

***Benefit Options for People
with Disabilities: Focus on
Social Security Medicaid and
Medicaid Purchase Plan***

***Long-Term Care
Options Counseling***

Tool Kit:

A PROFESSIONAL'S GUIDE



Webcast: Benefit Options for People with Disabilities: Focus on Social Security and Medicaid Purchase Plan

Competency/skill – Understand the main components of key benefit programs designed to meet the needs of people with disabilities.

Objectives:

1. Describe the main benefits that are part of Social Security Title II.
2. List what groups of individuals may benefit from Supplemental Security Income.
3. Explain the income and asset requirements for Supplemental Security Income.
4. Describe the benefits related to the Medicaid Purchase Plan (MAPP).
5. Explain the eligibility requirements for Medicaid Purchase Plan (MAPP).

Sample discussion questions:

1. Discuss Title II and Title XVI of Social Security programs. Role play how you would explain these programs to a consumer.
2. Discuss the differences between SSDI and SSI.
3. What are the different levels of appeals (for SSA decisions)?
4. Discuss the Medicaid Purchase Plan. Role play how you would explain the program, including eligibility requirements to a consumer.
5. Disability Benefit Specialists help consumers. Discuss how you make referrals to your Disability Benefit Specialist.



Social Security & Wisconsin Benefit Programs and Processes



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SSA Introduction

Two main programs: Title II and Title XVI

Title II: regular Social Security benefits

- Social Insurance: compulsory, current cost basis
 - Partial replacement of earnings lost due to retirement, death, or disability – basic economic support
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Title II Benefits

- Covered earnings – FICA wages
- Credits - \$970 in '06; 4 max in year
- Insured Status – certain number of credits needed to be entitled
- Payments – based on lifetime earnings



Title II

Social Security benefits - based on a person's lifetime FICA earnings.

- Retirement
- Survivor
- Auxiliary
- Disability - Social Security Disability Insurance (SSDI)

Having a physical or mental condition that prevents a person from engaging in substantial work for 12 months or that is expected to end in death.



Title II Disability (SSDI)

- Disability Insurance Benefits (DIB)
- Disabled Widow(er) Benefits (DWB)
- Child's Disability Benefits (CDB)
(also know as Disabled Adult Child's or DAC benefits)
- Disabled surviving divorced spouse benefits



Medicare

- Basic health coverage for retired (over 65) and disabled beneficiaries
- Part A (HI – inpatient services)
- Part B (SMI – doctor/outpatient services)
- Part C (Medicare Advantage)
- Part D (Prescription Drug)



Work Incentives

Provisions that allow people to try to work by protecting their eligibility to benefits

Examples:

Trial Work Period (TWP): test ability to work for 9 months without losing benefits (\$620)

Extended Period of Eligibility (EPE): the 36 months after the TWP

Expedited Reinstatement (EXR): payments restart within 5 yrs without a new application



Title XVI (SSI)

Supplemental Security Income (SSI) provides a minimum level of income to those who have limited income and resources and are also:

- Aged (65 and over), or
- Blind, or
- Disabled (same definition as Title II)



Title XVI (SSI)

- Level of income and assets for eligibility:
 - “Countable” income less than:
 - \$603.00 per month (2006)
 - “Countable” assets less than:
 - \$2,000.00 for single person
 - \$3,000.00 for couple

(Certain income/resources are excluded)
- Federal payments for 2006:
 - \$603.00 for an individual
 - \$904.00 for a couple
 - (Minus countable income)



SSI State Supplement

- Available to recipients who qualify for at least \$1 of Federal SSI:
 - Basic supplement (\$83.78)
 - Exceptional Expense Supplement (\$95.99)
 - Caretaker Supplement (\$250)
- State-only supplement – special eligibility status for those receiving only the state supp in 1996 (no federal payment)



Medicaid

- State and federal program providing comprehensive medical assistance for people with low income and resources.
- People who receive SSI get Medicaid automatically in Wisconsin.
- Other people with disabilities who do not receive SSI can also qualify in various ways.



Work Incentives: SSI

Examples:

Earned Income Exclusion: \$65 plus half of the remainder excluded per month

Student Earned Income Exclusion: up to \$1,460.00/ month, annual max of \$5,910.00

Impairment Related Work Expenses (IRWE): cost of items/services needed to work deducted in computing payment

1619(b): MA continues if excess earnings prevent cash payment



SSDI compared to SSI

SSDI

FICA earnings
Amount varies
Retroactivity
No resource limit
Dependent benefits
No state supp
No Medicaid

SSI

Financial need
Basic amount fixed
No retroactivity
Resource limit
No dependent payments
State supplement
Medicaid



Application Process

- Contact SSA: phone (1-800-772-1213), on line (www.ssa.gov), in person
- Application (with SSA rep or online), medical questionnaire, releases, other necessary information
- Right to representation, assistance
- Non-disability factors of eligibility
- Medical part to the state Disability Determination Bureau (DDB)
- Formal computer notice of decision



Appeals Process

- The right to appeal any SSA decision
- Levels of appeal:
 - Reconsideration
 - Hearing
 - Appeals Council
 - Federal Court
- 60 days in which to request appeal



Medicaid/MAPP



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Medicaid – General

- Referred to as: Medicaid, Medical Assistance, MA, Title XIX, TXIX
- Medicaid Eligibility Handbook (MEH)
<http://www.emhandbooks.wi.gov/meh/>
- General Categories of MA:
 - Elderly/Blind/Disabled (EBD)
 - Family/Children
 - Long Term Care
 - Limited Coverage



MA Programs

- EDB
 - SSI Medicaid
 - Categorically Needy Medicaid
 - Medically Needy Medicaid (MA Deductible)
 - Special Status Medicaid (e.g. Katie Beckett)
 - Medicaid Purchase Plan (MAPP)
- Family/Children
 - Badgercare
 - AFDC-Related Medicaid
 - Healthy Start



MA Programs

- Long Term Care

Institutional and community-based: CIP 1A, CIP 1b, CIP II, CIP-W, etc.

