

ADDITIONAL WORK INCENTIVES AVAILABLE TO PEOPLE WITH DISABILITIES ON SSDI

Additional Work Incentives for SSDI Beneficiaries

SSDI recipients may be able to take advantage of one or more of the following incentives:

EARNING RELATED INCENTIVES

- Trial Work Period
- Extended Period of Eligibility
- Establishing a Plan for Achieving Self Sufficiency (PASS plan)

HEALTH COVERAGE INCENTIVES

- Continuation of Medicare Coverage
- Medicare for People With Disabilities Who Work
- Obtaining Medicaid coverage while employed

Earnings-Related Incentives

What is a trial work period?

A trial work period allows you to test your ability to work for 9 months. During this time you receive your full SSDI payment regardless of how much you earn as long as you continue to be disabled. The 9 months does not need to be consecutive. It will last until you accumulate 9 months within a rolling 60-month period. Certain other rules apply.

What is the extended period of eligibility?

If your disability benefits stop after successfully completing the trial work period because you worked at the substantial gainful activity (SGA) level, SSA can automatically reinstate your benefits without a new application for any months in which your earnings drop below the SGA level.

So, for example, if after you complete the trial work period you may need to spend more on personal assistance or other impairment related work expenses for a particular month. This, in turn, may reduce our earnings below the SGA level for that month. SSA will provide you a SSDI check for that month.

This reinstatement period lasts for 36 consecutive months following the end of the trial work period. You must continue to have a disabling impairment in addition to having earnings below the SGA level for that month.

Health Coverage Incentives

Can someone on SSDI continue Medicare coverage when they return to work?

Yes. If you go off SSDI when you return to work you can continue Medicare coverage for 93 months after completing the 9 months work period. Combined with the trial work period, therefore, you can receive Medicare Part A coverage premium-free for a total of 8 and half years. You can also continue to pay for Part B during this same time.

Most people who return to work after the trial work period will automatically retain Medicare in this manner if they have completed the initial 24 waiting period or were otherwise exempted from the waiting period requirement.

Persons who complete their trial work period before the 24 month Medicare waiting period runs out can still take advantage of this incentive. But, they must wait for the full 24 months to elapse before such Medicare coverage goes into effect. Hence, if you begin your trial work period at the beginning of the sixth month after you started to receive your SSDI and ends 9 months later that means you will be 15 months into the 24 month Medicare waiting period, you will have to wait another 9 month for coverage to begin. Alternatively, if you begin your trial work period at the start of month 15 and it ends 9 months later, the waiting period will be satisfied and your Medicare coverage will start at this point. If you begin working before your Medicare benefits start, you should take care to maintain your SSDI benefits if you earn more than SGA. If you believe that you will earn more than SGA, we urge you to explore using work incentives such as the impairment-related work expenses (IRWE) or plan for achieving self-sufficiency (PASS) to get your countable earnings below the SGA standard. If you have questions, you should contact your local Benefits Planning, Assistance and Outreach (BPAO) program. To locate the BPAO project nearest you, call 1-866-968-7842 or for the hearing impaired, call 1-866-833-2967 (TTY/TDD). You can also find a list with contact information on the Social Security Administration's website at www.socialsecurity.gov/work/ServiceProviders/BPAODirectory.html.

People with disabilities that have Medigap who return to work and have employee-based insurance can request that such Medigap coverage and premiums be suspended. The Ticket to Work Act also requires reinstatement of a Medigap policy if group coverage is lost provided that the person gives notice of loss of employer coverage within 90 days.

Can people with disabilities who work buy into Medicare once their eight and a half years of premium-free coverage runs out?

Yes. After premium-free Medicare coverage ends due to work, some people who have returned to work may buy continued Medicare coverage by paying the full premium, as long as they remain medically disabled.

Will people with disabilities who return to work be eligible for Part D?

Eligibility for the Medicare Part D prescription drug benefit (that begins on January 1, 2006) is not tied to an individual's work status. The Part D benefit is available to individuals who are entitled to Medicare Part coverage and/or enrolled in the Medicare Part B program.

Can people with disabilities on SSDI who return to work buy into Medicaid?

As previously noted, there are ways that people with disabilities on SSDI who return to work can receive Medicaid coverage by meeting certain requirements. These will be in the sections on Medicaid below.