

A Desktop Guide To Social Security And SSI Work Incentives

Special rules make it possible for people with disabilities receiving Social Security or Supplemental Security Income (SSI) to work and still receive monthly payments and Medicare or Medicaid. Social Security calls these rules “work incentives.” Following are the rules that apply under each program. For more copies or additional materials on work incentives, contact any Social Security office.

Social Security

Trial Work Period—A period of nine months (not necessarily consecutive) during which the earnings of a Social Security beneficiary who is blind or disabled will not affect his or her benefit. (The nine months of work must occur within a 60-month period.)

Extended Period of Eligibility—For at least three years after a successful trial work period, a Social Security beneficiary who is blind or disabled may receive a disability benefit for any month that his/her earnings are below the substantial gainful activity level (in 2000, \$700 for people who are disabled, \$1,170 for people who are blind).

Continuation of Medicare—If Social Security disability payments stop because a person has earnings at or above the substantial gainful activity level, but the person is still disabled, Medicare can continue for at least 39 months after the trial work period. After that, the person can buy Medicare coverage by paying a monthly premium.

Impairment-Related Work Expenses—Certain expenses for things a person with a disability needs because of his/her impairment in order to work may be deducted when counting earnings to determine if the person is performing substantial gainful activity.

Recovery During Vocational Rehabilitation—If a person recovers while participating in a vocational rehabilitation program that is likely to lead to becoming self-supporting, benefits may continue until the program ends.

Special Rules For Persons Who Are Blind—Several special rules apply to working beneficiaries who are blind. For example, in 2000, they can earn up to \$1,170 before their benefits are affected.

Supplemental Security Income (SSI)

Continuation Of SSI—Working SSI recipients who are blind or disabled may continue to receive payments until countable income exceeds SSI limits.

Continuation Of Medicaid Eligibility—Medicaid may continue for SSI recipients who are blind or disabled and earn over the SSI limits if they cannot afford similar medical care and depend on Medicaid in order to work.

Plan For Achieving Self-Support—An SSI recipient who is blind or disabled may set aside income and resources toward an approved plan for achieving self-support (PASS).

Impairment-Related Work Expenses—Certain expenses for things a person with a disability needs because of his/her impairment in order to work may be deducted when counting earnings to determine if a person is eligible and to figure the payment amount. For working persons who are blind, the work expenses need not be related to the impairment.

Recovery During Vocational Rehabilitation—If a person recovers while participating in a vocational rehabilitation program that is likely to lead to becoming self-supporting, benefits may continue until the program ends.

Sheltered Workshop Payments—Pay received in a sheltered workshop is treated as earned income, regardless of whether it is considered wages for other purposes. This enables Social Security to exclude more of the sheltered workshop employee's earnings when computing his/her SSI payment.

Students With Disabilities—Tuition, books and other expenses related to getting an education may not be counted as income for recipients who go to school or are in a training program.

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