSDI benefits for 24 months. We will also use the three tests to evaluate your work activity during the re-entitlement period to determine if we can reinstate your benefits in the Extended Period of Eligibility (*see* ***page 30***). Your self-employment work activity is SGA if:

- You render significant services to the business, and you had over the SGA level ($1,000 in 2011) average monthly income; *or*
- Your work is comparable to the work of persons without disability in your community engaged in the same or similar businesses; *or*
- Your average monthly work is worth the SGA level earnings in terms of its effects on the business or when compared to what you would have to pay an employee to do the work.
- The Countable Income Test:

We apply the countable income test if you have received SSDI benefits for at least 24 months. We will only use the countable income test to determine whether you have engaged in SGA and if your disability has ended as a result of that SGA.

We will compare your countable earnings to the SGA earnings guidelines. If your monthly countable earnings average more than $1,000 (in 2011), we will determine that your work is SGA unless there is evidence that you are not rendering significant services in the month. If your monthly countable earnings average less than $1,000, we will decide that your work is not SGA.

If you are self-employed and your disability is blindness, we decide SGA based on whether you have received a substantial income from the business and rendered significant services to the business. We make this determination using your countable earnings. We also use your countable earnings to determine whether your work is SGA and we can reinstate benefits during the Extended Period of Eligibility (see ***page 29***).

If you are self-employed, your disability is blindness, and you are age 55 or older, special rules apply. If yourearnings demonstrate SGA but your work requires a lower level of skill and ability than the work you did *before* age 55, or when you became blind, whichever is later, we will suspend, not terminate, your benefits. Your eligibility for SSDI benefits continues indefinitely, and we pay your benefits for any months earnings fall below SGA.

RETURNING TO WORK

What Are Your Responsibilities When You Return to Work?

If you receive SSDI or SSI benefits, you or your representative payee must promptly report any changes in work activity that could affect your benefits. You must tell us right away if:

- You start or stop to work;
- You already reported your work, but your duties, hours, or pay have changed;
- You start paying for expenses that you need for work due to your disability. See ***page 22*** for more information on impairment-related work expenses.

You can report changes in your work activity by phone, fax, mail, or in person. Call our toll-free number **1-800-772-1213** between 7 a.m. and 7 p.m., Monday through Friday, or visit your local SSA office. You can find your local office by going to our website at ***www.socialsecurity.gov***.

When you report changes in your work activity, we will give you a receipt to verify that you have properly fulfilled your obligation to report. Keep this receipt with all of your other important papers from Social Security.

When Will We Review Your Disability?

We will conduct a continuing disability review of your case periodically to see if your condition has medically improved or if you can perform SGA.

If you have received SSDI benefits for at least 24 months, we will not do this review just because you are working. We also will not perform a review to see if your condition has medically improved while you are using a Ticket to Work (see ***page 26***). We will review your case when we receive information that you may have medically improved or during a regular, scheduled continuing disability review.

If you receive SSI benefits, we may review your case if you work and are eligible for Medicaid While Working or if there are changes in your work status. We will not review your case more often than once a year.

When Will Your Benefits Stop?

If you receive SSDI benefits and we find that you no longer meet the requirements for disability due either to work at the SGA level or medical improvement, we say that your disability "ceased". If we find that your disability ceased due to work at the SGA level, our decision is effective in the month shown by the evidence. If we find that your disability ceased due to medical improvement, our decision is effective in the month shown by the evidence, or the month we give you written notice, if later. In either case, we pay SSDI benefits for the cessation month and the following 2 months. We call these 3 months the "grace period".

Your SSDI benefits may continue:

- If we cease your disability due to your work at the SGA level and then your earnings fall below SGA within the Extended Period of Eligibility (see ***page 29***), *or*
- If we ceased your disability due to medical improvement *and* you are participating in a program of vocational rehabilitation or similar services (see ***page 26***).

If you receive SSI benefits and we find that you no longer meet the requirements for disability due to medical improvement, we say that your disability "ceased". Our decision is effective with the month shown by the evidence, or the month we give you written notice, if later. However, your SSI eligibility continues for that month and the following 2 months if you meet all the non-disability-related requirements including the income and resources tests. We call these 3 months the "grace period".

If we cease your disability due to medical improvement, your SSI benefits may continue if you are participating in a program of vocational rehabilitation or similar services, employment services, or other support services (see ***page 26***).

You are not eligible for an SSI payment for any months you do not meet the non-disability eligibility requirements, for example, the income or resources tests.

HOW DO EMPLOYMENT SUPPORTS HELP?

The employment-support provisions are intended to assist you in your efforts to become as self-sufficient as possible through work. Employment supports can help you find a job or start a business, protect your cash and medical benefits while you work, or save money to go to school. If your benefits end because of your work and you have to stop working later, employment supports can make it easy to begin receiving benefits again.

We discuss each employment support on the following pages. You should view all of the employment supports as a total package to fully appreciate the multiple levels of support available to help disabled persons achieve their personalized goal of greater economic independence. The following table provides a brief description of the SSDI and SSI employment supports. The last column in the table indicates the page number in the Red Book where you can find a more detailed description of the employment support.

SSDI Employment Supports

The SSDI employment supports provide help over a long period of time to allow you to test your ability to work, or to continue working, and gradually become self-supporting and independent. In general, you have at least 9 years to test your ability to work. This includes full cash payments during the first 12 months of work activity, a 36-month re-entitlement period during the Extended Period of Eligibility (EPE), and a 5-year period in which we can start your cash benefits again without a new application (see Expedited Reinstatement, ***page 27***). You may continue to have Medicare coverage during this time or even longer.

SSI Employment Supports

The SSI employment supports offer ways for you to continue receiving your SSI checks and/or Medicaid coverage while you work. Some of these provisions can increase your net income to help cover special expenses.

Once you receive SSI, we consider that your disability continues until you medically recover, even if you work. If you cannot receive SSI checks because your earnings are too high, your eligibility for Medicaid may continue while you are working. In most cases, if you lose your job or are unable to continue working, you can begin receiving checks again without filing a new application.

GUIDE TO EMPLOYMENT SUPPORTS

Employment Support (Alphabetically Listed)	**How This Employment Support Can Help You**	**See Page**
Blind Work Expenses (BWE)	Do you work, receive SSI based on blindness, and have work-related expenses?	47
Continued Payment Under a Vocational Rehabilitation or Similar Program (Section 301)	Has your medical condition improved and are you participating in a vocational rehabilitation or similar program?	26
Earned Income Exclusion	How do we figure your monthly SSI payment amount if you work?	34
Expedited Reinstatement (EXR)	If your benefits ended because you successfully returned to work, can you get benefits again if you stop working?	27
Extended Period of Eligibility (EPE)	How long can you receive SSDI benefits after you return to work?	29
Impairment-Related Work Expenses (IRWE)	Do you pay for items or services related to your disability that you need in order to work?	22
Medicaid While Working – Section 1619(b)	What happens to your Medicaid after you return to work?	42
Medicare Continuation	What happens to your Medicare after you return to work?	31
Medicare for Persons with Disabilities Who Work	What happens if you are no longer eligible for free Medicare Part A because of your work?	32
Plan to Achieve Self-Support (PASS)	Do you receive SSI (or SSDI and are eligible for SSI) and want to set aside money to pursue an employment goal?	36
Property Essential to Self-Support (PESS)	Do you receive SSI and own property or resources that are essential to your means of self-support?	38
Reinstating SSI Eligibility Without a New Application	How can you restart your SSI cash payments if you stop working?	40
Special SSI Payments for Persons Who Work - Section 1619(a)	What happens to your SSI cash benefits when your earned income is substantial but you are still disabled?	39
Special SSI Payments for Persons Eligible Under Section 1619 Who Enter a Medical Treatment Facility	What happens to your SSI payment if you are working, but you have to enter a medical facility?	41

Employment Support (Alphabetically Listed)	**How This Employment Support Can Help You**	**See Page**
Subsidy and Special Conditions	Do you work and receive SSDI but have extra help on the job or have fewer or simpler tasks than other workers?	20
Ticket to Work (Ticket or TTW)	Do you want assistance to help you return to work?	25
Trial Work Period (TWP)	How can you test your ability to work without losing your SSDI benefits?	28
Unincurred Business Expenses	Do you receive SSDI and are you self-employed?	30
Unsuccessful Work Attempt (UWA)	What happens to your SSDI benefits if you try to return to work but have to stop working or reduce your hours because of your disability?	21

Subsidy and Special Conditions

When do we consider Subsidy and Special conditions?

