

Maximizing Work Potential for Transition Age Youth



Presented by Easter Seals Nebraska



WHY IS BENEFITS PLANNING FOR YOUTH IMPORTANT?



- Cash benefits and associated medical insurance are valuable resources as students transition into adult life
- Early intervention and education about benefits and work incentives helps prevent future problems
- Work incentives are designed to increase employment and earnings capacity over time → work is good!

CRITICAL BENEFITS ISSUES FOR YOUTH UNDER AGE 18



- Understanding the work incentives designed specifically to help students (SEIE, PASS)
- Understanding the switch from deeming to in-kind support and maintenance after the child turns 18
- Understanding and preparing for the age 18 re-determination process
- Establishing and maintaining eligibility for SSI and Medicaid is a main concern for youth and their families

TITLE II BENEFITS AND YOUTH UNDER 18



- Title II disability benefits include Social Security Disability Insurance (SSDI) and Childhood Disability Benefits (CDB). Children under the age of 18 are **not** eligible for CDB, and are not likely to be receiving SSDI benefits at this young age.
- To receive CDB, the individual must be at least 18, disabled per SSA's definition before the age of 22, the child of an insured worker who is deceased, receiving retirement or disability benefits, and unmarried (with some exceptions)

TITLE II CHILD'S BENEFITS



- Title II child's benefits are provided to certain children of insured workers (under age 18 or under age 19 if full-time secondary student, unmarried, & dependent on the worker) who are now deceased or receiving Social Security retirement or disability.
- Keep in mind that Title II child's benefits are in no way related to disability → NOT able to use work incentives!

18TH BIRTHDAY



- When a child beneficiary turns 18, continued eligibility for SSI and Medicaid must be re-established through the Age 18 Redetermination process.
- All youth who receive SSI under the childhood disability criteria are required to have their eligibility re-determined using the adult criteria, without consideration of any prior disability determinations.
- It is critically important to be prepared!

AGE 18 RE-DETERMINATION



The childhood definition of disability varies greatly from the adult standard. Therefore, an individual can be determined ineligible for SSI benefits as an adult even though there has been no change in medical condition or ability to function since being found eligible for childhood SSI benefits.

SSA DEFINITION OF DISABILITY - CHILD



- A person under the age of 18
- Medically determinable physical or mental impairment which results in marked and severe functional limitations
- That can be expected to result in death, or that lasts or is expected to last at least 12 months

SSA DISABILITY DEFINITION - ADULT



- Inability to engage in any substantial gainful activity
- Because of medically determinable physical or mental impairment
- That can be expected to result in death, or that lasts or is expected to last at least 12 months

AGE 18 RE-DETERMINATION



- The review will usually occur within 12 months of the 18th birthday and may occur at a regularly scheduled medical continuing disability review.
- The outcome of the Age 18 Redetermination will affect continued eligibility for SSI and Medicaid.
- If an adverse decision is made, SSI benefits will be terminated after 2 months.

