



Social Security Disability Income (SSDI) Work Incentives

Trial Work Period:

- ◆ During the Trial Work Period (TWP), a beneficiary is able to make unlimited earnings and still keep all their SSDI check.
- ◆ Any month that their gross income is over the TWP amount counts as one of their TWP months. This number changes yearly – visit <http://www.socialsecurity.gov/OACT/COLA/sga.html> for the current amount.
- ◆ Social Security allows nine TWP months.
- ◆ The 9 months do not have to be consecutive.
- ◆ The 9 months are counted in a 5 year rolling period.
 - First the TWP amount five years ago was much lower than today so many people may be unaware that they used a TWP month or even all their TWP months.
 - If someone used a TWP month 6 years ago they get that month back. The one exception to this is once a person uses ALL 9 TWP months they cannot get them back UNLESS they get new period of entitlement for their SSDI, meaning they worked off of SSDI and then were awarded benefits again.
- ◆ After all TWP months are used if the consumer works below SGA all continues as normal as long as they don't go above SGA.

Cessation Month:

- ◆ 1st month of SGA after all TWP months have been used.
- ◆ Beneficiary will get a SSDI check this month.

Grace Periods:

- ◆ 2nd and 3rd month of SGA after all TWP months have been used.
- ◆ Beneficiary will get a SSDI check for each of these months.

Extended Period of Eligibility (EPE):

- ◆ Starts the first month Trial Work Periods have been all used up.
- ◆ Last for 36 months regardless if the person is working or not.
- ◆ The months the person does not make SGA the beneficiary will get a SSDI check. This number changes yearly – visit <http://www.socialsecurity.gov/OACT/COLA/sga.html> for the current amount.

http://dwd.wisconsin.gov/dvr/social_security



Impairment Related Work Expenses (IRWE):

- ◆ Work incentive for individuals who have to pay out of pocket expenses in order to work due to their disability.
- ◆ This incentive can be used when a person income is above SGA.
- ◆ Subtract out approved expense from the person gross income to decrease their overall gross income.
- ◆ If the person's gross incomes in below SGA after the IRWE's are taken out they will continue to get their SSDI checks.

Requirements for IRWE:

- ✓ Related to physical or mental impairment
- ✓ Necessary for them to work
- ✓ Paid out of pocket by the beneficiary
- ✓ Reasonable expense
- ✓ Paid for in the month they are working

Expedited Reinstatement (EXR):

- ◆ Way to restart SSDI payments
- ◆ After someone request EXR receive up to 6 months of provisional SSDI benefits and Medicare while Disability Determination Bureau makes determination
- ◆ If they have disability benefits continue
- ◆ If they do not have a disability they DO NOT owe the money back!
- ◆ After 24 payments get all new Trial Work Periods

To Qualify:

- ◆ SSDI was terminated because earnings were above SGA
- ◆ SSDI benefits were terminated in the last 5 years
- ◆ Beneficiary has same or similar disability
- ◆ Earnings are no longer consider SGA

Reapplication:

- ◆ Reapply for services just like applying for initial benefits
- ◆ No provisional payments like in Expedited reinstatement
- ◆ If person applies within 5 years of termination of benefits they will not have the 5 month waiting period for SSDI
- ◆ If approved will get trial work periods months immediately



LESS USED WORK INCENTIVES

Unsuccessful Work Attempt:

- ▶ Can be used to avoid the use of Cessation month (please see above).
- ▶ Must NOT have already used their Cessation month.
- ▶ This work incentive is used when someone attempts to earn SGA for a short time (less than 6 months) but due their disability or removal of special conditions at the job has to end the job.
- ▶ SSA will review the earning and may not consider the earnings allowing the persons benefits not to cease.

Example:

A person 4 years ago had used 9 TWP months has not used their cessation month yet. Now they have a new job that lasted 5 months but due to a disability related issue the person can no longer can perform the job. However due to the 9 months TWP being used before and it being 4 years ago and now working the 5 months would now start the EPE clock. They can ask for the 5 months of work they just performed to be considered an Unsuccessful Work Attempt removing it and restating their benefits as if they had not worked.

Averaging:

- ▶ Averaging is another work incentive that can help protect a beneficiary's cessation month (see above).
- ▶ When earnings vary from month to month (some months are below SGA and some months are above SGA).
- ▶ SSA will do the calculation for you.

Averaging CAN NOT be used:

- Over a time period when SGA changes
- Two separate periods of work/change in work pattern



Subsidy and Special Conditions:

- ◆ Used to reduce earned income.
- ◆ Person may receive wage higher than work performed.
- ◆ **Subsidy** occurs when an employer pays and individual the same wages but helps the person perform the job (i.e., job coach, extra supervision, modified work, schedule, modified job task, or extra breaks).
- ◆ **Special Conditions** occur if the individual is not fully earning his or her wages because the work is performed under special conditions (e.g., close and continuous supervision, on-the-job-coaching and substitution during which the job coach performs part or all of the individual's job duties). SSA must deduct that part of his or her wages that are not "earned" by the individual from his/her average gross wages. This is true whether or not the employer or someone else provides the special (on-the-job) conditions.