We consider the existence of a subsidy and/or special conditions when we make an SGA decision. We use only earnings that represent the real value of the work you perform to decide if your work is at the SGA level.

What is a subsidy?

A "subsidy" is support provided by your employer that may result in your receiving more pay than the actual value of the services you perform.

What are special conditions?

"Special conditions" refers to support provided by your employer, or by someone *other than* your employer, for example, a vocational rehabilitation agency. Because of this support, you may receive more pay than the actual value of the services you perform.

How can you tell if a subsidy or a special condition applies to you?

A subsidy or special condition may exist if:

- You receive more supervision than other workers doing the same or a similar job for the same pay; *or*
- You have fewer or simpler tasks to complete than other workers doing the same job for the same pay; *or*
- You have a job coach or mentor who helps you perform some of your work.

If your employer and/or other involved parties cannot or will not set the real value of your work, we will decide the value of your work.

Do subsidies or special conditions affect my SSI payments?

No, we do not consider subsidy or special conditions when we figure your SSI payment amount.

Unsuccessful Work Attempt (UWA)

SSDI and SSI initial eligible

What is a UWA?

A UWA is an effort to do substantial work, in employment or self-employment, which you stopped or reduced to below the SGA level after a short time (6 months or less) because of:

- Your impairment; or
- Removal of special conditions related to your impairment and essential to the further performance of your work (see ***page 20***).

What is the benefit of a UWA if you receive SSDI?

When we make an SGA decision to determine if your disability continues or ceases because of your work, we do not count your earnings during a UWA.

Can a UWA occur during the Extended Period of Eligibility?

Yes. During the EPE (see ***page 29***), we consider a UWA as part of our SGA decision for months up to and including the month we decide your disability has ceased.

Can a UWA occur during the Trial Work Period?

No. We do not consider a UWA during the TWP (see ***page 28***) or after we decide that your disability has ceased.

Does a UWA affect your monthly SSI payment?

For SSI, we only consider a UWA at the time you file an initial claim. After that, we do not consider a UWA in figuring your SSI payment.

Impairment-Related Work Expenses (IRWE)

SSDI and SSI eligible

How can IRWE help you?

We deduct the cost of certain impairment-related items and services that you need to work from your gross earnings when we decide if your "countable earnings" demonstrate performance of SGA. It does not matter if you also use these items and services for non-work activities.

When will we deduct your IRWE?

We deduct IRWE for SGA purposes when:

- The item(s) or service(s) enables you to work;
- You need the item(s) or service(s) because of a physical or mental impairment;
- You pay for the item(s) or service(s) and are not reimbursed by another source such as Medicare, Medicaid, or a private insurance carrier;
- The cost is "reasonable", that is, it represents the standard charge for the item or service in your community.

How do we use IRWE to figure your SSI monthly payments?

If you receive SSI benefits, we will exclude IRWE from your earned income when we figure your monthly payment amount if you meet the requirements above and you paid the expense in a month that you received earned income or performed work while you used the IRWE.

Can IRWE be deducted during a non-work month?

Generally, you must be working in the month you pay for an IRWE. However in certain situations, we can deduct IRWE amounts for expenses you pay before you start or after you stop work.

What types of expenses are deductible?

The following table outlines the types of expenses that are deductible as IRWE.

Examples of Deductible and Non-Deductible IRWE

TYPE OF EXPENSE	IRWE DEDUCTIBLE	NOT DEDUCTIBLE
Transportation Costs	✓ The cost of structural or operational modifications to your vehicle that you need to travel to work, even if you also use the vehicle for non-work purposes. ✓ The cost of driver assistance or taxicabs you need because of your disability rather than the lack of public transportation. ✓ Mileage expenses at a rate determined by us for an approved vehicle and limited to travel to and from work.	⊘ The cost of your vehicle whether modified or not. ⊘ The costs of modifications to your vehicle that are not directly related to your impairment or critical to the operation of your vehicle, for example, paint or pin striping. ⊘ Your travel expenses related to obtaining medical items or services.
Attendant Care Services	✓ Services performed in the work setting. ✓ Services performed to help you prepare for work, the trip to and from work, and after work; for example, bathing, dressing, cooking, and eating. ✓ Services that incidentally also benefit your family, for example, meals shared by you and your family. ✓ Services performed by your family member for a cash fee where he/she suffers an economic loss by reducing or ending his/her work to help you, for example, if your spouse must reduce his or her work hours to help you get ready for work.	⊘ Services performed on non-workdays or help with shopping or general housekeeping, for example, cleaning and laundry. ⊘ Services performed for someone else in your family, for example, babysitting. ⊘ Services performed by your family member for payment "in-kind", for example, room and board. ⊘ Services performed by your family member for a cash fee where he/she suffers no economic loss. This includes services provided by your non-working spouse.
Medical Devices	✓ Deductible devices include wheelchairs, dialysis equipment, pacemakers, respirators, traction equipment, and braces.	⊘ Any device you do not use for a medical purpose.
Prosthesis	✓ Artificial hip, artificial replacement of an arm, leg, or other parts of the body.	⊘ Any prosthetic device that is primarily for cosmetic purpose.
Residential Modifications	✓ *If you are employed outside of home*, modifications to the exterior of your house that permit access to the street or to transportation; for example: ✓ Exterior ramps Railings Pathways ✓ *If you are self-employed at home*, modifications made inside your home in order to create a workspace to accommodate your impairment. This includes enlarging a doorway into an office or workroom and/or modifying office space to accommodate your dexterity challenges	⊘ *If you are employed outside of home*, modifications to the interior of your house. ⊘ *If you are self-employed at home*, you cannot deduct any modification-related expenses that you will deduct as a business expense when determining SGA.

TYPE OF EXPENSE	IRWE DEDUCTIBLE	NOT DEDUCTIBLE
Routine Drugs & Routine Medical Services	✓ Regularly prescribed medical treatment or therapy that is necessary to control your disabling condition, even if control is not achieved. This includes: Anti-convulsant drugs Blood level monitoring Radiation treatment Chemotherapy Corrective surgery for spinal disorders Anti-depressant medication Psychotropic medications Counseling and therapy services Your physician's fee relating to these services.	⊘ Drugs and/or medical services used for your minor physical or mental health problems, for example: Routine physical examinations Allergy treatments Dental examinations Optician services.
Diagnostic Procedures	✓ Procedures related to the control, treatment, or evaluation of your disabling condition; for example, brain scans, and electroencephalograms.	⊘ Procedures not related to your disabling condition, for example, allergy testing.
Non-Medical Appliances & Devices	✓ In unusual circumstances, devices or appliances that are essential for the control of your disabling condition either at home or at work; for example, an electric air cleaner if you have severe respiratory disease. Your physician must verify this need.	⊘ Devices you use at home or at the office that are not ordinarily for medical purposes and for which your doctor has not verified a medical work-related need. These include: Portable room heaters Air conditioners Dehumidifiers Humidifiers
Other Items & Services	✓ Expendable medical supplies; for example, incontinence pads, elastic stockings, and catheters. ✓ The cost of a service animal including food, licenses, and veterinary services.	⊘ An exercise bicycle or other device you use for physical fitness, unless verified as necessary by your physician. ⊘ Health insurance premiums.

Ticket to Work

SSDI and SSI eligible

What is a Ticket?

The Ticket to Work Program is an innovative program for persons with disabilities who want to work and participate in planning their employment. A Ticket increases your available choices when obtaining employment services, vocational rehabilitation services, and other support services you may need to get or keep a job. It is a free and voluntary service. You can use the Ticket if you choose, but there is no penalty for not using it. You might not be subject to a continuing disability review while you are using your Ticket.

Where can I use a Ticket?