AGE 18 RE-DETERMINATION PROCESS



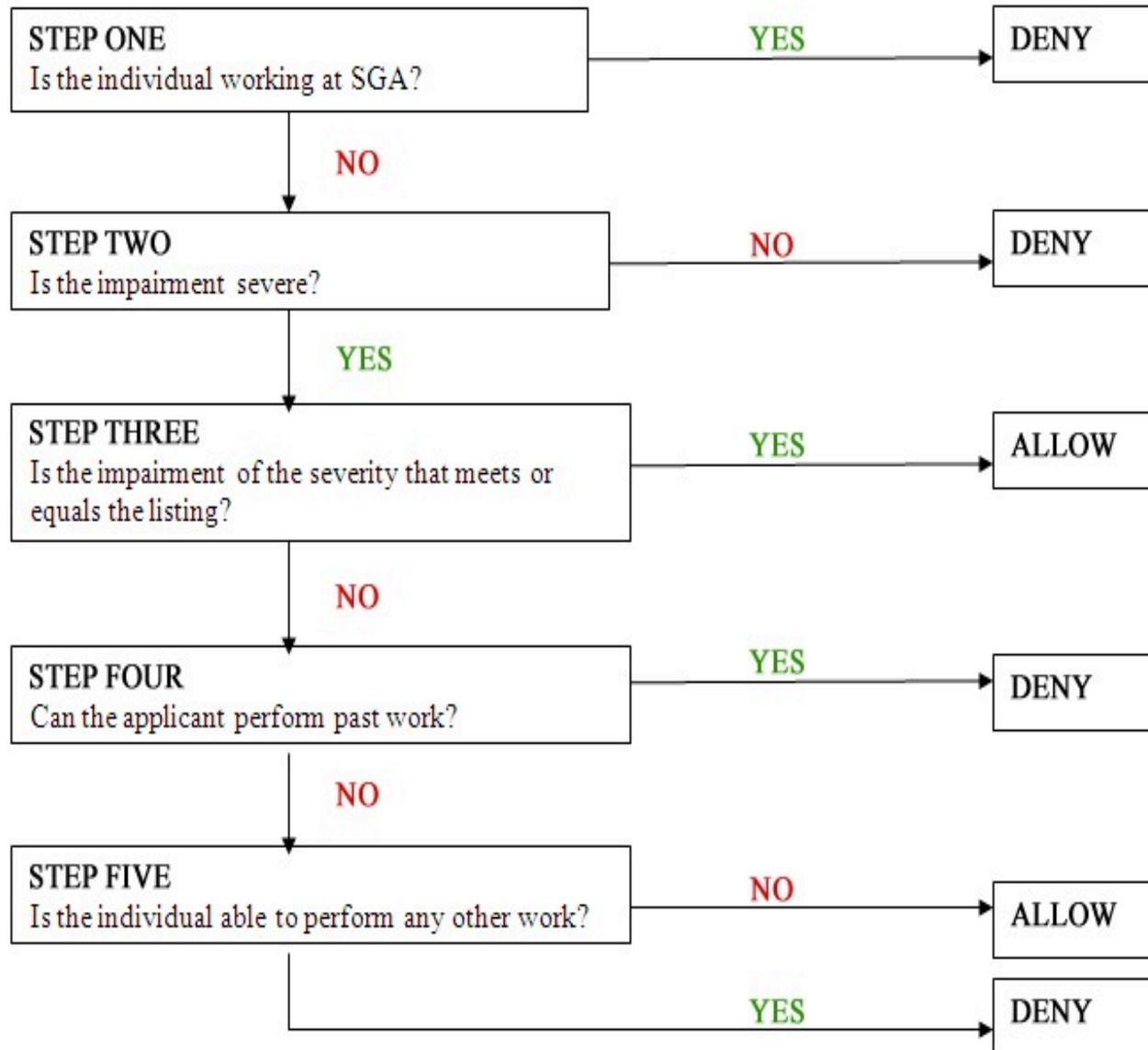
- SSA will gather medical and other information to determine if the child is eligible to receive adult disability benefits.
- Disability Determination Services (DDS) will examine the individual's ability to earn income in future employment by reviewing information gathered from his or her teachers and/or rehabilitation professionals or from any work performed in actual work environments.

AGE 18 RE-DETERMINATION PROCESS



- The youth who has had community work experience may have an advantage during this process, as the information gathered will relate directly to their ability to perform in actual work environments and will not rely solely on their performance in school.
- A more accurate assessment of an individual's future ability to earn income may be made if they have worked.

The Sequential Evaluation Process



SECTION 301



Section 301 allows for continued cash and medical benefits for certain individuals who are determined to be medically recovered (meaning they no longer meet the disability standard) while participating in an approved vocational rehabilitation plan.

SECTION 301 REQUIREMENTS



- A beneficiary must be actively participating in an approved program prior to the adverse disability determination.
- Continuation in the program must increase the likelihood the person will not return to disability rolls.
 - For youth under the age of 22, SSA *assumes* that continued participation in the education program under an IEP is likely to result in permanent removal from the disability rolls.

APPROVED SECTION 301 PROGRAMS FOR FOR YOUTH



- Participation in an Individualized Plan for Employment (IPE) with state vocational rehabilitation
- Participating in an individualized written employment plan with an agency of the Federal Government OR public or private agency with expertise in vocational rehabilitation or employment services
- Being involved in a PASS plan
- Participation in school for students aged 18-22 as long as the student receives services under an IEP (Individualized Education Plan)

HOW SSI TREATS INCOME



- SSI counts all forms of income when determining the amount of an SSI cash payment
- A little less than half of earned income is counted when figuring countable income to subtract from Federal Benefit Rate → always come out financially ahead in SSI when you work.

