



# **SSI Benefits and Work Incentives Part 2**

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**ESFLMP Subject Matter Expert**

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MO EFSLMP BENEFITS PLANNING SERIES

JULY 30<sup>TH</sup>, 2018 1:30-2:30

# Today's Objectives

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- **SSI Specialized Work Incentives**
- **Application and Examples**

# SSI Specialized Work Incentives (deductions)

SSI specialized work incentives that apply to some people:

- Student Earned Income Exclusion (SEIE)
- Impairment Related Work Expenses (IRWE)
- Blind Work Expenses (BWE)
- Plan to Achieve Self Support (PASS)
- 1619(B)
- Property Essential for Self Support (PESS)

# SEIE

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## Student Earned Income Exclusion

```
graph TD; A[Social Security Related Benefits] --- B[Supplemental Security Income (SSI)]
```

Social Security  
Related  
Benefits

Supplemental  
Security  
Income (SSI)

# SEIE

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**Students get to keep more SSI while working**

- **First \$1,820/month (2018) of earnings excluded**
- **Up to \$7,350/year (2018) can be excluded**
- **January – December annual period**
- **Includes summer months if going to continue back with school in the Fall**

# SEIE

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## Eligibility

- Under age 22, and
- Regularly attending school (see Red Book link)

<https://www.ssa.gov/redbook/>

*Once you hit 22, SEIE stops*

# SEIE

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- **First Exclusion listed on SSI Calc Sheet**
- **Required Work Incentive (not optional)**
  - **if you're in school and making money it should be applied**
- **If SSA misses it, you can go back and receive payment for error**
- **Request in writing to ensure it's applied**

# SEIE

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Regularly attending school;

- College or University – 8 hrs/wk
- Traditional School 7-12/12 hrs/wk
- Combination of school and training program
- Homeschooled Students (due to disability)
- “Homebound” Students
- Online Schooling

*The idea is the educational component will make you less reliant on benefits in the future*

# SEIE

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Report student status (don't assume SSA is aware the beneficiary is regularly attending school)

Verification of enrollment

- ID Card
- Tuition Receipt (or comparable evidence)

Document that the program involved training to prepare the beneficiary for paying employment

# SEIE Question

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- Pete is 20 years old and participating in is a Senior Plus program at his high school. He recently got a part-time job making \$1000/month? Does Pete qualify for SEIE?

# SEIE Answer

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Yes or No?

# Questions?

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# IRWE

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## Impairment Related Work Expense

```
graph TD; A[Social Security Related Benefits] --- B[Supplemental Security Income (SSI)]
```

Social Security  
Related  
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# IRWE

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**You keep more SSI when paying for certain expenses**

**Expenses must be:**

- **Paid by the beneficiary**
- **Need for an impairment – related to the disability**
- **Enables beneficiary to work - you have to have it**
- **Reasonable in price**

# IRWE

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**Amount of expense paid can be deducted in the SSI calculation**

- **Can potentially get up to half of the amount back in the SSI check**
- **Must be approved by SSA and doctors notes may be required for justification – work with SSA rep to discuss**

# IRWE Calculation Example

## Step 2: Countable Earned Income

\$1000.00 Earned Income

(-) \$ \_\_\_\_\_ SEIE (up to \$1,780/month)

(-) \$ 20.00 General Income Exclusion (if not used)

(-) \$ 65.00 Earned Income Exclusion (\$65)

(-) \$ 200.00 IRWE

(=) \$ \$715.00 Remainder

(/) 2 Divide by 2

(-) \$ \_\_\_\_\_ BWE

(=) \$ 357.50 Countable Earned Income

# IRWE Examples

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Examples of IRWE's (not an exhaustive list)

- Medications
- Job Coaching
- Medical Devices
- Routine Medical Supplies
- Some Transportation
- Medical services
- Etc.

# IRWE Question

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Pete is receiving SSI. He is not entitled to a Title II benefit. He recently got a job making \$1000/month gross wages. He pays out of pocket for medications and blood tests every month for \$200 due to his diagnosis.

Could Pete consider the \$200 in expenses an IRWE?

# IRWE Answer

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Yes or No?