This program is available in all 50 states and 10 United States Territories. Many SSDI and SSI disability beneficiaries will receive a "Ticket" they can use to obtain services from a state vocational rehabilitation (VR) agency or another approved provider of their choice. We call these approved providers "Employment Networks". Employment Networks (ENs) are private organizations or government agencies that have agreed to work with Social Security to provide employment services to beneficiaries with disabilities. The EN you choose will help you activate your Ticket.

Where do I get more information?

For more information on Ticket to Work, including a list of approved Employment Networks, call **1-866-YOURTICKET** (**1-866-968-7842**) or for TTY/TDD call **1-866-833-2967** between 8 a.m. to 8 p.m. Eastern time (Monday through Friday).

You can find information about the Ticket to Work Program online at ***www.socialsecurity.gov/work***.

Continued Payment under Vocational Rehabilitation or Similar Program (Section 301)

SSDI and SSI eligible

How do I qualify for continued payment?

If we find that you no longer have a disabling impairment due to medical improvement, your benefit payments usually stop. However, if you are participating in an appropriate program of vocational rehabilitation or similar services, your benefits may continue until your participation in the program ends.

What is an appropriate program of vocational rehabilitation or similar services?

An appropriate program must be approved by us and includes:

- The Ticket to Work
- A Vocational Rehabilitation Agency using an individualized plan for employment (IPE)
- Support services using an individualized written employment plan
- A Plan to Achieve Self-Support (PASS)
- An individualized education program (IEP) for an individual age 18 through 21

How long may my benefits continue?

Under Section 301, your benefits may continue until you:

- Complete your program; *or*
- Your participation in the program stops; *or*
- We decide that your continued participation in the program will not increase the likelihood of your permanent removal from the disability benefit rolls.

How do I qualify for Section 301?

To qualify for Section 301:

- You must be participating in an appropriate program of vocational rehabilitation or similar services that began before your disability ends under our rules; *and*
- We must review your program and decide that your continued participation in the program will increase the likelihood of your permanent removal from the disability benefit rolls.

Expedited Reinstatement (EXR)

SSDI and SSI eligible

What is EXR?

EXR is a safety net for people who successfully return to work and lose their entitlement to SSDI or SSI benefits and payments. If your cash payments ended because of your work and earnings, and you stop work within 5 years of when your benefits ended, we may be able to start your benefits again.

How does EXR help you?

If you have stopped receiving benefits due to your work, we may be able to restart them again without a new application. The EXR provision allows you to receive up to 6 months of temporary cash benefits while SSA conducts a medical review to determine whether we can reinstate your benefits. You may also be eligible for Medicare and/or Medicaid during the provisional benefit period.

Who can be reinstated?

You are eligible to request EXR if you meet *all* the following requirements:

- Your previous entitlement to SSDI benefits terminated due to performance of SGA; *or* your previous SSI disability/blindness eligibility terminated because of excess earned income or a combination of earned and unearned income;
- You are not performing SGA in the month you apply for EXR;
- You are unable to work at the SGA level due to your medical condition;
- You have a current medical impairment(s) that is the same as, or related to, your original disabling impairment(s); and
- You request EXR within 5 years from the month your benefits stopped.

SSDI ONLY EMPLOYMENT SUPPORTS

Trial Work Period (TWP)

SSDI eligible

How does the TWP help you?

The TWP allows you to test your ability to work for at least 9 months. During your TWP, you will receive *full* SSDI benefits *regardless of how high your earnings might be* as long as you report your work activity and you have a disabling impairment.

When does the TWP start?

Your TWP starts the first month you are entitled to SSDI benefits or the month you file for benefits, whichever is later.

How long does the TWP last?

The TWP continues until you accumulate 9 months (not necessarily consecutive) in which you perform what we call "services" within a rolling 60-month period. We use this "services" rule only to count TWP months.

In 2011, we consider your work to be "services" for the TWP if your gross earnings are more than $720 a month, **or** if you work more than 80 hours in self-employment in a month.

What happens when you complete your TWP?

After you complete your TWP, you begin your Extended Period of Eligibility (EPE, see ***page 29***), unless we conduct a continuing disability review and find your impairment has medically improved. After the TWP ends, we evaluate your work and earnings to decide if you can work at the SGA level (see ***page 13***).

When your TWP is complete, you may become eligible for other employment supports and we consider whether any of them apply to your situation.

What else do you need to know about the TWP?

- You are not eligible for disability benefits or a TWP if you work at the SGA level within 12 months of the start of your impairment(s) and before we approve your claim for disability benefits. This is because your impairment does not meet our definition of disability (see ***page 13***).
- We can consider medical evidence that might demonstrate your medical recovery at any time. Therefore, it is possible for your benefits to stop due to your medical recovery before the end of your TWP.
- We will not conduct a continuing disability review if you are participating in the Ticket to Work program and you are using your ticket (see ***page 25***).
- Unsuccessful Work Attempts (UWA) do not apply during the TWP (see ***page 21***).

Usually, we adjust the dollar amount of TWP "services" each year based on the national average wage index.

Does the TWP apply to SSI?

No. A TWP does not apply to the SSI program.

Extended Period of Eligibility (EPE)

SSDI eligible

What is the EPE?

The EPE begins the month after the TWP ends, even if you are not working that month. The first 36 months of the EPE is the re-entitlement period. The EPE allows you to resume receiving benefits if you are not working during the re-entitlement period.

How does the EPE help you?

During the 36-month re-entitlement period, you get benefits for months your earnings or work activities are below the substantial gainful activity (SGA) level as long as you continue to have a disabling impairment. We suspend benefits for months your earnings are over the SGA level. We will restart your benefits within the re-entitlement period if your earnings fall below the SGA level. A new application and/or disability determination is not required to start your benefits again. (This is a different rule than Expedited Reinstatement (EXR) that we describe on ***page 27***.)

What happens the first time you work above SGA?

The first time that you work above SGA in the EPE, we will decide that you no longer meet the requirements for disability due to work. We will pay for the first month your work is SGA and the following 2 months. We call this the grace period. If your earnings fall below SGA and are you are still in the 36-month re-entitlement period, we can reinstate your benefits without a new application.

Can you continue to receive benefits after the 36-month re-entitlement period ends?

If you are not working above SGA and are eligible for a benefit payment for the 37th month of the EPE, you will continue to be eligible for benefits until you:

- Work a month at the SGA level, *or*
- Medically recover.

What happens if you work after the re-entitlement period ends?

Your benefits will end if you work above SGA after the 36-month re-entitlement period. However you may be able to start your benefits again if you stop work within the next 5 years (see EXR on ***page 27***).

Do you get an EPE under SSI?

No. The EPE applies only to persons who receive SSDI cash benefits.

Unincurred Business Expenses (Self-Employment)

SSDI eligible

What are they?

"Unincurred Business Expenses" are contributions made by others to your self-employment business effort. For example, if the state VR agency gives you a computer for your business, or a friend works for your business as unpaid help, these are "unincurred business expenses".

SSA generally follows the Internal Revenue Service (IRS) rules to figure your net earnings from self-employment. The IRS only allows you to deduct expenses you actually paid or incurred debt. When we make an SGA decision, we also deduct unincurred business expenses from your net earnings because we want an accurate measure of the value of your work.

What qualifies as an unincurred business expense?

For an item or service to qualify as an unincurred business expense:

- It must be an item or service that the IRS would allow as a legitimate business expense if you had paid for it; and
- Someone other than you must have paid for it.

Do they affect your SSI payments?

No. We do not deduct unincurred business expenses from earnings when we figure your SSI payment amount.

Continuation of Medicare Coverage

SSDI eligible

What is Continuation of Medicare Coverage?

Most persons with disabilities who work will continue to receive at least 93 consecutive months of Hospital Insurance (Part A); Supplemental Medical Insurance (Part B), if enrolled; and Prescription Drug coverage (Part D), if enrolled, after the 9-month Trial Work Period. You do not pay a premium for Part A. Although cash benefits may cease due to work, you have the assurance of continued health insurance. (93 months is 7 years and 9 months.)

When does this start?

The 93 months start the month after the last month of your TWP.

How do you qualify?

You must already have Medicare and be working at SGA, but not be medically improved.

Medicare for Persons with Disabilities Who Work

SSDI eligible

Can you buy Medicare coverage?