STUDENT EARNED INCOME EXCLUSION



- Under age 22
- A student regularly attending school, college, or training to prepare for a paying job
- How is regular school attendance defined?
 - College – 8 hours a week
 - Grades 7 to 12 – 12 hours a week
 - Training Course – 12 or 15 hours a week

STUDENT EARNED INCOME EXCLUSION



SSA will exclude up to \$1,750 in earnings per month and \$7,060 per year in 2014.

APPLICATION OF THE SEIE



- Student status will continue for the purposes of SEIE when classes are out if the student attends classes regularly just before the time classes are out, if they tell SSA that they intend to resume regular attendance when school re-opens, and if they actually do resume regular attendance when school re-opens
- SSA verifies student status during the Annual Re-determination process for SSI
- If SSA is aware of the child's student status, the SEIE generally will be applied automatically when earnings are reported

PLAN TO ACHIEVE SELF SUPPORT (PASS)



- A PASS is intended to promote self-sufficiency through employment.
- A PASS allows an individual to set aside income and/or resources to acquire items and services for a specified period of time to achieve their specific work goal
 - Must have income other than just the SSI cash benefit to set aside (ie. earned income or deemed income)
- Funds set aside in the PASS will be excluded when determining countable income in the SSI calculation

PLAN TO ACHIEVE SELF SUPPORT (PASS)



- A PASS can start as early as 14 years old.
- Education expenses can be written as part of the PASS plan, but a specific work goal must be identified. One cannot just write a PASS for school with no end goal in mind.
- A PASS can be used to start a business, but a detailed business plan is required.
- PASS funds must be kept in a separate bank account and the account is monitored regularly by SSA.

PLAN TO ACHIEVE SELF SUPPORT (PASS)



Common items/services used through PASS:

- Transportation to and from work;
- Tuition, books, fees and supplies needed for school or training;
- Child care;
- Attendant care;
- Employment services, such as job coaching and resume writing;
- Supplies to start a business;
- Equipment and tools to do the job; or
- Uniforms, special clothing and safety equipment

SSI AND 1619(B)



1619(b) is a work incentive offering continued Medicaid eligibility for working individuals whose earned income is too high to qualify for SSI cash payments, but not high enough to offset the loss of Medicaid.

In 2014, an SSI recipient's Medicaid in Nebraska is protected under 1619(b) up to state threshold of \$37,894 in earnings for the year.

SSI AND 1619(B)



If earnings are higher than the annual 1619b state threshold, but there are special work expenses or medical expenses, the individual may still qualify for continued Medicaid under an individualized threshold amount. This amount can be established through Social Security.

YOUTH AND TITLE II BENEFITS



- A youth is likely to become entitled to Title II benefits one of two ways:
 - Worked enough and earned enough credits to become entitled to Title II on his/her own work record (SSDI)
 - A parent has retired, become disabled, or died and the beneficiary is entitled to Title II based on his/her parents' work record (CDB)
- If a beneficiary becomes entitled to Title II benefits, it must be used as SSI is the “payer of last resort”

SPECIAL MEDICAID BENEFICIARIES



- Individuals who have lost SSI payments due to receipt of or increase in Title II benefits, but who are allowed to retain Medicaid coverage
 - Cost of living increase in Title II
 - Entitlement to or increase in Childhood Disability Benefit
 - Entitlement to Disabled Widower Benefit until Medicare starts
- When determining Medicaid eligibility for these special former SSI recipients, the Medicaid agency must exclude all of the individual's Title II disability benefit that caused the loss of the SSI payment

TITLE II AND EARNED INCOME



- Earnings from employment will affect a person's cash payment depending on where the person is in his/her work history since entitlement:
 - Trial Work Period (TWP)
 - Extended Period of Eligibility (EPE)
 - Expedited Reinstatement (EXR)

TRICKY SITUATIONS WITH YOUTH AND TITLE II



- It is possible a person could be entitled to Title II benefits based on their own work record AND one of his/her parents' work records → dual entitlement
- When a person becomes eligible for Title II, he/she may also still qualify for SSI based on the amount of the Title II cash benefit → concurrent beneficiary

CONTACT US?



Referral process? Mention NWII?