# BWE

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**Blind  
Work  
Expense**

```
graph TD; A[Social Security Related Benefits] --- B[Supplemental Security Income (SSI)]
```

Social Security  
Related  
Benefits

Supplemental  
Security  
Income (SSI)

# BWE

Keep more SSI when paying for work related expenses

- Only available for people blind by SSA standards

Expenses that are:

- Paid by the beneficiary
- Enables beneficiary to work
- Amount of expense can be deducted in the SSI Calculation
- Can potentially get up to entire amount back in the SSI check

# BWE Examples

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- State and Federal Taxes
- Union Dues
- Mandatory pension contributions
- Guide Dog
- Childcare
- Transportation
- Meals consumed during work
- Reader Services
- Etc.

# BWE Calculation

## Step 2: Countable Earned Income

\$1000.00 Earned Income

(-) \$ \_\_\_\_\_ SEIE (up to \$1,780/month)

(-) \$ 20.00 General Income Exclusion (if not used)

(-) \$ 65.00 Earned Income Exclusion (\$65)

(-) \$ \_\_\_\_\_ IRWE

(=) \$ 915.00 Remainder

(/) 2 Divide by 2 (\$457.50)

(-) \$ 200.00 BWE

(=) \$ 257.50 Countable Earned Income

# Questions?

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# PASS

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**Plan to  
Achieve  
Self  
Support**

```
graph TD; A[Social Security Related Benefits] --- B[Supplemental Security Income (SSI)]
```

Social Security  
Related  
Benefits

Supplemental  
Security  
Income (SSI)

# PASS

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**Purpose: Get extra SSI to pay for food/shelter while using own money to pay for work expense to become self-sufficient**

- **Set aside unearned income (not SSI) or wages**
- **Money in account must be used to pay for a work goal/expenses (excluded from resource limit)**

# PASS

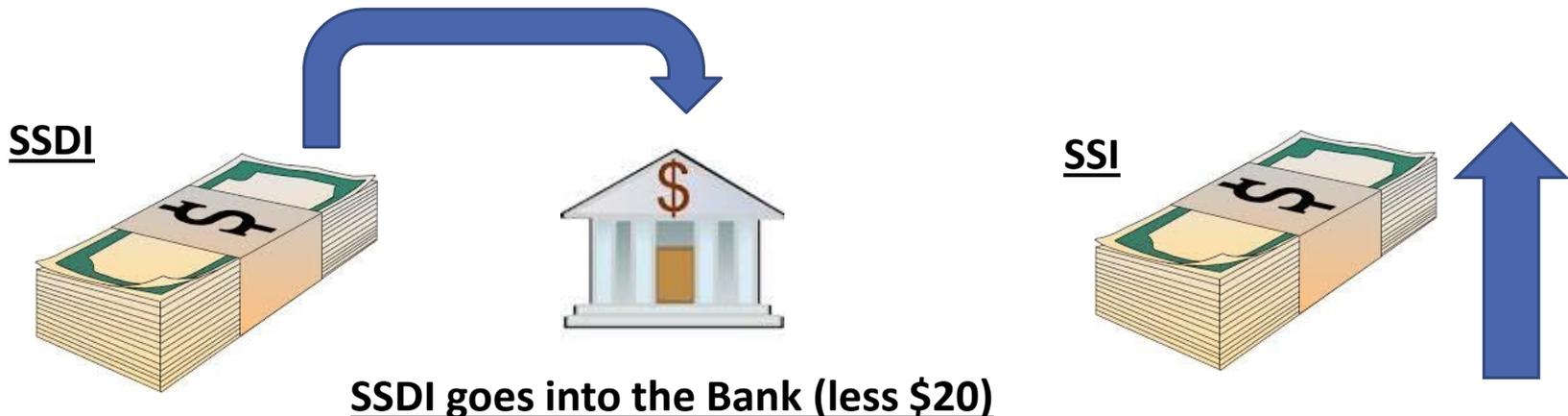
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- **Get SSI or increased SSI to cover living expenses – Goal must eliminate need for SSDI or significantly reduce need for SSI**
- **Time limited – length based on goal**

# PASS

If you are a concurrent beneficiary (receive both SSI and Title II), you are a perfect candidate for a PASS plan!

Lets look at an example...



# PASS CADRE: KATE RADER

**PASS Cadre  
Location**

Lincoln, NE

**Jurisdiction**

Kansas,  
Missouri,  
Iowa,  
Nebraska

**Toll-free  
Number**

866-592-1755,  
ext. 23014

**Local Number**

866-592-1755,  
ext. 23014



# PASS Examples

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- Tuition
- Self Employment Start Up Costs
- Resource Ownership/Equipment/Tools
- Vehicle
- Etc.