Yes. After premium-free Medicare coverage ends due to work, some persons who have returned to work may buy continued Medicare coverage, as long as they remain medically disabled. Some persons with low incomes and limited resources may be eligible for state assistance with these costs under various Medicare Savings Programs. Your state Health and Human Services agency makes the determination about whether you qualify for this help.

Who is eligible to buy Medicare coverage?

You are eligible to buy Medicare coverage if:

- You are not yet age 65; *and*
- You continue to have a disabling impairment; *and*
- Your Medicare stopped due to work.

What kind of Medicare coverage can you buy?

Premium Hospital Insurance (Part A) is available at the same monthly cost that uninsured eligible retired beneficiaries pay. If you have less than 30 quarters of coverage, the premium is $450 in 2011. However, you may qualify for a reduction in this premium (see below).

Premium Supplemental Medical Insurance (Part B) is available at $115.40 per month; this is the same monthly cost that uninsured eligible retired beneficiaries pay in 2011.

You can buy Hospital Insurance separately without Supplemental Medical Insurance. You can buy Supplemental Medical Insurance only if you also buy Hospital Insurance. Premium Prescription Drug coverage (Part D) is also available.

Do you qualify for a reduction in your monthly Part A premium?

You may qualify for a 45% reduction in the monthly amount of your premium for Hospital Insurance (Part A). You qualify for the reduced premium of $248.00 in 2011 if you:

- Have 30 or more quarters of coverage on your earnings record; *or*
- Have been married for at least 1 year to a worker with 30 or more quarters of coverage; *or*
- Were married for at least 1 year to a deceased worker with 30 or more quarters of coverage; *or*
- Are divorced, after at least 10 years of marriage, from a worker who had 30 or more quarters of coverage at the time the divorce became final.

When can you enroll?

You may enroll:

- During your initial enrollment period (the month you are notified about the end of your premium-free health insurance and the following 7 months); *or*
- During the annual general enrollment period (January 1 through March 31 of each year); *or*

- During a special enrollment period. You can enroll at any time while you are working, covered under an employer group health plan, still have a disabling impairment, or during the 8-month period that begins with the first full month after your employment or group health plan coverage ends, whichever occurs first.

For Prescription Drug coverage (Part D), you may enroll (or change plans) during the annual coordinated election period (November 15 through December 31 of each year).

How does it work with an employer's group health plan?

If you purchase Premium Hospital Insurance (Part A) and maintain your employer group health plan, Medicare will be your primary payer if you are working. Your group health plan would become a secondary payer.

When does the state pay premiums for Medicare?

States are required to pay Hospital Insurance (Part A) premiums for some working persons with disabilities. You qualify if you:

- Are eligible to enroll in Hospital Insurance for persons with disabilities who work; and
- Meet certain income and resource standards; and
- Apply for assistance with your state Medicaid agency; and
- Are ineligible for Medicaid on any other basis.

Note: *Persons with disabilities who work should contact their state health and human services agency for information. See* ***page 49*** *for more information about state help with Medicare Part A premiums.*

Earned Income Exclusion

SSI eligible

Do we count all your earned income when we figure your SSI payment?

We do not count the first $65 of the earnings you receive in a month, plus one-half of the remaining earnings. This means that we count less than one-half of your earnings when we figure your SSI payment amount.

We apply this exclusion in addition to the $20 general income exclusion. We apply the $20 general income exclusion first to any unearned income that you may receive.

The following table shows two examples of how we apply the general income exclusion and the earned income exclusions.

Examples of the Earned Income Exclusion

Situation 1		Situation 2	
Ed receives $361 SSDI each month, wages of $289 each month, and no other income.		Ed receives wages of $450 each month, no SSDI, and $13 of unearned income from another source.	
$361	SSDI	$0	SSDI
- 20	General income exclusion	$ 13	Other unearned income
$341	***Countable unearned income***	- 20	General income exclusion
		$ 7	Remaining general income exclusion
$289	Earned income	$450	Earned income
- 65	Earned income exclusion	- 7	Remaining general income exclusion
$224		$443	
-112	½ remaining earnings	- 65	Earned income exclusion
$112	***Countable earned income***	$378	
		-189	½ remaining earnings
$341	Countable unearned income	$189	***Total countable income***
+112	Countable earned income		
$453	***Total countable income***	$674	2011 Federal Benefit Rate
		-189	Total countable income
$674	2011 Federal Benefit Rate	$485	SSI payment
-453	Total countable income		
$221	SSI payment		
Available Income		**Available Income**	
$361	SSDI	$450	Wages
+289	Wages	+ 13	Unearned income
+221	SSI Payment	+485	SSI Payment
$871	**Total Monthly Income**	**$948**	**Total Monthly Income**

Student Earned Income Exclusion

SSI eligible

How does the student earned income exclusion help you?

If you are under age 22 and regularly attending school, we do not count up to $1,640 of earned income per month when we figure your SSI payment amount. The maximum yearly exclusion is $6,600. These amounts are for the year 2011; we usually adjust these figures each year based on the cost-of-living.

What is the definition of "regularly attending school?"

"Regularly attending school" means that you take one or more courses of study and attend classes:

- In a college or university for at least 8 hours a week; or
- In grades 7-12 for at least 12 hours a week; or
- In a training course to prepare for employment for at least 12 hours a week (15 hours a week if the course involves shop practice); or
- For less time than indicated above for reasons beyond the student's control, such as illness.

Does home schooling qualify?

If you are home-taught, you may be considered "regularly attending school" if:

- You are instructed in grades 7-12 for at least 12 hours a week; and
- The instruction is in accordance with a home school law of the state or other jurisdiction in which you reside.

If you are home-taught because of a disability, you may be considered "regularly attending school" by:

- Studying a course or courses given by a school (grades 7-12), college, university or government agency; and
- Having a home visitor or tutor who directs the study.

How do we apply the income exclusion?

We apply the student earned income exclusion before the general income exclusion or the earned income exclusion.

Plan to Achieve Self-Support (PASS)

SSI eligible

How can a PASS help you?

A PASS allows you to set aside other income besides your SSI and/or resources for a specified period of time so that you may pursue a work goal. For example, if you receive SSDI, wages, or other income, you could set aside some of that money to pay expenses for education, vocational training, or starting a business as long as the expenses are related to achieving your work goal.

We do not count the *income* that you set aside under your PASS when we figure your SSI payment amount. We do not count the *resources* that you set aside under your PASS when we determine your initial and continuing eligibility for SSI.

A PASS can help you establish or maintain SSI eligibility and may increase your SSI payment amount. For example, if you receive $800 per month in SSDI, you have too much income to be eligible for SSI. But if you otherwise qualify for SSI and have a work goal, you could use some of your SSDI to pay for PASS expenses to help you reach your work goal. Because we would not count the portion of your SSDI you are using toward your PASS, this could reduce your countable income enough so you could be eligible for SSI.

In addition, other agencies may not count income that SSA has excluded for a PASS when they determine your eligibility for housing assistance or the Supplemental Nutrition assistance Program (food stamps).

Who can have a PASS?

If you receive SSI or could qualify for SSI, you could benefit from a PASS. You may not need a plan now, but you may need one sometime in the future to remain eligible or to increase your SSI payment amount while fulfilling your work goal.

What are the requirements for a PASS?

Your PASS must:

- Be designed especially for you;
- Be in writing. We prefer that you use our form, the ***SSA-545-BK***. You can get copies of the PASS form, SSA-545-BK, at your local office, from any PASS Expert, or from our website at ***www.socialsecurity.gov/online/ssa-545.html***;
- Have a specific work goal that you are capable of performing;
- Have a specific timeframe for reaching your goal;
- Show what income you receive (other than your SSI payments) and/or resources you have that you will use to reach your goal;
- Show how you will use your income and resources to reach your work goal;
- Show how the money you set aside will be kept separate from other funds;
- Be approved by us; and
- Be reviewed periodically by us to assure your plan is actually helping you achieve progress.

Plan to Achieve Self-Support (PASS)

SSI eligible

Who can help you set up a PASS?

Anyone may help you with your PASS; for example, vocational counselors, social workers, benefit specialists or employers. We will evaluate the plan and decide if it is acceptable. We also will help persons put their plans in writing.