- Limited Coverage

Medicare Buy-In

Seniorcare

WI Well Woman Program

Family Planning Waiver

Emergency Medicaid

Tuberculosis-Related



MAPP

(MEH 5.12)

- For Wisconsin residents with disabilities who are working or intend to work can purchase MA
- Asset and income limits higher than with other forms of MA
- Can save more through excluded Independence Accounts
- Can be full MA program for community waivers (CIP waivers) with premiums rather than cost share



MA – General Eligibility

Must be WI resident

Must be U.S. Citizen or “qualified alien”

Must meet income and asset tests for specific MA program



MAPP Eligibility

- Have had a disability determination (if no disability determination, will be done at application for MAPP)
- Working or have a Health Employment Counseling (HEC) plan
- Countable assets less than \$15,000
- Net Income less than 250% FPL (spouse and applicant income is used)
- 18 or older (no age limit)



MAPP Employment

- Engage in work activity at least once per month - receiving something of value as compensation for work activity including wages or in-kind payments (not loans, gifts, awards, prizes, and reimbursement for expenses)
- Self-employment activity that generates some compensation at least once in the calendar month even if no current net-profit



MAPP Employment Exemption

If serious illness or hospitalization causes inability to work, work requirement can be suspended for up to six months and MAPP eligibility continues:

- Must have been enrolled in MAPP for six months and paid premiums prior to the request of an exemption,
- Expected to return to work in the next six months (must provide an expected date of recovery)
- Specify reason exemption needed (i.e., illness or hospitalization), and
- Have had no more than two exemptions (maximum of six months each) to work requirement in a three-year time period.



HEC

For people with disabilities who:

- Want to work but are not yet working
- Plan to work within 9 months

Process

- Develop employment plan
- Submit employment plan to HEC screener
- HEC Screener reviews and submits plan to DHFS for review
- DHFS sends approval/denial letter to applicant
- Apply for MAPP with and give letter to ESS



HEC Period

- HEC approval lasts for nine months
- May be extended 3 months if consumer is not employed but seems likely to be working soon
- Extension must be requested in 7th month
- HEC period ends when employment is reached
- Limit of two periods in five years
- MAPP eligibility ends if HEC period ends and person is not employed
- Questions contact HEC hotline: 1-800-391-2950



MAPP – Income Eligibility

- Start with total gross earned and unearned income of applicant and spouse
- Apply deductions (similar to SSI income disregards):
 - \$65.00 plus one-half of the remaining earned income subtracted from total earned income
 - Impairment Related Work Expenses (IRWE) of the applicant subtracted from total earned income after \$65 and 1/2 deduction
 - Standard \$20 deduction from total unearned income
 - Net must be less than 250% of the Federal Poverty Level (FPL)



MAPP – Income Eligibility

Example: Person with \$700 of earnings and \$680 of SSDI.

\$700.00 Earnings	\$680 SSDI
- <u>\$65.00</u> disregard	- <u>\$20</u> disregard
\$635 ÷ 2 = \$317.50	\$660
+ <u>SSDI</u> \$660.00	

Countable \$977.50 is less than 250% of FPL (\$2041.67), so person eligible



MAPP Premiums

- If individual GROSS income over 150% of FPL for family, premium is calculated.
- Deduct from unearned income: living allowance (\$706), any IRWE, and any Medical Remedial Expenses (MRE's.)
- Multiply earned income by 3%.
- Add countable unearned and earned income and compare to premium chart in Medicaid Eligibility Handbook (MEH):
Appendix 8.1.13 MAPP Premiums



MAPP Premiums

Example of a person with:

Income of \$600/month earned and SSDI of \$850/month.

Expenses of \$80/month for specialized equipment for work and MRE's of \$20.

MAPP income calculation:

Gross income is $\$600 + \$850 = \$1,450$ which is over 150% FPL (\$1,225), so premium is necessary

(NOTE: the MAPP no premium income limit for 2006 is \$1,225 for an individual, \$1,650 for a couple)



MAPP Premiums

Example continued:

MAPP premium calculation:

\$850.00	\$600 (earnings)
- \$706.00 living allow	<u>x 3%</u>
- \$80.00 IRWE	\$18
- <u>\$20.00 MRE</u>	
\$44.00 unearned inc + \$18 earned inc = \$62	

\$62.00 countable income (compare to premium chart) = \$50 premium



MAPP Assets

- Countable assets cannot exceed \$15,000
- Only countable assets of the recipient or applicant are considered – not those of a spouse or other family member
- Independence Accounts (IA) are possible for MAPP recipients



MAPP Independence Account

- Recipient must be sole owner (not jointly held) – no restriction on number or types
- Must register any with ESS
- Retirement or pension accounts can be registered as independence accounts – but still a countable asset at application
- Contributions are exempt as assets, but deposit total cannot exceed 50% of gross earnings from 12 month MA review period (penalty would result)



MAPP Independence Account

- If work ends and person is no longer eligible for MAPP, accumulated assets may prevent eligibility for other types of MA



MAPP Information

- <http://dhfs.wisconsin.gov/medicaid1/recpubs/factsheets/phc10071.htm>
- 1-800-362-3002

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