*Remember the goal is to reduce or eliminate need for SSI/Title II Benefits*

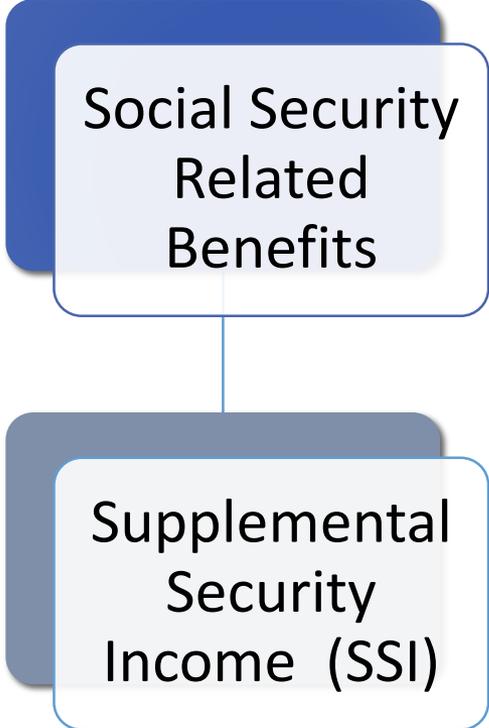
# Questions?

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# 1619 (B)

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```
graph TD; A[Social Security Related Benefits] --- B[Supplemental Security Income (SSI)]
```

Social Security  
Related  
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Security  
Income (SSI)

# 1619 (B) Protection

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- If your earned income causes SSI check to go down to \$0 (balance out) – you can still maintain SSI eligibility state (Medicaid too)!
- This is HUGE for folks!

# 1619 (B) Protection

## Eligibility Criteria

- Received SSI the month before 1619b starts
- Need Medicaid
- Continue to experience a disability
- Continue to meet resource limit and SSI non-financial eligibility criteria
- Earnings under annual threshold
- MO: \$37,188/year

# P.E.S.S.

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**Property  
Essential for  
Self  
Support**

Social Security  
Related  
Benefits

Supplemental  
Security  
Income (SSI)

# PESS

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- Resources that are essential to a person's business (their means of self-support) are excluded.
- You can have more than \$2k in resources if in a business account (must be sole proprietorship)

# PESS

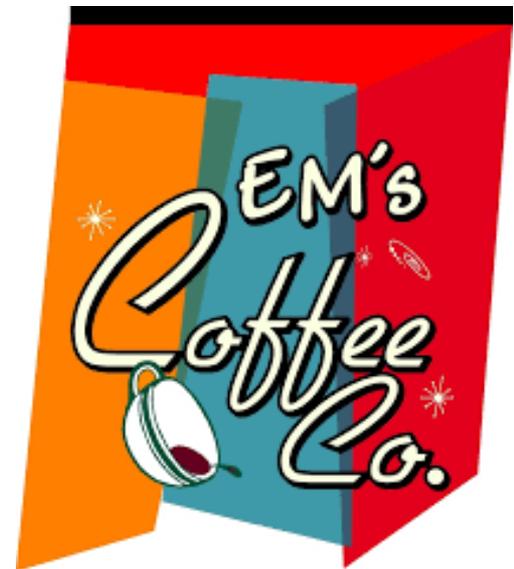
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## Property Excluded Regardless of Value or Rate of Return

- Property used in a trade or business
- Property used by an individual as an employee for work
- Property required by an employer for work
- Resources/property must currently be used to be considered under PESS

# PESS Example

Em is a business owner who runs Em's Coffee Co. She needs certain equipment to run her business such as an espresso machine, coffee grinder, industrial sinks, fridge and convection oven. These items add up to thousands of dollars. Due to PESS Em doesn't need to worry about these resources impacting her SSI.



# SSI Work Incentive Summary

- Multiple work incentives can be used at once
- Not all work incentives work for all people – assess and decide what makes sense
- Even if additional work incentive aren't use, will still financially get ahead
- With IRWE/BWE

*If high income and low expense amount, may not be able to get any extra SSI back*

# EFSLMP Community of Practice

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If you are not a current subscriber to ODEP's EFSLMP mailing list, you can register [here](#).

# Contact

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# Questions?

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