How does a PASS affect your SSI eligibility and/or payment?

When we figure your SSI payment amount, we do not count income set aside under a PASS. We apply this exclusion to your countable income after we use all other appropriate exclusions.

We do not count resources set aside under a PASS towards the resource limit.

Where can you get more information about a PASS?

You can get a PASS Specialist's telephone number by calling our toll-free number **1-800-772-1213** between 7 a.m. and 7 p.m. Monday through Friday or visit our website at: ***www.socialsecurity.gov/disabilityresearch/wi/passcadre.htm***.

You can ask for a pamphlet entitled *Working While Disabled — A Plan for Achieving Self-Support* (SSA Publication No. 05-11017). It is also available online at ***www.socialsecurity.gov/pubs/11017.html***. You can also get a copy from your local office or by calling our toll-free number 1-800-772-1213 between 7 a.m. and 7 p.m. Monday through Friday.

Property Essential to Self-Support (PESS)

SSI eligible

How does PESS help you?

We do not count some resources that are essential to your means of self-support when we decide your continuing eligibility for SSI.

What is not counted?

We do not count your property if you use it in a trade or business (for example, inventory or goods) or personal property you use for work as an employee (for example, tools or equipment). Other use of the item(s) does not matter.

We do not count up to $6,000 of equity value of non-business property that you use to produce goods or services essential to daily activities. An example is land you use to produce vegetables or livestock solely for consumption by your household.

We do not count up to $6,000 of the equity value of non-business income-producing property if the property yields an annual rate of return of at least 6 percent. An example is a rental property.

You must be using the property we are excluding under the PESS provision for your self-support activities. If you are not currently using this property because of circumstances beyond your control, you must expect to start using it again within a reasonable period of time, usually 12 months.

What type of resources do not qualify as PESS?

We do not consider liquid resources, for example, stocks, bonds, or notes as PESS, unless you use them as part of a trade or business.

Special SSI Payments for Persons Who Work - Section 1619(a)

SSI eligible

What is Section 1619(a)?

You can receive SSI cash payments even when your earned income (gross wages and/or net earnings from self-employment) is at the SGA level. This provision eliminates the need for the Trial Work Period or Extended Period of Eligibility under SSI.

How do you qualify?

To qualify, you must:

- Have been eligible for an SSI payment for at least 1 month before you begin working at the SGA level; *and*
- Still be disabled; *and*
- Meet all other eligibility rules, including the income and resource tests.

How does it work?

Your eligibility for SSI will continue for as long as you meet the basic eligibility requirements and the income and resource tests. We will continue to figure your SSI payment amount in the same way as before. If your state provides Medicaid to persons on SSI, you will continue to be eligible for Medicaid.

Do you need to apply?

You do not need to file a special application. Just keep us up to date on your work activity.

Reinstating SSI Eligibility Without a New Application

SSI eligible

How does it help you?

If you have been ineligible for SSI payments due to your work, you may be able to restart your SSI cash payments again at any time without a new application.

If you have been ineligible for SSI and/or Medicaid for any reason *other than* work or medical recovery, you may be able to restart your SSI cash payment and/or Medicaid coverage within 12 months without a new application. When your situation changes, contact us and ask about how you can restart your SSI benefits and/or Medicaid.

If your cash payment and Medicaid benefits ended because of your work and earnings, and you stop work within 5 years of when your benefits ceased, we may be able to start your benefits again under Expedited Reinstatement (see ***page 28***).

Special Benefits If You Are Eligible Under 1619 and Enter a Medical Facility

SSI eligible

How does it help you?

If you are working and eligible under section 1619, you may receive an SSI cash benefit for up to 2 months while in a Medicaid facility or a public medical or psychiatric facility.

What happens if you enter a Medicaid facility?

Usually, if you enter a Medicaid facility where Medicaid pays more than 50% of the cost of care, your SSI payment is limited to $30 per month, plus any state supplement, minus any countable income. However, if you enter a Medicaid facility while you are eligible under section 1619, we will figure your benefit using the full Federal Benefit Rate for up to 2 months.

What happens if you enter a public medical or psychiatric facility?

Usually, if you are in a public medical or psychiatric facility, you are not eligible to receive an SSI payment. However, if you enter a public medical or psychiatric facility while you are eligible under section 1619, your SSI cash benefits may continue for up to 2 months. For this provision to apply, the facility must enter an agreement with us that will allow you to keep all of your SSI payment.

Medicaid While Working – Section 1619(b)

SSI eligible

How does it help you?

After you return to work, your Medicaid coverage can continue, even if your earnings (alone or in combination with your other income) become too high for an SSI cash payment.

How do you qualify?

To qualify, you must meet all of the following qualifications:

- Were eligible for an SSI cash payment for at least 1 month;
- Would be eligible for cash payment except for earnings;
- Still be disabled;
- Still meet all other eligibility rules, including the resources test;
- Need Medicaid in order to work; and
- Have gross earned income that is insufficient to replace SSI, Medicaid, and any publicly funded attendant care. (See following "threshold amount" discussion.)

The "threshold amount" is the measure that we use to decide whether your earnings are high enough to replace your SSI and Medicaid benefits. Your threshold amount is based on:

- The amount of earnings that would cause your SSI cash payments to stop in your state; and
- The average annual per capita Medicaid expenditure for your state.

If your gross earnings are higher than the threshold amount for your state (see following chart), you may still be eligible if you have:

- Impairment-related work expenses (see ***page 22***);
- Blind work expenses (see ***page 47***);
- A Plan to Achieve Self-Support (see ***page 36***);
- Publicly funded attendant or personal care; or
- Medical expenses above the state per capita amount.

Medicaid While Working – Section 1619(b)

SSI eligible

State Threshold Amounts for Persons with Disabilities
2011

STATE	THRESHOLD
Alabama	$24,438
Alaska	$51,525
Arizona	$30,870
Arkansas	$28,730
California	$35,023
Colorado	$31,990
Connecticut	$56,502
Delaware	$38,668
District of Columbia	$43,037
Florida	$28,753
Georgia	$27,509
Hawaii	$36,977
Idaho	$38,495
Illinois	$26,141
Indiana	$34,713
Iowa	$30,811
Kansas	$34,071
Kentucky	$27,345
Louisiana	$29,763
Maine	$32,403
Maryland	$38,660
Massachusetts	$36,391
Michigan	$29,036
Minnesota	$49,550
Mississippi	$25,923
Missouri	$31,180

STATE	THRESHOLD
Montana	$29,429
Nebraska	$36,295
Nevada	$30,135
New Hampshire	$40,720
New Jersey	$33,487
New Mexico	$36,431
New York	$45,454
North Carolina	$33,568
North Dakota	$38,049
Ohio	$34,013
Oklahoma	$26,480
Oregon	$31,462
Pennsylvania	$29,410
Rhode Island	$36,324
South Carolina	$28,141
South Dakota	$32,991
Tennessee	$26,645
Texas	$29,329
Utah	$29,176
Vermont	$35,554
Virginia	$32,545
Washington	$28,160
West Virginia	$28,283
Wisconsin	$31,468
Wyoming	$33,855
N. Mariana Islands	$17,196

States with Separate Threshold Amounts for Blind Persons 2011

STATE	THRESHOLD
California	$35,716
Iowa	$31,339
Massachusetts	$37,240
Nevada	$32,759
Oregon	$31,462

Do all states use the same Medicaid eligibility rules?

Most states use our SSI eligibility rules to determine Medicaid eligibility. However, the following states use their own eligibility rules for Medicaid that are different from our SSI eligibility rules:

Connecticut	Minnesota	Ohio
Hawaii	Missouri	Oklahoma
Illinois	New Hampshire	Virginia
Indiana	North Dakota	

If you live in one of these states, you will continue to be eligible for Medicaid under section 1619(a) or 1619(b) if you were eligible for Medicaid in the month before you became eligible for section 1619.

SPECIAL RULES FOR PERSONS WHO ARE BLIND

What do you mean by special rules for persons who are blind?

Employment supports, in general, are special rules that help you return to work or work for the first time. Congress included language in the law specifically to make it easier for persons who are blind to go to work. Some of these rules apply only to persons who are blind.

How do we define blindness?

Blindness is central visual acuity of 20/200 or less in the better eye with best correction, or a limitation in the field of vision in the better eye so that the widest diameter of the visual field subtends an angle of 20 degrees or less.

Do the same conditions of blindness apply in SSDI and SSI?

No. Under SSDI, this condition has to have lasted or be expected to last at least 12 months. There is no duration requirement for blindness under SSI.

What employment supports are available only to persons who are blind?

Blind work expenses (BWE) are available if you receive SSI based on blindness (see ***page 48***). Impairment-related work expenses (IRWE) are available if you receive SSDI based on blindness (see ***page 23***).

How SGA is Applied under SSDI to Persons Who Are Blind

How do we determine SGA for blind SSDI beneficiaries who work?

For the year 2011, if you are blind, average monthly earnings over $1,640 will ordinarily demonstrate that you are performing SGA. This is higher than the current guideline for non-blind disabled workers. We generally change the SGA level for beneficiaries who are blind every year to reflect changes in general wage levels.

REMINDER: If you are blind, you may use any or all of the deductions from earnings that apply to the SGA decision.

How is SGA applied to blind SSDI beneficiaries who are self-employed?

We decide the SGA of self-employed persons who are blind solely on their earnings. We do not look at time spent in the business or services rendered as we do for non-blind self-employed persons.

How do we determine SGA for SSDI beneficiaries who are blind and age 55 or older?

Special rules apply after your 55th birthday. If your earnings demonstrate SGA but your work requires a lower level of skill and ability than the work you did before age 55 or when you became blind, whichever is later, we will suspend, not terminate, your benefits. Your eligibility for SSDI benefits continues indefinitely, and we pay your benefits for any month earnings fall below SGA.

Does SGA apply to persons who are blind under SSI?

No. If you meet the medical definition of blindness, we do not use SGA as a factor to determine your SSI eligibility. Your SSI eligibility continues until you medically recover, or we end your eligibility because of a non-disability-related reason. See ***page 34*** for an explanation of how we figure your SSI payment amount.

Blind Work Expenses (BWE)

SSI eligible

How do BWE help you?

We do not count any earned income that you use to meet expenses that you need to earn that income in deciding your SSI eligibility and your payment amount. To qualify you must be eligible for SSI based on blindness.

The BWE items do not have to be related to your blindness. When we figure your SSI payment amount, we treat items as BWE instead of IRWE. We do it this way because it always results in a higher SSI payment amount for you. The table below shows how your monthly payment would be affected by BWE versus IRWE.

Examples of BWE

- Service animal expenses
- Transportation to and from work
- Federal, state, and local income taxes
- Social Security taxes
- Attendant care services
- Visual and sensory aids
- Translation of materials into Braille
- Professional association fees, and
- Union dues.

Comparison of Monthly SSI Payment With BWE Versus IRWE

With $40 BWE		With $40 IRWE	
$361	Earned Income	$361	Earned Income
- 20	General Income Exclusion	- 20	General Income Exclusion
$341		$341	
- 65	Earned Income Exclusion	- 65	Earned Income Exclusion
$276		$276	
-138	½ Remaining Earnings	- 40	Impairment Related Work Expenses
$138		$236	
- 40	Blind Work Expenses	-118	½ Remaining Earnings
$ 98	Countable Income	$118	Countable Income
$674	2011 Federal Benefit Rate	$674	2011 Federal Benefit Rate
- 98	Countable Income	-118	Countable Income
$576	**SSI Payment**	**$556**	**SSI Payment**

Blind Work Expenses (BWE)

SSI eligible

Accommodations for Persons Who Are Blind or Visually Impaired

We recognize our duty to inform you of your rights and responsibilities under our programs.

Website

We make every reasonable effort to maintain the accessibility of our websites:

www.socialsecurity.gov/disabilityresearch
www.socialsecurity.gov/redbook
www.socialsecurity.gov/work

Letters

We offer the following delivery options for most of our letters and other communications:

- Standard print notice by first class mail
- Standard print notice by certified mail
- Standard print notice by first class mail and a follow-up call to read the notice within five business days of the date of the notice;
- Standard print notice and Braille by first class mail;
- Standard print notice and a compact disc (CD) that contains a Microsoft Word file by first class mail. The Word CD should work with most screen readers but not in an audio CD player.
- Standard print notice and large print (18-point font) notice by first class mail; or
- Standard print notice and an audio compact disc (CD) by first class mail. The audio CD should work in most CD players.

Please visit our website at ***www.socialsecurity.gov/notices*** to request one of the options listed above. You may also call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**) or contact your local Social Security office.

If none of the options listed above work for you, you may request another accommodation. To request another accommodation, please call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**) or contact your local Social Security office.

Publications are available in alternate formats

This book, *The Red Book*, and some other publications are available in alternative media. You can get some of these materials in Braille, audiocassette tape, disk, or enlarged print form. You can find a list of the publications available in alternate formats on our website at: ***www.socialsecurity.gov/pubs/alt-pubs.html***.

You may order these publications while you are online, or you may contact our Braille Services Team by telephone at: **410-965-6414**, or **410-965-6407**, or by fax at **410-965-6413**. TTY users may call **1-800-325-0778**.

ADDITIONAL HELP WITH HEALTH CARE FOR PERSONS WITH DISABILITIES

Medicaid Buy-In for Working Persons with Disabilities

How does it help you?

Your state may allow you to buy Medicaid if you are disabled and no longer entitled to free Medicaid because you returned to work.

How do you qualify?

You may qualify if you:

- Meet the definition of "disabled" under the Social Security Act; *and*
- Would be eligible for SSI payments if it were not for your earnings.

If you are not an SSI recipient, your state decides if you are disabled. Your state will not consider whether you are working when it makes that decision.

How can you get more information?

Contact your state Medical Assistance office. Call **1-800-MEDICARE** to get their telephone number. (TTY users call **1-877-486-2048**.) Ask about the Medicaid buy-in program.

Help with Medicare Part A Premiums

How does it help you?

If you are under age 65, disabled, and no longer entitled to free Medicare Hospital Insurance Part A because you successfully returned to work, you may be eligible for a program that helps pay your Medicare Part A monthly premium.

How do you qualify?

To be eligible for this help, you must:

- Continue to have a disabling impairment; *and*
- Sign up for Premium Hospital Insurance (Part A); *and*
- Have limited income; *and*
- Have limited resources; *and*
- Not already be eligible for Medicaid.

For more information

To find out more about this program, contact your state Medical Assistance office. Call **1-800-MEDICARE** to get their telephone number. (TTY users call **1-877-486-2048**.) Ask about Medicare for Qualified Disabled and Working Persons.

EXAMPLE OF CONCURRENT BENEFITS WITH EMPLOYMENT SUPPORTS

Many persons are eligible for benefits under both the SSDI and SSI programs at the same time. We use the term "concurrent" when persons are eligible for benefits under both programs. Below we describe how a return to work may affect a person's concurrent benefits.

Tom files applications for Social Security Disability Insurance (SSDI) benefits and Supplemental Security Income (SSI) on February 27, 2004. His medical condition caused him to stop work beginning February 14, 2004. We call this date his "alleged onset date" of disability.

Tom is approved for disability benefits.

Tom receives an award letter on June 7, 2004, stating he is approved for disability benefits with his alleged onset date of February 14, 2004.

March 2004 Tom's SSI benefits begin the month after he filed his application. He is eligible for $564 per month (the FBR in 2004). Tom also becomes eligible for Medicaid.

August 2004 Tom's SSDI benefits begin. This is the month after Tom completed his 5-month waiting period. The 5 months began the first full month after Tom's approved onset date of 2/14/04. The 5 months were March, April, May, June, and July 2004. Tom is eligible to receive SSDI benefits beginning August 2004. His monthly benefit amount is $300 which reduces his SSI to $284:

$300 SSDI - $20 general income exclusion = $280 countable income

$564 FBR - $280 countable income = $284 SSI payment

Tom qualifies for Medicare.

August 2006 Tom qualifies for Medicare after 24 months of entitlement to SSDI benefits. Medicare Hospital Insurance (Part A) is premium-free; Medicare Supplemental Medical Insurance

(Part B) is optional but there is a premium. Tom's state pays his Part B premium for him because he is eligible for SSI and has been covered by Medicaid since March 2004. Tom now has both Medicare and Medicaid. Medicare is the primary payer and Medicaid is the secondary payer.

Tom wants to work.

December 2008 Tom contacts his local Social Security office on December 7, 2008, to learn how a job will affect his SSDI, SSI, and health insurance benefits. Tom is a certified auto mechanic, and a local car dealership has offered him a job.

Tom returns to work.

January 2009 Tom begins work at the car dealership. The dealership pays him $1,600 a month. If we expect Tom's medical condition to improve, we may start a continuing disability review at any time to determine if he still meets the disability requirements.

How Tom's work affects his SSDI benefits.

January 2009 Tom's Trial Work Period (TWP) begins. During the TWP, Tom can continue to receive full SSDI benefits for at least 9 months regardless of the amount of his earnings. Each month that Tom earns over $700 in 2009 ($720 in 2011) will count as a TWP service month. His TWP ends with the 9th month of service in a rolling 60-month period.

September 2009 Tom provides pay stubs showing his steady work activity since January 2009. We determine Tom's TWP months are January, February, March, April, May, June, July, August, and September 2009. Tom completes his TWP in September 2009.

October 2009 Tom's TWP has ended and his EPE begins. This is the month after his TWP ended. For the next 36 months (through September 2012), Tom will be paid benefits for any month he does not work over the Substantial Gainful Activity (SGA) level. We refer to this 36-month period of time as the re-entitlement period. During these 36 months, benefits, we can reinstate benefits if Tom's level of work activity falls below SGA. The SGA level for 2009 was $980 per month for non-blind persons ($1,000 in 2011).

Is Tom performing SGA?

We know from Tom's pay stubs that he receives $1,600 a month in wages. Tom tells us that he is able to complete only 4 car repairs a day, compared to his co-workers who complete an average of 6-8 car repairs a day. Tom believes he is paid the same salary as his fellow co-workers. If this is the case, Tom's employer may be subsidizing his wages.

We contact the employer and learn that the employer is paying Tom $1,600 a month, the same rate as experienced employees who complete 6-8 repairs a day. The employer pays Tom the same rate as the experienced employees because he knows about Tom's disability and understands it takes him longer to complete tasks. The employer calculates that the actual worth of Tom's services is $1,400 a month. This means that Tom has a monthly subsidy of $200, which is the difference between what he is paid ($1,600) and what his employer says his services are worth ($1,400).

Tom takes a taxi to and from work and provides receipts which show this cost is $350 per month. Tom's treating physician confirms that his condition prevents him from driving. He cannot take public transportation because crowded situations aggravate his condition. Since Tom pays for his work transportation and there is a medical need for him to take a taxi, we can deduct the cost of his transportation expenses as Impairment-Related Work Expenses (IRWE).

We use Tom's subsidy and IRWE to calculate his SGA earnings as follows:

$1,600 wages - $200 employer subsidy - $350 IRWE = **$1,050 SGA earnings**

$1,050 is over the monthly SGA level for 2009 of $980, so Tom is engaging in SGA in the first month of his EPE, October 2009.

Tom's SGA level work activity affects his benefits in the EPE.

January 2010 We stop Tom's SSDI benefits. Tom's disability ceased in 10/09 because we determined he was engaging in SGA. Tom can be paid for the month of cessation and the 2 following months. We refer to these 3 months as the "grace period". Tom's grace period months are October, November, and December 2009.

For any month that Tom's earning fall below the SGA limit during his 36-month re-entitlement period, we can reinstate his benefits without a new application. If we reinstate Tom's benefits during the re-entitlement period, he can continue to collect benefits if his work activity is below the SGA limit, even after the 36-month re-entitlement period ends.

Will Tom's entitlement to SSDI terminate?

October 2012 Tom's entitlement will terminate if his work activity continues at over the SGA level. This is the first month after the end of the 36-month EPE. Tom's entitlement may stop earlier than October 2012 if he no longer meets our disability requirements.

How does Tom's work activity affect his SSI benefit?

SGA rules are different for SSI. For SSI disability benefits, we only consider SGA when the initial claim is filed (unless the disability is blindness). SGA is not an issue after a person becomes eligible for SSI. However, we must determine whether the person continues to meet the non-disability requirements, including income and resources. We determine the effect of Tom's earnings on his SSI eligibility and payment amount on a month-by-month basis.

January 2009 Tom's income for 1/09 through 12/09 is SSDI of $300 per month and wages of $1,600 per month. Because Tom's monthly income does not change, the calculation will be the same for all months in 2009.

First, we figure his countable unearned income by subtracting the $20 general income exclusion from his SSDI:

$300 SSDI - $20 = **$280 countable unearned income**

Next, we calculate his countable earned income by first subtracting the $65 earned income exclusion from his wages:

$1,600 - $65 = $1,535

From this amount, we deduct the $350 IRWE for the taxi transportation:

$1,535 - $350 IRWE = $1,185

NOTE: Tom's subsidy is not an earned income exclusion for SSI; subsidy applies only to the SSDI SGA determination. This means we cannot subtract the $300 monthly subsidy when we figure his SSI payment and eligibility. However, the IRWE deduction applies to both the SSDI SGA and SSI payment determinations.

The second step in figuring Tom's earned income is to divide this result by 2:

$1,185 ÷ 2 = **$592.50 countable earned income**

We now add the countable unearned income and the countable earned income to determine total countable income:

$280 countable unearned income + 592.50 countable earned income = **$872.50 total countable income**

Finally, we subtract the total countable income from the SSI FBR to determine SSI eligibility and payment amount:

$674 (FBR in 1/09) - $872.50 countable income = **$0 SSI payment**

Tom will not receive SSI payments for January 2009 through December 2009 because of his SSDI benefits and monthly earnings. However, he is still eligible for SSI and Medicaid While Working (under section 1619(b) of the Social Security Act) as long as his earnings remain under his state's threshold amount, he needs the Medicaid coverage, and he continues to be eligible for SSI except for his earnings.

Tom will not receive SSDI benefits beginning January 2009 as long as he works over the SGA level.

January 2010 Tom reports that he received a pay increase to $1,900 per month beginning in January. His IRWE has increased to $400 per month. Tom's only income is his wages since he is not receiving an SSDI payment. Here is how we figure his SSI eligibility and payment amount for January 2010.

We subtract *both* the general income exclusion and earned income exclusion from monthly earnings:

$1,900 wages - $20 general income exclusion - $65 earned income exclusion = **$1,815**

$1,815 - $400 IRWE = $1,415 ÷ 2 = **$707.50** countable earned income

$674 (FBR in 1/10) - $707.50 countable income = **$0 SSI payment**

Tom is not eligible for any SSI payment unless his earnings or IRWE change.

Will Tom continue to have Medicaid?

Medicaid will continue as long as Tom's earnings are below his state's threshold amount, he needs the Medicaid coverage, and he continues to be eligible for SSI except for his earnings. During this time, he is eligible for an SSI payment for any month that his countable income is under the FBR amount. When Tom's earnings exceed the state threshold amount, his Medicaid will end. However, he may then be eligible to buy into Medicaid if he resides in a state that has the optional Medicaid buy-in program.

Will Tom continue to have Medicare?

Tom will no longer receive SSDI payments, but his Medicare coverage will continue for at least 93 months after his TWP period (which ended 9/09) as long as he continues to have a disabling impairment (has not medically improved). Tom's Medicare coverage will terminate on July 1, 2017.

Tom could then choose to purchase Premium Medicare Hospital Insurance coverage (Part A). If he purchases Part A, he can purchase Part B. He can qualify for the Part A reduced rate since he has earned at least 30 quarters of coverage. We will base Tom's Medicare Insurance (Parts A and B) premiums on the rates in 2017, the year his premium-free coverage ends.

Tom will have to file an application with Social Security if he decides to purchase Medicare coverage in 2017. He will also have to undergo a medical continuing disability review. Tom can purchase Medicare coverage if we determine that his medical condition has not improved after conducting this review.

If Tom still has Medicare when he turns age 65, it will automatically convert to Medicare under the Aged provisions.

SUMMARY OF EXAMPLE WITH CONCURRENT BENEFITS

Example Timeline

3/04	SSI benefits and Medicaid start
8/04	SSDI benefits start
8/06	Medicare starts
1/09	Work starts TWP begins SSI stops due to earnings
9/09	TWP ends
10/09	EPE begins Work at SGA continues SSDI benefits cease, grace months for payment are 10/09-12/09
01/10	SSDI benefits stop
9/12	EPE ends Extended Medicare begins
10/12	SSDI termination month Medicaid ends if earnings are over state threshold amount
7/17	Extended Medicare stops May be able to purchase Premium HI and/or buy into Medicaid
9/17	Last month to file for EXR if no longer working and still disabled

ACRONYMS	
AFIA	Assets for Independence Act
AWIC	Area Work Incentive Coordinator
BPQY	Benefits Planning Query
BWE	Blind Work Expenses
CMS	Centers for Medicare & Medicaid Services
CDB	Childhood Disability Benefits
CWIC	Community Work Incentives Coordinator
DDS	Disability Determination Services
DOL	Department of Labor
DPN	Disability Program Navigator
EARN	Employer Assistance Referral Network
EN	Employment Network
EPE	Extended Period of Eligibility
EXR	Expedited Reinstatement
FBR	Federal Benefit Rate
FICA	Federal Insurance Contributions Act
IDA	Individual Development Account
IRS	Internal Revenue Service
IRWE	Impairment-Related Work Expenses
P & A	Protection and Advocacy
PABSS	Protection and Advocacy for Beneficiaries of Social Security
PASS	Plan for Achieving Self-Support
PESS	Property Essential for Self-Support
SEIE	Student Earned Income Exclusion
SGA	Substantial Gainful Activity
SSA	Social Security Administration
SSDI	Social Security Disability Insurance
SSI	Supplemental Security Income
TTW	Ticket to Work
TANF	Temporary Assistance to Needy Families
TWP	Trial Work Period
UWA	Unsuccessful Work Attempt
VR	Vocational Rehabilitation
WIPA	Work Incentives Planning and Assistance
WISE	Work Incentives Seminars

GLOSSARY	
Blind Work Expenses (SSI)	If you are blind, we do not count any earned income that you use to meet expenses in earning that income when we decide your SSI eligibility and payment amount.
Break-Even Point (SSI)	The dollar amount of total income (after we apply all applicable deductions) that will reduce the SSI payment to zero for a particular case. Your break-even point depends on your earned and unearned income, living arrangements, applicable income exclusions, and state supplement, if any.
Continuing Disability Review (SSDI and SSI)	Our process of obtaining complete current information about your condition to decide if your SSDI and/or SSI benefits should continue.
Continuation of Medicare Coverage (SSDI)	You can receive at least 93 consecutive months of Medicare hospital and supplemental medical insurance after the trial work period. This provision allows health insurance to continue when you go to work and your benefits have stopped because you are working.
Countable Income (SSI)	The amount of money left after we have subtracted all available deductions from your total income. We use this amount to decide your SSI eligibility and payment amounts.
Countable Income Test (SSDI)	One of the tests we may use to evaluate self-employment income if you have received SSDI benefits for 24 months.
Expedited Reinstatement	Qualified persons may request reinstatement of benefits, within 5 years of when benefits stopped, without having to file a new application. You can get up to 6 months of provisional benefits while we make a decision on your request.
Extended Period of Eligibility (SSDI)	During the 36 consecutive months following the trial work period, if you qualify, we may restart your SSDI benefits without a new application, disability determination, or waiting period.
Impairment-Related Work Expenses (SSDI and SSI)	We deduct the cost of items and services that you pay out of pocket and that you need to work because of your impairment; for example, attendant care services and medical devices, when we decide if you are engaging in SGA. It does not matter if you also need the items for normal daily activities. We can usually deduct the cost of these same items from earned income to figure your SSI payment.
Income (SSI)	SSI income is: • Earned income – money received from wages, including from a sheltered workshop or work activity center, self-employment earnings, and some royalties and honoraria; and • Unearned income – money received from all other sources; for example, gifts, interest, Social Security, veteran's benefits, and pensions. Unearned income also includes "in-kind income" (food or shelter) and "deemed income" (some of the income of a spouse, parent, or sponsor of an alien).

GLOSSARY	
Medicaid (SSI) (Medi-Cal in California, AHCCS in Arizona)	Medical coverage provided to a person by the state title XIX program.
Medicaid Protection for Persons with Disabilities Who Work	A state may provide Medicaid coverage for persons with disabilities who: • have earnings that are too high to qualify for SSI under current rules; *and* • are at least 16, but less than 65 years of age; *and* • meet state resource and income limits. • A state may also provide Medicaid coverage to these persons when they lose coverage due to medical improvement, but who still have a medically determinable severe impairment.
Medical Improvement Expected (SSDI and SSI)	If you are approved for disability benefits, we may also decide your disabling impairment(s) may improve. We will document that your case will need a future review.
Medicare (SSDI)	Health insurance program for eligible disabled persons and persons age 65 or older usually consisting of: • Hospital Insurance under Medicare (Part A) • Supplementary Medical Insurance under Medicare (Part B); and • Voluntary prescription drug coverage with a Prescription Drug Provider (PDP) under Part D. Low-income beneficiaries with Medicare can get Extra Help paying their prescription drug coverage premiums by filing an application with SSA. More information is available at: ***www.socialsecurity.gov/prescriptionhelp*** .
Medicare for Persons With Disabilities Who Work (SSDI)	Some persons with disabilities who have returned to work can buy continued Medicare coverage when their premium-free Medicare ends due to work activity. States are required to help pay the hospital insurance premiums for some working persons with disabilities.
Plan to Achieve Self-Support (SSI)	Under an approved PASS, you may set aside income and/or resources over a reasonable time period that will enable you to reach a work goal to become financially self-supporting. You can use the income and resources that you set aside to obtain occupational training or education, purchase occupational equipment, establish a business, etc. We do not count the income and resources that you set aside under a PASS when we decide SSI eligibility and payment amount.
Property Essential to Self-Support (SSI)	We do not count some or all of certain property necessary for self-support when we apply the SSI resources test.
Resources (SSI)	Resources are anything you own; for example, a bank account, stocks, business assets, real property, or personal property that you can use for your support and maintenance. We do not count all of your resources when we decide your SSI eligibility.

GLOSSARY	
Substantial Gainful Activity (SSDI and SSI)	We evaluate the work activity of persons claiming or receiving disability benefits under SSDI, and/or claiming benefits because of a disability (other than blindness) under SSI. Under both programs, we generally use earnings guidelines to evaluate your work activity to decide whether the work activity is substantial gainful activity, and whether we may consider you disabled under the law. While this is only one of the tests used to decide if you are disabled, it is a critical first step in the disability evaluation.
SSDI	Social Security Disability Insurance authorized under title II of the Social Security Act.
SSI	Supplemental Security Income program authorized under title XVI of the Social Security Act.
Subsidy and Special Conditions (SSDI and SSI)	Supports you receive on the job that may result in more pay than the actual value of the work you perform. We use only the actual value of the work you perform when we make a SGA decision.
The Three Tests (SSDI)	We may use one of these tests to evaluate self-employment income when you initially apply for SSDI, and before you have received SSDI benefits for 24 months. We also use the three tests when we evaluate your work activity in the re-entitlement period after benefits have ended due to SGA.
Trial Work Period (SSDI)	The trial work period lets you test your ability to work or run a business for at least 9 months and receive full SSDI benefits, if you report your work activity and your impairment does not improve.
Unincurred Business Expenses	Support contributed to your self-employment effort by someone else. If you are self-employed, we deduct unincurred business expenses from earnings when we make a SGA decision.
Unsuccessful Work Attempt	An effort to do substantial work (in employment or self-employment) that you stopped or reduced to below the SGA level after a short time (6 months or less) because of your impairment, or the removal of special conditions related to your impairment that were essential to your work. We do not count earnings during a UWA when we make an SGA decision.

Social Security Administration
SSA Pub. No. 64-030
ICN 436900

Developed by:
Social Security Administration
Office of Retirement and Disability Policy